

2024 *Annual* REPORT



LoneStar
CREDIT UNION



MESSAGE FROM THE CEO

In 2024, Lone Star Credit Union achieved significant milestones, reflecting our longstanding commitment to growth, service, and community. Among our achievements last year, we are proud to have reopened the Greenville branch lobby after three years, allowing us to once again provide our Members with a full range of services. Similarly, the Dallas branch completed a major remodel, transforming the space into a more conversational and service-oriented environment that encourages meaningful Member connections.

Lone Star Investment Solutions made remarkable strides in 2024, with Financial Advisor Tim Mangus conducting weekly visits to branches and directly assisting Members with their financial needs, further solidifying our presence and value to the communities we serve.

Employee engagement remained a top priority at LSCU last year, and we were proud to be named a "Best Credit Union to Work For" for the second consecutive year by American Banker and Best Companies Group.

We also focused on enhancing professional development, with nine employees graduating from "The Member Advantage" service program, and 17 employees earning their Certified Credit Union Financial Counselor (CCUFC) designation, bringing our total number of certified counselors to 27.

In the spirit of giving back, we launched our second annual Acts of Kindness, completing 100 acts around the Terrell community on February 19, 2024. Additionally, we celebrated special events like Leap Day and the Solar Eclipse, combining noteworthy days with Member benefits, including rate discounts and appreciation days.

As we look forward to 2025, bright signs for LSCU are on the horizon, including a field of membership expansion into both Collin and Ellis Counties, increased resources to fight fraud including a dedicated employee and FraudSense, more financial education in our communities, and a remodel of the Terrell branch.

Thank you for being a part of Lone Star Credit Union. The cooperative nature of credit unions means that we are truly all in this together, and I look forward to seeing our success continue in 2025 and beyond.

AUDIT COMMITTEE REPORT

| from Audit Committee Chairman, Dr. Graham Sweeney

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, 2024.

TREASURER'S REPORT

| from Board Treasurer, Kim Marszalek

In 2024, Lone Star Credit Union remained financially strong and responsible as it met its Members' needs. Loans grew 7.9% and interest from loans advanced 18.9% in the higher interest environment. The regulatory capital at year end was a healthy 8.9%.

Net income was robust and more than double the prior year. A one-time gain offset increases in interest paid to Members, general overhead expense, and increase in loan loss reserves.

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.

LEADERSHIP

The Board of Directors is made up of Members from our data as of June 30, 2024. 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 (2027)
Ryan Holloway, Vice Chairman (2026)
Kim Marszalek, Secretary/Treasurer (2027)
Jerry Clancy, Director (2027)
Jack Smith, Director (2025)
Dr. Graham Sweeney, Director (2026)
Shelley Brookins, Director (2025)

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

NEW PRODUCTS AND SERVICES

- Bonus Checking
- Penny's Pals Youth Newsletter
- Contactless Cards
- Refer-a-Friend Auto Loan Referrals

COMMUNITY

- Sponsorships:

- Bee Happy Day Program, Kaufman
- Children's Advocacy Center of Kaufman County
- City of Kaufman
- Ferguson Road Initiative, Dallas
- Fraternal Order of the Eagles, Dallas
- Greenville Chamber of Commerce
- Greenville ISD
- Hunt Regional Healthcare Foundation
- Kaufman Chamber of Commerce
- Kaufman Christian School
- Kaufman FFA
- Kaufman ISD
- Silberstein Elementary, Dallas
- Terrell ISD
- Terrell State Hospital
- Texas Health Kaufman
- The Center in Kaufman

- Donations: Financial & Goods

- Bayles Elementary, Dallas
- Bee Happy Day Program, Kaufman
- Cosmos Montessori, Dallas
- Friends of the Kaufman Library
- Greenville ISD
- Kaufman ISD
- Kaufman Police Department
- Senior Connect, Kaufman
- Silberstein Elementary, Dallas
- Terrell Chamber of Commerce
- Terrell ISD
- Terrell Police Department

- Awarded 29 Good Grants

- Awarded 2 \$1,000 Scholarships to High School Seniors
- Donated 835 Community Service Hours
- Completed 100 Random Acts of Kindness in Terrell

Statement of Income

INCOME	2024	2023
Interest on Loans	\$7,288,258	\$6,130,170
Investments	\$1,006,742	\$1,024,114
Non-Interest Income	\$2,765,039	\$2,663,794
TOTAL INCOME	\$11,060,039	\$9,818,078
EXPENSE		
Non-Interest Expense	\$7,649,021	\$7,250,474
Total Interest Expense	\$2,250,176	\$1,694,477
Provision for Loan Loss	\$954,589	\$481,901
TOTAL EXPENSE	\$10,853,786	\$9,426,852
Non-Operating Income	\$577,646	\$ (10,651)
NET INCOME (LOSS)	\$783,899	\$380,575

Statement of Financial Condition

ASSETS	2024	2023
Loans	\$124,765,003	\$115,605,010
Less Allowance for Loan Loss	\$ (1,077,675)	\$ (746,084)
Net Loans	\$123,687,328	\$114,858,926
Cash	\$2,021,797	\$2,025,221
Investments	\$32,600,744	\$41,571,604
Net Fixed Assets	\$10,893,002	\$11,334,747
Other Assets	\$9,084,122	\$6,158,437
TOTAL ASSETS	\$178,286,993	\$175,948,935
LIABILITIES, SHARES & EQUITY		
Total Liabilities	\$2,551,152	\$1,745,617
Shares	\$161,145,532	\$160,693,043
Equity	\$14,590,309	\$13,510,275
TOTAL LIABILITIES, SHARES & EQUITY	\$178,286,993	\$175,948,935
MEMBERS	11,345	10,871