

Brazos Star Credit Union 2024 Annual Report



The brighter place to bank

2025 President's Message

Welcome to Brazos Star Credit Union's 64th Annual Membership Meeting.

It's hard to believe that our credit union was chartered in 1961. While this is our 64th annual meeting we will be celebrating our 65th year of service on May 12, 2025.

Flashback to 1964 and remembering what was happening in America during that time

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The Beatles were taking the world by storm! They appeared on the Ed Sullivan show in February of 1964 and that show was watched by 73 million people.

On April 10, 1964, the song was **"MONEY CAN'T BUY ME LOVE"**, of course by the Beatles. While money can't buy love, just \$25.00 does reserve you a share of ownership in the credit union.

Well, fast forward to April 10, 2025 and to think we have come a long way, baby!

We are serving anyone who lives in Brazos, Grimes, Robertson, Washington, Burleson, and Leon counties as well as our original core associational groups.

We are focused on providing unique and personalized member services allowing members to be in the driver's seat when it comes to making their loan payments through REPAY, using text alerts, email alerts or convenient online banking tools. We continue to look for smart and safe ways for members to access their accounts securely online and through the credit union's mobile apps. All of these reflect our strong effort and commitment to assist you the member in achieving your personal financial goals. This year, we have focused a great deal on cyber security. We have contracted with a new managed services provider to ensure our systems are monitored on several different platforms around the clock so that our members can feel confident about accessing their account information online. We continue to look for ways to enhance the membership experience by providing the services and relationship products our members want while keeping costs down. As we look beyond today and plan for the future we will continue to move forward with financial technology in ways that attract new members and retain our existing members.

It is our goal to adapt and evolve to grow in this ever-changing financial industry.

Thank you,

Mary Beth Borroni

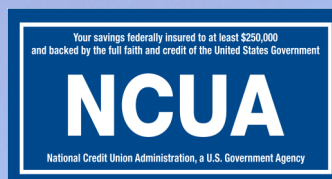
President/CEO

Brazos Star Credit Union

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 2027
◆ Arthur Davila	Term Expires 2025
◆ Johnny Stimson	Term Expires 2027
◆ 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

2024 Chairman's Report: The Year in Review

On behalf of the entire board of directors, we welcome you to the 64th Annual Meeting of your Brazos Star Credit Union. Since the inception of the credit union in 1961, the board of directors has remained committed to a member-centric, safety focused financial cooperative. 2024 was no exception. Our loan portfolio saw a strong increase in Home Equity lending and core auto loans. New and used auto loans still make up the majority of our loan portfolio by providing our members with low rates and easy to manage terms, along with reliable add-on service contracts and GAP products.

Our credit union's board and management strive to keep our credit union's assets safe and secure and to keep compliant in an ever-changing regulatory environment. Our goal continues to be growth and stability. In doing so, our Net Worth Ratio at year-end was 14.06%, which is both higher than the Texas credit union average and higher than the national average. Brazos Star Credit Union had a net income of \$ 244,400.00 and retained earnings of \$4,849,447.37.

I would like to thank our board for their continued dedication to the credit union movement and their hard work as volunteers. Our success would not be possible without these committed and enthusiastic members.

We are always looking for ways to increase our membership by providing high quality personal service without sacrificing convenience and technology. Looking ahead in 2025, we know change is always on the horizon, and Brazos Star Credit Union will continue to look for ways to help our members meet their financial goals in a safe and sound manner. Bank with Brazos Star. It's the Brighter place to Bank.

Jubal Hancock

Jubal Hancock,
Board Chairman

2024 Audit Reports

To comply with and qualify for NCUA's federal insurance, the credit union utilizes the support of an outside auditing firm. The 2024 annual Supervisory Audit was performed by Credit Union Resources, a division of Cornerstone Credit Union League in November 2024 for the period ending September 30, 2024. The findings of this report were discussed with the Board of Directors on November 15, 2024.

Based on a thorough analysis of accounting records and other supporting evidence tested and examined during the period, the auditors have advised us that adequate internal controls exist to protect member accounts and the records of the credit union accurately reflect the performance and financial condition of the credit union.

The overall records were found to be in good condition. Exceptions during the review period were noted and have been reviewed for accuracy.

Our most recent Texas Credit Union Department Examination was conducted in October 2024, for the period ending June 30, 2024.

Credit Union resources, LLC also performed the ACH Audit, the Cybersecurity Risk Assessment, the Vulnerability Assessment of our Database, Information Security Audit, and our Bi-annual Verification of Member Accounts. Separate Audits were also conducted on BSA, AML and OFAC Compliance through AffirmX, and an ATM audit was conducted by Fidelis. The results of these audits report that the affairs of Brazos Star Credit Union during 2024 were conducted in a satisfactory manner and in accordance with prescribed standards and accounting practices. All systems and procedures were found to be adequate and in balance.

Recommendations were made for enhancing operational efficiencies, the safety and security of information and compliance with regulations. No serious issues were identified during the audit period that have affected the safety and soundness of the credit union.

Respectfully submitted,

Mary Beth Borroni

Mary Beth Borroni,
President/CEO

2024 Treasurer’s Report: Our financial condition

Brazos Star Credit Union remains safe and healthy due to a well- capitalized position by the standards set by the National Credit Union Administration (NCUA). Our net worth ratio as of 12/31/2024 was 14.06%. This is 60 basis points higher than our PEER group average for credit unions of similar asset size.

2024 was a stable year for our credit union. Our asset yields improved while our Net Operating Expenses remained well below our PEER group. Our overall Net Return on Assets improved from 2024 to 0.72%, which is above PEER. Brazos Star has maintained a strong liquidity position throughout 2024 by keeping an eye on investment goals and maturities.

For the year ending December 31, 2024, total assets of the credit union increased to \$ 34,501,335. Total Loans have increased as did investment balances over 2023. The total number of share accounts decreased in the past year to 2011. (So, refer the credit union to friends and family!)

Our Allowance for Loan Loss Account is adequately funded to cover delinquencies should charge offs occur. Conservative loan policies and prompt collection procedures helped the credit union maintain a low delinquency ratio at year-end of 0.62% and a charge off ratio of 0.39%.

In 2024, the credit union board directed excess net income to Undivided earnings, which now totals \$ 4,848,447.37. This is an increase of over \$244,000.00. The board of Directors also declared 100% year -end bonus dividends once again to member share and club accounts.

According to the Bauer Financial Institution’s Rating Website, Brazos Star Credit Union continues to maintain a five-star rating, which is the top rating for any credit union. This exemplary rating has not changed for us in over 25 years. Brazos Star continues to be a safe, financially sound credit union that operates in a sensible and thoughtful manner to guard the assets of its members and to help those members meet their financial goals. Thank you, to the members who make it possible for us to fulfill the goals of the credit union and to fulfill the credit union idea of “People Helping People.”

SUMMARY

Assets :	\$ 34,501,335	Increase 2.09% from 2023
Loans:	\$ 13,694,693	Increase 2.69% from 2023
Deposits:	\$ 29,437,300	Increase 1.33% from 2023
Investments:	\$ 19,260,191	Increase 1.86% from 2023
Equity:	\$ 4,849,447	Increase 5.31% from 2023
Total Income:	\$ 1,434,294	Increase 10.27% from 2023

Respectfully submitted,

Ron Weiman

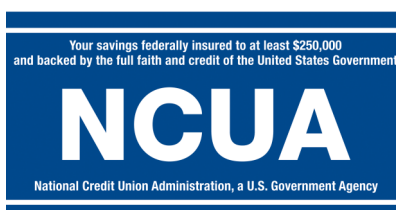
Ron Weiman
Treasurer

Consolidated Statement of Financial Condition, Unaudited 2024

	December 31,	December 31, 2023
ASSETS		
Loans to Members	\$ 13,694,693	\$ 13,281,364
Cash	411,985	370,229
Investments	19,260,191	18,908,346
Land and Building	830,258	843,113
Other Assets	396,367	439,739
Allowance for Loan	(92,716)	(48,336)
TOTAL ASSETS	\$ 33,794,455	\$ 34,065,082
LIABILITIES AND MEMBER		
Accounts Payable	\$ 186,922	\$ 113,735
Other Liabilities	27,686	23,931
TOTAL LIABILITIES	\$ 214,608	\$ 137,666
Member's Shares	29,437,300	\$ 29,051,742
Reserve Funds	271,601	271,601
Undivided Earnings	4,577,846	4,333,446
TOTAL MEMBER'S	\$ 34,286,747	\$ 33,656,789
TOTAL LIABILITIES AND	\$ 34,501,355	\$ 34,794,455

Consolidated Statement of Income, Unaudited 2024

	December 31,	December 31,
INCOME		
Total Interest Income	\$ 1,255,050	\$ 965,790
Non-Interest Income	179,244	187,905
Total Income	\$ 1,434,294.	\$ 1,153,695
Interest Expense	\$ 305,929	\$ 172,896
Net Interest	\$ 1,128,365	\$ 980,799
Provision for Loan Loss Expense	\$ 95,179	\$ 21,982
Non-Interest Expenses	\$ 788,786	\$ 740,495
Total Expenses	\$ 883,965	\$ 762,477
Net Income before Dividends	\$ 550,329	\$ 391,218
Distribution of Net Income		
Dividends on Shares	\$ 305,929	\$ 172,896
To Reserves and Undivided Earnings	\$ 244,400	\$ 218,322



How we help our Community, and you!

In 2024, 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 30 years!

***Not for profit, but for
Service***

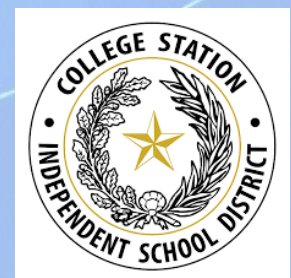


Brazos Star CU donated funds to our community in 2024 including local school districts, women and children, scholarships and to members who need help most.

North Bryan Community Center

CSISD and BISD

4H Roundup



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
- Youth Savings Accounts
- Share Certificates of Deposit
- Loans for almost any need: Auto, Boats, Motorcycles, RVs and more
- Personal loans
- CashNOW loans up to \$2,000.00
- Credit Life and Disability Insurance
- Auto Extended Warranties
- Auto GAP Coverage
- Auto Dent Guard Ultra
- VISA® Secured Credit Cards
- VISA® Lines of Credit
- VISA® ScoreCard® Rewards,
- VISA® Credit Card Text Alerts
- Payroll Deduction, Direct Deposit
- ACH Recurring Payments
- REPAY Online Payment Portal
- 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
- Free Online Baking
- Free Online Bill Pay
- Home Equity Loans
- Real Estate Mortgage Loans
- E-statements
- Email/Text Activity Alerts
- E-signature for documents and loans
- Cross Member Transfers
- Account to Account Auto Transfers
- Surcharge –Free ATMs
- Discretionary Courtesy Pay
- Overdraft discretionary privilege

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



Refer a friend or family member today!



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

