

The brighter  
place to bank



Brazos Star Credit Union  
2023 Annual Report

## 2024 President's Message

Welcome to Brazos Star Credit Union's 63<sup>rd</sup> Annual Membership Meeting.

Credit union members are unique, loyal and understand the true value of relationship banking. It's understanding the needs of your members and helping them when they need it most. Over the course of our 60+ year history as a Member-owned cooperative, we've learned a tremendous amount about how to best serve our Members. Our Annual Report allows us to capture our story and share with you, our Members.

Through conservative and prudent decision making over the years, our credit union maintains the financial strength and solid capital position that far exceeds the "well-capitalized" accreditation of our regulators, the Texas Credit Union Department and the NCUA. We are here when you need us, and we want to continue to look for new products and services to meet your financial needs now and in the future. In 2023, we continued to focus on helping you lower your interest rates with vehicle loan refinancing, debt consolidation loans, credit card balance transfers, and personal loans to pay off high interest rate credit cards and retail lines.

On behalf of our board of directors, staff and other volunteers, we thank you for your membership and the trust you put in our credit union and the cooperative experience. As a credit union, our sole purpose is to serve our Members, and we deeply appreciate your trust and loyalty. We look forward to continuing to serve you as your financial cooperative. In 2024 and beyond, we plan to offer new products to help you save money, spend less, and improve the products and services we offer for you.

Thank you,

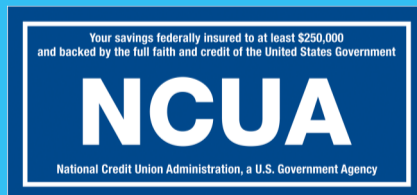
*Mary Beth Borroni*

President/CEO



# Brazos Star Credit Union

Even in an eclipse, we're  
the brighter place  
to bank!



Brazos Star Credit Union is Federally insured by NCUA

## Meet our Board of Directors

Our board of directors is a seven person board made up of volunteer members. Our board sets the direction of the credit union and assists with setting policies, approving our budgets, and helping to direct strategic planning. They work hard to keep our member's and the community's best interests at heart. Our board works cooperatively to serve our members and to provide prudent oversight to the credit union along with fresh insight to trends and technology.

- ◆ Fred Bingaman Term Expires 2026
- ◆ Jubal Hancock Term Expires 2026
- ◆ Tara Jackson Term Expires 2025
- ◆ Linda Jeffress Term Expires 2024
- ◆ Arthur Davila Term Expires 2025
- ◆ Johnny Stimson Term Expires 2024
- ◆ Ron Weiman Term Expires 2025

## Meet our Credit Union Staff

- ◆ Mary Beth Borroni President/CEO
- ◆ Penny Kornegay Office Manager
- ◆ Morgan Leopold Lead MSR/Payments
- ◆ Gabby Moncibaiz MSR/New Accounts
- ◆ Derek B. Massie, Jr. MSR



## 2023 Chairman's Report: The Year in Review

Brazos Star Credit Union maintained strength and resilience throughout 2023. We kept the focus on our members and growing the credit union in all the right ways. Our credit union management and board has worked to build on the credit union's strength and exceeding all NCUA regulatory and capital requirements, under Section 704.3 of NCUA Regulations.

As of December 31, 2023, Brazos Star Credit Union's Net Worth Ratio was 13.63%. This ratio is both higher than the Texas credit union average and higher than the national average. Brazos Star Credit Union had a net income of \$ 391,218.00 and retained earnings of \$4,333,446.00. Our loan portfolio grew slightly by 2.25% over 2022, while our member share growth declined by less than 1.00%. Spread the word, we welcome new members!

Brazos Star Credit Union welcomed 122 new members to the Brazos Star family. We are always looking for ways to increase our membership by providing high quality, personal service without sacrificing convenience and technology.

Throughout 2024, Brazos Star Credit Union will continue to build on its platform of lending products that meet the needs of our members and transaction products that make it easier than ever to access accounts, transfer money, monitor accounts anytime, anywhere. Brazos Star Credit Union is ready and able to help our members achieve their personal financial goals.

Brazos Star Credit Union has maintained its 5-Star Superior Rating with Bauer Financial for over 35 years, and 2023 was no exception. Members have choices in banking, and we understand that. Bank with Brazos Star. It's the Brighter place to Bank.

*Jubal Hancock*

Jubal Hancock,  
Board Chairman



# Results of the 2023 Supervisory and IT Audits

## REPORT OF THE SUPERVISORY COMMITTEE ANNUAL REVIEW and CYBERSECURITY AUDITS

### CREDIT UNION RESOURCES, LLC

#### Financial and Technology Resources of the Cornerstone Credit Union League

**As of October 31, 2023**

The Cornerstone Credit Union League's Technical Assistance Department completed a Supervisory Committee Annual Review Audit of our books and records for the 12-month period ending September 30, 2023. The findings of this report were discussed with the Board of Directors on March 8, 2024, with Senior Financial Auditor Ms. Lynn Huynh and Ms. Aerial Edwards of CU Resources, LLC.

The work of the auditors was performed in accordance with requirements set forth in Title 7, Part 6, Section 91.516 of the Texas Administrative Code and Section 715.7(c) of the NCUA Rules and Regulations. The audit also encompassed any additional procedures deemed necessary.

Accounting records and other supporting evidence were examined or tested during this period. A general review of the system of internal controls was completed. The results of the credit union's operations and its cash flows for the period are in conformity with generally accepted accounting principles.

The Audit found that the overall records and operations of the credit union were found to be in good condition. These included Loan portfolio review, Allowances for Loan and Lease Losses, Cash, Investments, Loans to Officials and Members, Accounts Payable and Accrued Liability, and Undivided Earnings. The noted exceptions were minor with regard to lending policy exceptions.

The last Verification of member accounts (100% negative) was performed as of September 30, 2024, also by Credit Union Resources, LLC.

Reserve transfers were not required by regulation during the review period, while Undivided Earnings including current earnings increased 5.3%. This reflects the positive earnings of the credit union.

Based on thorough analysis, the auditors have advised us that adequate internal controls exist to protect member accounts and that the accounting records and financial statements accurately reflect the performance and condition of the credit union.

CU Resources, LLC. Also completed a number of internal audit reviews in October of 2023. These audits included a Cybersecurity Audit, Information Security and Risk Assessment, Information Security Policy Review, and External Vulnerability Assessment Testing. Recommendations were made for continued operating efficiencies, safety of information technology and compliance with regulations. No serious issues were identified that could not be resolved.



## 2023 Treasurer's Report: Our financial condition

Once again Brazos Star Credit Union ended the year in a strong financial position. Our net income for the year was \$391,218.00. As of December 31, 2023, the board of directors declared a 200% bonus dividend to be distributed to member share and club accounts. Contributions to undivided earnings also continued in 2023 by over \$218,000.00.

While assets declined slightly at year-end, as of the first quarter of this year, asset size has bounced back to \$34,178,859.00. At year-end, our Return on Assets still remained strong and within range of our credit union counterparts in Texas and nationwide at 0.64%.

The credit union originated 265 loans for more than \$ 5.2 million dollars while investment dollars decreased to help fuel loan demand and maintain a strong liquidity position. The credit union loan portfolio remained constant with growth at 2.25% for a total of 1396 loans or lines of credit to members. New and used vehicle loans continue to be the number one credit union loan in the industry. In addition, our credit union originated fixed-rate, low-cost home equity loans, totaling close to \$500,000.00 and filling an important need for our membership.

Brazos Star's board of directors continues to make sound loan policies that are carried out by our staff to ensure that delinquencies and charge-offs are kept in check. Our members play an important role in making great financial decisions and setting reasonable and attainable financial goals.

Our Credit Union continues to be "well-capitalized" by standards set by the National Credit Union Administration (NCUA). Brazos Star Credit Union remains a safe and sound financial institution to bank and borrow.

### YEAR END SUMMARY FOR 2023

Assets: \$ 33,794,455  
Loans: \$ 13,281,364  
Investments: \$ 18,908,346  
Deposits: \$ 29,051,742

Respectfully submitted,

*Ron Weiman*

Ron Weiman,  
Treasurer



## Consolidated Statement of Financial Condition, Unaudited

	December 31, 2022	December 31, 2022
<b>ASSETS</b>		
Loans to Members	\$ 13,281,364	\$ 12,989,195
Cash	370,229	410,761
Investments	18,908,346	19,460,600
Land and Building	843,113	855,967
Other Assets	17,778	384,382
Allowance for Loan Losses	(48,336)	(35,823)
<b>TOTAL ASSETS</b>	<b>\$ 33,794,455</b>	<b>\$ 34,065,082</b>
<b>LIABILITIES AND MEMBER EQUITY</b>		
Accounts Payable	\$ 113,735	\$ 322,495
Other Liabilities	23,931	23,244
<b>TOTAL LIABILITIES</b>		<b>\$ 345,739</b>
Member's Shares	\$ 29,051,742	\$ 29,332,618
Reserve Funds	271,601	271,601
Undivided Earnings	4,333,446	4,115,124
<b>TOTAL MEMBER'S EQUITY</b>	<b>\$ 33,656,789</b>	<b>\$ 33,719,343</b>
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b>\$ 33,794,455</b>	<b>\$ 34,065,082</b>



## Consolidated Statement of Income, Unaudited

	December 31, 2022	December 31, 2022
<b>INCOME</b>		
Total Interest Income	\$ 965,790	\$ 800,871
Total Interest/Dividend Expense	172,896	91,117
<b>Net Interest Margin</b>	<b>\$ 792,894</b>	<b>\$ 709,754</b>
Loan Loss Provision Expense	21,982	13,453
<b>Net Interest Income</b>	<b>\$ 770,912</b>	<b>\$ 696,301</b>
Non-Interest Income	187,905	339,037
Non-Interest Expenses	\$ 762,477	697,319
<b>Net Income To Reserves and Undi- vided Earnings</b>	<b>\$ 218,322</b>	<b>\$ 338,019</b>
Total Income before Dividends	\$ 391,218	429,136
<b>Distribution of Net Income</b>		
Dividends on Shares	\$ 172,896	\$ 91,117
To Reserves and Undivided Earnings	\$ 218,322	\$ 338,019



# What can we do for you?

In 2023, we paid out regular and 100% bonus dividends to credit union member's share and club accounts.

Brazos Star Credit Union has a 5 Star rating at Bauer Financial for more than 35 years!

*Not for profit, but for Service*



Brazos Star CU donated funds to our community in 2023 including local school districts, women and children, scholarships and to members who need help most.

North Bryan Community Center

Burleson County Saddle Club

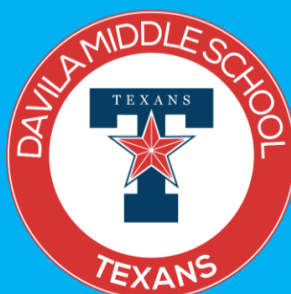
A&M Consolidated FFA

Hearne ISD Wood Field Restoration Project

Brazos Valley Cattlewomen



**IOLA ISD**



# Our Products and Services

- Community Charter—Almost anyone can join the credit union
- Now serving all of Brazos, Burleson, Leon, Robertson, Grimes, Washington, and Madison Counties
- Share Accounts (Savings)
- Share Draft Accounts (Checking, with interest!) VISA® Instant Issue Debit Cards
- Youth Savings Accounts
- Share Certificates of Deposit
- Loans for almost any need: Auto, Boats, Motorcycles, RVs
- Personal loans
- CashNOW loans
- Credit Life and Disability Insurance Coverage
- Auto Extended Warranties
- Auto GAP Coverage
- VISA® Secured Credit Cards
- VISA® Lines of Credit with
- VISA® ScoreCard® Rewards,
- VISA® Credit Card Text Alerts
- Payroll Deduction, Direct Deposit
- ACH Recurring Payments
- REPAY Online Payment Portal
- Discretionary Courtesy Pay
- Overdraft discretionary privilege
- Notary Services
- Medallion Stamp Services
- Savings Bond Redemption
- Financial Education; debt counseling
- VISA® Travel Cards
- VISA® Gift Cards
- Money Orders and Cashier's Checks
- Mobile App, for Apple and Android
- Remote Deposit Capture/Mobile Deposit
- Home Equity Loans
- Real Estate Mortgage Loans
- E-Statements
- Email Activity Alerts
- E-signature for documents and loans
- Cross Member Transfers
- Account to Account Auto Transfers
- Surcharge-Free ATMs
- Free Online Banking
- Free Online Bill Pay

We are always looking for new ways to serve our members!



The brighter place to bank!

*Now serving the  
entire Brazos Valley*



*Thank you!*

For another successful year at  
Brazos Star Credit Union!

Without our members , we would not exist.  
We appreciate your commitment and loyalty  
to Brazos Star Credit Union



**BRAZOS STAR**  
CREDIT UNION  
— ESTD 1961 —

The brighter place to bank!

Phone or Text: 979-846-7456

[www.brazosstarcu.com](http://www.brazosstarcu.com)

