



2022 Annual REPORT



Statement of Income

INCOME	2022	2021
Interest on Loans	\$4,972,605	\$4,470,572
Investments	\$512,555	\$331,600
Non-Interest Income	\$2,922,653	\$2,899,412
TOTAL INCOME	\$8,407,813	\$7,701,584
EXPENSE		
Non-Interest Expense	\$6,436,249	\$5,836,612
Total Interest Expense	\$297,290	\$381,138
Provision for Loan Loss	\$275,541	\$85,908
TOTAL EXPENSE	\$7,009,080	\$6,305,658
Non-Operating Income	\$1,063,377	\$(4,316)
NET INCOME (LOSS)	\$2,462,110	\$1,391,610

Statement of Financial Condition

ASSETS	2022	2021
Loans	\$118,509,110	\$105,509,536
Less Allowance for Loan Loss	\$(418,916)	\$(448,567)
Net Loans	\$118,090,194	\$105,060,969
Cash	\$1,381,979	\$1,140,329
Investments	\$28,468,409	\$41,217,303
Net Fixed Assets	\$9,469,765	\$7,517,463
Other Assets	\$6,121,787	\$5,180,808
TOTAL ASSETS	\$163,532,134	\$160,116,872
LIABILITIES, SHARES & EQUITY		
Total Liabilities	\$1,432,801	\$746,066
Shares	\$149,313,862	\$147,059,499
Equity	\$12,785,471	\$12,311,307
TOTAL LIABILITIES, SHARES & EQUITY	\$163,532,134	\$160,116,872
MEMBERS	10,229	10,611



Dallas | Greenville | Kaufman | Terrell
214.327.9367 | LoneStarCU.org



Community

- Sponsorships:

- Champions Cove
- Children's Advocacy Center of Kaufman County
- Ferguson Road Initiative
- Greenville ISD – Hero of Hope
- Greenville ISD Athletics
- Hunt Regional Healthcare Foundation
- Greenville Chamber of Commerce
- Kaufman Chamber of Commerce
- Silberstein Elementary School
- Terrell ISD Adopt-A-Classroom
- Terrell Share Center
- United Way of Kaufman County

- Donations: Financial & Goods

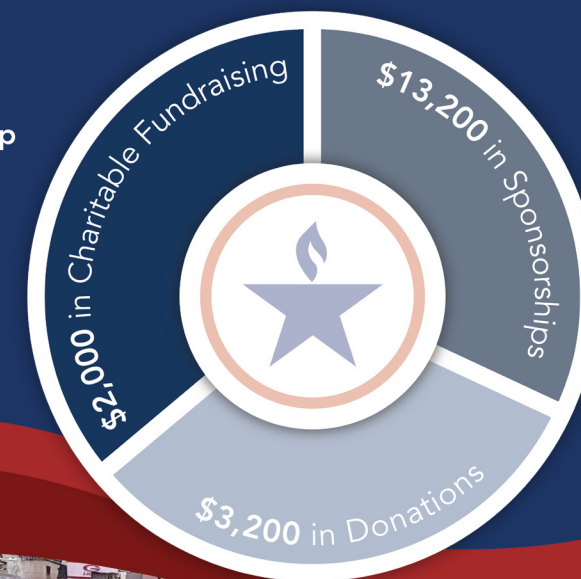
- Boles ISD
- Celeste Fire Department
- Greenville Chamber of Commerce
- Greenville ISD
- Hunt Regional Healthcare Foundation
- Kaufman Chamber of Commerce
- Kaufman ISD
- National Credit Union Foundation
- Silberstein Elementary
- Terrell Chamber of Commerce
- The Center, Kaufman Food Pantry

- Financial donations from staff:

- Operation Santa
- Kaufman County Pet Adoption Center
- The Center, Kaufman

- 16 Good Grants

- \$1,000 Good Scholarship





Message From The CEO



2022 was a year that included swift changes in the economic landscape. Inflation rose to its highest point in decades, and interest rates followed suit. Lone Star Credit Union responded to these changes by reducing or eliminating fees, keeping loan interest rates fair and balanced with the overall market, and continuing to find ways to meet the needs of the communities we serve.

Last year, we renewed our focus on community partnerships with the addition of a Community Engagement Advisor. We've doubled down on our community involvement by donating hundreds of hours of volunteer time to causes that benefit the most vulnerable in our communities. We created a special HERO benefit for the heroes in our communities, including first responders, educators, military, and health care workers. When we noticed our Members purchasing cryptocurrency, we responded by providing a self-custody crypto exchange option where you own the cryptocurrency the day you buy it through our partnership with BankSocial. We continue to focus on providing our Members with a variety of service options from a robust digital platform to a friendly face in a branch. With more than 40% of our Members interacting with us online, we strive to provide the innovative technology platforms you expect.

Looking forward, we are excited to bring you a new branch location in Kaufman, Texas. You may have seen the building going up at the corner of 175 and 34. When it opens this summer, the Kaufman Branch will host the same combination of friendly faces and self-service technology available at Ferguson Road. Exciting new products and services will be offered in 2023 as well, providing you, our Members, with even more benefits.

While 2022 was a year of transition, Lone Star Credit Union had one of our best years ever. We are strong, healthy and focused on you. We look forward to continuing to serve out our purpose of doing good for the people and communities we serve.

We are on this journey together and we thank you for your membership!

Becky Reed | CEO

Leadership

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)
Marki Holmes, Vice Chairman (2023)
Jack Smith, Secretary/Treasurer (2025)
Jerry Clancy, Director (2024)
Ryan Holloway, Director (2023)
Kim Marszalek, Director (2024)
Dr. Graham Sweeney, Director (2023)

Advisory Board

Austin Endo
Jared Greco
Jason White

Audit Committee

Dr. Graham Sweeney, Chairman
Kim Marszalek, Vice Chariman
Marki Holmes, Committee Member

Executive Management Team



Becky Reed
CEO



Leighann Carson
CAO



Brian Harper
CFO



Marcy Phillips
COO

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, 2022.

TREASURER'S REPORT

| from Board Treasurer, Jack Smith

Lone Star Credit Union finished 2022 in solid financial condition. Our net income was \$2.46 million with a capitalized net worth ratio of 9.16% and a return on assets of 1.51%. The Financial Statement shows the detailed financial results for 2022.

LSCU continued to grow in all major areas. Our assets increased 2.1% to \$163.5 million, and loans outstanding grew 12.3% to \$118.5 million.

The credit union earned \$8.4 million in total revenue during 2022. Our largest revenue source continues to be interest earned on loans to Members. Our revenue was used to pay dividends on Member accounts and operating expenses incurred in providing products and services. Our 2022 expenses grew 11% compared to 2021.

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



Real Time Loan
Payments



HERO
Benefit