



**RESILIENT.
RELIABLE.
READY.**

2024 ANNUAL REPORT



News Channel 10
Viewer's Choice Award
Best Credit Union

Best of Amarillo for
**19 consecutive
years**



In 2024 we funded
\$380M in
loans to assist our
members

ECU Employees
donated **2,888+**
hours to local
organizations



Our membership
increased by **4.71%**
for a total of **40,487**
members

In 2024, we
paid **\$2.8M**
in dividends to
members



ECU invested
\$310K into our
local communities

ECU extended
continued support
to **43 local**
partnerships



Board of Directors:

Linda Purdy
Chairman of the Board
Place 6, Term Expires 2027

Steve West
Vice Chairman
Place 8, Term Expires 2025

Bionca Tomlinson
Secretary
Place 5, Term Expires 2027

Ray Cogburn
Treasurer
Place 4, Term Expires 2027

Duane Chapman
Director
Place 2, Term Expires 2026

Daniel Coward
Director
Place 7, Term Expires 2025

Kent Hargis
Director
Place 9, Term Expires 2025

Jimmy Marrs
Director
Place 3, Term Expires 2026

Cody Myers
Director
Place 1, Term Expires 2026

Mark Snider
Director
Place 10, Term Expires 2026

Benito Barraza
Advisory Board Member

Selena Fogg
Advisory Board Member

Tim Glass
Advisory Board Member

Barb Holeman
Advisory Board Member

Joe Rogers
Advisory Board Member

Leonida Cleveland
Emeritus

Executive Team:

Marcus Smith
Chief Executive Officer/President

Adrian Alejandre
Senior Vice President of Lending

Claudia Burkett
President of Canyon Market

Ty Cox
Chief Financial Officer (New Position)

Marcus Glass
Chief Operations Officer

Johnny Harris
Senior Vice President of Learning & Development

Bradley Herbert
Senior Vice President of Information Technology

Lindsey Murphy
Executive Coordinator (New Position)

Jennifer Ufford
Senior Vice President of Member Experience

Michelle Wilson
Senior Vice President of Human Resources (New Position)

Operational Management:

Sarah Aaron
Vice President of Loan Servicing

Brittnie Aguirre
Mortgage Manager

Beth Ashe
Vice President of Special Projects (New Position)

Terrah Augustine
Compliance Manager (New Position)

Gypsy Austin
Centralized Underwriting Manager

Joe Cowden
Director of Information Technology

Renea Curry
Vice President of H&H Market

Elizabeth Flores
Payments Manager

Salvador Gomez
Manager of Business Intelligence & Development

Danielle Gonzales
Director of Deposit Operations

Melissa Gutierrez
Director of Retail Operations

Amy Hamilton
Vice President of Lending

Elizabeth Levario
Director of Member Support Center

Tiffany Sharpsteen
Director of Marketing

Samantha Taylor
Coordinator of Project Management

Vice President of HR
(Position Restructured)

Vice President of Teller Initiatives and Development
(Position Eliminated)

Vice President of Team Member Experience
(Position Eliminated)

Senior Vice President of Training
(Position Restructured)

Controller
(Position Eliminated)

Bylaws Changes: No Changes

Products/Services Additions: No Changes

Products/Services No Longer Offered: No Changes



LINDA PURDY

Chairman

Education Credit Union has continued to embody resilience, reliability, and readiness in 2024, and made a lasting impact through financial education, community service, and member support.

As part of ECU's financial education and wellness initiative, the AmTech branch leadership and high school interns became IRS-certified tax preparers through the Volunteer Income Tax Assistance (VITA) program. They completed 51 tax

returns, saving community members an average of \$250 each. Due to its success and the unique skills acquired by our team, we have expanded this service in 2025 with the high school and college interns at our AmTech, Amarillo College, and both Canyon branches.

Last year, our Financial Health Coordinator, Colten Hibbs, reached over 6,000 students through 184 financial literacy presentations. Colten not only continued ECU's Buff \$mart Money Management Bootcamp at WT, but he also worked with Amarillo College and developed materials for their financial literacy course, further expanding our impact.

To enhance Financial Education accessibility, we launched Stukent, an ECU-branded, gamified learning tool. This initiative has reached nearly 660 high school students across AISD Schools including Amarillo High, Caprock, Palo Duro, and Tascosa. The goal of this program is to provide critical financial skills in budgeting, banking, taxes, and homeownership. Best of all, these students practice these skills at least once a week.



Certified Financial Coaches, who conducted 193 coaching sessions – 121 in 2024 alone – helped individuals manage a total debt of \$78K. These efforts led to an average savings improvement of 12.64% and a debt reduction of 6.88%, with 57% participants securing loan products for financial stability. Thankfully, almost half the coaches are bilingual, and were able to make a difference in even more homes in our community. One third of our coaches are also certified in mental health first aid and able to recognize and assist in times of crisis.

ECU also tapped a new generation of tech-savvy learners through our financial wellness podcast, The Core. With engaging discussions and expert insights, The Core provides valuable financial guidance to a diverse audience, from seasoned investors to financial novices. ECU's podcast is becoming a trusted resource across platforms like Spotify, Apple Podcasts, Amazon Music, and YouTube.

We continue to be grateful that ECU's excellence has been recognized at both the regional and national levels. Newsweek ranked us among the top 250 America's Best Regional Banks and Credit Unions, while we also earned the News Channel 10 Viewers' Choice Award for Best Credit Union, and for 19 years in a row, ECU has been named Amarillo Globe News' Best Credit Union. We were honored with the Hutchinson County United Way's "Big Heart" award for our continued philanthropic efforts. And the cherry-on-top, last December, ECU received the Workforce Solutions Panhandle's 2024 Local Employer of Excellence award for our dedication to workforce development.

These truly wonderful achievements reflect ECU's unwavering commitment to financial empowerment, community engagement, and member service. As we look ahead with you, we remain Resilient. Reliable. Ready.

Respectfully submitted,

Linda Purdy
Chairman of the Board



MARCUS SMITH

President/CEO

As we reflect on 2024, Education Credit Union has demonstrated the resilience, reliability, and readiness that define our mission. While economic challenges shaped the financial landscape, ECU remained steadfast - adapting to change and continuing to serve our members with excellence.

Resilient in the Face of Economic Challenges

This year presented hurdles for our loan portfolio. Inflation and interest rates discouraged some members from major purchases, resulting in a slight decline in our total loan portfolio growth – \$394M to \$393M. Despite this, key areas of our lending operations showed remarkable strength. Our AmTech branch exceeded expectations, surpassing its lending goal by 213% and funding \$9M in loans, a \$2.5M increase over 2023. Our new Badger Smart branch at Amarillo College made an impressive start, funding \$1.8M in loans since its opening.

In real estate lending, our mortgage team went beyond the original 3.75% growth goal, achieving a 6% total increase, bringing our Real Estate portfolio to \$161M.

On the deposit side, economic conditions, including inflation and rising costs, slowed the typical “flight to safety” trend, leading to a 2% decrease in our deposit portfolio. However, our financial discipline ensured ECU remained strong despite these headwinds.

Reliable Financial Management

We have consistently adapted to shifting financial trends, ensuring stability for our members and our institution. Since 2019, ECU has faced a declining net interest margin, dropping from 5.75% to 4.53% by 2023. However, 2024 maintained a positive trend, with our net interest margin shifting to 4.62%.

Another significant achievement was controlling our operating expenses. Historically, our operating expense has increased by \$3.5M per year (around 18%) since 2020. Yet, in 2024, we opened a new branch and kept operating expenses to a modest \$1.5M increase (5.93%). This is a testament to our financial discipline and strategic planning.

Our 12-month growth in operating expenses through Q3 2024 stood at 3.84%, significantly outperforming peer groups in our asset range that stood at 6.63%.

Our non-interest income came in at \$11M, reflecting a \$1.1M decline from 2023. However, this was anticipated given economic conditions, and our efforts to streamline operations helped offset this decrease.

At year-end 2023, ECU’s net operating expense ratio stood at 3.06%, and we maintained control over expenses in 2024, despite expanding our footprint.

Ready for the Future

ECU remains focused on innovation and efficiency to enhance member experience. Our Individual Taxpayer Identification Number (ITIN) accounts and lending initiative has strengthened access to financial services for more members. Additionally, our Centralized Account Processing (CAP) Team was formed to streamline complex account openings (IRAs, trusts, liens, levies) and reduce member wait times by handling documentation centrally – replicating the success of our centralized lending model.

Milestones & Recognitions

- Voted Amarillo Globe News Best Credit Union for 19 consecutive years
- CUNA Diamond Awards for our ECU Truck and ECU Van wrap

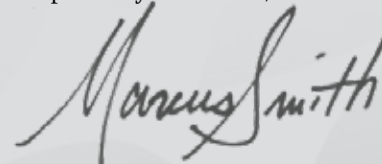
Product Enhancements

- Launched contactless debit and credit cards for faster, more secure transactions
- Introduced a new chat function, improving response times and service quality
- Overhauled all member-facing documents, ensuring clarity and accessibility, including full Spanish translations

Looking Ahead

As we close the chapter on 2024, ECU stands resilient in adversity, reliable for our members, and ready for the future. We will continue to adapt, innovate, and serve with the same commitment that has defined us for almost 90 years. Thank you to our dedicated team, members, and community for making this year another step forward in ECU’s legacy of excellence.

Respectfully submitted,



Marcus Smith
Chief Executive Officer/President

STATEMENT OF FINANCIAL CONDITION

ASSETS

December 2024

Loans, Net of Allowance for Loan Losses	\$ 380,995,170
Cash	\$ 19,288,234
Receivables	\$ 154,420
Accrued Income	\$ 1,767,913
Investments	\$ 18,380,323
Prepaid and Deferred Charges	\$ 1,995,155
Fixed Assets, Net of Accumulated Depreciation	\$ 24,457,056
All Other Assets	\$ 20,667,360
Total Assets	\$ 467,705,631

LIABILITIES

Dividends Payable	\$ 2,830,673
Accounts Payable	\$ 306,065
Accrued Expenses	\$ 1,345,414
Other Liabilities	\$ 31,485,912
Total Liabilities	\$ 35,968,064

SHARES, DEPOSITS, AND EQUITY

Shares	\$ 124,252,452
Certificates and Deposit Accounts	\$ 255,203,679
Total Shares and Deposits	\$ 379,456,131

EQUITY

Reserves and Retained Earnings	\$ 53,364,179
Unrealized Gain/(Loss) on Investments	\$ (1,082,743)
Total Equity	\$ 52,281,436
Total Liabilities and Equity	\$ 467,705,631

STATEMENT OF INCOME AND EXPENSE

INCOME

December 2024

Interest on Loans	\$ 27,178,982
Interest from Investments	\$ 1,481,482
Fee Income	\$ 4,596,575
Operating Income	\$ 6,590,151
Non-Operating Income (Expense)	
Total Income	\$ 39,847,190

EXPENSES

Salaries and Employee Benefits	\$ 14,162,949
Operating Expenses	\$ 13,619,215
Total Operating Expenses	\$ 27,782,164
Provision for Loan Losses	\$ 4,219,559
Income Before Dividends and Interest	
Interest on Borrowed Money	\$ 808,241
Dividends on Shares	\$ 367,866
Interest on Certificates and Deposits	\$ 8,380,044
Net Income	\$ (1,710,684)

MEMBERS

Total Members	40,487
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AUDITOR'S REPORT



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, 2024 and 2023, 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, 2024 and 2023, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2023, the entity adopted new accounting guidance, Financial Instruments—Credit Losses (Topic 326). The new guidance requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements

The financial statements of Education Credit Union as of June 30, 2023 were audited by other auditors whose report dated October 2, 2023 expressed an unmodified opinion on those statements.

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.
- 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 Quill VanBeckum

Lauren Quill VanBeckum, CPA
Amarillo, Texas
October 15, 2024



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