

WE Go Beyond

BANKING AT RBFCU



2024
ANNUAL
REPORT



ABOUT RBFCU

At Randolph-Brooks Federal Credit Union, we *Go Beyond Banking* by keeping our promise to help members save time, save money and earn money. That's RBFCU – your trusted financial partner!

We build upon the model of a member-owned, not-for-profit financial cooperative, and we succeed because we are committed to serving our members' financial needs. We are the largest Texas credit union, serving members in the Lone Star State and beyond.

At RBFCU, you'll find more than 1 million members who enjoy everything that's expected from a leading financial institution: high-value products and personalized service that can assist anyone through every stage of their financial life.

We *Go Beyond Banking* through a strong leadership commitment, by meeting our goals that include integrity in our service to you, and enhancing secure transactions through technology and new products. Our finances are strong, we proactively plan for regulation, and our employees give back to our communities and believe in their top workplace. We don't waver from **our mission:**

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



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WE GO BEYOND BANKING AT RBFCU THROUGH OUR COMMITMENT TO MEMBERS

When we say we *Go Beyond Banking* at RBFCU, it may sound like a boast. We believe that when we say we *Go Beyond Banking*, that's a celebration!

We've chosen it as our expression to you because it celebrates what we've done for our members for more than 70 years. We celebrate it because it contains every reason for our success.

"RBFCU's leadership team will continue to be an asset for our members and employees."

We *Go Beyond Banking* when you place your trust in us, and we celebrate it because we know it's what we will do every day – things like thanking you for your membership, and things like proving we are thankful

by staying those few extra minutes – or few extra hours – because your concerns are our concerns.

Through 2024, we expanded our Executive Leadership Team and other senior leadership areas. Each position was filled from within our strong organization. Specifically, RBFCU aimed to capitalize on our team's collective knowledge and vision to further integrate risk management as well as operational soundness and innovation on behalf of our members.

"Each of these leaders has gone above and beyond in demonstrating their prowess and readiness for these next levels," said Mark Sekula, who assumed President/CEO duties in early 2024. "RBFCU's leadership team will continue to be an asset for our members and employees."



**Go
Beyond
BANKING**

When we Go Beyond Banking, we take strong actions that are supported by our core values:

- We do the right thing
- We serve our members with integrity
- We strive for excellence in all areas
- We are bold but financially conservative
- We are a strong organization

WE GO BEYOND BANKING AT RBFCU THROUGH FINANCIAL GROWTH THAT REFLECTS OUR STRENGTH



In our more than 70 years of serving members, RBFCU's mark as a credit union has been: a solid acceptance by consumers, and growth that reflects a bold but financially conservative mindset. It all is enabled by our belief, tracing back to our original charter, that we should help hard-working people from diverse backgrounds by focusing on three primary objectives:

1 TO PROVIDE A SAFE FACILITY FOR REGULAR SAVINGS;

2 TO MAKE LOANS AT A LOW COST AND FOR GOOD PURPOSES; AND

3 TO HELP MEMBERS USE BUYING POWER TO THEIR ADVANTAGE

This has worked for RBFCU and our members through the decades, no matter how much the financial landscape has changed. In 2024 there were changing expectations in the broad marketplace, varied economic pressures, new areas of concern to fight fraudsters, a more rapid pace in how people pay for services, and additional obligations to regulatory agencies.

More than 70 years of serving members.

Despite those challenges, 2024 brought another year of solid returns that everyone associated with RBFCU can appreciate!

MEMBERSHIP GREW CLOSER TO 1.2 MILLION PEOPLE
*an annual increase of 6.5 percent**

DEPOSITS GREW BEYOND \$14 BILLION
an annual increase of 6 percent

LOANS SURGED PAST \$12 BILLION
an annual increase of 3 percent

ASSETS HELD STEADY AT NEARLY \$18 BILLION
an annual decrease of less than 1 percent

MEMBER EQUITY INCREASED TO ALMOST \$2 BILLION
an annual increase of 17 percent

Member equity is capital. It's like a savings account that can be drawn against in times of uncertainty. **In 2023 and 2024 consecutively, member equity at RBFCU has grown 17 percent!** That's financial growth that reflects our strength!

*18,000 inactive memberships were purged from the system in Q2 of 2024. Membership growth including this is approximately 4.9% annualized.

WE GO BEYOND BANKING AT RBFCU THROUGH BEING A TOP WORKPLACE

Strong financial growth reflects our strength – and it gives us confidence in everything about our credit union. The RBFCU employees you meet with every day, and the staff that support them in the background, exude a positive atmosphere and culture.

RBFCU retains talented and mission-driven employees, and they provide an exemplary level of service to our members – **RBFCU’s employee turnover rate is 50 percent better than our financial-institution peer group.**

RBFCU’s awards in 2024, including those received by members of our Executive Leadership Team (San Antonio Business Journal “**Women’s Leadership Awards**” and San Antonio Business Journal “**C Suite Awards**”), came because we *Go Beyond Banking* on behalf of our members:

Awarded **No. 1 Top Workplace** by the San Antonio Express-News

Desjardins **Youth Financial Education Awards first place** as selected by the Cornerstone Credit Union League

mysa.com YourSA Reader’s Choice Award (RBFCU is **best credit union in San Antonio**, RBFCU Investments Group-Ameriprise Financial is **best for financial advisors/investments**)

Recognition as “**Best of the Best**” through MemberXP’s member satisfaction service-evaluation platform; six years in a row (includes **Best Mortgage Loan Experience, Best New Account Experience, Best Transaction Experience, and Best New Member Experience**)



RBFCU service is truly award-winning. RBFCU is a top workplace, and we believe it!

Austin Business Journal “**Best Places to Work**” in **Central Texas Top 10**

Austin American-Statesman “**Top Workplaces**” and “**Company Going in the Right Direction**”

Dallas Business Journal “**Best Places to Work**” in **Dallas-Fort Worth**

San Antonio Business Journal “**Best Places to Work**”

CNN Underscored Money “**Top Mortgage Lenders in Texas**”

Top Workplaces **USA Top 20** ranking

Top Workplaces **National Industry Awards for Employee Well-being, Appreciation and Professional Development**

Top Workplaces USA **awards for Compensation & Benefits, Innovation, Leadership, Purpose & Values and Work-Life Flexibility**

Top Workplaces National Industry Awards for **Financial Services Top Workplace**

CardRates.com **Top 10 of “Most Respected Credit Unions in America;” No. 1 credit union for financial education**

Bankrate’s Best Credit Unions **Top 10**; Bankrate listed RBFCU as the “**favorite credit union in Texas**” (listing the FDIC and Credit Unions Online as the sources)

Newsweek recognized RBFCU as one of “**America’s Best Regional Banks and Credit Unions**”

San Antonio Business Journal “**Fast Track**” for **phenomenal growth**

San Antonio **Mayor’s Fitness Council Platinum-level badge** for employee health

Business Journals recognized **Kuper Sotheby’s International Realty agents as No. 1 realtors** in Austin and San Antonio

RBFCU Investments Group Financial Advisor earned the **Ameriprise Client Experience Award**

Ameriprise Financial Institutions Group recognized **RBFCU Investments Group financial advisors as top performers nationwide** through AFIG’s Circle of Success

WE GO BEYOND BANKING AT RBFCU THROUGH SERVING OUR MEMBERS AND OUR COMMUNITIES

RBFCU is a dedicated community partner. We *Go Beyond Banking* through corporate donations and sponsorships, and our employees take advantage of opportunities to volunteer either individually, with their teams or through the RBFCU Volunteer Corps. We cherish the relationships that have continued over the years, and we were excited about the new opportunities that developed in 2024. Here's a look at how we built and maintained relationships with our neighborhoods:

Our **employees shared from their own earnings and pledged more than \$200,000** to the United Way for the fourth-straight year. Combined with a \$200,000 match from the RBFCU Board of Directors, **more than \$418,000 was donated.**

When our United Way contributions were combined with our more than 600 donation and sponsorship requests from across our regions (including Haven for Hope, SA Food Bank, South Texas Blood and Tissue Center, Blue Santa, Boys & Girls Club and San Antonio Sports Foundation), **RBFCU contributions to our regions and beyond exceeded \$1 million!**



RBFCU launched an effort that **continued to teach smart savings to the children** in our community in recognition of National Financial Literacy Month. Children received a custom RBFCU Piggy Bank when they visited a branch, and an RBFCU team member was a guest on WBAP-AM in Fort Worth to discuss the importance of financial literacy and information available on rbfcu.org/learn. The award-winning RBFCU Financial Literacy Team assisted more than 7,500 students and adults in their sessions, and they concluded the **Comal ISD 4th Grade Personal Finance Presentations and Entrepreneur Expo** after 83 presentations that reached 1,931 students across 20 elementary school campuses.

RBFCU **expanded coverage with media partnerships to provide public-service announcements** on various topics. Financial literacy and fraud awareness programming was featured in the Dallas-Fort Worth and San Antonio markets, charitable assistance in Austin and preparedness for area residents and pets during hurricane season in Corpus Christi.

Our CUSO operations provided several educational events on topics such as Social Security, income planning, investment strategies, trust services, estate planning and Medicare and retirement. In 2024, **these events attracted more than 1,000 attendees with hundreds of requests for complimentary advisor consultations.**

A 12-part **educational video series was launched on RBFCU's YouTube channel** to focus on the homebuying process.

RBFCU donated to local organizations that align not only with the vision of Martin Luther King Jr., but the values of RBFCU. Among the ways **RBFCU recognized equality in the workplace and in our communities** was to participate in the NAMIWalks of Greater San Antonio to support World Mental Health Day.

RBFCU provided **access to our facilities** for veterans' career assistance workshops, safety training for first responders, and to share our insight on how credit union branches can be transformed to spaces where members can go for education, complex banking issues and products that can help them in every stage of life.



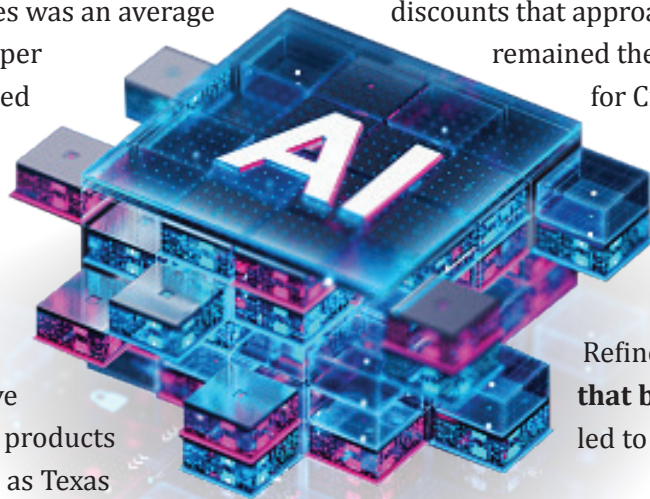
WE GO BEYOND BANKING AT RBFCU THROUGH PROVIDING NEW PRODUCTS AND SECURE ENHANCEMENTS

No matter if you visited us in one of the 62 branches with a professional member service representative in 2024, or on our convenient and user-friendly platforms through Online Banking and the RBFCU Mobile® app, **our goal was to provide world-class service and products that were competitively priced and enhanced for secure transactions.**

During 2024, the America’s Credit Unions trade association estimated the direct financial benefit of RBFCU’s products and services was an average of \$192 per member or \$402 per member household (ACU stated this was “substantial” and our “high-use member households” went beyond the average, settling in at \$2,315 during the previous 12-month period). ACU also reported RBFCU’s comparative interest rates paid on savings products were more than twice as high as Texas banks with IRAs, 1-year certificates with a \$10,000 balance, and Money Market accounts.

USING ‘ARTIFICIAL INTELLIGENCE’ RESPONSIBLY TO ENHANCE YOUR MEMBER EXPERIENCE

AI technology was implemented into our chat platform on rbfcu.org through the debut of “Brooke.” This is a chatbot designed to know member service situations and to respond intelligently, quickly and more consistently, using content from rbfcu.org and RBFCU’s knowledge management data.



Our employees are using AI to appropriately and safely enhance the efficiency of member service and support. Other member-service enhancements and accomplishments include:

A well-received **mortgage-origination and lending online platform** that allowed for a more streamlined process from application to closing. Additionally, the RBFCU Member Benefit Program that includes Kuper Sotheby’s International Realty credited member discounts that approached \$1 million. RBFCU remained the “No. 1 Mortgage Lender in Texas for Credit Unions – Loans Funded,” based on 2023 National HMDA data published by the Federal Financial Institutions Examination Council.

Refined **fraud-prevention processes that better protect our members** and led to a decline in overall fraud losses.

Front-line fraud awareness at all RBFCU branches (additionally, branch construction started at our first locations in **Dallas County** and **Denton County** in North Texas).

Our partnership with **GreenPath Financial Wellness helped members** to repay more than \$1 million in debt and created possibilities for healthier financial futures.

RBFCU Investments Group **surpassed \$1 billion in client assets**, which showed a commitment to help members discover the benefits of comprehensive financial planning.

FINANCIAL STATEMENTS

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

ASSETS	2023	2024
Cash & Cash Equivalents	\$1,280,813	\$572,770
Loans Held for Sale	19,617	18,407
Investments	4,219,105	4,380,676
Loans	11,992,222	12,382,213
Allowance for Credit Losses	(100,694)	(107,357)
Fixed Assets (net)	281,893	282,906
NCUA Insurance Deposit	118,638	121,175
Other Assets	217,899	304,422
TOTAL ASSETS	\$18,029,493	\$17,955,212

LIABILITIES & EQUITY	2023	2024
Checking	\$3,044,555	\$3,063,860
Savings	2,765,224	2,673,415
Money Market	4,285,017	4,276,984
Certificates	2,814,538	3,670,372
IRAs	582,176	626,155
Borrowings	2,606,450	1,504,043
Other Liabilities	277,659	211,385
Members’ Equity	1,653,874	1,928,998
TOTAL LIABILITIES & EQUITY	\$18,029,493	\$17,955,212

INCOME STATEMENT	2023	2024
Investment Income	\$230,564	\$248,737
Interest on Loans	535,897	661,866
Total Interest Income	766,461	910,603
Dividends to Members	192,731	264,244
Interest on Borrowings	134,458	127,931
Total Dividends and Interest	327,189	392,175
Net Interest Income	439,272	518,428
Provision for Credit Losses	49,988	72,500
Non-Interest Income	254,356	254,074
Operating Expenses	426,781	456,364
NET INCOME	\$216,859	\$243,638

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



CMSgt. (Ret.)
Barbara Heyward
Secretary



Mark Sekula
Treasurer



Lt. Col. (Ret.)
Chris Domangue



Julie Klumppan



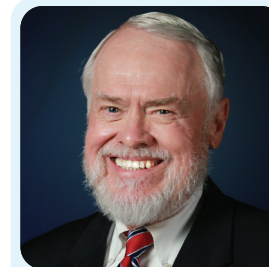
Sandra Reeh



Karen Vazquez



Lt. Col. (Ret.)
James Williams III



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

Congratulations to our long-time board member – and continuing volunteer – Edward Marvin! In August 2024, Mr. Marvin (Lt. Col., retired) was inducted into the Defense Credit Union Council Hall of Honor! Mr. Marvin has served in some capacity at RBFCU since 2002 and is currently Director Emeritus at the credit union.

RBFCU VOLUNTEER COMMITTEES AND PANELS

Supervisory Committee

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

Loan Review Committee

- CMSgt. (Ret.) Gerald Gooding, Chair
- Paul Denham
- Robert Zearfoss, EVP-Chief Lending Officer



RBFCU

RANDOLPH ★ BROOKS
FEDERAL CREDIT UNION



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