



Texas State-Chartered Credit Union System Profile

Financial Data as of December 31, 2023

Credit Union Department, State of Texas
914 East Anderson Lane
Austin, Texas 78752-1699
(512) 837-9236

FOREWORD

The Credit Union Department is responsible for promoting the safety and soundness of state-chartered credit unions in Texas. The Department assesses the condition of these institutions to provide the public with confidence in the credit union system, and to ensure the interests of depositors, creditors, and credit union members are protected. The Department is also responsible for enforcement of the Texas Credit Union Act. In that role, the Department provides high-quality supervision of state-chartered credit unions directed at identifying material or emerging problems in individual institutions or the credit union industry and ensuring that such problems are appropriately corrected. In addition, the Department monitors and evaluates the financial health of state-chartered credit unions, along with the various risks facing these institutions, through its risk-focused on-site examination process and an off-site monitoring program. The Department also reviews complaints against state-chartered credit unions that are filed with the Department.

The Department works closely with federal and other state regulators to provide regulated credit unions seamless supervision, minimal disruption and costs, and effective use of resources. The Department conducts joint examination programs with both the National Credit Union Administration (NCUA) and the American Share Insurance Corporation (ASI). These joint examinations with the share insuring organizations result in more efficient and less burdensome examinations for Texas state-chartered credit unions.

MISSION STATEMENT

The mission of the Credit Union Department is to safeguard the public interest, protect the interests of credit union members and promote public confidence in credit unions.

Statistics at a Glance*

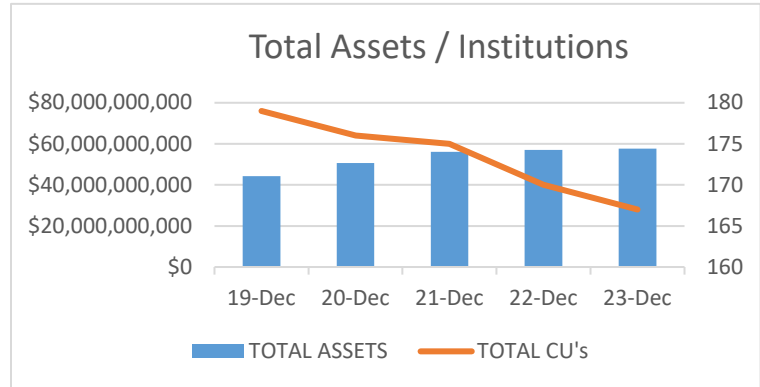
Total Number of Credit Unions		167
Number of Federally Insured Credit Unions		162
Number of Non Federally Insured Credit Unions		5
Total Number of Credit Union Members	\$	4,014,523
Total Assets	\$	57,666,181,846
Total Loans	\$	42,817,882,111
Total Shares & Deposits	\$	48,324,843,483
Net Income	\$	397,296,679
Percent Credit Unions Profitable	%	87.4
Net Worth/Total Asset	%	11.36
Delinquent Loans/Total Loans	%	0.81
Allowance for Loan Losses/Delinquent Loans	%	116.17
Allowance for Loan Losses/Total Loans	%	.94
Net Charge-Offs/Average Loans	%	0.59
Return on Average Assets	%	0.69
Net Operating Expenses/Average Assets	%	2.81
Provision for Loan Losses/Average Assets	%	0.44
Total Loans/Total Assets	%	74.25
Total Investments/Total Assets	%	11.84
Fixed Assets/Total Assets	%	2.73
Total Borrowings/Total Savings & NW	%	4.77
<i>*Based on the consolidated financial performance reporting obtained February 15, 2024.</i>		

HIGHLIGHTS

- ◆ **Assets** of state credit unions increased by **\$0.68 billion** or **1.2%** during 2023.
- ◆ **Net Worth** increased by **\$375.7 million** or **6.1%** during 2023.
- ◆ **Loans** increased **\$1.15 billion** or **2.8%** during 2023.
- ◆ **Market Share (Savings & Deposits)** declined **\$101.7 million** or **0.2%** during 2023.
- ◆ **Investments** decreased **\$0.53 billion** or **7.3%** during 2023.
- ◆ **Loan Delinquency** rose in 2023 to **0.81%**.

Assets

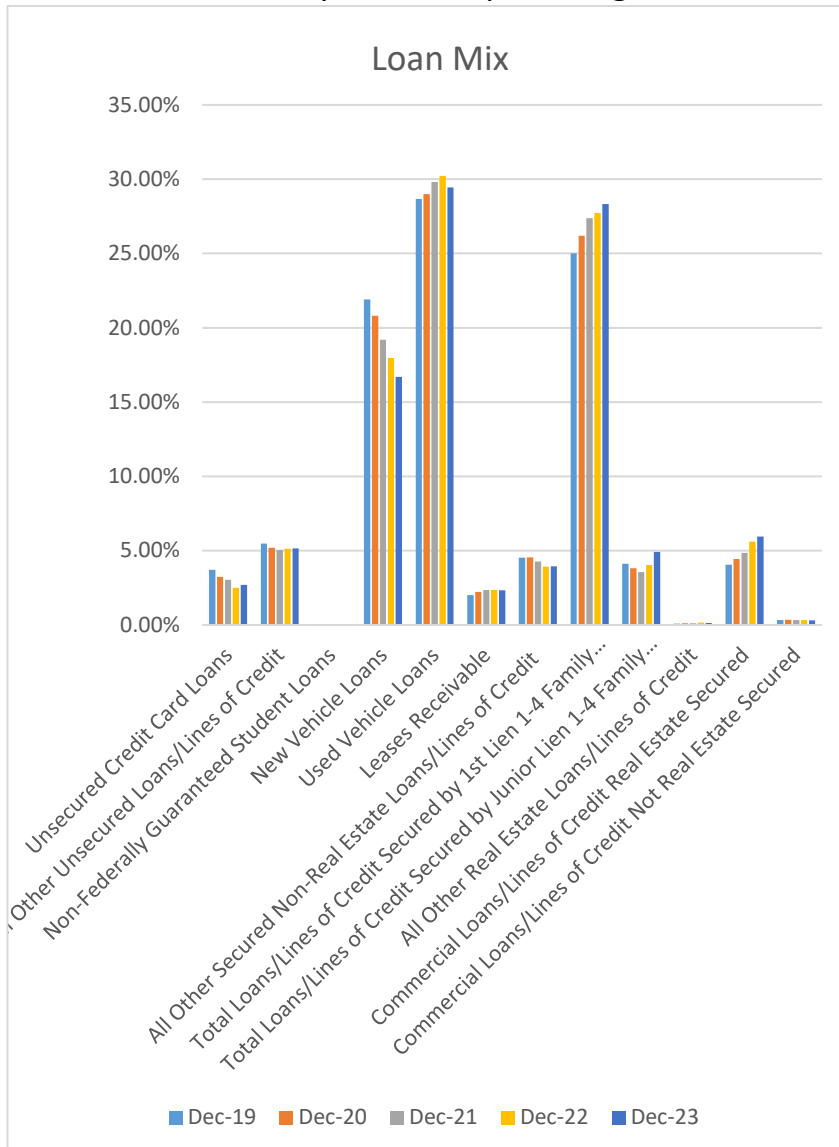
Texas state-chartered credit unions finished calendar year 2023 with total assets of **\$57.7** billion, an increase of **\$0.7** billion from 2022. This represents a **1.2%** annual growth rate, similar when compared to the **1.5%** growth experienced from 2022.



Loans

Texas state-chartered credit unions increased total loans by approximately **\$1.15** billion in calendar year 2023, providing for an annual growth rate of **2.8%**. This level of

growth is less than the growth rate of **6.3%**, for all federal insured credit unions throughout the nation. The rising rate environment during 2022 and 2023 has resulted in upward loan yield pressure. This is evidenced by the aggregate yield on average loans of **5.21%** reported by Texas state-chartered credit unions as of December 31, 2023, marking a **74**-basis point increase over the prior year.



The composition of the **\$42.8** billion Texas state-chartered credit union loan portfolio is as follows:

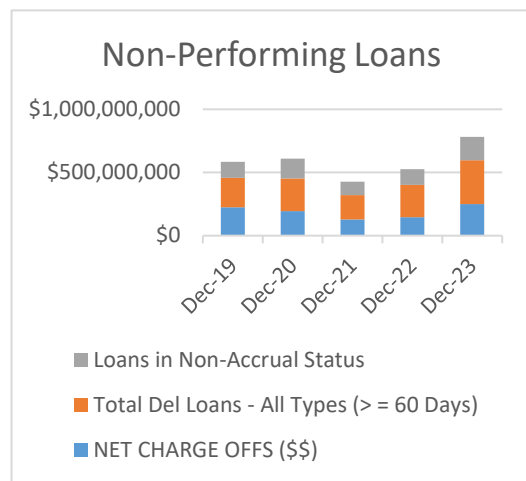
39.3% in real estate-secured loans, **29.5%** in used vehicle loans, **16.7%** in new vehicle loans, **7.9%** in unsecured credit card loans and other types of

unsecured credit, and **6.6%** in all other loans. Loan growth throughout 2023 was primarily impacted by growth in used vehicle loans, 1-4 family residential secured and real estate secured commercial loans. During 2023 indirect lending volume slow considerably compared to the prior year. Total outstanding indirect loans increased approximately **\$86.4 million** to **\$12.95 billion** during 2023, compared to growth of **\$1.35 billion, or 11.8%** in 2022. For 2023, indirect loans represent **30.24%** of total loans at Texas state-chartered credit unions.

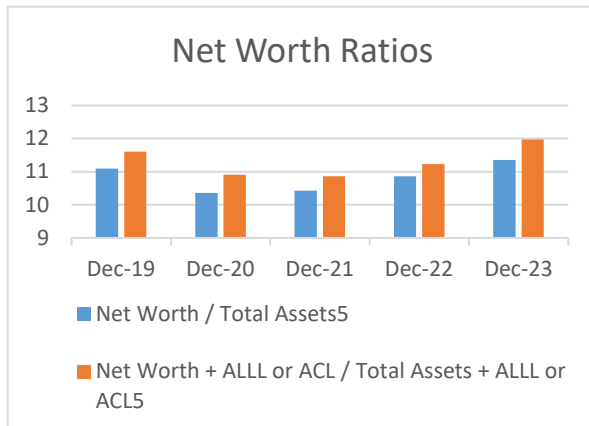
Delinquency and Charge-Offs

Non-performing loans increased during 2023. As a percentage of total loans, reportable loan delinquency rose to **0.81%** as of December 31, 2023, marking a **20-basis point** year-over-year increase. The Net Charge-Offs to Average Loans ratio increased **22-basis points** to **0.59%** as of December 31, 2023.

The amount of credit unions' total repossessed and foreclosed assets increased **5.3%**, from **\$44.2 million** to **\$46.5 million**.



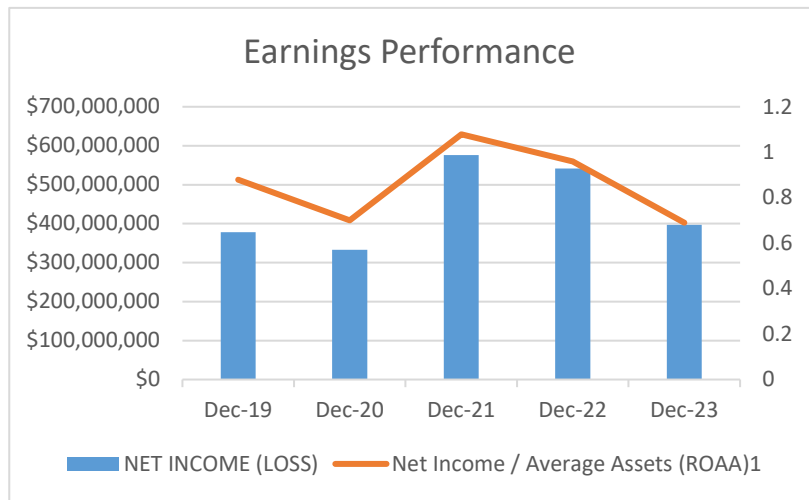
Net Worth



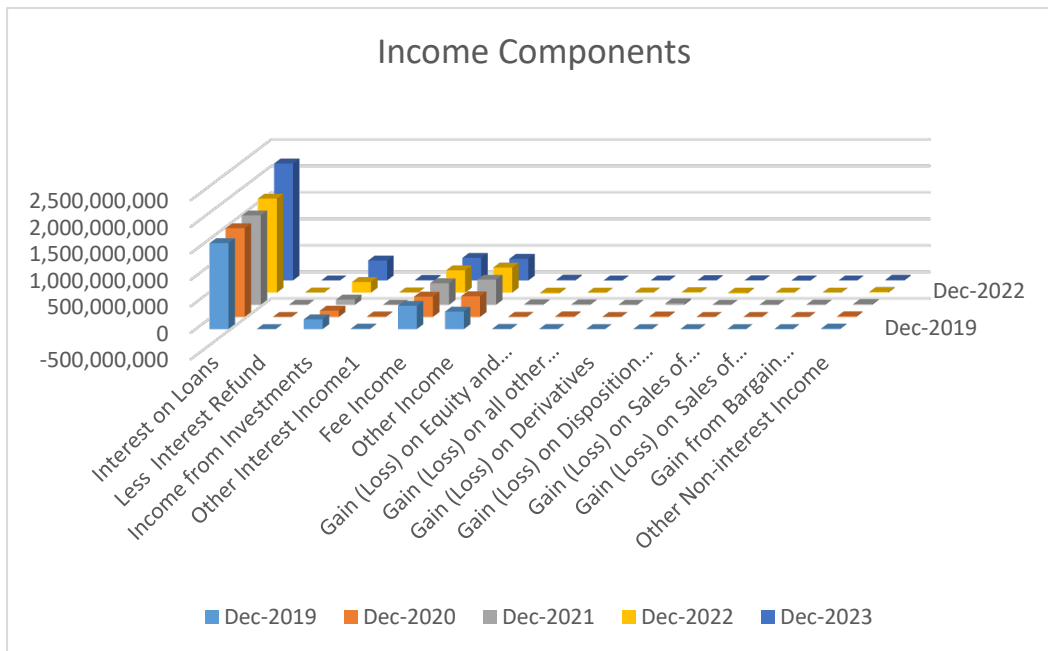
The Net Worth to Total Assets Ratio (Net Worth Ratio) increased from **10.84%** to **11.36%** in 2023. Total net worth in dollars rose by **\$375.7 million**, or **6.1%**, to **\$6.55 billion**. The net worth ratio for Texas state-chartered credit unions is **31 basis points** higher than the average net worth ratio of 11.05% for federal credit unions located in Texas as of December 31, 2023.

Operating Results

Texas state-chartered credit unions reported **\$397.3** million in net income for 2023, a notable decline of **\$144.5** million, or **26.7%**, from 2022 earnings of **\$541.8** million. The **0.69%** Net Income/Average Assets (ROAA) Ratio for Texas state-chartered credit unions compares similarly to the ROAA of **0.74%** reported by all federally insured credit unions nationwide for 2023. Overall, **146** or **87.4%** of Texas chartered credit unions were profitable during 2023. The profitable institutions represent **94.6%** of the total assets under supervision.



Investment yields continued to increase in 2023, resulting in a 91-basis point increase

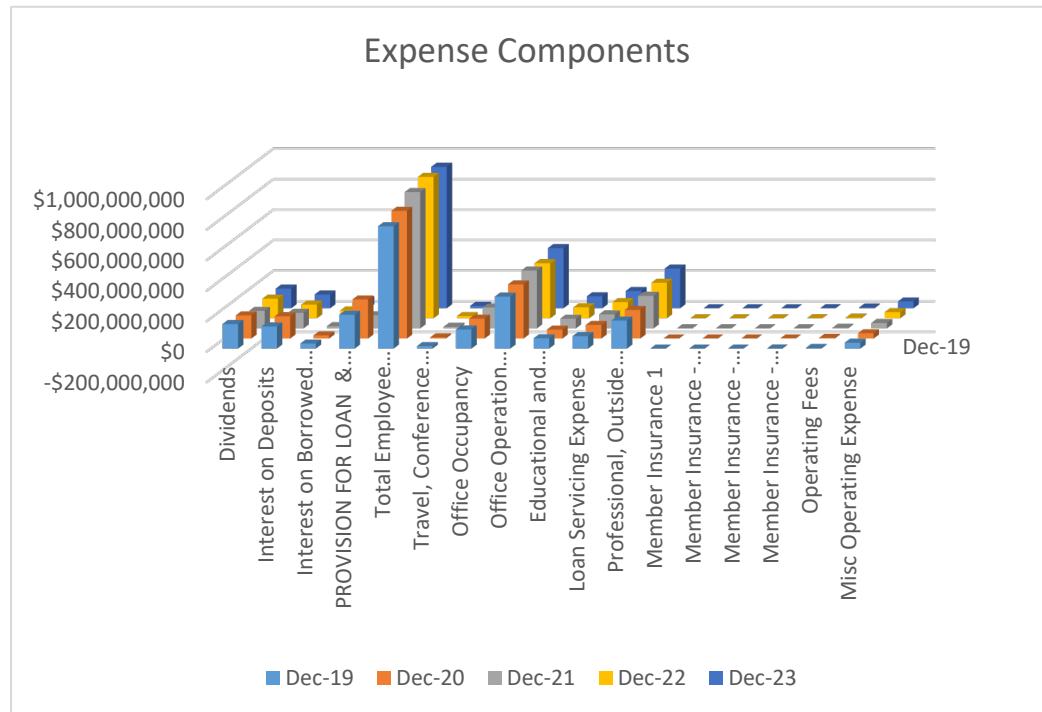


in the Gross Income to Average Assets Ratio to **5.98%**. However, the increase in gross income was offset by higher cost of funds, increased credit loss expense, and higher operating costs driven by rapidly rising interest

rates, declining loan quality and increased compensation costs.

The increase in the Gross Income to Average Assets was driven by an increase in the Yield on Average Investments which rose by **182** basis points to **3.31%**. In addition, investment income increased by **\$176.1** million, or **87.9%**, despite a **\$534** million, or **7.3%** decline in total investments outstanding to **\$6.8** billion. Increases in investment revenue were a result of rapidly rising interest rates driven by inflationary pressures.

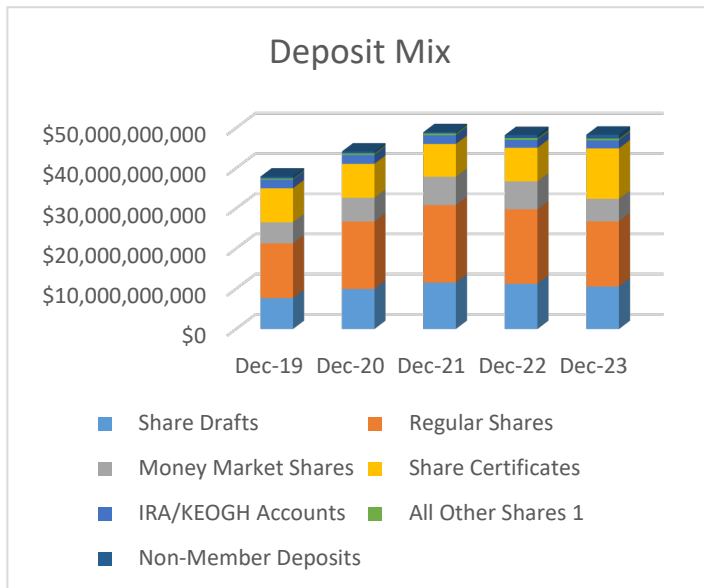
Also, loan interest income for 2023 of **\$2.21** billion continued to constitute the largest portion of Texas state-chartered credit unions' income. Loan interest income rose **24.5%**, a substantial rise from a **5.1%** increase in 2022. Net of the increases in gross income,



cost of funding and operating costs, the Net Interest Margin for Texas Credit unions during 2023 was **4.64%**, which was similar to the 2022 level of **4.59%**.

Deposits

In 2023, total shares and deposits increased nominally, by **0.2%** to **\$48.3** billion. The

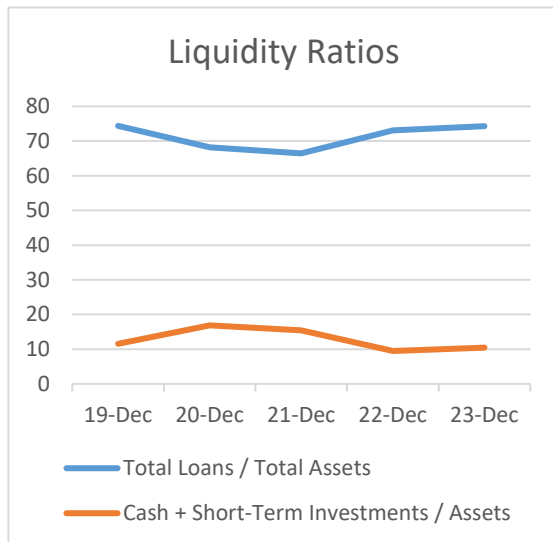


minimal growth in this area was primarily the result of members seeking higher returns elsewhere during the rapidly rising interest rate environment and the need for credit unions to control deposit growth due to slowed loan demand. Total share drafts declined by **5.9%** to **\$10.6** billion, and total regular shares dropped by **12.6%** to **\$16.2** billion. Regular shares represent **33.6%** of total shares, a decrease from the **38.4%** level noted as of year-end 2022. Money market shares declined by **19.5%**

to **\$5.6** billion while higher costs Share Certificate account balances rose significantly by **50.2%** to **\$12.6** billion as of December 31, 2023.

Liquidity

Cash and other deposits increased slightly by **\$48.3 million**, or **1.2%**, and totaled **\$4.9 billion** as of December 31, 2023. Total short-term investments with maturities of less than one year increased by **\$218.4 million**, or **12.4%**, from 2022. The Cash and Short-Term Investments to Total Assets Ratio (Liquidity Ratio) of **10.41%** represents a slight improvement from the **9.48%** ratio noted as of year-end 2022, but still reflects an overall tightened liquidity position for Texas chartered credit unions.



Loans now comprise **88.6%** of total shares and **74.25%** of total assets, up respectively from **86.4%** and **73.11%** at year-end 2022. Total borrowing capacity (credit lines) increased significantly by **\$5.42 billion**, or **48.7%**,

to **\$16.5 billion** as of December 31, 2023. Outstanding draws against borrowing capacity increased by **\$150.6 million**, or **6.1%**, from year-end 2022.

Number of Credit Unions

Between 2022 and 2023, there was a decline of **four** Texas state-chartered credit unions from **171** to **167**. There are **57** state-chartered credit unions with assets less than \$25 million, representing **34.1%** of total number of credit unions or **1.03%** of assets under supervision. Institutions over \$1 billion number **17**, representing **10.2%** of Texas state charters and **60.1%** of assets under supervision.

Members

Texas state-chartered credit unions have a total membership of **4,014,523** members as of year-end 2023. Total membership grew by **53,472** in the last twelve months, representing a **1.35%** annual growth rate. The growth rate realized during 2023 represents **98%** of the net member growth which has occurred since year-end 2019.

Number of Offices

Texas chartered credit unions are operating **702** offices. In those offices, they employ **10,763** full-time and **607** part-time staff members.

Out-of-State Credit Unions Operating in Texas

Credit Union	Home Office	Texas Offices
TruWest Credit Union	Arizona	Austin (4), Round Rock (1)
Premier America Credit Union	California	Houston (2)
ECU	Florida	Conroe
Delta Community Credit Union	Georgia	Southlake
Baxter Credit Union	Illinois	San Antonio (2)
Corporate America Family Credit Union	Illinois	Irving
Together Credit Union	Missouri	Houston (1), Dallas (1)
Eastman Credit Union	Tennessee	Hallsville (1), Longview (3)

**COMPARISON OF TEXAS CHARTERED
CREDIT UNIONS AND BANKS**

As of 12/31/23	State Credit Unions	Federal Credit Unions	State Banks*
No. of Institutions	167	239	212
Net Worth Ratio	11.36%	11.05%	10.45%
Total Assets	\$57.7 Billion	\$98.5 Billion	\$432.2 Billion
Asset Growth	1.2%	4.3%	3.3%
Avg. Asset Size	\$345.3 Million	\$412.2 Million	\$2.04 Billion
Net Income	\$397.3 Million	\$717.0 Million	\$2.8 Billion (6 mos.)
			<i>*Data as of June 30, 2023</i>

CREDIT UNION RANKING BY SIZE

2023	Credit Union	Headquarters	Assets
1	TEXAS DOW EMPLOYEES	Lake Jackson	\$ 4,674,360,790
2	RALLY	Corpus Christi	\$ 4,302,657,271
3	EECU	Fort Worth	\$ 3,739,474,922
4	CREDIT UNION OF TEXAS	Allen	\$ 2,498,957,380
5	FIRST COMMUNITY	Houston	\$ 2,507,985,721
6	TEXANS	Richardson	\$ 2,195,933,253
7	TEXAS TRUST	Mansfield	\$ 2,025,242,978
8	DATCU	Denton	\$ 1,569,723,992
9	UNITED HERITAGE	Austin	\$ 1,534,786,974
10	AMPLIFY	Austin	\$ 1,420,947,795
11	FIRST SERVICE	Houston	\$ 1,331,618,730
12	FORT WORTH COMMUNITY	Fort Worth	\$ 1,206,269,215
13	FIRSTMARK	San Antonio	\$ 1,199,200,710
14	EAST TEXAS PROFESSIONAL	Longview	\$ 1,196,111,011
15	RAVE	Beaumont	\$ 1,107,097,728
16	NEIGHBORHOOD	Dallas	\$ 1,080,041,519
17	VELOCITY	Austin	\$ 1,039,075,424
18	BRAZOS VALLEY SCHOOLS	Katy	\$ 956,759,914
19	FIVEPOINT	Nederland	\$ 940,698,707
20	INTOUCH	Plano	\$ 920,409,034
21	SCHLUMBERGER EMPLOYEES	Sugar Land	\$ 901,678,129
22	SMART FINANCIAL	Houston	\$ 850,335,017
23	COMMUNITY RESOURCE	Baytown	\$ 848,944,025
24	RESOURCE ONE	Dallas	\$ 763,006,956
25	MEMBERS CHOICE	Houston	\$ 754,859,446
26	TEXAS BAY	Houston	\$ 707,134,300
27	TEXELL	Temple	\$ 690,228,948
28	CITY	Dallas	\$ 676,735,804
29	UNION SQUARE	Wichita Falls	\$ 620,880,458
30	ALLIANCE	Lubbock	\$ 568,715,107
31	EDUCATORS	Waco	\$ 547,594,495
32	ASSOCIATED CREDIT UNION OF TEXAS	League City	\$ 534,785,069
33	MY COMMUNITY	Midland	\$ 493,711,582
34	COASTLIFE	Corpus Christi	\$ 479,449,439
35	EDUCATION	Amarillo	\$ 477,792,609
36	PUBLIC EMPLOYEES	Austin	\$ 426,329,185
37	UNITED TEXAS	San Antonio	\$ 410,581,492
38	AMERICA'S	Garland	\$ 390,407,296
39	MOBILITY CREDIT UNION	Irving	\$ 376,928,777
40	MCT	Port Neches	\$ 355,729,593
41	GULF	Groves	\$ 317,984,345

42	FIRST BASIN	Odessa	\$	316,330,744
43	FORT WORTH CITY	Fort Worth	\$	300,482,439
44	UNITY ONE	Fort Worth	\$	285,879,166
45	TEXOMA COMMUNITY	Wichita Falls	\$	271,045,181
46	ENERGY CAPITAL	Houston	\$	267,443,775
47	INVESTEX	Humble	\$	236,709,462
48	SOUTHWEST HERITAGE	Odessa	\$	223,216,580
49	CAPITOL	Austin	\$	213,925,831
50	MEMBERSOURCE	Houston	\$	196,190,120
51	ACCESS COMMUNITY	Amarillo	\$	194,768,487
52	PRIORITY TRUST	Houston	\$	189,539,846
53	WESTEX COMMUNITY	Kermit	\$	184,182,882
54	LONE STAR	Dallas	\$	175,948,935
55	MEMBERS FIRST	Corpus Christi	\$	175,245,592
56	FIRST CENTRAL	Waco	\$	166,079,617
57	LIBERTYONE	Arlington	\$	165,999,867
58	RIO GRANDE VALLEY CREDIT UNION	Harlingen	\$	150,057,537
59	SPACE CITY	Houston	\$	142,293,366
60	COMMUNITY SERVICE	Huntsville	\$	141,903,919
61	MTCU	Midland	\$	138,084,055
62	TEXAS HEALTH	Austin	\$	135,231,028
63	TELCO PLUS	Longview	\$	131,969,583
64	PRESTIGE COMMUNITY	Dallas	\$	127,990,938
65	UNITED COMMUNITY	Houston	\$	122,144,300
66	COOPERATIVE TEACHERS	Tyler	\$	119,419,578
67	TARRANT COUNTY'S CREDIT UNION	Fort Worth	\$	118,356,683
68	EASTEX	Evadale	\$	116,636,153
69	SOUTHWEST 66	Odessa	\$	103,066,371
70	CENTEX CITIZENS	Mexia	\$	101,609,590
71	MEMBERS	Cleburne	\$	97,218,771
72	TEXAS DPS	Austin	\$	96,889,870
73	MEMORIAL	Houston	\$	94,569,265
74	EDINBURG TEACHERS	Edinburg	\$	92,087,590
75	U. S. EMPLOYEES	Tomball	\$	89,351,225
76	METRO MEDICAL	Dallas	\$	85,246,844
77	TEXAS BRIDGE	Corpus Christi	\$	83,733,905
78	BAYLOR HEALTH CARE SYSTEM	Dallas	\$	83,301,618
79	RELYON	Dallas	\$	81,920,034
80	SERVICE 1ST	Greenville	\$	74,570,942
81	POSTEL FAMILY	Wichita Falls	\$	73,418,928
82	SCOTT AND WHITE EMPLOYEES	Temple	\$	67,581,491
83	DOCHES	Nacogdoches	\$	63,814,642
84	WEST TEXAS	Odessa	\$	62,401,961
85	STAR OF TEXAS	Austin	\$	61,740,496

86	FREESTONE	Teague	\$	58,055,521
87	TEXAS TELCOM	Dallas	\$	57,273,243
88	MY	Haslet	\$	54,547,063
89	LUBRIZOL EMPLOYEES'	Deer Park	\$	53,351,549
90	STAR FINANCIAL	Corpus Christi	\$	52,094,012
91	BAPTIST	San Antonio	\$	48,861,951
92	CAPROCK SANTA FE	Slaton	\$	48,611,211
93	TRANS TEXAS SOUTHWEST	San Angelo	\$	48,543,705
94	HOUSTON HIGHWAY	Houston	\$	47,770,974
95	TRAVIS COUNTY	Austin	\$	40,843,418
96	MESQUITE	Mesquite	\$	40,417,826
97	CABOT COMMUNITY	Pampa	\$	40,203,147
98	SPCO	Houston	\$	38,878,084
99	ANGELINA FEDERAL EMPLOYEES	Lufkin	\$	38,031,391
100	KEYSTONE	Tyler	\$	37,936,729
101	HOCKLEY COUNTY SCHOOL EMPLOYEES	Levelland	\$	37,652,612
102	MATAGORDA COUNTY	Bay City	\$	34,466,104
103	BRAZOS STAR	College Station	\$	33,794,455
104	BEAUMONT COMMUNITY	Beaumont	\$	32,109,163
105	TRINITY VALLEY TEACHERS	Palestine	\$	31,048,110
106	UNITED	Tyler	\$	29,965,700
107	UNITED ENERGY	Humble	\$	28,901,141
108	SHARED RESOURCES	Pasadena	\$	27,256,600
109	TYLER CITY EMPLOYEES	Tyler	\$	26,983,927
110	BRAZOS COMMUNITY	Alvin	\$	25,996,881
111	DALLAS U.P. EMPLOYEES	Dallas	\$	24,883,280
112	CONCHO VALLEY	San Angelo	\$	22,831,818
113	TEMPLE SANTA FE COMMUNITY	Temple	\$	22,561,457
114	GRAND PRAIRIE	Grand Prairie	\$	22,420,245
115	LCRA	Austin	\$	22,330,710
116	CORNER STONE	Lancaster	\$	21,378,941
117	FIRST PRIORITY	Abilene	\$	20,898,324
118	ODESSA EMPLOYEES	Odessa	\$	20,044,503
119	GERMANIA	Brenham	\$	19,912,263
120	1ST UNIVERSITY	Waco	\$	19,549,898
121	SOUTHERN STAR	Houston	\$	18,783,656
122	LINKAGE	Waco	\$	18,356,687
123	AMARILLO POSTAL EMPLOYEES	Amarillo	\$	18,347,045
124	MIDLAND MUNICIPAL EMPLOYEES	Midland	\$	17,380,245
125	TXDOT	Abilene	\$	16,410,528
126	REED	Houston	\$	15,666,982
127	ALPINE COMMUNITY	Alpine	\$	15,568,597
128	CORPUS CHRISTI POSTAL EMPLOYEES	Corpus Christi	\$	15,546,875

129	CENTRAL TEXAS TEACHERS	Corsicana	\$	14,690,883
130	CEN TEX MANUFACTURING	Brownwood	\$	13,550,340
131	ANGELINA COUNTY TEACHERS	Lufkin	\$	13,369,750
132	ALAMO CITY	San Antonio	\$	11,551,044
133	P.I.E.	Houston	\$	11,331,976
134	VATAT	Austin	\$	10,751,381
135	TEX MEX	Laredo	\$	10,446,655
136	SWEETEX	Longview	\$	10,035,093
137	REEVES COUNTY TEACHERS	Pecos	\$	9,637,209
138	PORT OF HOUSTON	Houston	\$	8,695,539
139	WHARTON COUNTY TEACHERS	Wharton	\$	8,541,866
140	HIGHWAY DISTRICT 19 EMPLOYEES	Atlanta	\$	8,407,871
141	GALVESTON GOVERNMENT EMPLOYEES	Dickinson	\$	7,086,913
142	THE ELECTRIC UTILITIES	Big Spring	\$	6,574,129
143	COBURN	Beaumont	\$	6,445,832
144	SKEL-TEX	Skellytown	\$	5,871,771
145	MIDWESTERN STATE UNIVERSITY	Wichita Falls	\$	5,482,990
146	ACU	Abilene	\$	5,457,463
147	NCE	Corpus Christi	\$	5,388,260
148	HIGHWAY DISTRICT 2	Fort Worth	\$	4,941,555
149	PAMPA MUNICIPAL	Pampa	\$	4,894,809
150	LIGHT COMMERCE	Houston	\$	4,853,728
151	EVERMAN PARKWAY	Fort Worth	\$	4,684,679
152	HIGHWAY DISTRICT 9	Waco	\$	4,550,335
153	CORPUS CHRISTI S.P.	Corpus Christi	\$	4,417,770
154	INTERCORP	Amarillo	\$	4,327,737
155	OAK FARMS EMPLOYEES	Houston	\$	4,069,734
156	THD DISTRICT 17	Bryan	\$	3,855,737
157	UNION PACIFIC EMPLOYEES	Beaumont	\$	3,715,210
158	FEDERAL EMPLOYEES	Texarkana	\$	3,551,445
159	DEL RIO S.P.	Del Rio	\$	3,478,170
160	NAVARRO	Corsicana	\$	3,158,714
161	JAFARI NO-INTEREST	Houston	\$	2,262,008
162	PRIORITY POSTAL	Pasadena	\$	2,190,932
163	LEHRER INTERESTS	Garwood	\$	2,110,489
164	HIGHWAY EMPLOYEES	Tyler	\$	1,701,044
165	AMERICAN BAPTIST ASSOCIATION	Alvin	\$	1,615,731
166	I.B.E.W. LOCAL #681	Wichita Falls	\$	779,166
167	PARIS DISTRICT	Paris	\$	473,970

Comparison of State Credit Union Assessment with NCUA

Asset Level	CUD Assessment	NCUA Operating Fee*	Difference	Percent of NCUA Fee
\$1 Million	\$1,500	\$0	(\$1,500)	100.00%
\$10 Million	\$4,560	\$1,909	(\$2,651)	238.87%
\$25 Million	\$6,660	\$4,774	(\$1,886)	139.51%
\$50 Million	\$10,910	\$9,547	(\$2,705)	114.28%
\$100 Million	\$20,410	\$19,094	(\$1,316)	106.89%
\$250 Million	\$32,410	\$47,735	\$15,325	67.90%
\$500 Million	\$52,410	\$95,470	\$43,060	54.90%
\$1 Billion	\$88,410	\$190,940	\$102,530	46.30%
\$1.5 Billion	\$122,910	\$286,410	\$163,500	42.91%
\$2 Billion	\$157,410	\$381,880	\$224,470	41.22%
\$3 Billion	\$219,410	\$485,531	\$266,121	45.19%
\$4.0 Billion	\$281,410	\$541,181	\$259,771	52.00%
\$5.0 Billion	\$343,410	\$596,831	\$253,421	57.54%

Information effective March 2024. *Not included in the above calculation is NCUA's Overhead Transfer from NCUSIF, which in FY 2024 equates to 61.7%.