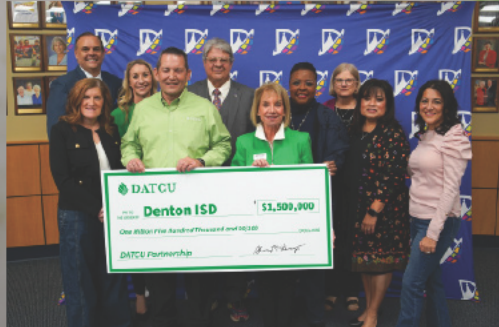
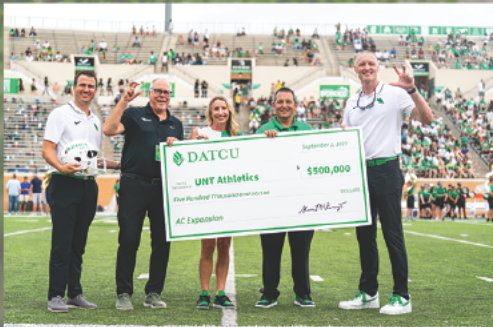




2023

ANNUAL REPORT



ACCOUNTS THAT MAKE A DIFFERENCE.

88th ANNUAL MEETING

March 28, 2024

4:30 p.m. - Doors Open

5:00 p.m. - Meeting

- I. Welcome
- II. Invocation
- III. Verification of Quorum
- IV. 87th Annual Meeting Minutes
- V. Chairman's Report
- VI. CEO's Report
- VII. Unfinished Business
- VIII. New Business
- IX. Election of Directors
- X. Outgoing Board of Directors
- XI. Adjournment

DATCU 2022-2023 BOARD OF DIRECTORS

TERMS EXPIRE AT ANNUAL MEETING 2024

Mr. Michael Foster
Mrs. Valerie Foster
Dr. Jamie Wilson

TERMS EXPIRE AT ANNUAL MEETING 2025

Mr. Lee Howell
Mr. Robert Ramirez

TERMS EXPIRE AT ANNUAL MEETING 2026

Mr. Gary Goldsmith
Dr. Lori Rapp

CHAIRMAN AND CEO'S REPORT

Dear Valued Members,

Annual reports are often filled with superlatives, accolades, and future goals. This one will be no exception as our past year was filled with examples of our commitment to member service and to keeping DATCU at the forefront of innovation and community involvement.

While our assets remained stable in 2023, we made a concentrated effort to focus our attention on the needs of our members. This is most evident in our consecutive perfect ratings from IDC Financial Publishing. For six quarters, dating back to July of 2022, we have received an impressive, perfect IDC score of 300 based on their analysis that evaluates a credit union's strengths and weaknesses. A perfect score is rare, and six consecutive perfect scores is uncommon to say the least.



We earned this unique string of perfect scores by adding services that made it easier for members to access the financial services we offer. We deployed three new intelligent teller machines and have plans to replace all remaining ATMs with this newer technology. A member can complete just about every transaction at an ITM, including speaking with an employee in our contact center. These machines will allow you to make deposits, pay loans, and make withdrawals 24 hours a day.

We also added more digital services including a text messaging platform to communicate with members and Danny, an AI-based call answering service. Members can now interact with Danny and get answers to the majority of their questions 24 hours a day. All of this is moving us toward even better member service.

Also, we held steadfast to our commitment to community involvement. We extended our partnership with Denton ISD, adding 5 years and \$1.5 million to the previous ten-year partnership. The Lewisville ISD School Board also agreed to a ten-year agreement worth the same amount. In total, we are now the exclusive financial institution or proud partner of 5 school districts – Aubrey, Denton, Lake Dallas, Lewisville, and Sanger.

Perhaps the biggest sign, literally and metaphorically, of our community investment now hangs on the side of UNT's football stadium. The freshly minted DATCU Stadium was announced in August after months of negotiations and planning. The agreement with the University of North Texas gives us unprecedented access to not only call ourselves the exclusive financial institution of Mean Green Athletics but it also allows us to work with the University's Student Affairs, the UNT Alumni Association, the Career Center, and much more. It is a mutually beneficial agreement that lets us provide our unique industry and community perspective to shape the next generation of workers. The new DATCU branch located in the UNT student union opened its doors in February of 2024.

Our activities during 2023 have us poised to move into this calendar year with aggressive goals for new members. Our digital innovations as well as our physical presence in North Texas will make it clear to everyone that our commitment is to building a stronger community and maintaining our commitment to serving our members. As we look towards the future, we hope that an acknowledgment of our roots in education reminds members and non-members alike that we are here to help people first and to provide the best possible financial services.

Dr. Jamie Wilson
Chairman of the Board

Glen P. McKenzie
Chief Executive Officer

FINANCIAL CONDITION

ASSETS

	2023	2022
Consumer.....	\$1,070,207,137	1,097,302,433
Credit Cards.....	32,831,679	28,347,962
Real Estate.....	280,421,901	259,975,736
Subtotal.....	1,383,460,717	1,385,626,131
Allowance For Loan Loss.....	(11,186,284)	(4,098,289)
Total Loans.....	1,372,274,433	1,381,527,842
Accounts Receivable.....	425,167	226,856
Cash & Investments.....	133,216,075	132,614,644
Fixed Assets.....	54,004,154	54,361,092
Accrued Income.....	4,382,416	3,696,711
Prepaid and Deferred Expenses.....	5,421,747	3,156,884



TOTAL ASSETS

1,569,723,992 1,575,584,029

LIABILITIES AND EQUITY

	2023	2022
Share Accounts.....	528,836,910	641,393,816
Checking Accounts.....	281,030,127	292,085,149
Certificates of Deposit (CDs).....	301,982,438	164,620,700
Individual Retirement Account (IRAs).....	17,913,950	51,667,741
Money Market Accounts.....	105,009,660	96,900,328
Other Member Deposit Accounts.....	76,891,448	92,275,629
Member Deposit Total.....	1,311,664,533	1,338,943,363
Accounts Payable.....	5,589,812	2,686,339
Other Liabilities.....	1,259,498	1,434,957
Accrued Expenses.....	3,747,557	3,419,430
Dividends Payable.....	2,358,358	996,556
Reserve Fund and Retained Earnings.....	245,104,234	228,103,384
Notes Payable.....	0	0



TOTAL LIABILITIES AND EQUITY

1,569,723,992 1,575,584,029

INCOME

	2023	2022
Loans.....	63,759,311	51,343,964
Investments.....	5,119,904	1,852,710
Other Income.....	15,363,949	17,845,251



TOTAL INCOME

84,243,164 71,041,925

EXPENSES

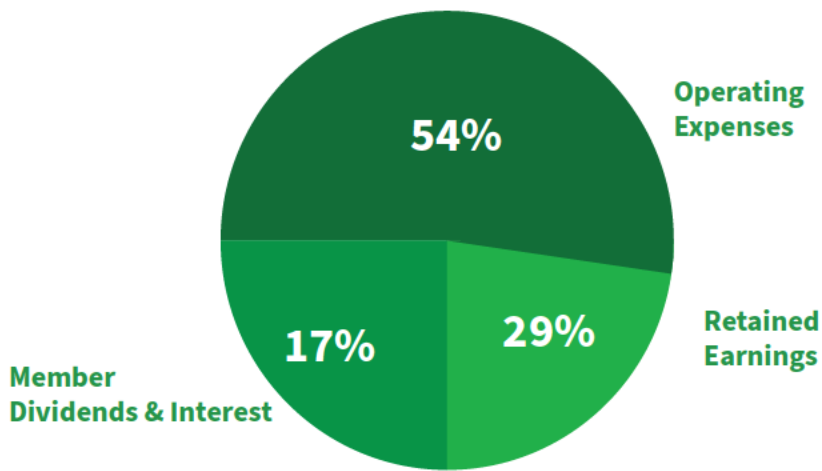
Total Operating Expenses.....	40,272,516	36,793,896
Share Dividends.....	3,602,842	1,658,079
Certificates of Deposit (CDs).....	8,178,181	1,915,913
Individual Retirement Account (IRAs).....	102,630	48,772
Checking Account Interest.....	269,135	159,882
Money Market Accounts.....	2,052,633	512,122
Total Dividends and Interest Expenses.....	14,205,421	4,294,768



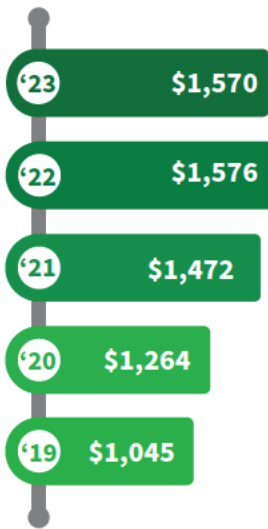
TOTAL EXPENSES

54,477,937 41,088,664

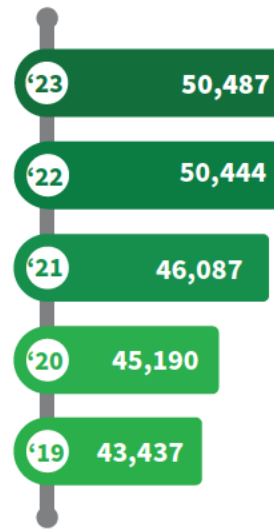
Provision for Loan Losses.....	5,057,132	1,018,353
NET SURPLUS/(DEFICIT)	24,708,095	28,934,908



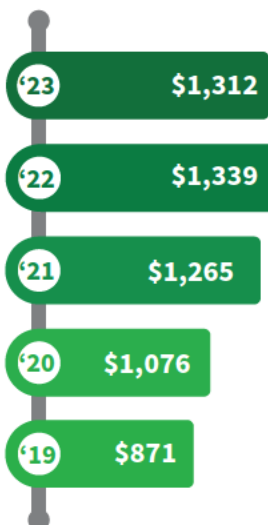
Asset Size (in millions)



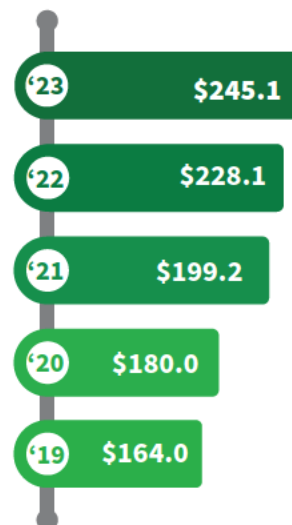
Loan Growth (in units)



Member Deposits (In Millions)



Reserves & Undivided Earnings (In Millions)



DATCU LOCATIONS



Scan for Locations

Aubrey

Corinth

Decatur

East Denton

South Denton

West Denton

Flower Mound

Highland Village

Lewisville

Sanger

The Colony

UNT University Union

HOURS

* Lobby Hours

Monday - Friday 9 a.m. - 5 p.m.
Saturday 9 a.m. - 12 p.m.

* Drive-Thru Hours

Monday - Friday 9 a.m. - 6 p.m.
Saturday 9 a.m. - 12 p.m.

*UNT University Union Hours | Monday - Friday 9 a.m. - 5 p.m.

CONTACT

940.387.8585
datcu.org

MAILING

(All Branches)
DATCU
P.O. Box 827
Denton, TX 76202-0827

SENIOR MANAGEMENT STAFF

Glen McKenzie – Chief Executive Officer

Melanie Vest - President

Jon Madsen - Executive Vice President, Chief Operations Officer

James Henderson - Executive Vice President, Chief Information Officer

David Frazier - Senior Vice President, Member Services

Robert Hall - Senior Vice President, Technology Strategy and Solutions

Craig Neu - Senior Vice President, Lending

Sonya Thompson - Senior Vice President, Information Systems

Kayla Walding - Senior Vice President, Human Resources

Tommy White – Senior Vice President, Marketing

Kerry Cristales - Vice President, Controller

Susan Passariello - Vice President, Marketing

Dee Dee Peterson - Vice President, Branch Operations

Melanie Robinson - Vice President, Digital Services

Jarrett McPike - Vice President, Lending

