



ALLIANCE
CREDIT UNION

March 7, 2024

ANNUAL REPORT



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The ALLIANCE Blue is spreading throughout West Texas!
 Our field of membership has expanded to include anyone who lives, works, or worships in the following counties:

Andrews, Bailey, Borden, Castro, Concho, Cochran, Coke, Crosby, Dawson, Fisher, Floyd, Gaines, Garza, Hale, Hockley, Howard, Kent, Lamb, Lubbock, Lynn, Martin, Mitchell, Nolan, Parmer, Potter, Randall, Runnels, Scurry, Swisher, Terry, Tom Green, and Yoakum.

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ANNUAL MEETING MINUTES

MARCH 9, 2023

I. CALL TO ORDER

President and CEO Matt Grannan welcomed members to the 83rd Annual Meeting, and Board Chairman Patsy Wilson called the meeting to order at 6:45 p.m. via conference call. Ms. Wilson confirmed a quorum was present. All actions approved in this meeting are unanimous unless otherwise noted.

II. INVOCATION

Darrel Crump, Board of Directors, gave the invocation.

III. MINUTES

Ms. Wilson presented the Minutes of the last Annual Meeting. There were no changes or corrections; therefore, the Minutes were approved as written.

IV. CHAIRMAN AND CEO REPORT

Mr. Grannan presented the Chairman Report and the President and CEO Report as printed in the Annual Report distributed at the meeting. A motion and second were made to dispense with the reading of all reports. The motion carried.

V. FINANCIAL REPORT

Mr. Grannan presented the Financial Report as printed in the Annual Report. A motion was made to accept the Financial Report. The motion carried.

VI. NOMINATING COMMITTEE REPORT

Mr. Grannan recognized the Nominating Committee members and thanked them for their commitment and service to the credit union. The nominating committee nominated Patsy Wilson, Darrel Crump, and Lesa Reed to serve for an additional three-year term. Nominations by petition were called for earlier in accordance with the bylaws. Subsequently, there were no candidates nominated by petition. A motion was made to accept the nominations by acclamation. The motion carried.

VII. OLD BUSINESS

None.

VIII. NEW BUSINESS

New Business was called for in writing earlier and none was submitted.

IX. RECOGNITION

Mr. Grannan thanked the members, Board of Directors and their spouses, management, and employees for supporting ALLIANCE.

I. ADJOURN

There being no further business, a motion was made to adjourn the meeting at 7:06 P.M.

THIS EVENING'S AGENDA

CALL TO ORDER

Patsy Wilson

INVOCATION

Darrel Crump

ASCERTAINMENT OF A QUORUM

Patsy Wilson

APPROVAL OF 2023 MEETING MINUTES

Patsy Wilson

NOMINATING COMMITTEE REPORT

Patsy Wilson

WELCOME & CEO REPORT

Matt Grannan

CHAIRMAN'S REPORT

Patsy Wilson

HUMAN RESOURCES

Brittany McIntire

Rebekah Pinkert

MORTGAGE

Tracy Weatherly

David Vaughn

CONSUMER LENDING

Tim McClellan

Dalton Cockerham

MEMBER TESTIMONIAL

Lisa Trout

COMMUNITY RELATIONS & FINANCIAL ED.

Shannon Dunlap

MARKET UPDATE

Clay Beardemphl

CHIEFS' ROUNDTABLE

Amber Cook

Jonathan Brunson

Matt Grannan

Malee Brown

Clay Beardemphl

Josh Wade

CLOSING

Matt Grannan



PATSY WILSON
Chairman, 2026



KENT BALLARD
Vice Chairman, 2024



REX ANDREWS
Treasurer, 2025



LESA REED
Secretary, 2026



DARREL CRUMP
2026



DEWAYNE WILLIAMSON
2024



VICKI RITCHERSON
2025

Thank you for participating in the 84th Annual Meeting of ALLIANCE Credit Union. As fellow member-owners, your board stands shoulder-to-shoulder with you, each and every day, to ensure our credit union is meeting the needs of its members. We are deeply appreciative of the opportunity to lead the credit union and share in your enthusiasm for everything ALLIANCE is and can be. I extend my heartfelt gratitude to our professional staff for their passion for the credit union movement and their reliable dedication to ALLIANCE. 2023 was another successful year by all measures, including the following highlights:

- Assets reached an all-time high of \$568,393,630 representing year-over-year growth of 16.07%.
- Total primary ALLIANCE members reached an all-time high of 37,897.
- Total primary and joint account holders reached an all-time high of 46,883 people.
- In 2023 ALLIANCE recorded over 6 million dollars of net profit. As a not-for-profit financial cooperative, 100% of these dollars went back into your credit union to maintain a healthy capital ratio and facilitate an expanding array of member services.
- ALLIANCE served our members' lending needs, evidenced by the \$285,575,380.64 loaned out in 2023.

As our credit union grew financially, we also grew in our efforts to give back to our community. I am proud of our staff as they personally contributed over 98 hours of volunteer time to local nonprofits and donated \$23,718.00 to the ALLIANCE Credit Union Foundation. These funds were donated through the foundation to local charities including The Haven, Children's Home of Lubbock, Early Learning Center of Lubbock, and Women's Protective Services. Additionally, the ALLIANCE Credit Union Foundation positively impacted our community by awarding \$28,500.00 in individual scholarships to students across the South Plains.

As we look ahead, ALLIANCE Credit Union is well-prepared for the future. Our Board of Directors has confidence that none of our achievements would be possible without the unwavering commitment of our members and the tireless efforts of our staff. We eagerly anticipate the journey ahead in 2024, working alongside CEO Matt Grannan and the entire ALLIANCE Credit Union family. Above all, I extend my heartfelt gratitude to our member-owners for their trust, continued support, and steadfast loyalty.

For People, Not Profit.

ALLIANCE STAFF

LEADERSHIP:

Matt Grannan
Jonathan Brunson
Josh Wade
Clay Beardemphl
Amber Cook

ADMINISTRATIVE STAFF:

BayLee Sheffield
Cindy Antoniello

ACCOUNTING:

Tyesha Duke
Teresita Mojica
Traci Moore
Emily Atas

BUSINESS DEVELOPMENT:

David Vaughn
Catherine Key
Kenzi Kinard

COLLECTIONS:

Michael Lopez
Brittainy Pauda
Abraham Bocanegra
Amanda Garcia
Bridgett Gardner
Zack Hall
Valentina Criado

COMMERICAL LENDING:

Ashley Barker
McKinzie Smith
Jake Craycraft
Brianna Dixon
Alyssa Garza
Alyssa Vieth

COMPLIANCE:

Laura Boles
Cydney Jackson
Marisol Rios
Devin Cooley
Tyler Garcia
Cristal Perez

COMMUNITY RELATIONS & FINANCIAL EDUCATION:

Shannon Dunlap

DeeAnn Masters
Destiny Rios
James Blaylock

CONSUMER LENDING:

Tim McClellan
Tammy Cox
Dalton Cockerham
Chris Castro
Laura Cowan
Michelle Crose
Camile Crump
Clark Cumby
Aide Estrada
Mary Joe Gonzales
Sara Marin
Mary Mata
Lauri Moreno
Zaac Pittam
Toby Shubert
Jeremiah Stewart
Veronica Tello
Susan Urrutia

CONSUMER LENDING SUPPORT:

Azzeneth Carabali
Matthew Davis
Amanda Deanda
Amanda Garcia

CONTACT CENTER:

Ashley Lovette
Katy Frost
Jenna Acevedo
Sidney Elias
Julissa Fuentes
Christina Gonzales
Krystal Hedrick
Akyrrah Jouett
Nia King
Taylor Kopecky
Shania Maberry
Karen Rivas
Bailey Rollins
Aspen Rutherford
Rachael Saulters
Keegan Sharkey
Fabiola Torres
Devin Valdez
Micaela Veliz

Vanessa Williamson
Jordan Rivera

DATA TECHNOLOGY:

Dr. Dominik Kalisch
Derek Garza
Lemuel Botha
Joshua Abidoye
Jacob Ray

FACILITIES:

Clifton Johnson
Matthew Godwin
Miguel Martinez-Camacho
Veo Nelson

HUMAN RESOURCES:

Brittany McIntire
Bekah Pinkert

INFORMATION TECHNOLOGY:

Clint McQuerry
Corey Carter
Amy Wilkinson
Clifford Ginanni
Zachary Gonzales
Nora Lyons
Jay Mancilla
Justin Flores

LEAD LENDING:

Courtney Jones
Jose Mora
Kayla Pena
Roger Rivas
Christy Williams
Sarah Garcia

CHANGES TO MANAGEMENT STAFF:

Amber Cook – Chief Risk Officer
Clay Beardemphl – Chief Financial Officer
Tyesha Duke – AVP Accounting
Justice McMullen – AVP of Mortgage Operations
Corey Carter – AVP Information Systems

MARKETING:

Malee Brown
Cody Peitz
Tannor Walters
Chandley King
Allie Cruz

MORTGAGE:

Tracy Weatherly
Richard Beauchamp
Justice McMullen
Andrea Ammons-Flores
Rebecca Barrera
Maci DeKraker
Jennifer Garcia
Candice Geron
Nathan Gorick
Devin Halford
Leanna Harris
Krista Hays
Denise Jones
Mallie Martinez
Chris McGlaun
Stephanie Moore
Tyler Perez
Noemi Ruvalcaba
Lance Sampley
Noah Shedd
Kelly Snead
Normalinda Vasquez
Melissa Weston
Mackenzie Roberson

OPERATIONS:

Judy Alvarado
Sandeia Starr
Jazlyn Aguilar
Samantha Belmontes Morales
Amber Borunda
Ailin Castro Galvan
Erica Cazares
Mari Corredor

Laura De Los Santos
Mercedes DeLeon
Corey Flores
Matilda Froese
Jasmine Gutierrez
Carol Jeter
Charles Jones
Joshua Kubic
Idaly Maldonado
Mitchell Martinez
Veronica Miller
Cindy Nava
Fatima Ortiz
Giselle Ortiz
Juan Pina
LeAndra Reyna
Vickie Reynolds
Nancy Riojas
Jaxon Ripe
Jaci-Mia Rivera
Jesus Rodriguez
Jordan Rodriquez
Chelsea Royal
Arianna Smith
Danielle Solis
Kanan Thornton
Destiny Valdez
Brittanie Webb
Alyssa Griffis
Jacob Walker

TRAINING:

Sam Wilson
Briana Guajardo

2023 bore witness to a historic and rapidly changing macro-economic environment, punctuated by four fed rate hikes, bringing the fed funds rate to 5.50% at the end of the year. This rapid tightening cycle represents a radical shift from the ultra-low-rate environment to which our economy has become accustomed for much of the last two decades. This is thanks to stubbornly high inflation stemming from the massive government stimulus initiatives rolled out to blunt the economic shock of the Covid-19 pandemic. Throughout the economic uncertainty of 2023, ALLIANCE Credit Union remained steadfast in our mission to provide the best financial services and successfully emerged as an industry leader!

ALLIANCE Credit Union began the year ranked in the top 100 credit unions by the S&P global market intelligence group for the third year in a row! We continued to fan the flames of the cooperative movement as one of the fastest growing credit unions by membership, notching 11.48% year-over-year member growth with 3,902 new primary members. This compares to the industry average member growth rate of just 4.45%. Additionally, we continue to invest in our membership in the form of all loan types, growing our portfolio by 19.15%, ending the year with \$504,018,579 in total loans. In comparison, all other credit unions grew their loan portfolios by 9.6% on average nationally. In response to increasing demand for ALLIANCE's services, your credit union grew assets by 16.07% to end the year at an all-time high of \$568,393,630 in total assets. In conjunction with our growth, ALLIANCE recorded \$6,028,151 in net profit for a 1.12% Return on Average Assets. Net worth remains strong at 11.51%, serving to insulate your credit union from all forms of risk.

2023 was a historic year for ALLIANCE as we expanded our community charter to include 32 counties across the panhandle stretching as far north as Amarillo and as far south as San Angelo! ALLIANCE now serves the following counties: Lubbock, Hockley, Hale, Floyd, Crosby, Garza, Lynn, Terry, Swisher, Castro, Randall, Potter, Kent, Fisher, Scurry, Mitchell, Coke, Tom Green, Dawson, Borden, Howard, Nolan, Gaines, Andrews, Runnels, Concho, Martin, Yoakum, Cochran, Bailey, Lamb, and Parmer! This charter expansion will allow more people across the South Plains to join our cooperative movement and realize its growing benefits.

On 12/31/2023, The Electric Utilities Credit Union in Big Spring, Texas, officially merged with ALLIANCE, adding roughly 7 million dollars in assets and 490 new members. Through the merger, ALLIANCE members gained access to our first full-service branch in Big Spring, Texas.

2023 was a busy year for construction. ALLIANCE completed the drive-through transformation at our 34th Street location, adding five ITM drive-through lanes to facilitate the growing demand for all services at this branch. This much needed addition should eliminate the days of having drive-through traffic backed up into 34th Street. We also began a major remodel of our Northwest branch located at Frankford and Loop 289. This remodel promises to modernize the lobby and add much needed back-office workspace. Construction also began on our new full-service branch located in south Lubbock near the intersection of south Indiana Avenue and FM 1585. Opened in February 2024, this will become our eighth full-service location in Lubbock, representing a fundamental way your credit union is investing in the current and future needs of our growing membership.

We look toward the future with optimism as the credit union movement continues to grow in size, scope, and accessibility. As consumers face mounting financial pressures from all directions, the need for a strong, community-focused, member-owned financial cooperative has never been more pressing. ALLIANCE remains foremost as a champion for all consumer financial needs by leveraging our powerful not-for-profit business model. We continue to be leaders in our community by offering lower rates on loans, higher deposit returns, and a wide array of financial products tailored to our membership at below market prices. In contrast to other, for-profit financial institutions, every dollar of profit ALLIANCE generates goes back into the credit union so we can continue to grow and provide superior services to an ever-expanding membership. ALLIANCE cares about the financial well-being of our members because we are a member-owned, not-for-profit financial cooperative.

We are For People, Not Profit. We are ALLIANCE Credit Union!

NEW MARKETS

- The ALLIANCE field of membership has expanded from nine to thirty-two counties.
- Andrews, Bailey, Borden, Castro, Concho, Cochran, Coke, Crosby, Dawson, Fisher, Floyd, Gaines, Garza, Hale, Hockley, Howard, Kent, Lamb, Lubbock, Lynn, Martin, Mitchell, Nolan, Parmer, Potter, Randall, Runnels, Scurry, Swisher, Terry, Tom Green, and Yoakum.

NEW MEMBERSHIP AVENUES

- In addition to our geographic area, ALLIANCE has added members of the Texas Tech Alumni Association and the Friends of the Lubbock Library to our field of membership. If you are already a member of either association, you automatically qualify for membership with ALLIANCE. Further, if you are eligible for membership with either association, ALLIANCE will make you a member by paying your first year's dues.

NEW BRANCHES

- Big Spring - 2002 Birdwell Ln, Big Spring, TX 79720
- Indiana - 12812 Indiana Ave, Lubbock, TX 79423

IT DEPARTMENT

- Deployed generators at data center locations to ensure uptime during electrical grid outages.
- Bolstered security with new email- and cyber-attack protection services
- Enhanced ITM Security

ALLIANCE HOME LOAN CENTER

- New Products: TSAHC, Down Payment Assistance Program and USDA serves rural communities with 100% financing, and HELOC, a Home Equity Line of Credit.
- Keller Williams - Partnered with and have an office within.
- Exit Realty - Partnered with and have an office within.
- Expanded into the Amarillo market with a mortgage focus.

ACU FOUNDATION SCHOLARSHIPS

22 Scholarships Awarded to area High Schools and Organizations Totaling \$28,500

- Local High Schools: Lubbock ISD, Lubbock-Cooper, Frenship, Reese, Plainview, New Home, Ropes, Slaton, Abernathy, Idalou, Roosevelt, and Shallowater
- Local Organizations: Covenant School of Nursing, Lubbock Christian University, South Plains College, and the 5-5-5 Organization

ACU FOUNDATION EMPLOYEE DONATIONS

4 Charities benefited totaling \$11,015

- The Haven=\$2,832.11
- Children's Home of Lubbock=\$2,550.03
- Early Learning Center of Lubbock=\$2,581.00
- Women's Protective Services= \$3,051.72

ALLIANCE IN THE COMMUNITY

These are only a select few of our community partners and events:

- Financial Education After School Program - Dunbar and OL Slaton Elementary
- 5-5-5 Move Over Slow Down Rally
- Future Business Leaders of America
- Covenant Health Systems
- Lubbock Matadors
- Hospice of Lubbock
- Hub City Hoops/Lubbock PD
- Lubbock ISD Foundation for Excellence
- Covenant International Nursing
- Teacher Appreciation Week
- Hospital Appreciation Week
- South Plains College
- Burgers and Badges with Lubbock PD
- American Cancer Society
- Patterson Library
- HOME Ministries
- Meals on Wheels
- Women of the 100
- Lubbock Chamber of Commerce
- Blood Drives with Vitalant
- United Supermarkets - Credit Union Day
- Covenant Pediatric Hematology/Oncology

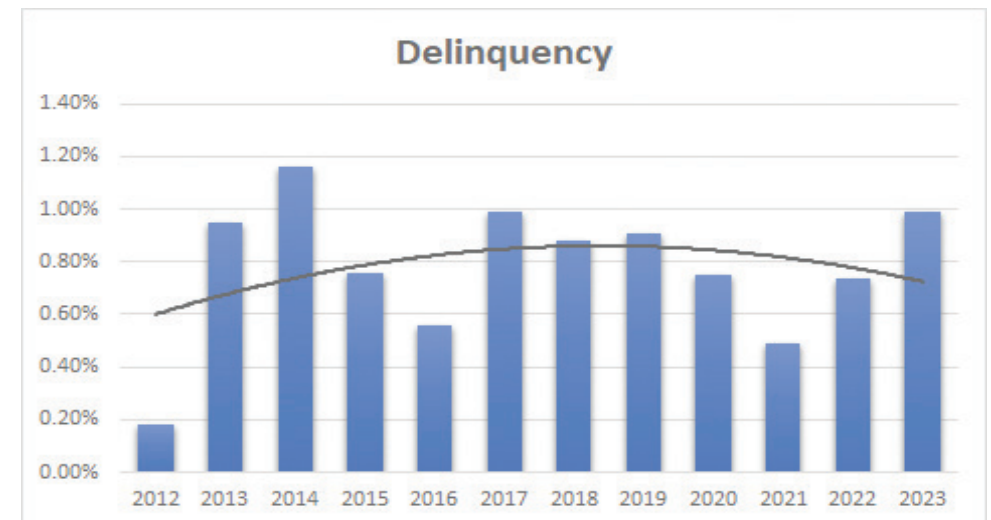
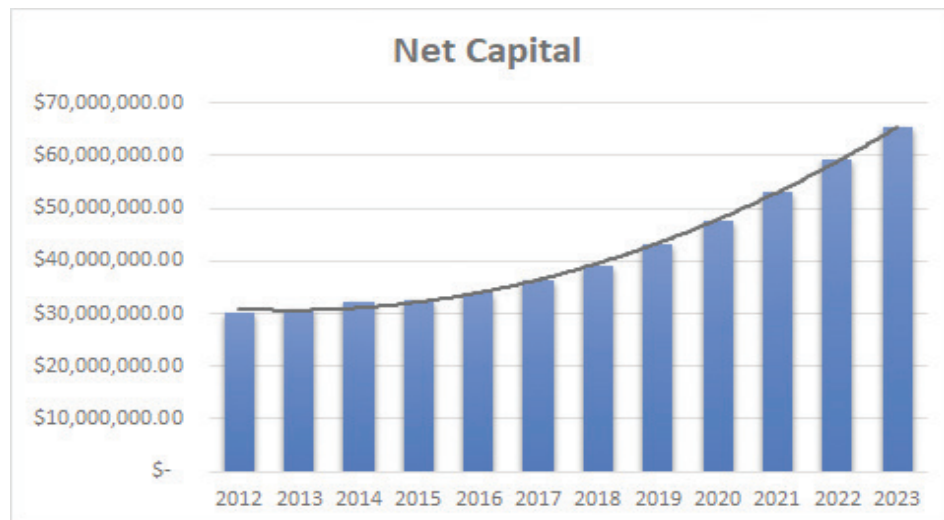
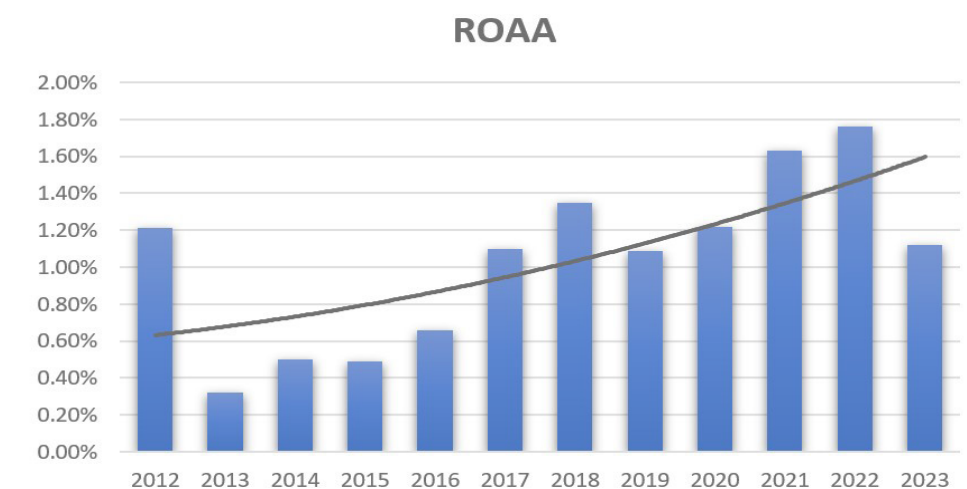
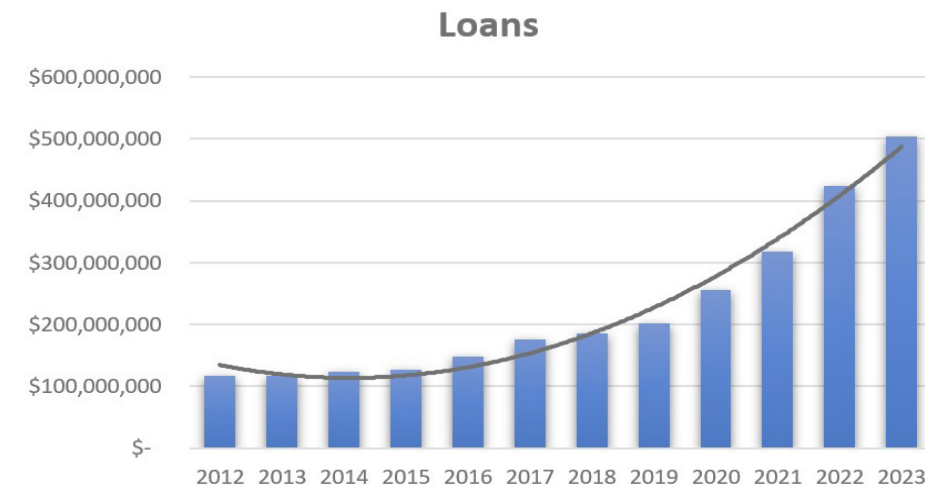
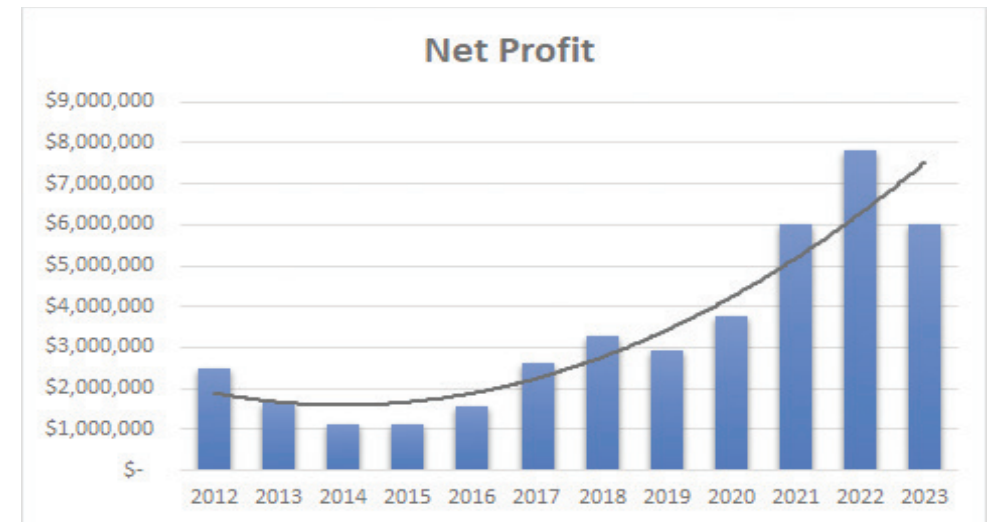
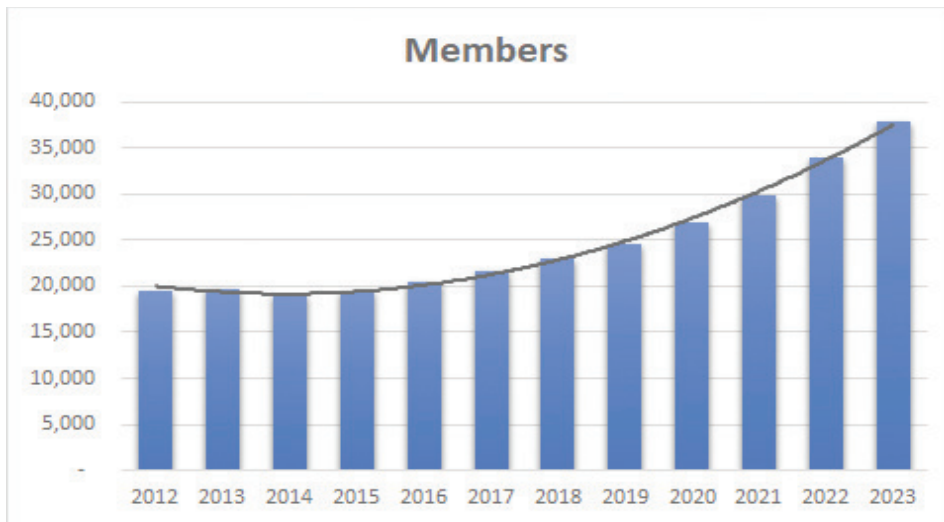
ASSETS	2023	2022
Consumer Loans	\$265,042,457.61	\$229,117,364.07
Credit Card Loans	\$6,122,779.84	\$5,345,911.36
Home Loans	\$116,091,769.06	\$81,550,998.54
Business Loans	\$111,713,863.68	\$103,607,697.82
Loans Held for Sale	\$4,152,399.43	\$2,463,431.00
MBL Participations Purchase	\$895,309.35	\$924,118.60
Total Loans	\$504,018,578.97	\$423,009,521.39
Allowance for Loss	\$(1,009,000.00)	\$(1,028,000.00)
Net Loans Outstanding	\$503,009,578.97	\$421,981,521.39
Cash	\$18,752,648.35	\$24,961,342.67
Total Investments	\$7,870,275.76	\$9,883,565.18
Total Fixed Assets	\$29,483,803.44	\$25,525,790.32
Total Other Assets	\$9,277,323.33	\$7,335,464.95
Total Assets	\$568,393,629.85	\$489,687,684.51

LIABILITIES, SHARES & EQUITY	2023	2022
Accounts Payable	\$36,068,744.45	\$4,311,371.96
Regular Shares	\$107,908,935.94	\$114,540,578.71
Share Drafts	\$79,015,500.95	\$77,666,881.27
Money Market Shares	\$34,927,731.86	\$47,379,166.75
IRAs	\$11,828,345.67	\$13,222,307.08
Share Certificates	\$231,642,416.15	\$172,165,628.19
Total Shares	\$465,322,930.57	\$424,974,562.00
Total Other Liabilities	\$1,570,693.29	\$1,026,257.86
Reserves & Undivided Earnings	\$65,431,261.54	\$59,375,492.69
Total Liabilities, Shares & Equity	\$568,393,629.85	\$489,687,684.51

OPERATING INCOME	2023
Loan Interest Income	\$29,055,732.77
Investment Interest Income	\$588,650.62
Operating Income	\$10,995,516.20
Total Gross Revenue	\$40,639,899.59

OPERATING EXPENSES	2023
Employee Compensation	\$11,083,009.11
Employee Benefits	\$2,943,876.16
Board of Director Compensation	\$46,149.96
Travel & Conference	\$239,486.91
Association Dues	\$118,526.29
Office Occupancy	\$1,882,146.35
Office Operations	\$2,089,182.18
Education & Promotion	\$950,025.19
Loan Servicing	\$1,978,669.37
Professional Services	\$2,625,325.73
Provision for Loan Loss	\$1,338,054.54
Misc. Operating Expense	\$325,599.33
Total Operating Expense	\$25,620,051.12

NET INCOME	2023
Net Income Before Dividends	\$15,019,848.47
Dividend & Interest Expense	(\$8,324,668.60)
Interest on Borrowed Funds	(\$823,935.04)
Gain/(Loss) on Participation	\$112,072.91
NCUA Corporate Stabilization Refund	\$44,833.05
ASI Special Premium Assessment	\$0.00
Net Income	\$6,028,150.79



MEMBERS' REVIEWS

"The staff are very professional and great to work with. I was able to accomplish my banking needs in a timely manner. I highly recommend them for your financial needs."

- JIM

"Feels like a small town bank where they know who you are and are so friendly and helpful! Highly recommend!!"

- ANNA

"I want to thank ALLIANCE Credit Union for financing our home. Tyler Perez was amazing. The front office, and the tellers all did their best to get our deal done. I highly recommend ALLIANCE Credit Union to get your mortgage done. They're honest and upfront with all documents needed and their communication skills are awesome. Want to also thank Justice in the underwriting department. Again, this staff worked hard for us."

- TRAVIS

"ALLIANCE Credit Union is the greatest bank I have ever had! I have never had a problem with getting them to cash a check, help me out on a loan, and give me their everything basically! I love ALLIANCE, and I love the people and staff that are there because they recognize me as a person and not just as a customer. I highly recommend anybody to go try them out."

- MATHEW

"ALLIANCE Credit Union in my opinion is the best place to be at period. Thank y'all for upholding a positive outlook on everything I have needed help with in the past. I will be a long-time member for many years to come."

- TYLER

"ALLIANCE has a great team. They're helpful, they take their time, are very welcoming, and give you your best options. You're always greeted promptly on the phone, online, or walking in. Online banking is very helpful and easy to use. Callbacks are also very important to me and are a plus. Good Job!"

- EDUARDO

Thank you

for another successful
year at **ALLIANCE**.

Without our members,
we would not exist.

We appreciate your
commitment to
ALLIANCE.



ALLIANCE
CREDIT UNION

For People, Not Profit.



ALLIANCE
CREDIT UNION

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Could ALLIANCE save YOU money?

