



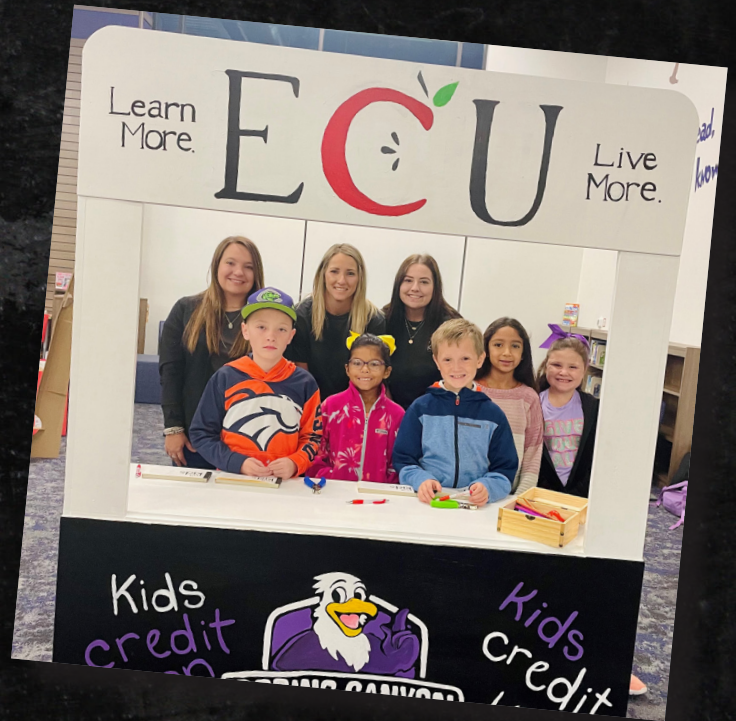
Doing More.





EduCation  
credit union

Learn More. Live More.®



# ANNUAL REPORT 2022



## Board of Directors:

**Daniel Coward**, Chairman of the Board, Place 7, Term Expires 2025

**Linda Purdy**, Vice Chairman, Place 6, Term Expires 2024

**Kel Spradling**, Secretary, Place 9, Term Expires 2025

**Leonida Cleveland**, Treasurer, Place 5, Term Expires 2024

**Duane Chapman**, Director, Place 2, Term Expires 2023

**Jimmy Marrs**, Director, Place 3, Term Expires 2023

**Cody Myers**, Director, Place 1, Term Expires 2023

**Buddy Stephens**, Director, Place 4, Term Expires 2024

**Steve West**, Director, Place 8, Term Expires 2025

**John Lemons**, Emeritus Director

**Ken Carriere**, Advisory Board Member

**Ray Cogburn**, Advisory Board Member

**Joe Rogers**, Advisory Board Member

## Executive Team:

**Marcus Smith**, Chief Executive Officer/President (Formerly Chief Financial Officer)

**Adrian Alejandro**, Senior Vice President of Lending

**Claudia Burkett**, Executive Vice President/President of Canyon Market

**Marcus Glass**, Senior Vice President of Operations (Formerly VP of Operations)

**Johnny Harris**, Senior Vice President of Retail Operations

**Lindsey Murphy**, Senior Vice President of Marketing and Business Development

**Jennifer Ufford**, Vice President of Strategic initiatives (Formerly Compliance Officer)



## Operational Management:

**Sarah Aaron**, Vice President of Loan Servicing

**Brittnie Aguirre**, Mortgage Manager (Formerly Vice President of Mortgages held by Shari Keyner)

**Beth Ashe**, Vice President of Team Member Experience (Formerly Vice President of Member Experience)

**Gypsy Austin**, Centralized Underwriting Manager

**Tricia Bass**, Director of Education Credit Union Foundation (Formerly Vice President of Learning/Staff Development)

**Joe Cowden**, Director of IS (Formerly Senior Vice President of Information Systems held by Jacque Bagot)

**Mary Beth da Silva**, Controller

**Melissa Durling**, Vice President of Human Resources

**Becky Gabhart**, Vice President of Student Relations

**Salvador Gomez**, Manager of Business Intelligence & Development (New Position)

**Danielle Gonzales**, Director of Deposit Operations (New Position)

**Melissa Gutierrez**, Director of Retail Operations – Amarillo Area (New Position)

**Amy Hamilton**, Vice President of Lending

**Elizabeth Levario**, Director of MSC (Formerly MSC Rep Supervisor)

**Haley Pate**, Executive Assistant

**Tiffany Sharpsteen**, Marketing Manager (New Position)

**Samantha Taylor**, Coordinator of Project Management

## Products & Services Additions:

**Self-enrollment into Online Banking**  
**Canyon Branch**

**24 hr Call Center**  
**AmTech Branch**

## Services & Products No Longer Offered:

**No Changes**

## Bylaw Changes

**ECU changed our bylaws to increase our Board of Directors from 9 to 10.**





## Daniel Coward, Chairman

2022 was a year of promise for Education Credit Union, this time last year I was able to share that we grew by \$40 million to \$372 million. I am so pleased to report that the remainder of 2022 saw us continue to grow \$48 million more dollars which brings us to assets now totaling over \$420 million.

This continuous upward trajectory for us is due in no small part to the excellent leadership team of Education Credit Union. This past year we were able to elevate a senior member of that leadership team, Marcus Smith, to the position of CEO even as we expanded our services in Canyon by building a brand new, beautiful, modern branch and built a partnership with H&H Federal Credit Union.

We have invested even more heavily into our community by creating the ECU Foundation, and increased the gift of our Pocket Change Grant award from \$500 to \$750. We formed partnerships with schools to bring the Credit Union difference not just to their classrooms with financial education, but our team – Your team – at ECU has also stepped up to provide Credit Union Deposit Days at local elementary schools, along with pursuing volunteer and mentorship opportunities with students from campuses all over our area from elementary to college.

As a member-owner of Education Credit Union, you are a direct contributor to our financial stability and a key component in all of our accomplishments within our community. Thank you for trusting us with this responsibility, and thank you for being our member.

A handwritten signature in black ink that reads "Daniel Coward". The signature is fluid and cursive, with a long, sweeping tail on the letter "d" at the end.



## Marcus Smith, CEO

In my almost decade at Education Credit Union, I have never been more grateful for the guidance and trust the board has given our leadership team. Our senior leadership continued to cultivate that support and then passed it on to our team members who work every single day to demonstrate the credit union difference – or as some like to call it: the Learn More, Live More Difference.

That difference was translated into dollars with record-setting loan growth for our credit union, as well as an expansion into the broader panhandle community. This expansion allowed us to partner with H&H Federal Credit Union, bringing the “Live More, Learn More” difference to our friends in Borger and Stinnett.

Though we are a financial institution our vision takes us beyond account balances and debt ratios. Our financial success is paired with your success, and throughout 2022 we worked tirelessly to share that spirit of achievement with our community in a host of ways.

One tremendous accomplishment was the establishment of the Education Credit Union Foundation; a 501c3 arm of our organization that has already magnified our community impact by enhancing our Pocket Change Grant award for area teachers, as well as created new and exciting avenues for charitable giving that will impact the entire Texas Panhandle.

The first year of our Student-led branch at AmTech Career Academy was also a tremendous success. I would like to congratulate our inaugural class of seniors: Dayanara, Chase, Flavio, Paul, and Jayden for their dedication to Education Credit Union, and offer our sincerest well-wishes as they go out into the world to continue to do great things.

Much like we did with AmTech, you probably saw the construction being done at our Fourth Ave branch location in Canyon. As of March 20th, that branch has reopened as the Education Credit Union Buff \$mart branch, our second student lead branch. As we deepen our partnership with West Texas A&M, this year ECU launched its first WT Corporate Alumni association; all in the effort to grow and hone the talent of our area’s best and brightest.

We would not be able to accomplish any of that without you. We never take that for granted. Because of your trust, and your membership we are able to continue to Learn More, and Live More.

A handwritten signature in black ink that reads "Marcus Smith". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

## STATEMENT OF FINANCIAL CONDITION

### ASSETS

	December 2022
Loans, Net of Allowance for Loan Losses	\$337,816,003
Cash	\$32,279,462
Receivables	\$108,280
Accrued Income	\$1,316,973
Investments	\$12,982,132
Prepaid and Deferred Charges	\$1,320,505
Fixed Assets, Net of Accumulated Depreciation	\$21,894,020
All Other Assets	\$14,060,483
<b>Total Assets</b>	<b>\$421,777,858</b>

### LIABILITIES

Dividends Payable	\$1,145,924
Accounts Payable	\$1,400,706
Accrued Expenses	\$1,270,185
Other Liabilities	\$20,733,143
<b>Total Liabilities</b>	<b>\$24,549,958</b>

### SHARES, DEPOSITS, AND EQUITY

Shares	\$120,949,376
Certificates and Deposit Accounts	\$229,432,676
<b>Total Shares and Deposits</b>	<b>\$350,382,052</b>

### EQUITY

Reserves and Retained Earnings	\$48,131,052
Unrealized Gain/(Loss) on Investments	(1,285,204)
Total Equity	\$46,845,848
<b>Total Liabilities and Equity</b>	<b>\$421,777,858</b>

## STATEMENT OF INCOME AND EXPENSE

<b>INCOME</b>	December 2022
Interest on Loans	\$17,796,358
Interest from Investments	\$644,029
Fee Income	\$4,188,612
Operating Income	\$6,694,314
Non-Operating Income (Expense)	
<b>Total Income</b>	<b>\$29,323,313</b>

<b>EXPENSES</b>	
Salaries and Employee Benefits	\$11,428,717
Operating Expenses	\$10,640,559
<b>Total Operating Expenses</b>	<b>\$22,069,276</b>
Provision for Loan Losses	\$2,248,257
Income Before Dividends and Interest	
Interest on Borrowed Money	\$277,355
Dividends on Shares	\$250,320
Interest on Certificates and Deposits	\$1,585,432
<b>Net Income</b>	<b>\$2,747,822</b>

## MEMBERS

<b>Total Members</b>	<b>33,295</b>
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# AUDITOR'S REPORT

**Lauren E Quill, LLC**  
CERTIFIED PUBLIC ACCOUNTANT

## INDEPENDENT AUDITOR'S REPORT

To the Officials  
Education Credit Union  
6203 Hillside Rd  
Amarillo, TX 79109

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Education Credit Union, which comprise the statements of financial condition as of June 30, 2022, and the related statements of income, changes in member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Education Credit Union as of June 30, 2022, and the results of its operation, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Education Credit Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Education Credit Union's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards (GAAS) will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

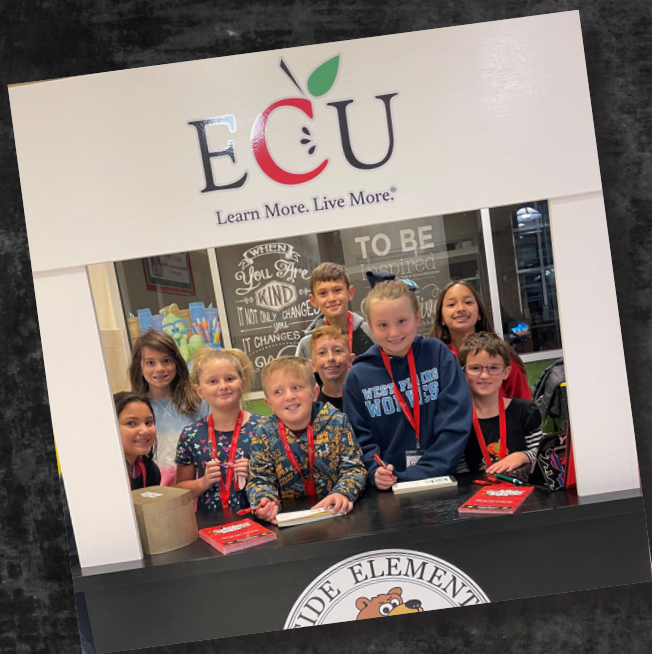
## AUDITOR'S REPORT

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Education Credit Union's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Education Credit Union's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Lauren E. Quill*

Lauren E Quill, CPA  
Amarillo, Texas  
October 1, 2022



**Amarillo • Bushland • Canyon**

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