

# Community

## - Sponsorships:

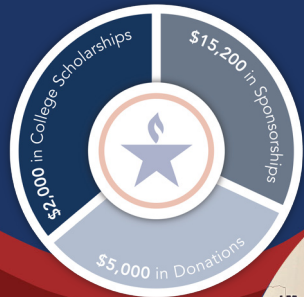
- Bee Happy Day Program, Kaufman
- Children's Advocacy Center of Kaufman County
- City of Kaufman
- Ferguson Road Initiative, Dallas
- Greenville ISD – Hero of Hope
- Hunt Regional Healthcare Foundation
- Greenville ISD
- Kaufman Chamber of Commerce
- Silberstein Elementary School, Dallas
- Terrell ISD Adopt-A-Classroom
- Terrell State Hospital
- The Center in Kaufman

## - Donations: Financial & Goods

- Bee Happy Day Program, Kaufman
- Greenville ISD
- Greenville Chamber of Commerce
- Kaufman ISD
- Kaufman Chamber of Commerce
- Norville Children's Shelter, Kaufman
- Silberstein Elementary School, Dallas
- Terrell Chamber of Commerce
- The Center in Kaufman

- Awarded 30 Good Grants

- Awarded 2 \$1,000 Scholarships



## Statement of Income

INCOME	2023	2022
Interest on Loans	\$6,130,170	\$4,972,605
Investments	\$1,024,114	\$512,555
Non-Interest Income	\$2,663,794	\$2,922,653
<b>TOTAL INCOME</b>	<b>\$9,818,078</b>	<b>\$8,407,813</b>
EXPENSE		
Non-Interest Expense	\$7,250,474	\$6,436,249
Total Interest Expense	\$1,694,477	\$297,290
Provision for Loan Loss	\$481,901	\$275,541
<b>TOTAL EXPENSE</b>	<b>\$9,426,852</b>	<b>\$7,009,080</b>
Non-Operating Income	\$ (10,651)	\$1,063,377
<b>NET INCOME (LOSS)</b>	<b>\$380,575</b>	<b>\$2,462,110</b>

## Statement of Financial Condition

ASSETS	2023	2022
Loans	\$115,605,010	\$118,509,110
Less Allowance for Loan Loss	\$ (746,084)	\$ (418,916)
Net Loans	\$114,858,926	\$118,090,194
Cash	\$2,025,221	\$1,381,979
Investments	\$41,571,604	\$28,468,409
Net Fixed Assets	\$11,334,747	\$ 9,469,765
Other Assets	\$6,158,437	\$6,121,787
<b>TOTAL ASSETS</b>	<b>\$175,948,935</b>	<b>\$163,532,134</b>
LIABILITIES, SHARES & EQUITY		
Total Liabilities	\$1,745,617	\$1,432,801
Shares	\$160,693,043	\$149,313,862
Equity	\$13,510,275	\$12,785,471
<b>TOTAL LIABILITIES, SHARES &amp; EQUITY</b>	<b>\$175,948,935</b>	<b>\$163,532,134</b>
MEMBERS	10,871	10,229



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# 2023 Annual Report



# Leadership



## Message From The CEO

As Members of Lone Star Credit Union, you're not just customers; you're equal owners, each with a voice and a vote. Thank you for actively participating in your credit union.

In the wake of the pandemic, the importance of credit unions has only grown. Lone Star Credit Union strives to adapt to the evolving financial landscape, providing exceptional value and service to our Members. While the economy shows signs of improvement, challenges persist, prompting the financial industry to innovate.

Last year, we opened a new branch in Kaufman, Texas, a culmination of years of effort. Despite delays, we celebrated its opening in July 2023, fostering community connections and growth under the leadership of Bryan Ramirez.

We've expanded our product offerings to meet diverse member needs, including the Save to Win Savings Account, adjustable-rate mortgages, and more. Additionally, we've upgraded our digital services to enhance user experience and streamline processes.

Community involvement remains a core value. In 2023, we contributed over \$15,000 in sponsorships and \$5,000 in donations to various local organizations, furthering our commitment to community improvement.

As a not-for-profit cooperative, we prioritize Member benefits over shareholder returns, passing on profits in the form of lower rates and fewer fees.

Your involvement is vital to our success. As we navigate challenges and embrace digital transformation, your input shapes the future of our credit union.

Thank you for being part of the Lone Star Credit Union family. Here's to a prosperous 2024 together.

*Marcy Phillips* | CEO

The Board of Directors are made up of Members from our local communities who volunteer their time. Directors are elected as representatives to guide LSCU in its mission, to establish governance policies and to monitor the performance of Lone Star Credit Union.

## Board of Directors (Term Expiration Year)

Wayne Price, Chairman of the Board (2024)  
Ryan Holloway, Vice Chairman (2026)  
Jack Smith, Secretary/Treasurer (2025)  
Jerry Clancy, Director (2024)  
Kim Marszalek, Director (2024)  
Dr. Graham Sweeney, Director (2026)  
Dr. Joshua Garcia, Director (2024)

## Advisory Board

Jason White

## Audit Committee

Dr. Graham Sweeney, Chairman  
Kim Marszalek, Vice Chairman

## Executive Management Team



*Marcy Phillips*  
CEO



*Leighann Carson*  
CAO



*Brian Harper*  
CFO

Marcy Phillips, Chief Operations Officer (COO), was named Chief Executive Officer (CEO) July 1, 2024. The position of COO was eliminated.

## AUDIT COMMITTEE REPORT

| from Audit Committee Chairman, Dr. Graham Sweeney

The Audit Committee, composed of a chairperson and two committee members, is a standing Committee of the Board of Directors. The Audit Committee is responsible for ensuring the credit union's established policies and procedures are followed and that the credit union operates in compliance with state and federal guidelines. Lone Star Credit Union is a state-chartered credit union insured by the National Credit Union Administration (NCUA). A supervisory audit was conducted by Doeren Mayhew using financial data as of June 30, 2023.

## TREASURER'S REPORT

| from Board Treasurer, Jack Smith

In 2023, LSCU's assets increased 7.6% to \$175.9 million. Capital remains strong and above regulatory guidelines. Membership grew 6.3% during the year, evidence of the attractive benefit of membership at LSCU.

Savers were rewarded last year with the overall increase in interest rates. The credit union's interest paid on shares in 2023 increased more than five times the prior year. Higher income from loans and investments more than offset the increase in member share expense. Net income declined in 2023 compared to the prior year. There were expenses of a new branch, and more funds were set aside for nonperforming loans. A 2022 one-time gain bears mention in the comparison.

Lone Star Credit Union is well-positioned to fund future growth and continue providing high-quality, affordable financial services to its Members. We value your trust and look forward to helping you feel financially empowered now and in the future.

## NEW PRODUCTS & SERVICES

- Kaufman Branch
- Save to Win
- Referral Program
- Website
- Adjustable-Rate Mortgages
- Phone System
- Enhanced digital services
  - « Stop payment
  - « Principal only loan payments
  - « Loan application (SSO)