



texas dps
credit union

your vision. our purpose.

68th Annual Membership Business Meeting

2022 Financials & Reports

Board of Directors



David Outon
Chair



Donna Sauls
Vice Chair



Paul Jordan
Secretary



Mary Lauderdale
Treasurer



Michael Black
Board Member



Joe Morris
Board Member



Rhonda Lawson
Board Member



Advisory & Associate Board of Directors



Bob Gadberry
Advisory Board Member



Kent Radney
Associate Board Member

Audit Committee



Louise Henderson
Chairman



Pat Johnson
Committee Member



Lupe McCollum
Committee Member



67th Annual Membership Business Meeting Minutes

The 67th Annual Membership Business Meeting for Texas DPS Credit Union was held remotely via Zoom due to the global Novel Coronavirus pandemic. The virtual Annual Meeting was called to order Thursday, March 24, 2022, at 6:03 pm by Chairperson Mary Lauderdale. A quorum was ascertained by Chairperson Lauderdale. She appointed Jennifer Everett as recording secretary and appointed Bob Gadberry as Parliamentarian.

Chairperson Lauderdale acknowledged formal acceptance of the 66th Annual Meeting minutes. The approval was received by acclamation via email.

The Credit Union reports were presented including the Chairman's Report, Audit Committee's Report, Treasurer's Report and President's Report. The Audit Committee report was presented by Chairperson Lauderdale and the Treasurer's report was presented by Cassy Sass. Both were presented on behalf of their respective parties.

There was no Old Business and no New Business from the floor.

On behalf of the Nominating Committee consisting of Paul Jordan, David Outon, and Bob Gadberry, Mary Lauderdale introduced this year's nominees for the Board of Directors. There were two vacancies for the Board and the nominees were Rhonda Lawson and Joe Morris. Mary Lauderdale announced the election results by acclamation. The new Board Members are Rhonda Lawson and Joe Morris.

The virtual meeting moved to the Question-and-Answer portion of the meeting. No questions were submitted.

With there being no further business, Chairperson Lauderdale adjourned the meeting. The virtual Annual Membership Business Meeting for Texas DPS Credit Union was adjourned at 6:21pm.





Chairman's Report

David Outon,
Chairman of the Board



Chairman's Report

As you know, we have been through a couple of rough years dealing with various challenges and are now in the midst of difficult financial times with high inflation and high interest rates. However, through all of this the credit union has remained strong, demonstrated growth, and last year for first time surpassed the \$100 million dollar mark in assets. This would not have been possible without sound leadership and you – our members.

We know you are bombarded daily with television and online ads from various other financial institutions, including some that are now completely online, and I would like to personally thank you for standing by your credit union. With your support, the credit union has not only increased its assets, but we are continually looking for, and instituting new products and services to provide you with the best possible financial experience. As an example, over the last year the CU has instituted online account opening, personal lines of credit, and new credit cards, including the recently announced rewards credit card - and will continue to offer products and services to help you reach your financial goals. The Board of Directors also recently adopted amendments to our Credit Union Bylaws allowing us to continue to conduct meetings virtually to accommodate our membership throughout the state of Texas and not just here locally in Austin. We strive daily to Educate, Enhance, and Empower you and live by our motto of "Your Vision, Our purpose."



Audit Committee Report

Next, On behalf of the Audit Committee, I will present the Audit Committee Report. The Audit Committee is appointed by the Board of Directors for the purpose of ensuring the effectiveness of internal checks and balances, adherence to established policies and procedures, and the overall safety and soundness of the Credit Union.

To help accomplish these tasks, the committee utilized the support an independent auditing firm, Harold Antao & Company. The Other Supervisory Committee Audit conducted by Harold Antao & Company as of December 31, 2021, indicated that the overall records and operations of the Credit Union were found to be in good condition. A Verification of Members' Account was also performed by Harold Antao & Company as of June 30, 2022.

Based on the information gathered from the auditing firm and the internal audits, it is the committee's opinion that the credit union is financially sound, and the interests of its member-owners are being well-served.

On behalf of the Audit Committee, they would like to share that they take their responsibility to the Credit Union and its members seriously and appreciates the help and cooperation of the Board of Directors, President, and Staff during this past year.





President's Report

Cassy Sass,
President & CEO



President's Report

Good evening, everyone and welcome to the 68th Annual Membership Business Meeting. I've got to tell you it is really nice to have you guys back in person for the first time since 2020!

I'm Cassy Sass, the President & CEO of Texas DPS Credit Union, and I would like to thank you for taking time out of your busy schedule to be here and take an active role in your local credit union! As you know, the credit union industry is unique in its structure. Our members are also our owners, and we are accountable to them - to you! As a member-owner, you make the decisions and participate with your vote. Being informed on our current state of affairs so that you can make intelligent choices benefits us all.

Since the start of the pandemic, members have recognized and valued the credit union difference, and have appreciated the ways their credit unions have helped them through these past several years with fewer disruptions. As the financial landscape continues to shift in a post-Covid world, Texas DPS Credit Union is working hard to shift with it and provide the best value and experience possible for our members.



2022 New & Enhanced Offerings

The pandemic caused the financial industry to rethink many of its standard business practices, working to come up with innovative and more efficient processes moving forward. In 2022 we worked to bring you:



Online Account Opening

With electronic funding options



New Credit Offerings

To include a Line of Credit and a Rewards Credit Card



Online Banking Enhancements

To include credit card management, statements & payment options



Additional Loan Services

To include 24-hour web-based payment options accepting debit & credit cards for one-time or recurring payments



2023 Efforts



Develop more online banking tools



Expand account options & offer new products



Streamline and simplify our processes



Develop financial literacy resources & tools



Have robust cybersecurity measures in place

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Financial Landscape Local Effects

In addition to nationwide trends, in the financial landscape and economy, there have been localized effects felt here in Texas from issues such as:

- A polarized political landscape
- Concerns about health care accessibility and costs
- Continuing concerns over our power grid and infrastructure
- Rising food, gas, and energy prices
- A still competitive but cooling housing market
- Climbing mortgage interest rates

Texas DPS Credit Union is aware that these issues present unique challenges for our members, and we're dedicated to continuing to listen to your suggestions and feedback, and exploring the best ways to support you as you navigate these circumstances. Meeting the challenges presented by our current economy, political landscape, and environment, and working to continue to embrace digital technologies and transform into a modern and flexible credit union that serves our members and our community, is a top priority for us.



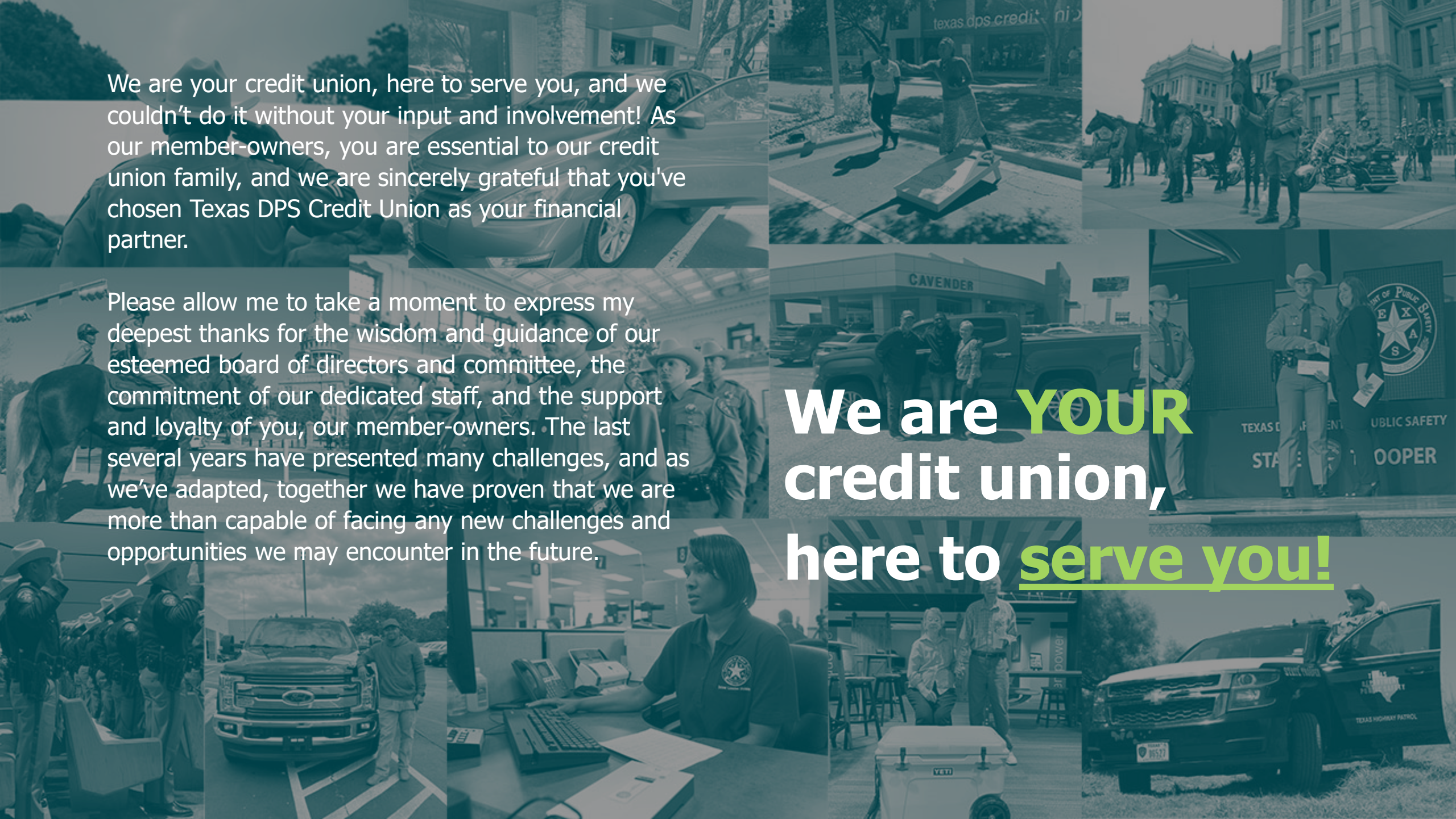
**Credit union deposits are
safe, secure and insured**



For the last week, the banking industry has endured heightened scrutiny following the closure of Silicon Valley Bank and Signature Bank. We want to assure you that your money is safe and protected at Texas DPS Credit Union.

As protection and security is our top priority, we wanted to remind you that all member accounts are insured for up to \$500,000. This level of coverage is made possible through a combination of federal insurance provided by the National Credit Union Administration (NCUA) of \$250K, and private insurance from Excess Share Insurance Corporation (ESI) of an additional \$250K provided by the credit union. As a not-for-profit financial cooperative, we follow strict federal and state regulations to ensure we meet soundness standards so our members can be confident knowing their accounts are protected.





We are your credit union, here to serve you, and we couldn't do it without your input and involvement! As our member-owners, you are essential to our credit union family, and we are sincerely grateful that you've chosen Texas DPS Credit Union as your financial partner.

Please allow me to take a moment to express my deepest thanks for the wisdom and guidance of our esteemed board of directors and committee, the commitment of our dedicated staff, and the support and loyalty of you, our member-owners. The last several years have presented many challenges, and as we've adapted, together we have proven that we are more than capable of facing any new challenges and opportunities we may encounter in the future.

We are **YOUR**
credit union,
here to **serve you!**

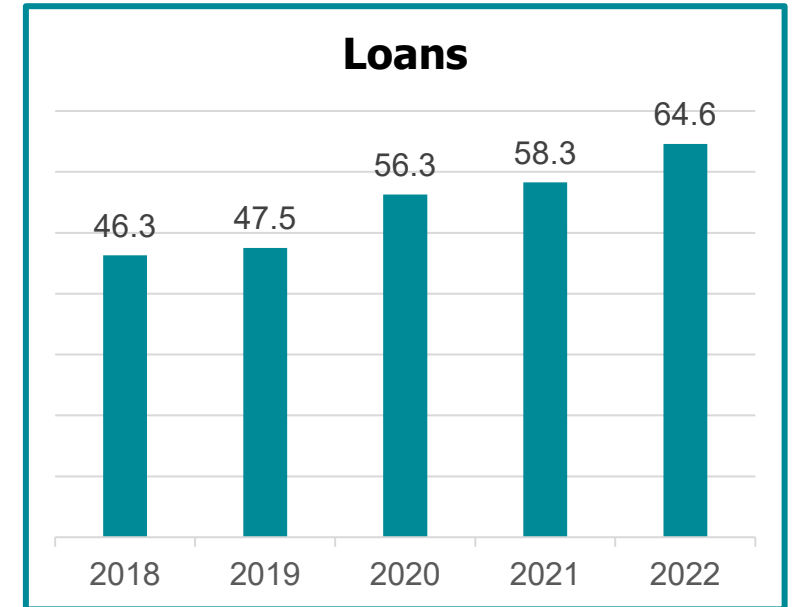
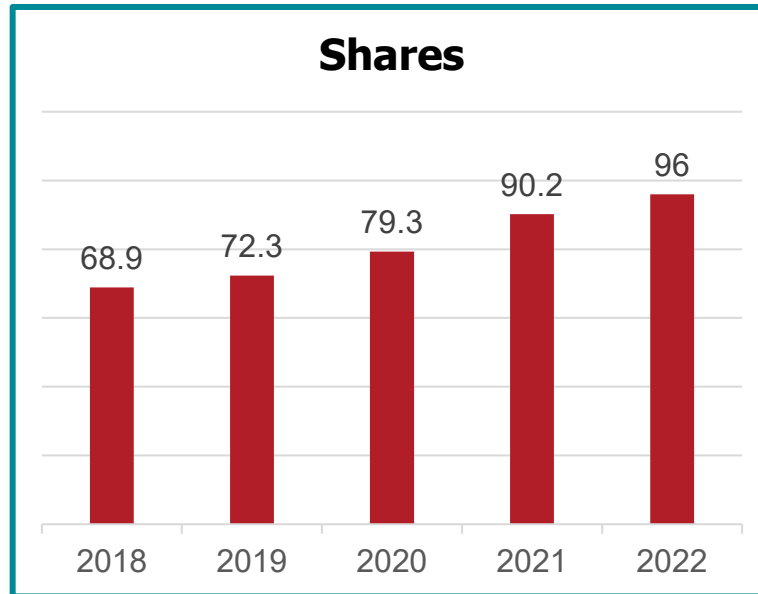
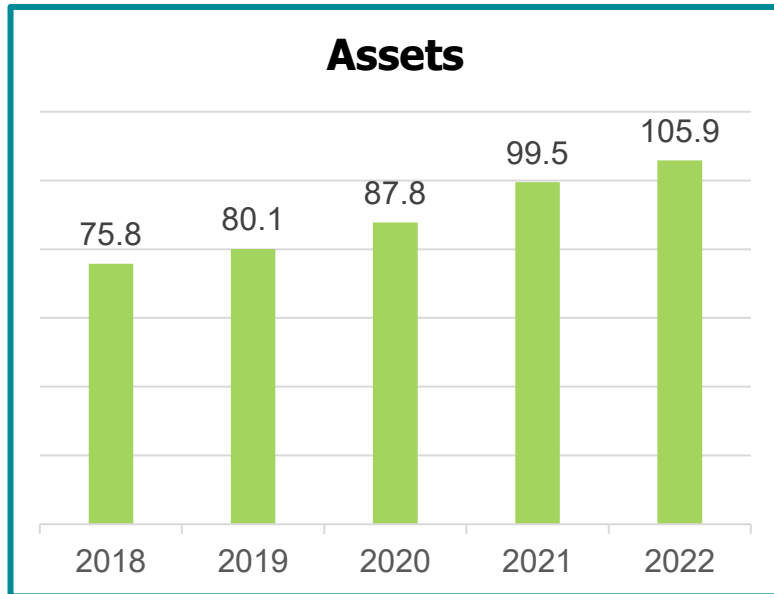


Financial Review

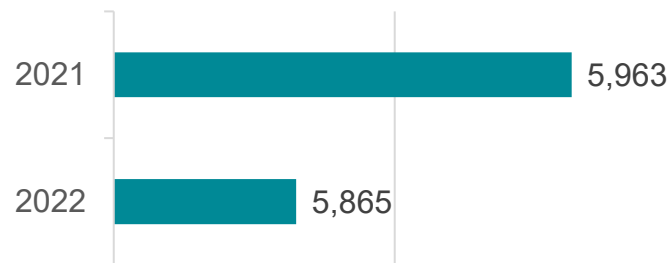
Cassy Sass,
President & CEO



Financial Review



Membership Net Growth: (98)



2022 marked another solid financial year for Texas DPS Credit Union. With a healthy balance sheet and income statement, we ended the year over \$105.9 million in assets. This is a milestone for the credit union, as 2022 was the first year the credit union has seen assets grow to over \$100 million! We experienced growth in Shares of over 6.36%, and Loans of over 10.77%, from the previous year.



Financial Review

INCOME	2022	2021	\$ Change
Loan Interest Income	\$ 2,647,223	2,454,842	7.84%
Investment Income	398,227	293,858	35.52%
Fee Income	381,398	326,415	16.84%
Other Income	637,723	753,759	-15.39%
TOTAL INCOME	\$ 4,064,571	3,828,874	6.16%
EXPENSES			
Operation Expense	\$ 3,038,275	2,728,283	11.36%
Provisions for Loan Loss	110,389	56,856	94.15%
Dividend & Interest Expenses	126,148	133,927	-5.81%
TOTAL EXPENSES	\$ 3,274,813	2,919,067	12.19%
NET INCOME	\$ 789,759	909,808	-13.20%

The credit union had growth in income of over 6.16%, but due to higher delinquencies and charged-off loans in 2022, our annual expense increased by 12.19%. Though we had an increase in expense, we were able to add \$789,759 in net income to our capital. The credit union remains well-capitalized with a net worth ratio of 8.99%, which is up from last year's 8.77%.

I am proud to report that Texas DPS Credit Union continues to provide positive financial support to the membership, while either expanding the quality of its services or adding new services for the membership to access. Texas DPS Credit Union is healthy, and your credit union remains committed to continued safety and soundness, while seeking to enhance the value of your membership. We look forward to another great year in 2023.





Thank you for your membership!

