

EECU



Annual Report

2024

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Report Chairman and President's

To Our Members and Friends, Thank You!

To our Members and community partners—thank you! With the engagement and support of nearly 300,000 Members, the leadership of our dedicated board, and the commitment of over 400 employees who are privileged to serve you, EECU continues to lead the way in exceptional member service, community impact, innovation, and financial strength.

As one of Texas' leading credit unions, with 19 Financial Centers across the DFW Metroplex, access to 85,000 ATMs nationwide, and a best-in-class Online and Mobile Banking platform, EECU is committed to making your financial life easier and more rewarding. Our friendly, knowledgeable employees continue to invest in programs and tools that provide a secure, fast, frictionless, and personalized banking experience—whenever, wherever, and however you choose to engage with us.

EECU remains safe, strong, and growing stronger, all while staying true to our mission: helping our Members achieve better financial lives through exceptional value, personalized service, and unwavering community support.



FRANK MOLINAR
Chairman



LONNIE NICHOLSON
President & Chief
Executive Officer

2024 Operating Performance

2024 was another remarkable year for EECU. We ended the year with \$4.1 billion in assets, generated \$53.2 million in net income, and maintained a capital ratio of 12.4 percent, well above the National Credit Union Administration's "well-capitalized" benchmark of 7 percent. We have \$508 million in surplus capital to ensure we remain safe and sound in order to support future growth.

Additionally, we welcomed over 38,000 new Members, bringing our total membership to over 292,000.

A few milestones that reflect our commitment to excellence and community engagement:

- We reached \$4 billion in total assets.
- We originated over \$1.5 billion in consumer loans, helping our Members with 7,000+ personal loans, 29,000+ auto loans, and 1,400+ home loans.
- We originated over \$138 million in commercial loans, supporting member business owners and the growth of our community.

- We processed over 1.2 million transactions in our Financial Centers, while our Contact Center responded to more than 530,000 calls, chats, and text messages.
- We opened our 19th Financial Center at The Shops at Chisholm Trail Ranch in South Fort Worth, enhancing convenience for our Members.
- We introduced new debit card readers in our Financial Centers, enhancing member security, ease of use, and offering e-receipt functionality.
- We enhanced our Contact Center platform to provide a secure seamless phone, chat, and text experience while strengthening fraud prevention measures for our Members.
- We earned Member satisfaction scores of 9 or higher out of 10 for our Financial Centers, Contact Center, and Digital Branch.

Deepening Our Community Commitment

In 2024, EECU continued to engage in contributions and efforts that demonstrate our unwavering dedication to enhance the quality of life and financial health of the communities where our members live, work, and thrive.

EECU employees volunteered nearly 1,000 hours to nonprofit organizations across DFW. As part of these efforts, we helped raise more than \$1.3 million for

Cook Children's Hospital to serve local patients and their families, delivered over 2,000 winter clothing items to Fort Worth ISD students in need, delivered over 600 meals to homebound seniors, and painted houses to help local low-income families improve their living spaces and neighborhoods.

We provided financial wellness courses to over 8,500 students at over 40 high schools and Tarrant County Community College campuses and helped educate over 2,500 adults through our self-guided digital financial wellness program.

We expanded our college scholarship program to strengthen our community's educational success by awarding four new \$5,000 scholarships: The Jerry Deering Memorial Scholarship, The Ora Dunlap Memorial Scholarship, The Flo Jones Memorial Scholarship, and The Verma Russell Memorial Scholarship. These, combined with The Glenn Mandeville Memorial Scholarship, resulted in a total of \$60,000 in scholarships to outstanding students to help cover tuition and fees at the college of their choice.

Our community initiatives did not go unnoticed in 2024. EECU was named the "Best Regional Credit Union" by *Newsweek*, "Best-In-State Credit Union" by *Forbes*, and "Best Credit Union in DFW" by the *Fort Worth Star-Telegram*. In addition, *Living Magazine* recognized us as the "Best Credit Union in Arlington/Mansfield, Keller/North Richland Hills, and Northeast Tarrant County."

Report Chairman and President's

Looking Ahead: 2025 and Beyond

In 2025, we will continue to deliver the products and services that our Members have come to expect and appreciate from us, always placing our Members at the center of everything we do. Our focus for the year ahead will be on making things easier and better for our Members through innovation, expanded convenience, and new products.

Here are few items already underway:

- We are opening new Financial Centers in Hudson Oaks and inside the new H-E-B Flagship store in North Frisco. These centers will feature personal teller machines and video conferencing for direct access to mortgage, investment, and insurance advisors.
- We are modernizing our Fort Worth Financial Center with a fresh, clean look.

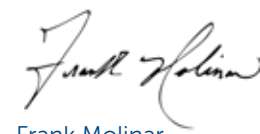
- We are enhancing our loan application process to provide a faster end-to-end experience, from application to funding.
- We are introducing digital credit and debit cards, allowing Members instant access to funds without waiting for a physical card.

Thank You for Your Trust and Loyalty

We are committed to strengthening our relationship with each of you. We recognize that you have choices when it comes to financial services, and we are truly honored that you have chosen EECU.

On behalf of EECU's Board of Directors, management, and staff, we sincerely thank you for your membership.

We look forward to continuing to serve and support your financial needs in the years ahead.



Frank Molinar
Chairman



Lonnie Nicholson
President & Chief
Executive Officer

2024 Highlights



\$4 Billion
in total assets



\$86 Million
paid Member dividends and interest



\$1.5 Billion
originated in consumer loans



29,000+ Auto Loans
to help Members drive happier



7,000+ Personal Loans
to help Members achieve their financial goals



1,400+ Home Loans
to help Members in their journey to homeownership



1.2 Million Transactions
processed at our 19 Financial Centers



530,000+ Responses
to calls, chats, and text messages at our Contact Center



Opened Our 19th Financial Center

At The Shops at Chisholm Trail Ranch in South Fort Worth, enhancing convenience for our Members



Introduced Debit Card Readers

Inside Financial Centers to help with Member security, ease of use, and e-receipt functionality



New Contact Center Platform

To provide a secure seamless phone, chat, and text experience for our Members

Report Treasurer and Credit Committee

At EECU, our commitment to financial strength and long-term stability continues to drive our success, even in the face of evolving economic challenges. Throughout 2024, EECU effectively navigated an increasingly competitive banking environment, persistent inflationary pressures, and broader market uncertainties. Despite these headwinds, our strategic focus on disciplined financial management, member-centric solutions, and continued investments in innovation led to another strong year of financial performance.

Financial Highlights

EECU delivered exceptional results in 2024, generating \$53.2 million in net income – an increase of \$6.8 million, or 15 percent, from 2023. More importantly, we returned a record \$86 million in interest and dividends to our members, reinforcing our commitment to delivering value directly to those we serve.

In an environment where financial institutions faced increased funding costs and margin pressures, EECU maintained industry-leading positions across key performance metrics. Return on average assets (ROA) increased from 1.29 percent in 2023 to 1.36 percent, while return on average equity (ROE) improved from 10.96 percent to 11.14 percent. Our efficiency ratio, a key measure of operational strength, improved significantly, declining from 63 percent to 59 percent – demonstrating our ability to operate effectively while enhancing member value.

Growth & Stability

Despite economic volatility, EECU remained a pillar of financial strength. Key growth metrics included:

- Deposits: Total deposits increased 9.9 percent, reaching \$3.6 billion by year-end.

- Lending: Net loans outstanding grew 9.8 percent to \$3.3 billion
- Capital: Total capital expanded 13.6 percent to \$508 million

Our lending activity remained robust, with over \$1.5 billion in new loan originations – an 11 percent increase from 2023. While overall delinquency rose from 0.43 percent to 0.54 percent, this remains significantly lower than industry averages, underscoring our commitment to responsible lending and our members' dedication to financial responsibility.

EECU's regulatory net worth ratio – a key measure of financial stability – increased from 12.4 percent to 12.6 percent, well above the 7 percent regulatory minimum. Additionally, membership growth remained steady, increasing 4.7 percent to a year-end total of 292,522 members. These figures reflect not only the trust and loyalty of our members but also the resilience of our business model in a rapidly evolving financial landscape.

Looking Ahead

As we look forward, EECU remains committed to empowering our members with strong financial solutions. Our solid balance sheet, disciplined approach, and focus on innovation position us well to navigate future uncertainties while continuing to enhance member benefits. No matter the challenges ahead, EECU will remain your trusted financial partner, delivering *A Better Way of Banking*®. Thank you for your trust and partnership. Your success is our success, and we look forward to serving you in the years to come.



Ben Davis

BEN DAVIS
Chairman of the
Audit Committee



Rich Dear

DR. RICH DEAR
Chairman of the
Credit Committee



Ben Davis

BEN DAVIS
Chairman of the
Audit Committee



Brad Schone

BRAD SCHONE
Chief Financial Officer

Report Audit Committee

The Audit Committee plays a critical role in safeguarding EECU's financial integrity while ensuring the highest standards of accountability. Our mission is to provide independent oversight of the credit union's financial reporting, risk management, internal controls, and regulatory compliance. Through diligent review and collaboration with external auditors, we strive to uphold the trust and confidence of our members.

To fulfill our fiduciary responsibilities, the Audit Committee is supported by the internal auditing services of Moss Adams and the external auditing services of Doeren Mayhew CPAs & Advisors. Doeren Mayhew conducts independent financial statement audits to ensure compliance with generally accepted accounting principles, while Moss Adams performs internal audits to assess the effectiveness of risk management practices and internal controls, ensuring the protection of member assets.

We meet regularly to review audit plans, assess findings, and monitor corrective actions where necessary. Additionally, annual regulatory examinations are conducted by the Texas Credit Union Department (TCUD) and the National Credit Union Administration (NCUA). These reviews evaluate EECU's financial health, operational soundness, credit administration, and overall governance practices.

We are pleased to report that EECU continues to operate in a safe, sound, and well-managed manner, with strong financial controls in place. The accompanying financial statements accurately reflect the credit union's financial position and results of operations for the reporting period.

On behalf of the Audit Committee, we would like to thank the Board of Directors, management, and staff for their continued commitment to financial responsibility. EECU remains resolute in its mission to serve our members with transparency, security, and dedication to their financial well-being.

EECU Board of Directors



Frank Molinar
Chairman
(2022-2025)



Dr. Rich Dear
Vice Chairman
(2024-2027)



Dr. Joe Bean
Secretary
(2024-2027)



George Thompson
Treasurer
(2024-2027)



Randall Armstrong
Director
(2023-2026)



Ben Davis
Director
(2023-2026)



Karel Rucker
Director
(2022-2025)



Dr. Nikita Russell
Director
(2023-2026)



Mauro Serrano
Director
(2022-2025)

Meet the members of EECU's Board of Directors. Each director works in the best interest of our Members to meet the demands of governing a financial institution with over \$4 billion in assets.

Board service demands a great deal of time—not just attending meetings, but also serving on governance committees, a commitment to education and training, and taking on the greater fiduciary liability of the credit union. Accordingly, in recognition, the credit union paid \$57,000 in director fees in 2024 and is expected to pay approximately \$58,500 in director fees in 2025.

2024 Financial Highlights

Assets

\$4.1 Billion

10%
Increase

Assets grew by \$374 Million

Loans

\$3.3 Billion

9.8%
Increase

Loans grew by \$291 Million

Deposits

\$3.6 Billion

9.9%
Increase

Deposits grew by \$320 Million

Members' Equity

\$508 Million

13.6%
Increase

Members' Equity grew by \$60 Million

2024 Returns to Members

Dividends & Interest Paid to Members

\$86 Million

56%
Increase

Dividends & Interest paid to Members increased by \$30.7 Million

Consolidated Statements Financial Condition

Assets	2024	2023
Cash and cash equivalents	\$531,259,721	\$439,533,434
INVESTMENT SECURITIES:		
Equity Securities	43,372,661	40,564,611
Available-for-sale	144,758,381	173,838,823
FHLB stock	1,894,200	1,796,200
Loans held-for-sale	4,374,709	5,038,389
Loans to Members, net of allowance for loan losses	3,257,890,871	2,966,352,959
Accrued interest receivable	12,607,737	10,097,524
Property and equipment	43,607,476	39,984,141
Share insurance deposit	29,723,006	27,343,180
Investments in CUSOs	100,000	100,000
Defined benefit pension plan	26,313,430	17,130,565
Other assets	17,593,922	17,695,096
Total Assets	\$4,113,496,114	\$3,739,474,922
Liabilities and Members' Equity	2024	2023
LIABILITIES:		
Members' shares and savings accounts	3,569,038,927	3,248,747,077
Accounts payable and other accrued liabilities	36,060,221	42,247,316
TOTAL LIABILITIES	3,605,099,148	3,291,994,393
COMMITMENTS AND CONTINGENT LIABILITIES		
MEMBERS' EQUITY:		
Regular reserve	8,650,023	8,650,023
Undivided earnings	508,886,450	455,645,356
Accumulated other comprehensive loss	(9,139,507)	(16,814,850)
TOTAL MEMBERS' EQUITY	508,396,966	447,480,529
Total Liabilities and Members' Equity	\$4,113,496,114	\$3,739,474,922

Consolidated Statements Earnings


Earnings	2024	2023
INTEREST INCOME:		
Loans receivable	\$176,472,990	\$135,344,951
Investment securities	26,705,121	21,215,718
TOTAL INTEREST INCOME	203,178,111	156,560,669
INTEREST EXPENSE:		
Interest and dividends on Members' savings accounts	86,067,448	55,309,969
NET INTEREST INCOME	117,110,663	101,250,700
Provision for loan losses	14,496,502	9,525,483
NET INTEREST INCOME after provision for loan losses	102,614,161	91,725,217
NON-INTEREST INCOME:		
Fees and charges	22,125,279	20,873,379
Interchange Income	17,727,834	17,485,013
Gain/Loss on equity securities	2,953,204	3,679,258
TOTAL NON-INTEREST INCOME	42,806,317	42,037,650
NON-INTEREST EXPENSES:		
Compensation and benefits	42,590,801	42,812,854
Office operations	17,624,008	15,817,556
Occupancy	5,154,599	4,593,915
Operating expenses	26,809,976	24,144,501
TOTAL NON-INTEREST EXPENSES	92,179,384	87,368,826
Net Earnings	\$53,241,094	\$46,394,041

The consolidated financial information presented in the 2024 Annual Report on pages 10-11 are a condensed representation of the EECU December 31, 2024, financial statements without cash flows, changes in equity, and comprehensive footnotes, prepared by our independent certified public accounting firm Doeren Mayhew in the audited consolidated financial statements, which are available for review in the executive offices of EECU, Fort Worth, Texas.

2024 Community Impact

Charitable Giving


 **\$1.3 Million+**
Helped raise for Cook Children's

 **\$200K+**
Donated to non-profits from our charitable donation account

 **\$60K**
Awarded in college scholarships

Employee Volunteerism

 **1,000+**
Employee volunteer hours

 **2,000+**
Donated winter clothes items to Fort Worth ISD students in need

 **600+**
Meals delivered to home-bound seniors

Financial Literacy

 **21K+**
Learning hours

 **8.5K**
Students educated

 **40**
Schools impacted

Community Support

 **\$216 Million**
Originated in EECU home loans

 **1,203 Members**
Provided small dollar loans

 **\$6 Million**
Originated in Small Business Loans

2024 Awards & Recognition



Best Regional Credit Union



Best Credit Union in DFW



Best-in-State Credit Union



Best Credit Union in Arlington/Mansfield, Keller/North Richland Hills, and Northeast Tarrant County

Senior Management Staff Changes:
In January 2024 Robert Sanger, Executive Vice President and Joe Rossa, Chief Credit Officer, retired from EECU.



Federally insured by NCUA. Equal Housing Opportunity. National Credit Union Association, a U.S. Government Agency - Member accounts are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government.

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