

STABILITY

STRENGTH

SOUNDNESS

2023 Annual Report

RBCU 

ABOUT RBFCU

Since 1952, Randolph-Brooks Federal Credit Union has promised to help members save time, save money and earn money. It's all about being your trusted financial partner.

That's RBFCU! We strongly believe in our structure as a member-owned, not-for-profit financial cooperative committed to serving our members' financial needs.



Our mission is to improve our members' economic well-being and quality of life.



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LEADERSHIP COMMITMENT

Being a leading financial institution brings a lot of responsibility with it. We welcome it. We view it as an opportunity to prove that we meet the ultimate duty in member service:

We safeguard your money. The ways in which we support your accounts and transactions are sound. Our processes are secure.

In 2023, our focus was to remain steadfast to what our members have come to know us as: a stable financial institution that meets the growing needs of our members. The year gave examples where some financial institutions' stewardship of money drifted into dangerous speculation.

As always at RBFCU, in 2023 our operations stressed *safety, soundness and security*. As we continue doing that, we know we will succeed in our mission:

To improve our members' economic well-being and quality of life.

Continuing Our Success on Our Members' Behalf: Leadership Transition

In 2023 we announced that Christopher O'Connor had finalized his plans to retire as RBFCU's President and Chief Executive Officer, and that the Board of Directors chose Mark Sekula to become our next President/CEO. Through more than 30 years of service at RBFCU, Mr. O'Connor showed his abilities in every area of the credit union. He knew finance and accounting, he knew operations, he knew sound lending and he knew member service. When Mr. O'Connor was promoted to President/CEO in 2013, RBFCU had 40 branches, 416,000 members and \$5.3 billion in assets. Upon his retirement, RBFCU has 62 branches, 1.1 million members and \$18 billion in assets.



The RBFCU board was so intent on maintaining our proven processes that only candidates currently serving at RBFCU were considered to become our next leader. Mr. Sekula, most recently Executive Vice President/Chief Financial Officer, will become RBFCU President/CEO in March 2024 after exhibiting expertise and effective teamwork across all operations at RBFCU. Mr. Sekula is a native Texan. He graduated from Texas State University in San Marcos. He came to RBFCU in 2000 as vice president of the Consumer Lending department, and he's been a senior vice president for both the Consumer Lending and Business Services departments.

He was elevated to executive vice president in 2011, and he served in roles as both chief lending officer and chief operating officer. As EVP/CFO, Mr. Sekula has overseen RBFCU's growth past \$10 billion in assets to become the largest credit union in Texas!

WE ARE A STRONG ORGANIZATION

Improving your economic well-being and quality of life. That's what a stable financial institution can do!

Membership continued to grow beyond 1 million
an annual increase of 7 percent

Assets grew to more than \$18 billion
an annual increase of 13 percent

Deposits continued to grow beyond \$13 billion
an annual increase of 2 percent

Loans continued to grow beyond \$11 billion
an annual increase of almost 8 percent

We are a *strong* – and *stable* – organization! Reporting our member equity

"Member equity" is a term we use to show the capital levels RBFCU has built to ensure the stability of your credit union. We can inform you again this year that our capital position was well above the amount required by our regulators.

We started 2023 with member equity of \$1.4 billion. At the end of 2023, member equity was more than \$1.6 billion.

That's 17 percent more than the previous year.

Our member equity can be compared to a savings account built up over time for financial emergencies. We are built for stability at RBFCU!



TECHNOLOGY AND NEW PRODUCTS: ENHANCING SECURE TRANSACTIONS

During 2023, many of our teams joined with trusted partners to **seamlessly improve the RBCU Mastercard® credit card portfolio** and the **RBCU Freedom Debit Card**. While continuing to offer the options of 2% cash-back rewards and competitive rates, we enhanced safe transactions with continued **\$0 fraud liability** and more secure in-store transactions with Tap & Go® technology.

RBCU encouraged members to adopt an **added layer of security** with new options for online sign-in. Tools like **multifactor authentication (MFA)** help RBCU verify your identity on rbcu.org's Online Banking and the RBCU Mobile® app and give us another line of defense in protecting your account.

RBCU made it more convenient for members to find ways to improve their economic well-being and quality of life. The **virtual financial coach**, Lea, can be found 24/7 at rbcu.org. Our partners at GreenPath, who have more than 60 years' experience providing trusted financial guidance, can be counted on for **instant financial insights** with bite-sized action steps that can motivate you to pay down debt, improve your cash flow or tackle large monthly expenses.



America's Best *Top 100* #1 Mortgage Lender *Best of the Best*



SERVING OUR MEMBERS WITH INTEGRITY

Because we are a stable financial institution, we serve RBCU members with integrity. Our member service, operations and programs continue to be award-winning!

- RBCU was chosen as a **“best of the best”** credit union for the fifth consecutive year by MemberXP, a credit union feedback platform that also recognized RBCU for Best New Member Experience, Best New Account Experience and Best Transaction Experience.
- RBCU was assigned a top-rating among national credit unions by gobankingrates.com, which included special recognition as **“Best for High-APY Certificates.”**
- Bankrate.com again ranked RBCU among its top 10 credit unions, citing Really Free Checking that is **“true to its name.”**
- RBCU was again named a top three credit union in Texas by Forbes in the **“America's Best Credit Unions in Each State”** annual rankings.

- RBCU was listed in the **National Cooperative Bank's NCB Co-op Top 100** and was in the top 20 among those companies in asset size.
- The **RBCU Financial Literacy Team** was **recognized** by the Credit Union National Association for a learning project through the Comal Independent School District's Entrepreneur Expo that reached almost 2,000 4th-grade students.
- RBCU Business Services surpassed a landmark by reaching **\$1 billion in business loans**.
- RBCU continued to be recognized in the most up-to-date listing as the **“#1 Mortgage Lender in Texas for Credit Unions – Loans Funded.”**
- Agents for Kuper-Sotheby's International Realty, an RBCU affiliate, were recognized as **No. 1 Real Estate Agents** for the second-straight year by both the Austin Business Journal and the San Antonio Business Journal.

#1 Mortgage Lender in Texas for Credit Unions – Loans Funded, based on 2022 National HMDA data published by Federal Financial Institutions Examination Council.

A POSITIVE WORKPLACE: SUPPORTING YOUR FINANCIAL JOURNEY, GIVING TO OUR COMMUNITIES

We want to share our successes with you. We are people helping people, and RBFCU gives to our communities.

In 2023, RBFCU employees **exceeded our donation pledge** goal of \$225,000 to the United Way, and more than \$200,000 was approved as **an additional donation** by the RBFCU Board of Directors.

The **RBFCU Financial Literacy Team** presented \$12,750 in scholarships to students who participated in the Youth Ambassadors program.

Through our **Diversity Advisory Council**, RBFCU made donations to civic organizations such as the AIDS Foundation, National Alliance on Mental Illness, National Women’s History Month, National Developmental Disabilities Awareness Month and Pride events.

From preventing fraud to finding the most value from your home, RBFCU offered television audiences **expertise to benefit the community** when our credit union leaders appeared on leading TV stations in multiple markets.

Whether it’s called a “Top Workplace” or a “Best Place to Work,” RBFCU was recognized again and again for our strong culture in 2023:

- Best Places to Work from the Dallas Business Journal for the first time
- Best Places to Work from the San Antonio Business Journal
- Best Places to Work from the Austin Business Journal
- Top Workplace USA in national recognition the past two years (moving up the list eight places in 2023)
- Top Workplace for 12-straight years according to the San Antonio Express-News
- Top Workplace for six-straight years according to the Austin American-Statesman
- Top Workplace in Financial Institutions (ranking in the top 30 among national companies and the largest category size, with more than 500 employees)
- Top Workplace for Compensation & Benefits, Innovation, Leadership, Purpose & Values and Work-Life Flexibility



Leaders from RBFCU’s Enterprise Fraud Department share their insight during televised interviews throughout 2023.

FINANCIAL STATEMENTS

As of and for the years ended December 31 (dollars in 000’s)

ASSETS	2022	2023
Cash & Cash Equivalents	\$282,146	\$1,280,813
Loans Held for Sale	14,080	19,617
Investments	4,044,834	4,219,105
Loans	11,115,011	11,992,222
Allowance for Credit Losses	(57,381)	(100,694)
Fixed Assets (net)	282,117	281,893
NCUA Insurance Deposit	114,955	118,638
Other Assets	202,075	217,899
TOTAL ASSETS	\$15,997,837	\$18,029,493

LIABILITIES & EQUITY	2022	2023
Checking	\$3,187,218	\$3,044,555
Savings	3,126,342	2,765,224
Money Market	4,821,752	4,285,017
Certificates	1,559,945	2,814,538
IRAs	530,409	582,176
Borrowings	1,150,150	2,606,450
Other Liabilities	205,127	277,659
Members’ Equity	1,416,894	1,653,874
TOTAL LIABILITIES & EQUITY	\$15,997,837	\$18,029,493

INCOME STATEMENT	2022	2023
Investment Income	\$105,495	\$230,564
Interest on Loans	398,998	535,897
Total Interest Income	504,493	766,461
Dividends to Members	60,467	192,731
Interest on Borrowings	30,115	134,458
Total Dividends and Interest	90,582	327,189
Net Interest Income	413,911	439,272
Provision for Credit Losses	(10,670)	49,988
Non-Interest Income	175,977	254,356
Operating Expenses	399,130	426,781
NET INCOME	\$201,428	\$216,859

SUPERVISORY COMMITTEE REPORT



Linda Tudyk
Chair

The Supervisory Committee is a statutory committee that acts as your representative with the responsibility for verifying financial reports and documents are accurate and timely. The committee also oversees the Internal Audit function, which is responsible for reviewing the credit union's internal controls to evaluate their design and operating effectiveness. In addition, they perform numerous regulatory, operational and verification audits throughout the year, reporting findings to management and the committee. We also resolve member concerns that are referred to the committee.

We retained the public accounting firm of Crowe, LLP to perform an annual audit of RBFCU's consolidated financial statements for the 12 months ending March 31. The audit verified the credit union's compliance with generally accepted accounting principles and resulted in an unqualified opinion on our financial statements by our independent auditors. Examiners of the National Credit Union Administration also conduct periodic examinations as required under the Federal Credit Union Act.

Based on the results of management's system of internal controls, periodic reviews, and the annual audit and examinations, we are confident that the financial statements of RBFCU are fairly presented in all material respects, in accordance with accounting principles generally accepted in the United States of America, and reflect a sound financial position.

BOARD OF DIRECTORS



Edward Polansky
Chair



Paul Denham
Vice Chair



Christopher O'Connor
Treasurer



CMSgt. (Ret.)
Barbara Heyward
Secretary



Lt. Col. (Ret.)
Chris Domangue



Julie Klumpyan



Sandra Reeh



Karen Vazquez



Lt. Col. (Ret.)
James Williams III



Lt. Col. (Ret.)
Edward Marvin
Director Emeritus

RBFCU VOLUNTEER COMMITTEES AND PANELS

Supervisory Committee

Linda Tudyk, Chair
Lt. Col. (Ret.) James Williams III
Patrick Lopez
Marshall Pitman
Amy Roberts
Ilene Solis

Loan Review Committee

CMSgt. (Ret.) Gerald Gooding, Chair
Paul Denham
Robert Zearfoss

Board Advisory Panel

CMSgt. (Ret.) Gerald Gooding
Col. (Ret.) Derrick Flowers, CPA, FACHE



RBFCU

RANDOLPH ★ BROOKS
FEDERAL CREDIT UNION



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