



2022 Annual Report

Resilience

Community

Strength



Federally insured by NCUA.

2022 Highlights

In 2022, Resource One Credit Union worked to make major strides towards providing top-notch financial services to their members by upgrading their systems in early 2023. The new features and services have made banking more convenient and secure than ever before. Resource One Credit Union continues to prioritize its members' needs and strives to provide the best possible financial services.

Additionally, Resource One Credit Union merged with A New Direction Credit Union. This strategic move has brought together two strong financial institutions with similar values

missions, providing members with even greater access to resources and financial services. The merger has expanded Resource One's reach, allowing them to serve more communities and offer a wider range of financial products and services to its members. With this merger, Resource One Credit Union has strengthened its position as a leading financial institution committed to serving the needs of its members.



Resource One Credit Union has achieved remarkable success in being recognized as one of the best financial institutions and non-profit organizations in Dallas and Houston. The company was awarded silver in The Dallas Morning News Best in DFW Credit Union Category, silver in the Best in DFW Bank Category, and silver in the Best in DFW Non-Profit Organization Category. Additionally, Resource One received bronze in The Dallas Morning News Best in DFW Mortgage Lender Category and bronze in the Houston Chronicle's Best of the Best Credit Union Category. These accolades are a testament to the Credit Union's commitment to providing high-quality services and supporting its community. Resource One Credit Union thanks its membership for recognizing its efforts, and it hopes to continue to serve its community in a meaningful way.



Chair Report

Despite the challenges we faced, our strength, resilience, and commitment to the community have been unwavering. Our staff demonstrated incredible resilience in adapting to new circumstances, and we were able to continue delivering high-quality service while ensuring the safety and well-being of our community. We have also strengthened our infrastructure, investing in new technologies and resources that will enable us to provide even better service to our members.

Throughout the year, we relied on the strength and support of our members and our community. Our partnerships with local organizations and businesses allowed us to work together to provide financial resources and support to those in need.

As we look toward the future, we are committed to continuing to build on our strengths and resilience. We will prioritize the well-being of our community and work to ensure everyone has access to the resources and support they need to thrive. We are also committed to continuing to innovate and explore new ways of delivering financial education and service while staying true to our values and our mission.

Thank you for your continued support of R1CU. Together, we will continue to be the leading financial services provider for our members and the community we serve.

Sincerely,

Karen Hart, Chair of the Board



President's Report

Although we were focused on preparing for the data processing system conversion, we achieved many significant milestones. We made great strides in advancing our mission of providing exceptional financial services to our members.

One of the major endeavors we undertook was a swift and successful merger with A New Direction Credit Union (ANDCU). As a result, we have welcomed many new members into our family, and we are committed to providing them with the same high-quality service that our existing members have come to expect.

We continue to focus on building strong relationships with our members. We have strongly emphasized providing personalized service and building trust through transparent communication and honesty.

I want to express my gratitude to our membership for your remarkable support throughout 2022. We are deeply honored by your unwavering trust in us, as evidenced by the \$51 million increase in deposits and the \$264 million loan originations you entrusted to us.

I want to take this opportunity to thank our dedicated staff and board of directors, who have worked tirelessly to achieve our goals and serve our members. Their hard work and commitment to excellence have been critical to our success.

We remain committed to providing you with the best financial services and products, and we look forward to continuing to grow together.

Sincerely,

Mary Beth Spuck, President/CEO



In The Community



Vogel Alcove is a local charity that serves children experiencing homelessness in the area. Resource One Credit Union collected children's clothing and diapers for the charity to help meet some of the many urgent needs Vogel had during the year. Resource One donated over 145 articles of clothing, over 3 cases of diapers, a cash donation of \$5,255, and 250 bag lunches alongside our members' contributions.



R1CU's employees exceeded their corporate goal by clocking in a total of 1,800 volunteer hours, surpassing the initial target of 1,000 hours. This impressive achievement is a testament to our commitment to making a positive impact on the communities it serves. By volunteering their time and expertise, Resource One's employees have demonstrated that they are not only dedicated professionals but also responsible citizens who care about making a difference.



Resource One made a significant contribution to the community by attending approximately 100 community events and donating/sponsoring a total of \$60,000. This act of generosity not only helped support local causes but also demonstrated the company's commitment to giving back and making a positive impact. By actively engaging with the community and investing in its growth, R1CU has solidified its reputation as a socially responsible organization that values community involvement and service.

In The Community



Resource One Credit Union joined other credit unions in supporting the Ukrainian Credit Union Displacement Fund. Resource One donated \$6,500, a total of 10¢ in honor of every Resource One Member. In addition, Resource One employees are also helping contribute to the displacement fund by personally donating. Lastly, Resource One has reached out to its members, urging them to consider donating and impacting those in Ukraine relying on credit unions to help them recover and rebuild in the aftermath of Russia's attacks.



Branches in the Houston area collected enough items to benefit 200 children in the care of Children's Miracle Network Hospitals. This donation was one of many organized by the Young Professionals Conference held on May 9, 2022.



Houston food drive collected juice boxes for the Kids' Meals Inc. Juice Box Challenge. This donation will help prepare lunch deliveries for children who can no longer access free school lunches during the summer months. Over 220 juice boxes were collected and donated.

Educational Outreach

Resource One Credit Union has gone above and beyond in educating its members and the community about financial literacy. The company's staff has attended various events, workshops, and seminars to help people understand the importance of financial planning, budgeting, and investment. By sharing their expertise and knowledge, Resource One's staff has empowered individuals to take control of their financial future and make informed decisions. This act of community outreach not only showcases the company's commitment to helping its members achieve financial wellness but also helps build stronger, more resilient communities. The dedication and hard work of Resource One's staff have undoubtedly made a positive impact on countless lives, and the company's efforts to promote financial literacy will continue to benefit the community for years to come.

Resource One Credit Union staff have demonstrated their dedication to financial literacy by surpassing the company's corporate goal of 200 hours of financial education. The staff collectively logged in an impressive 311 financial literacy hours, showcasing their commitment to empowering members of the community to make informed financial decisions. Additionally, our teams continued to update Resource Rescue®, an online service provided by R1CU with tools, resources, and information regarding financial education.



Reed Elementary Adoption



Educational Outreach

In addition to attending events, R1CU staff have created over 40 YouTube videos and podcasts, and 30 blogs dedicated to financial education, making it easy and accessible for the public to learn about personal finance. By leveraging these platforms, Resource One has expanded its outreach efforts and helped people from all walks of life learn about important financial concepts. Resource One's efforts to make financial education available to all reflect its dedication to empowering individuals and building strong, financially literate communities.



YouTube Videos

<http://www.youtube.com/channel/resourceonecreditunion>



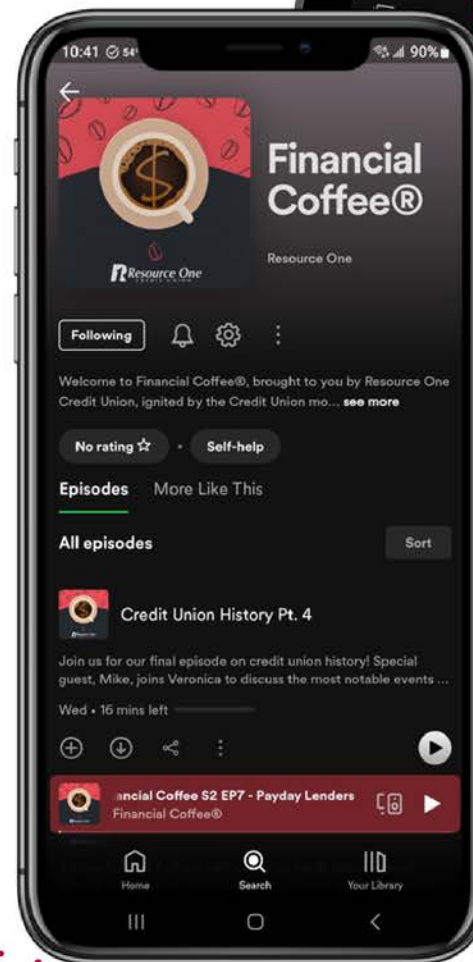
Financial Coffee Podcast

<https://anchor.fm/resource-one>



R1CU Blog

<https://www.r1cu.org/blog/>



Resilience & Strength

Resilience

Resource One Credit Union has demonstrated remarkable resilience in the face of challenges during 2022. Despite the pandemic and its far-reaching effects, Resource One remained committed to serving its members' needs, ensuring that they had access to the financial services and support they required during this difficult time.

The credit union quickly adapted to new circumstances, introducing new digital banking solutions and services to better meet the needs of members who were staying at home.

The credit union's resilience has been further evidenced by its continued growth and expansion, expanding its branch network and serving even more communities. In summary, Resource One Credit Union's resilience during 2022 has been a testament to its strong leadership, commitment to its members, and ability to adapt quickly and effectively to new challenges.



RESILIENCE



Strength

Resource One Credit Union has demonstrated significant strength during 2022, driven by its continued commitment to its members and its sound financial management practices. Despite the challenging economic environment, the credit union's financial performance has remained strong, with steady growth in deposits and loans. Resource One's robust capital position and risk management practices have allowed the credit union to weather the uncertainties of the pandemic and continue to serve its members with stability and confidence.

Resource One has continued to innovate, investing in new technologies and services that make banking easier and more convenient for members while maintaining a strong focus on member education and financial literacy. Overall, Resource One Credit Union's strength during 2022 has been a reflection of its unwavering commitment to its members and its sound financial management practices.

Benefits of Membership

Resource One Credit Union is honored to receive the Datatrac Great Rate Award®, certifying that we consistently outperformed the average rates of Dallas and Houston metro financial institutions. As a not-for-profit institution focused on helping our members save money, R1 is proud to have provided our members with over \$7 million in savings in only 12 months!

We are able to provide these savings through lower loan rates, higher savings rates, and fewer fees than other financial institutions.

The Credit Union National Association (CUNA) estimates that R1CU provided \$7,825,202 in direct financial benefits to its 69,303 members during the twelve months ending December 2022.

These benefits are equivalent to \$113 per member or \$237 per member household.²

**R1CU Members saved
\$7,825,202
in 2022!¹**



¹Rates and fees as of March 2023. ²Assumes 2.1 credit union members per household. Datatrac Great Rate Awards® certify that deposit and loan rates outperform the market average for comparable products. For more information, please visit <https://www.datatrac.net/GreatRateAward.aspx>.

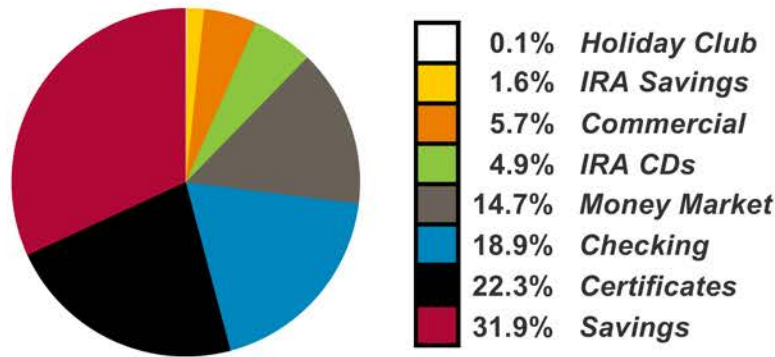
Financial Statements

Income	2020	2021	2022	Assets	2020	2021	2022
Interest on Loans	25,797,909	24,977,752	26,400,357	Cash and Cash Equivalents	42,482,100	46,490,479	49,860,501
Interest on Investment	528,839	1,098,296	1,843,459	Investments	41,069,332	104,662,448	98,111,371
Other Income	<u>14,394,460</u>	<u>16,491,213</u>	<u>15,847,233</u>	Loans	527,722,676	553,122,064	632,391,339
TOTAL INCOME	40,721,208	42,567,261	44,091,049	Allowance for Loan Losses	(5,437,012)	(5,753,352)	(6,063,386)
Expenses				Land, Building and Improvements	15,288,595	15,153,823	15,564,494
Salaries & Benefits	13,944,279	15,305,885	17,347,597	Furniture and Equipment	2,056,564	2,038,436	2,821,999
Travel & Conference	21,522	60,583	33,587	Other Assets	<u>19,021,448</u>	<u>23,954,713</u>	<u>34,108,754</u>
Office Occupancy	2,315,395	2,282,735	2,341,958	TOTAL ASSETS	<u>642,203,703</u>	<u>739,668,611</u>	<u>826,795,072</u>
Operations	9,541,452	8,909,567	8,737,939	Liabilities			
Education and Promotion	738,772	635,898	1,066,153	Accounts and Notes Payable	(7,275,630)	4,705,922	9,724,744
Professional Services/Loan Servicing	2,244,321	1,730,396	2,143,949	Other Liabilities	(4,672,191)	3,022,001	35,000,000
Other Operating Expenses	<u>(62,021)</u>	<u>1,405,225</u>	<u>2,069,324</u>	Uninsured Secondary Capital	-	<u>5,000,000</u>	<u>5,000,000</u>
TOTAL OPERATING EXPENSES	28,743,720	30,330,289	33,740,507	TOTAL LIABILITIES	(11,947,821)	12,727,923	49,724,744
Interest on Borrowings	-	6,833	328,987	Member Deposits			
Board & Committee Member Fees*	107,633	90,903	187,426	Member Shares and Savings	197,192,300	197,192,301	229,884,098
(Gain)/Loss on Sale of Assets	(55,281)	32,177	61,246	Other Deposits	<u>404,000,597</u>	<u>472,628,205</u>	<u>491,512,788</u>
NCUA Assessments & MCA Depletions	-	-	-	TOTAL DEPOSITS	601,192,897	669,820,506	721,396,886
Provisions for Loan Losses	<u>4,778,388</u>	<u>3,013,365</u>	<u>3,919,687</u>	Member Owner Equity			
TOTAL NON-OPERATING EXPENSES	4,830,740	3,143,279	4,374,854	Regular Reserves	4,953,504	4,953,504	7,534,486
Dividends Paid on Deposits	<u>4,004,377</u>	<u>3,682,359</u>	<u>4,536,305</u>	Undivided Earnings	48,661,837	54,073,176	55,378,527
NET INCOME (LOSS)	<u>3,142,372</u>	<u>5,411,335</u>	<u>1,439,383</u>	Accum G/L - Investments	(656,714)	(1,906,498)	(7,239,571)
				MEMBER OWNER EQUITY	52,958,627	57,120,182	55,673,442
				TOTAL LIABILITIES & EQUITY	<u>642,203,703</u>	<u>739,668,611</u>	<u>826,795,072</u>

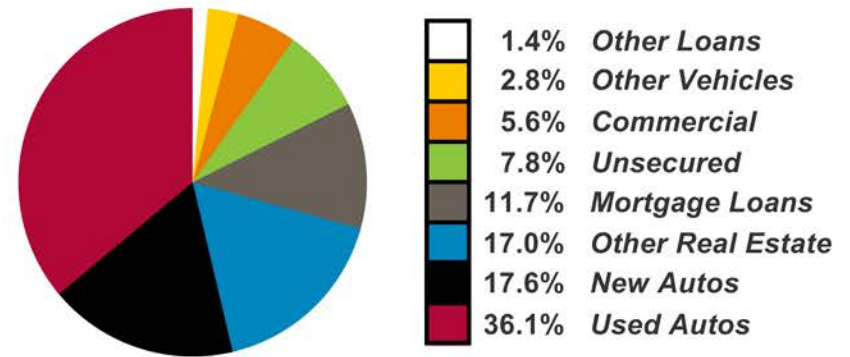
*Board and Committee Member Fees are projected to total approximately \$164,000 in 2023.

Financial Highlights

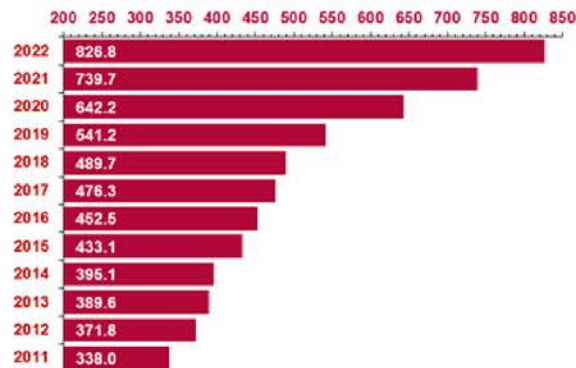
DEPOSIT MIX by Percentages



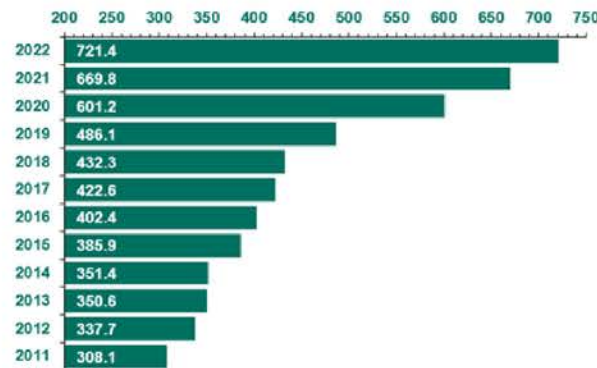
LOAN MIX by Percentages



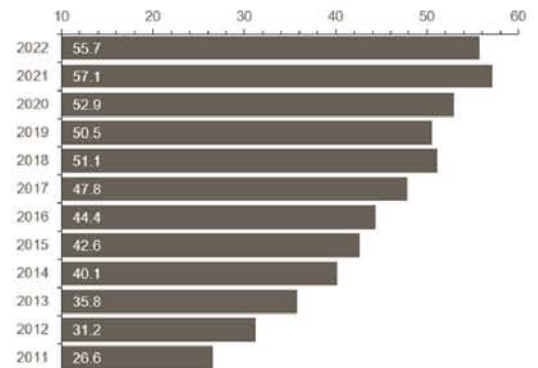
Total Assets in Millions of Dollars



Total Deposits in Millions of Dollars



Member Equity in Millions of Dollars



Audit Committee Report

The Resource One Credit Union's Audit Committee helps to protect the interests of Resource One members by ensuring the Credit Union operates in a safe and sound manner. The Audit Committee is responsible for ensuring that the Credit Union policies, procedures, and internal controls are adequately designed to protect the members' assets. They ensure that the Board of Directors and management team effectively maintain and manage these policies and procedures. The Audit Committee also ensures that the Credit Union operates in accordance with the rules and regulations of the National Credit Union Administration (NCUA), and the Texas Credit Union Department (TCUD).

The Audit Committee is responsible for ensuring that the financial condition of the Credit Union is accurately presented in the Credit Union's financial statements. The Audit Committee engaged the accounting firm of Forvis, LLP, to perform the independent external audit of Resource One's financial statements for the year ended December 31, 2022.

The Audit Committee is pleased to report that the annual independent audit performed by Forvis, LLP, concluded that the Credit Union's financial statements fairly and accurately presented, in all material respects, the financial condition of the Credit Union, and the Credit Union's accounting practices are in conformity with generally accepted accounting principles.

Jean Manuel, Chair of the Audit Committee



Credit Union Board and Officers

VOLUNTEER BOARD MEMBERS & TERMS

<u>Name</u>	<u>Term Expiration</u>
Karen Hart , <i>Chair of the Board</i>	2024
Greg Blunt , <i>Vice Chair of the Board</i>	2024
Craig Gant* , <i>Secretary</i>	2023
Janey Appia , <i>Board Member</i>	2025
Clifton Broughton , <i>Board Member</i>	2025
Chris Degelia , <i>Board Member</i>	2025
Jean Manuel , <i>Board Member</i>	2024
Keith Willson* , <i>Board Member</i>	2023

*Board Members standing for re-election in 2023.

CREDIT UNION OFFICERS

Mary Beth Spuck, *President/CEO*
Brady Popp, *Chief Strategy Officer*
Doug Bedner, *Chief Lending Officer*
Daniela Parker, *Chief Risk Officer*
Merrill Currier, *Chief Information Officer*
Tracey Jackson, *Chief Financial Officer*
Vacant, *Chief Member Experience Officer*

CREDIT UNION OFFICER CHANGES

- **Daniela Parker** joined as Chief Risk Officer in August 2022
- **Jennifer Grinder** departed as Chief Retail Officer in September 2022



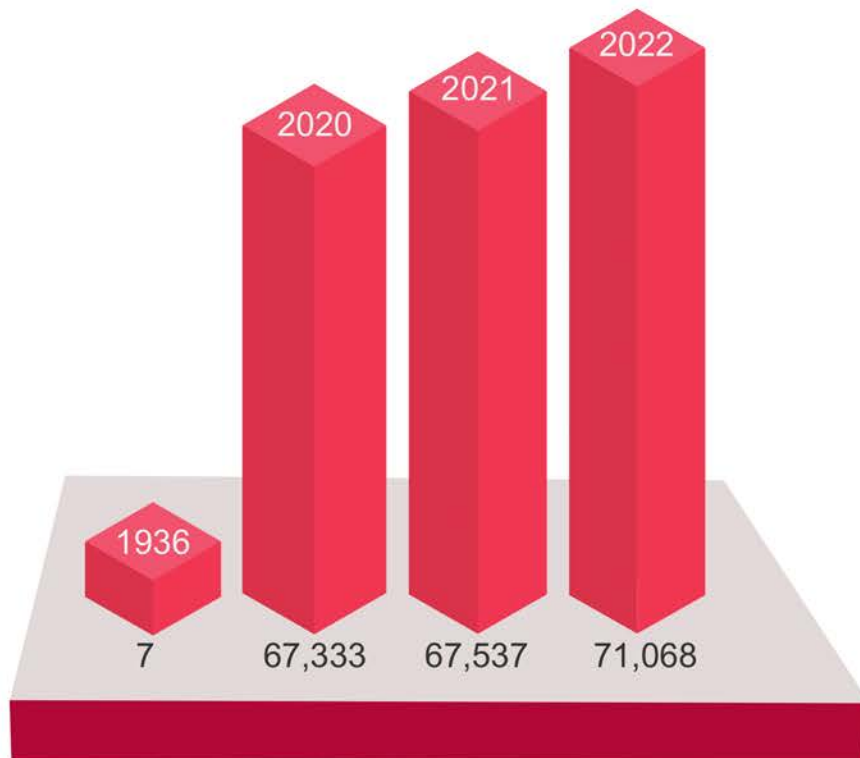
African Delegation from Kenya

Membership

FIELD OF MEMBERSHIP

Resource One Credit Union membership is available to anyone who lives or works in Mesquite, Garland, Carrollton, Spring, Irving, Cedar Hill, Jersey Village, or Dallas and Northwest Harris Counties in Texas can open an account or loan.

NUMBER OF MEMBERS



ITIN LENDING

By providing funding options for loans using their ITIN, we have assisted numerous members in achieving their financial goals.



Services Offered

BUSINESS ACCOUNTS

Business Checking
 Business Flex Share Certificate
 Business Money Market
 Business Savings
 Merchant Services
 Payroll Services
 Visa® Business Credit Cards

BUSINESS LOANS

Commercial Real Estate
 Equipment and Machinery
 Lines of Credit
 SBA Loans
 Unsecured Term Loans
 Vehicles and Heavy Trucks

CERTIFICATES OF DEPOSIT

Certificates of Deposit
 Flex Term CDs
 IRA/SEP CDs
 Save to Win®

CHECKING/SPENDING

CU Succeed
 Daily Spending
 Direct Spending
 Empower Checking
 Prime Spending

CONSUMER LOANS

Citizenship Loans
 Credit Builder Loans
 Home Improvement Personal Loans
 Indirect Auto
 Indirect Lease
 New and Used Auto
 New and Used Recreational Vehicles

- RVs, Boats, Motorcycles, Fifth Wheels, Travel Trailers, Planes, etc.

 Lines of Credit
 Personal Loans
 Share Secured Loans
 Visa® Credit Cards

MONEY MARKET

R1 Money Market

REAL ESTATE LOANS

Home Improvement and Equity Loans
 Home Mortgage Loans

- First-Time Buyer, FHA, VA, USDA, and Conventional

SAVINGS

IRA/SEP Savings
 Holiday and Summer Savings
 Regular Savings
 Youth and Teen Savings

ADDITIONAL SERVICES OFFERED

5,300+ Shared Branching Locations
 30,000+ ATMs within the CO/OP® ATM Network
 Budget Buddies
 Credit Score by SavvyMoney
 Debt Protection with Life Plus
 Digital Banking
 Expert Webinar Series
 Financial Coffee™ Podcast
 Mobile and Online Banking
 Mobile Deposit
 Mobile Wallet
 My Health Solutions
 Pay a Person with Popmoney®
 Rescue Resource™
 R1 Cha-Ching Savings with:

- Local and Nationwide Retailer Discounts
- Bazing Fuel
- Billshark
- Cellphone Protection
- Roadside Assistance
- Travel Accidental Death Coverage
- Pharmacy, Vision, and Hearing Savings
- Credit Monitoring

 R1 Rewards®
 Tiered Overdraft
 Video Banking

New Services and Products

CONSUMER

TruStage Accidental Death & Dismemberment (AD&D): Offering AD&D policies through CUNA Mutual.



DALLAS

CARROLLTON

2501 East Hebron Parkway, #300
Carrollton, TX 75010

CEDAR HILL

755 North Highway 67
Cedar Hill, TX 75104

EAST DALLAS

8344 East R.L. Thornton Freeway, #110
Dallas, TX 75228

NORTH DALLAS

12770 Coit Rd, Suite 100
Dallas, TX 75251

WALNUT HILL

8200 Walnut Hill Lane
Dallas, TX 75231

IRVING

2315 West Airport Freeway, #161
Irving, TX 75062

SOUTH GARLAND

302 West Centerville Road
Garland, TX 75041

NORTH GARLAND

2475 Arapaho Road
Garland, TX 75044

MESQUITE

2750 North Galloway Avenue
Mesquite, TX 75150

SOUTHSIDE

1200 Belleview Street
Dallas, TX 75215

TECHNICAL OPERATIONS CENTER

7518 Ferguson Road
Dallas, TX 75228

HOUSTON

JONES ROAD

9211 Jones Road
Houston, TX 77065

OAK FOREST

1400 West 43rd Street
Houston, TX 77018

SPRING CYPRESS

8720 Spring Cypress Road
Spring, TX 77379



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