

Austin Telco Federal Credit Union

2024 Annual Report

Financial Statements

Assets

Cash & Investments: \$635,305,364

Net Loans: \$1,735,392,764

Fixed Assets (net): \$51,807,938

Total Assets: \$2,519,732,488

Liabilities & Equity

Total Deposits: \$2,092,649,216

Total Liabilities: \$164,213,844

Members' Equity: \$262,869,427

Total Liabilities & Equity: \$2,519,732,488

Income Statement

Interest on Loans: \$79,465,144

Income from Investments: \$10,188,447

Total Interest Income: \$89,653,591

Dividends to Members: \$38,054,537

Interest on Borrowings: \$6,645,109

Total Dividends and Interest: \$44,699,646

Net Interest Income: \$44,953,946

Provision for Credit Losses: \$7,343,714

Non-Interest Income: \$16,263,289

Operating Expenses: \$45,363,751

Net Income: \$15,247,159

Board Chairman & President/CEO Report

David Westlund – Chairman, Board of Directors

Robert Hernandez – President/CEO

As we look back on 2024, we feel a profound sense of achievement and enthusiasm. The progress we've made reflects our solid commitment to serving our members and ensuring financial stability in a constantly evolving economic landscape. Despite the economic hurdles, Austin Telco has remained a secure credit union of choice. Our drive highlights our role as a trustworthy financial partner for our members.

In line with our commitment to improving member experiences, 2024 also saw the rollout of a mass reissue of our debit cards to tap-to-pay cards. This upgrade not only modernizes the debit card experience but also introduces a contactless option, offering our members a more convenient way to make and complete transactions.

Aligned with our mission to enhance member experiences and streamline online interactions, we successfully launched our new digital banking platform. This platform brings innovative features, including an improved money management tool for tracking spending, budgeting, as well as Credit Score by SavvyMoney, which helps members monitor their credit report and score.

A notable achievement in 2024 was our expanded partnership with the Texas Stars. This collaboration has added vibrancy to our community initiatives, including the new naming of the Austin Telco Suite level at the H-E-B Center. This partnership will soon provide exclusive experiences for our members.

Another significant milestone this year was our collaboration with Round Rock Express, where we became the sponsor of the in-game kids' game. This sponsorship enhances our visibility in family-oriented areas, allowing us to connect with families, making it ideal for promoting our youth accounts.

We have also continued to strengthen our relationship with Austin FC, featuring initiatives like the Austin Telco Terrace Tickets Sweepstakes and the Verde Store Experience, which deepens the connection between Austin Telco and the sports community. As we transition into 2025, we are excited to further enrich our partnerships, providing unique opportunities and experiences for our members.

Our community involvement has continued through various initiatives. For the fifth consecutive year, we participated in Habitat for Humanity's "House that Credit Unions Built" project, collaborating with local credit unions to build a home for a family in need. We also supported organizations like Latinitas of Austin, AGE of Central Texas, Caritas of Austin, and Coats for Kids.

Our financial education programs expanded to the underprivileged, high school and college students, and local businesses, providing vital financial knowledge to students, interns, and those in need, highlighted by a surprise appearance from Austin FC players during the Anderson High School Young Men's financial literacy lesson. Our involvement in community projects, including back-to-school drives, along with our sponsorship of KXAN's Simple Health program, further reinforces our commitment to uplifting the community and providing beneficial financial literacy.

We were thrilled to enhance our senior management team with the addition of Tammy Carter as CHRO. With nearly three years at Austin Telco and over two decades of credit union expertise, her leadership experience has brought new ideas and practices, including company core values that foster unity throughout the credit union.

As we move into a new year, we reaffirm our dedication to offering competitive rates on loans and deposits while promoting financial literacy in our community. Our focus remains on being a leading credit union in Austin, devoted to serving our members and the community.

In summary, we would like to express our heartfelt appreciation to our dedicated staff, Board of Directors, Supervisory Committee, and, most importantly, our members. Your trust and support form the foundation of our success. As we move forward, we eagerly anticipate a year filled with innovation, growth, and a dedication to our community.

Treasurer Report

Steve Read – Treasurer

We are pleased to announce that in 2024, our shares and assets have continued to grow despite challenging economy conditions. This growth clearly reflects of our financial resilience and the steadfast support from our members. Additionally, we have consistently provided competitive loan and dividend rates tailored to our members' financial needs, demonstrating our commitment to their welfare.

Our loan portfolio reached \$10.73 million, showcasing our ability to meet our members' borrowing needs effectively. Our total assets also grew, reaching \$2.52 billion by year's end.

The dedicated efforts and strategic leadership from our Board of Directors, Supervisory Committees, and management team ensure that Austin Telco remains a member-focused financial institution. Our primary objective is serving the best interests of our members and securing their trust and financial well-being for years to come.

Supervisory Committee Chairman Report

Mary Brooks – Chairman

The Supervisory Committee, appointed by the Board of Directors, is dedicated to protecting our members' interest by ensuring that Austin Telco follows mindful business practices and maintains rigorous internal controls.

Our commitment to uphold the integrity of the credit union and its membership involves conducting systematic audits to evaluate our management practices and assess Austin Telco's financial stability. We work alongside external auditors and conduct monthly internal review with support from the Cornerstone Credit Union League Resources group. Our annual financial review is carefully executed by an independent CPA firm.

The 2024 annual CPA audit results affirm our commitment to maintaining the highest financial standards, confirming Austin Telco's strong economic health. We take pride in reporting the credit union's ongoing stability and dedication to meeting the financial needs of the Greater Austin community for the foreseeable future.

We sincerely thank our management team and staff for their commitment to the credit union. Additionally, we extend our deepest gratitude to our members, whose enduring trust and support remain the cornerstone of Austin Telco's success.

Board of Directors

David Westlund, Chairman

Joe Bain, Jr., Vice Chairman

Steve Read, Treasurer

Lea Luchsinger, Secretary

Paul Tidrick, Security/Safety Officer

Mary Brooks, Membership Officer

Paul Paulsen, Member

Supervisory Committee

Brenda Monteith, Supervisory Chairman

Patricia Ritcherson, Secretary

Julia Menegay, Member

Management

Robert Hernandez, President/CEO

Tony Rawls, SVP, Lending/CLO

Christopher Mraz, SVP, Technology & Strategic Initiatives/CIO

Kevin Lockingen, SVP, Finance/CFO

Jason Goodman, SVP, Operations/COO

Tammy Carter, SVP, Human Resources/CHRO

Raye Anne Cawthon, VP, Accounting

Pamela W. Cotton, VP, Member Services

Chad Winkelmann, VP, Lending

Sandie Peña, VP, Branch Operations

Charlie Angulo, VP, Finance

Katrina Levenick, VP, Marketing & Business Development

John Paul Ramirez, VP, Payment Services