



2022

# Annual Report

**Banking on each other.  
Building stronger communities.®**

# 2023 Annual Meeting Agenda

- Pledge of Allegiance
- Call Meeting to Order
- Welcome & Introduction of Guests
- Approval of 73rd Annual Meeting Minutes
- Nominating Committee Report
- Chairman's Report
- Treasurer's Report
- Supervisory Committee Report
- President/CEO's Report
- Unfinished Business
- New Business
- Adjournment of Business Meeting
- Door Prize Drawings
- Closing

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## About A+FCU

Our purpose is to provide education to every member and those in the community by giving them the right guidance for their unique financial situation.

By giving our members and community the knowledge, resources, and products to meet long-term goals as well as day-to-day needs, our credit union and community becomes stronger.

Let us earn your trust by being your financial advocate at every turn.

Banking on each other.  
Building stronger communities.®



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## Our History

In 1949, a group of like-minded teachers came up with the idea to work together not just as colleagues but also as stewards of each other's financial futures.

Guided by the philosophy of mutual benefit, these teachers created a not-for-profit financial cooperative. As with a lot of things in life, looking out for each other made everyone stronger and more secure.

With this foundation, we've grown to be an award-winning credit union in Texas serving thousands of members and our local community.

Over the years, many things have changed, but the bedrock principles remain. A+FCU takes the financial capability of every member seriously. We strive to understand the needs of every member to give them the best financial guidance for where they are in life and where they want to go. And we know that banking on each other and building stronger communities benefits everyone.

# From the Chairman

As a not-for-profit financial cooperative, A+FCU is committed to *banking on each other* to help our members reach their financial goals. From its founding in 1949, we have remained dedicated to providing safety, mutual benefit, education, and support for our members' banking and financial needs. A+FCU continues to stand as one of the largest credit unions in Texas and has received awards and honors from the Austin American-Statesman, Austin Partners in Education (APIE), the Austin Young Chamber, Bastrop County, and others.



Recognition as a Top Workplace in Greater Austin and **Best of the Best in Customer Service** speaks to our company culture and support of our employees, who in turn, provide “best of the best” member service. Awards such as Best Member Shoppers Experience and Consumer Lending Experience show the depth and quality of our member service experience. Being identified as an APIE “Business Champion” reveals the boots on the ground service and support we strive to provide in our communities.

**Our membership has grown over 7.59% in 2022 to 194,192 members.** As you'll see in the Treasurer's Report, we had exceptional financial performance this year, but we know that we must earn and keep member trust and satisfaction every day. Your valued membership, and your trust in A+FCU are front of mind in all that we do.

The Board remains focused on supporting members with products and services that help them attain their financial goals. **In 2022, members received over \$2.55 million from the Cash-Back Checking program** and more than \$1.73 million in benefits via savings on lower loan rates or increased earnings on dividends on share certificates through our PlusPoints Member Rewards. **We also supported members with \$1.25 billion in loans** and introduced new and improved digital tools, including updates to the website and mobile applications.

Serving our communities is a cornerstone principle for A+FCU. We provide financial education and literacy programs and support Boy Scouts and

Girls Scouts with tailored financial education programs so they can earn badges and patches. **In 2022, we awarded 60 scholarships totaling \$120,000** to high school graduates pursuing higher education as well as to college students pursuing advanced degrees.



**We also gave back over \$205,000 to area schools and districts** through the spirit debit cards and Cash-Back Checking program.

As promised last year, **A+FCU continued to step up volunteerism and community service, with an increase from just over 800 hours in 2021 to nearly 4,700 hours in 2022.** Some highlights include celebrating with Backpack Friends for their 100,000 food kits milestone, supporting the Junior League of Austin by prepping and packaging coats for the Coats for Kids Distribution to help keep children warm this winter, and sponsoring Round Rock ISD's Annual Winterfest event to share food and gifts to local families. I encourage you to visit the new and improved A+FCU website to see the many places Team A+ served in 2022.

The Board and Management team remain focused on providing essential banking and financial services for members. On behalf of the Board, I want to thank Mr. Kase, the Leadership team, and every A+FCU employee for your hard work and dedication in meeting the needs of members and communities. Your service is commendable!

As we look to this year, we remain committed to seeing A+FCU grow around the Board's goals and strategic plan and banking on each other for a happy, healthy, and prosperous 2023.

Respectfully,

Dr. Craig Spinn  
*Chairman of the Board*

## From the Treasurer

Each year, your A+ Federal Credit Union Leadership team and staff create strategic financial goals and work diligently to not just meet, but to exceed these goals. Even with the various economic challenges experienced in 2022, I am pleased to say that A+FCU continues to show growth and stability for its members. **In 2022, our deposits grew by \$108.73 million, bringing our total shares to over \$2.17 billion, a 5.29% increase.** We also experienced a 7.59% growth in members, bringing our total membership to 194,192.

Our dedicated and hard-working Leadership team and staff are to be recognized for guiding the growth and strength of our credit union. **A special thank you to each staff member for our standing as a \$2.72 billion credit union.** As members, you are greatly appreciated for your loyalty and

contributions that resulted in A+FCU receiving a number of awards throughout 2022.

**A+FCU is always striving to enhance our member experiences** by improving member access, making meaningful upgrades to our website, our mobile app, and our branches, providing relevant products and services, and addressing features that you, our members, deserve. Please review our 2022 Statement of Financial Condition and thank you again for allowing me to represent you as a member of the A+ Federal Credit Union Board of Directors.

Respectfully,

Dr. Gloria L. Williams  
*Treasurer*

## From the Supervisory Committee

Your Supervisory Committee is composed of three A+ Federal Credit Union members appointed by the Board of Directors and one member of the Board of Directors. The 2022 Supervisory Committee included:

Dr. Tamey Williams-Hill, former Chairperson, Mrs. Toni Williams Davis, current Chairperson, Mr. Allen H. Kaplan, Member, and Mr. James C. Valadez, Secretary. Mr. Cedric Menchion served as the Board's representative for part of the year before resigning from the Board. We appreciate the contributions he made to the committee. Dr. Tamey Williams-Hill was appointed to serve on the Board of Directors in his place and is now the Board's representative.

The Supervisory Committee meets monthly and works in concert with the Internal Audit department, which conducts a variety of operations audits to ensure the credit union's management practices and procedures adhere to Board policy, comply with NCUA regulations, and safeguard members' assets. **This year we continued to learn about diversity, equity, and inclusion to gain a better understanding of the cultures and communities we serve as a financial institution.**

To ensure management is adhering to policy

and regulations, an external audit is conducted annually by an independent CPA firm. **The auditors found that the credit union's financial statements continue to represent the financial position of A+ Federal Credit Union fairly.** In addition to ensuring practices and procedures are adhered to, the Supervisory Committee responds to member complaints when a member feels that management or staff have not resolved a concern. As a member of the credit union, you can mail your complaint to the committee using the address below:

A+FCU Supervisory Committee  
P.O. Box 15102  
Austin, TX 78761

The Supervisory Committee understands you have other financial establishments from which to choose, and **we deeply appreciate the confidence and trust you place in us** to protect your assets, resolve your complaints, and work toward improving the day-to-day operations of A+ Federal Credit Union — especially during these past three years.

With gratitude,

Toni Williams Davis  
*Supervisory Committee Chairperson*

# From the President/CEO

I am extremely pleased to share with our member-owners that we had another simply incredible year in 2022. By living out our philosophy of *banking on each other and building stronger communities*, it is our endeavor to have a positive impact on our member and employee experiences and support our members and communities with the financial solutions, tools, and education necessary to improve their lives.

**We continue to enhance the member experience in many ways.** With your ongoing use of A+FCU products and services and overall support, we are able to continuously work to improve facilities, signage, systems, and products and service solutions throughout the entire organization — always keeping the member experience top of mind.



**Examples of notable improvements in 2022 include the modernization of our digital service capabilities** — from launching a new website that provides an even more robust information platform and a much-improved user experience, to updating our mobile app, giving members less complicated usability and more relevant functionality.

We introduced new outdoor digital signage to help tell our unique A+ story, and at the end of the year also released a new online credit score module tool to give our members the ability to monitor their own credit scores. **Our digital banking experience now provides the type of convenience and value our members expect and deserve.** Further, we continued to reduce and eliminate various fees to support our members and better help them stay on the path to achieving their financial goals.

Of course we cannot continue to enhance the member experience without the commitment and wonderful work of our A+ staff. **I am extremely grateful to our entire team of over 500 employees for their dedication and engagement throughout the year.** We are committed to our employees and to working as a team to accomplish our goals. This year we introduced a new branded attire program, enhanced employee onboarding, and expanded our Diversity, Equity, and Inclusion (DEI) initiative with organization-wide participation in our DEI Council including new dedicated DEI resources.

**We also surprised the entire team with a company-wide compensation increase in October to celebrate their hard work.** And finally, we introduced our very first A+ Gives Day which enabled our entire staff, both local and non-local, to work together volunteering over 2,000 hours of service at various philanthropic and educational sites across greater Texas and beyond. The wonderful culture at A+FCU has not gone unnoticed as our own employees provided anonymous feedback which resulted in being **recognized as a Top Workplace in Greater Austin.**



For all of these reasons and more, as we enter 2023, I am filled with optimism about our bright future. We look forward to performing at a high level so that we can continue to provide improvements to our member and employee experiences. I thank you for being a valued member and for your ongoing trust in A+FCU.

Respectfully,

Eric R. Kase  
President/CEO

# Statement of Financial Condition

	December 31, 2022	December 31, 2021
<b>Assets</b>		
Loans.....	\$ 2,512,881,668	\$ 2,017,173,294
(Allowance for Loan Losses) .....	\$ (11,288,503)	\$ (8,638,641)
Cash .....	\$ 13,617,918	\$ 11,978,107
Investments.....	\$ 68,526,396	\$ 260,752,611
Land & Building.....	\$ 48,670,929	\$ 49,463,956
Furniture & Equipment .....	\$ 2,262,923	\$ 2,780,002
Share Insurance Deposit .....	\$ 19,421,452	\$ 17,856,657
Other Assets.....	\$ 69,910,881	\$ 63,235,721
<b>Total Assets .....</b>	<b>\$ 2,724,003,664</b>	<b>\$ 2,414,601,705</b>
<b>Liabilities</b>		
Deposits .....	\$ 2,165,830,179	\$ 2,057,104,082
Accounts Payable .....	\$ 18,347,637	\$ 4,498,210
Other Liabilities .....	\$ 26,339,162	\$ 15,796,732
Notes Payable.....	\$ 240,000,000	\$ 105,000,000
<b>Total Liabilities .....</b>	<b>\$ 2,450,516,979</b>	<b>\$ 2,182,399,023</b>
<b>Equity</b>		
Reserve & Undivided Earnings.....	\$ 273,486,685	\$ 232,202,682
<b>Total Equity.....</b>	<b>\$ 273,486,685</b>	<b>\$ 232,202,682</b>
<b>Total Liabilities &amp; Equity .....</b>	<b>\$ 2,724,003,664</b>	<b>\$ 2,414,601,705</b>

# Profit and Loss Statement

	December 31, 2022	December 31, 2021
<b>Income</b>		
Loans.....	\$ 111,631,596	\$ 82,935,204
Investments.....	\$ 1,988,252	\$ 1,311,139
Other Income.....	\$ 31,356,413	\$ 33,152,707
<b>Total Income.....</b>	<b>\$ 144,976,261</b>	<b>\$ 117,399,050</b>
<b>Expense</b>		
Dividends .....	\$ 7,988,651	\$ 7,457,098
Operations .....	\$ 93,289,123	\$ 71,600,012
<b>Total Expenses.....</b>	<b>\$ 101,277,774</b>	<b>\$ 79,057,110</b>
<b>Net Income .....</b>	<b>\$ 43,698,487</b>	<b>\$ 38,341,940</b>

Statements of Financial Condition and Profit and Loss Statements are unaudited.

## 2022 Growth

**13.97%**

Net Income  
Growth

**24.57%**

Loan  
Growth

**17.78%**

Equity  
Growth

**5.29%**

Deposit  
Growth

**12.81%**

Asset  
Growth

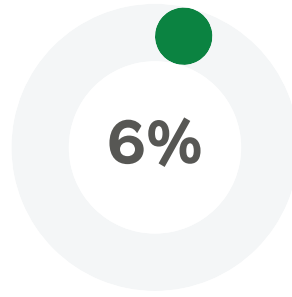
## 2022 Income Distribution



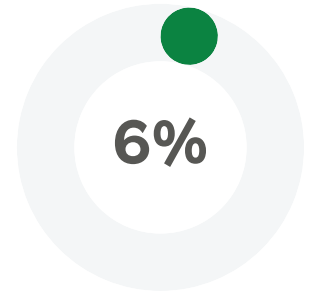
Investment in  
Operations



Net Income  
Reinvested



Provision for  
Loan Loss



Dividends  
to Members

With PlusPoints Rewards, members:

Saved **\$889,465**  
on loans

Earned **\$840,142**  
more on certificates

## 2022 Loan Distribution



Vehicle - 49%



Mortgage - 38%



Commercial - 9%

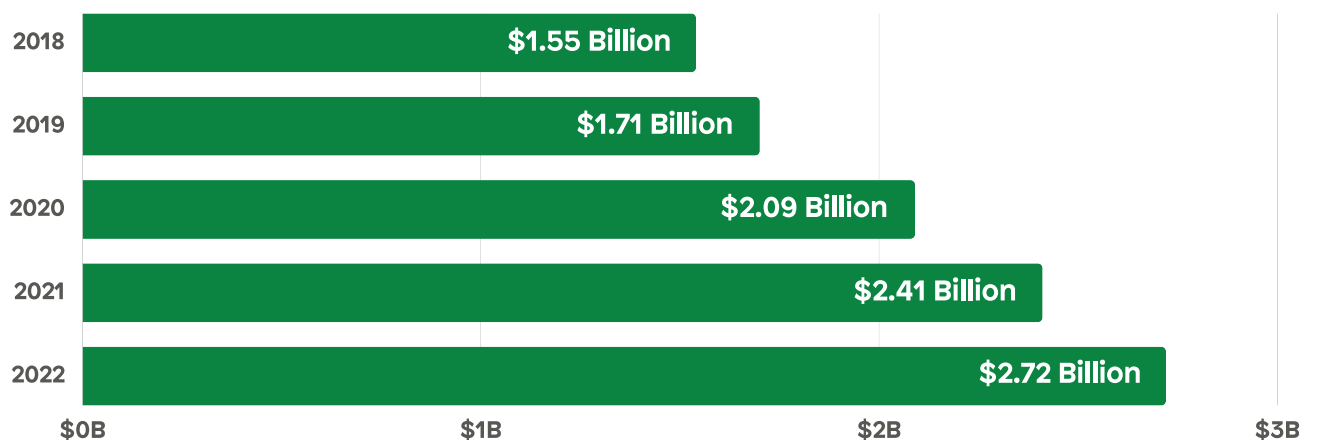


Other - 4%

Loans Outstanding  
**\$2,512,881,668**

Loans Funded  
**141,369**

## Total Assets



# 2022 In Review

## A look back at our accomplishments and highlights.

2022 was a year dedicated to improving our member experience and impacting our community in a positive way. As an organization, we reached new heights and we're thankful for members who continue to trust us for their financial needs. We look forward to seeing what 2023 holds for us as a credit union and for you, our members.

Here's what we accomplished together in 2022.



**\$2.55 Million**

Amount earned with Cash-Back Checking



**\$1,729,607**

Amount members saved and earned with the PlusPoints Member Loyalty Program



**7.59%**

Increase in members



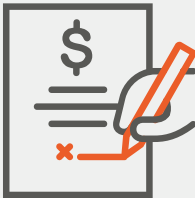
**59**

Area educators awarded over \$79,700 in grants



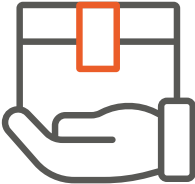
**\$108,726,097**

Increase in deposits



**\$1.25 Billion**

In loans to support members



**\$183,565**

Donated to local non-profits for A+ Gives



**\$205,000**

Spirit debit card program giveback to participating high schools and districts



**527**

Employees at the end of 2022, a 5.82% increase





**\$120,000**

Scholarships awarded to 60 recipients



**53**

Community Education events reaching 2,056



**\$41,600**

In prizes for Save to Win®



**1,213**

Staff volunteer hours at various chamber, education, and community events



**63**

Scouts earned Personal Management Merit Badge through our program



**10.63%**

Increase in Digital Monthly Active Users



**Austin American-Statesman 2022 Best of the Best Awards**  
Winner - Best Customer Service

**Austin American-Statesman 2022 Top Workplaces of Greater Austin**  
Winner

**Austin Partners in Education (APIE) Awards**  
2022 APIE Business Champion

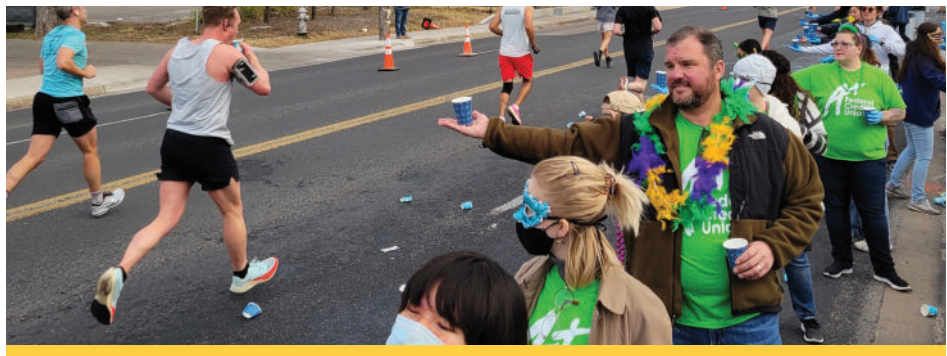
**Austin Young Chamber 2022 FAVE Awards**  
Nominee - FAVE Company Culture

**MemberXP 2022 Best of the Best Awards**  
Best Member Shoppers Experience & Best Consumer Lending Experience

**\$5.13 Million**

**Given to strengthen our communities.**

Summary of 2022 giveback across all A+FCU giving categories, including community partner donations, school and member cash-back programs, sponsorships, and more.





## Community Support

# A+ Gives

A+ Gives is our way of giving back and celebrating our communities through volunteerism, donations, & special programs.





## Board of Directors

Dr. Craig Spinn, *Chairman*  
Mr. Landon K. Spillmann, *Vice Chairman*  
Dr. Gloria L. Williams, *Treasurer*  
Dr. Adelaida “Lolly” Guerra, *Secretary*  
Ms. Terry L. Lord, *Director*  
Mr. Cedric T. Mencion, *Director (former)*  
Mr. Jeremy M. Polansky, *Director*  
Dr. Tamey Williams-Hill, *Director*

## Officers

Mr. Eric R. Kase, *President/CEO*  
Mr. David Cic, *CFO*  
Mr. John Demmler, *CLO and SVP, Corporate Strategy*  
Mr. OJ Gilder, *CIO*  
Ms. Tricia Lewis, *SVP, HR*  
Mr. Brandon McGee, *CDSO*  
Ms. Michelle Peterson, *CMXO*

## Supervisory Committee

Ms. Toni Williams Davis, *Chairperson*  
Mr. James C. Valadez, *Secretary*  
Mr. Allen H. Kaplan, *Member*  
Dr. Tamey Williams-Hill, *Board Liaison*