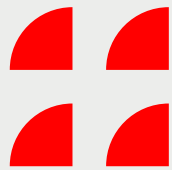
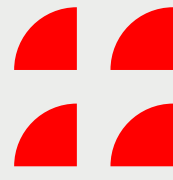


2022



ANNUAL REPORT





REPORT OF THE CHAIRMAN AND CEO



Ronald Phillips, JD
Chairman

Texas Tech Credit Union had another successful year in 2021. We have grown and thrived while dealing with the many challenges presented by COVID-19 thanks to the resilience of our almost 28,000 members. Many of our members serve in the education and healthcare fields. Our communities are stronger and safer because of your work. Thank you. We are inspired and energized by all of our members and remain committed to serving you at the highest level.

Thank you to our Board of Directors for your continued commitment to Texas Tech Credit Union. Your guidance and leadership have allowed us to become one of the most dynamic financial institutions in West Texas. We also thank our almost 150 employees. Your commitment to service and innovation makes Texas Tech Credit Union what it is.

We look forward to continuing strategic, quality growth, which allows us to help both existing and new members. We are aggressively pursuing strategies that drive efficiencies while allowing us to innovate, simplify, and diversify how we deliver products and services.

Our partnership with members yielded growth and financial health across all key measurable metrics. We grew in deposits and loans while sustaining healthy earnings. Our 2021 Annual Report demonstrates our success.

Milestones achieved in 2021 include:

- Our best of market rates resulted in strong demand for both consumer loans and deposits.
- Our low mortgage rates helped 1,223 members purchase new homes and 581 members save money through refinancing. In total, we originated more than \$417 million in mortgages.
- We grew total membership to almost 28,000
- Total assets grew to \$330 million
- Our strong net worth position of more than 10.50% allowed us the flexibility to continue to innovate while staying committed to meeting needs and creating value.



Chris Hutson
Chief Executive Officer

Texas Tech Credit Union exists to deliver value to members. Our product offering, service offering, and investments in the future reflect that conviction. Our Board of Directors and staff remain dedicated to delivering the highest quality member service through convenient, high-technology, high-touch solutions offered at competitive prices.

Our field of membership represents one of the brightest sources of growth for Lubbock and the surrounding communities. We recognize and support the following membership groups:

Texas Tech University and Texas Tech Health Sciences Center faculty, staff, and students • Texas Tech Alumni Association members and staff • University Medical Center employees • Lubbock Christian University faculty and staff • Children’s Home of Lubbock employees • South Plains Electric Co-Op employees • Caprock Hospital District employees • Central Plains Center employees • Floyd County and Floydada City employees • Lynn County Hospital employees • Lynn and Garza County employees • Tahoka City employees • O’Donnell City employees • Cooper ISD • Floydada ISD • Frenship ISD • Idalou ISD • Lockney ISD • Lorenzo ISD • Lubbock ISD • Memphis ISD • Motley County ISD • New Deal ISD • New Home ISD • O’Donnell ISD • Patton Springs ISD • Post ISD • Ralls ISD • Roosevelt ISD • Shallowater ISD • Slaton ISD • Southland ISD • Spur ISD • Tahoka ISD • Turkey-Quitaque ISD • Wilson ISD

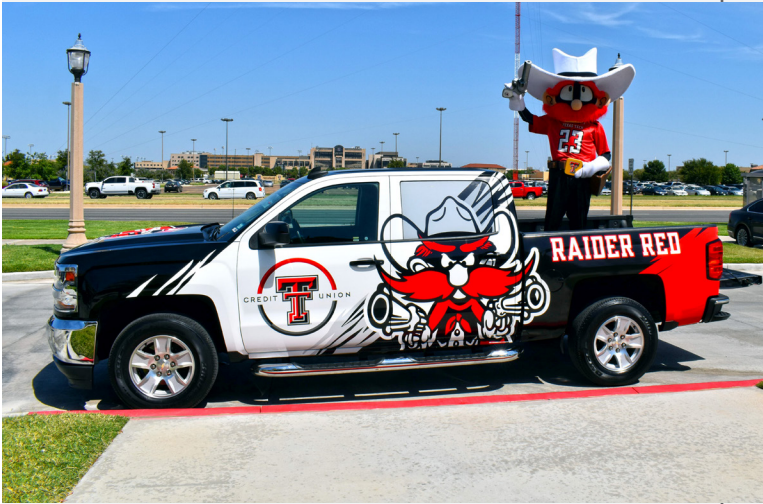
Our commitment to pursuing what is best for our members will never waver. Thank you for your membership and loyalty.

Ronald Phillips *Chris Hutson*

2021 HIGHLIGHTS

Raider Red was gifted a new ride

Texas Tech Credit Union donated one of our fleet vehicles to the Raider Red program. Raider Red drove the new truck in the Auto Zone Liberty Bowl's Beale Street Parade in Memphis, TN.



WE ORIGINATED MORE THAN

\$417 Million

IN MORTGAGES

That's about \$17 million more than 2020, which was a record year for Texas Tech Credit Union.

Texas Tech Credit Union and The Culver Foundation

Texas Tech Credit Union and professional basketball player Jarrett Culver's foundation began its partnership to serve our communities.

TOTAL ASSETS GREW
TO MORE THAN

\$330 Million

That's a 17% increase over the past year.

WE'RE NOW ALMOST

28,000

TEXAS TECH CREDIT UNION
MEMBERS STRONG





BOARD OF DIRECTORS



Ronald Phillips, JD
Chairman



Will Armstrong, Ph.D.
Vice-Chairman



Kim Turner, CPA
Secretary



Russell Dabbs, Ph.D.



Dale Duhan, Ph.D.



Dottie Durband, Ph.D.



Eric Fisher, CPA



Jeff Klotzman



Kay Rhodes

SUPERVISORY COMMITTEE



Ben Lagasse
Chairman



Vince Fell



Eric Gossett

EXECUTIVE TEAM



Chris Hutson
Chief Executive Officer



Eric Lundberg
Chief Operating Officer



Monty Long
Chief Financial Officer

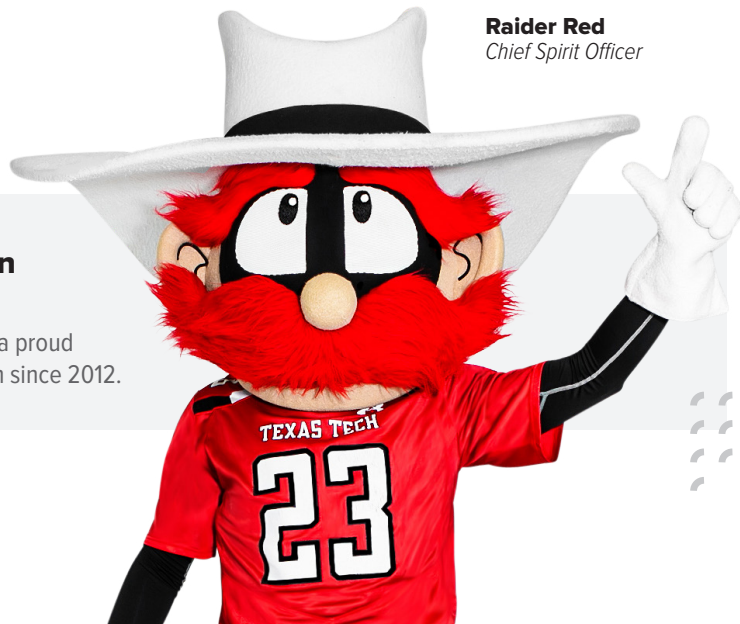


Brian Jackson
Chief Information Officer



**Texas Tech Credit Union
and Raider Red**

Texas Tech Credit Union has been a proud sponsor of the Raider Red program since 2012.



Raider Red
Chief Spirit Officer



REPORT OF THE CFO



Monty Long
Chief Financial Officer

Your credit union experienced another year of tremendous growth in 2021. Total assets as of December 31, 2021, were \$330 million. That represents a growth rate of almost 17 percent or \$47 million! As with most financial institutions, our largest asset category is our loan portfolio. Total loans to our members grew by \$32 million to end the year at \$219 million. This growth is in deep contrast to most credit unions of our size which struggled to add loans to their balance sheets.

The most exciting fact about our loan growth is that it occurred from improvements designed to make it easier for our members to do business with the credit union. Early in 2021, our consumer loan division was re-organized to maximize efficiencies in our loan processes which vastly expanded the capabilities of our staff to approve loans and fund them in the shortest time possible. We paired that new process with a first-class marketing approach and the most competitive rates in the market. That resulted in making over \$90 million in loans to our members, providing them savings each month compared to other lending sources.

The growth in our loans was funded by a significant increase in the share balances of our members. Total shares grew by \$43 million to finish the year at \$289 million. We saw that growth distributed across all our product offerings with significant growth in our regular share and share drafts accounts. This is a sign that we have a growing membership base who is using our credit union as their primary financial institution and that we are engaging more with our existing membership base.

Our mortgage team had another banner year of production as it originated a total of \$417 million in 2021. Whereas the previous year's production was centered mostly in refinance transactions, purchase originations now outweigh those refinances by a margin of three to one. We consider that a positive sign that existing members and those new to the credit union are keeping us top of mind when making home buying decisions.

To support the growth that the credit union has experienced over the recent years, we need growth in our net worth as well. Our total net worth as of the year end was \$34.6 million, an increase of \$4.2 million over 2020. That results in a strong net worth ratio of 10.50 percent and indicates that we generate a sufficient level of earnings to maintain that strong net worth position while accommodating growth. The net income total of \$4.2 million for 2021 was lower than the record year of earnings we achieved in 2020, but it still represents an impressive return on assets (ROA) of 1.33 percent. That ROA is approximately two times that of the ROA reported by credit unions of similar size in 2021.

Our lower earnings level can be attributed to the investments that we have made in our personnel, processes, and technology platforms to accommodate the growth we have enjoyed over the past two years. Additionally, these investments allow us to prepare for continued growth and to take advantage of strategic opportunities that arise in the future.

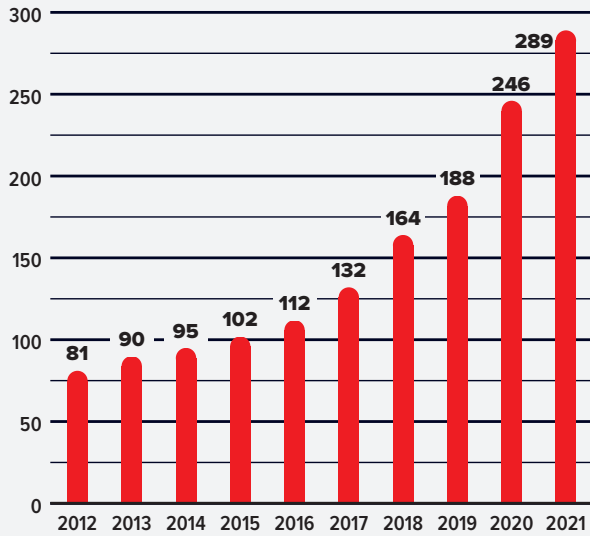
We are able to achieve this strong growth in a stable, balanced, and profitable manner because of the loyalty of you, our members. Thank you for your continued support.

Monty Long
Chief Financial Officer

FINANCES AT A GLANCE

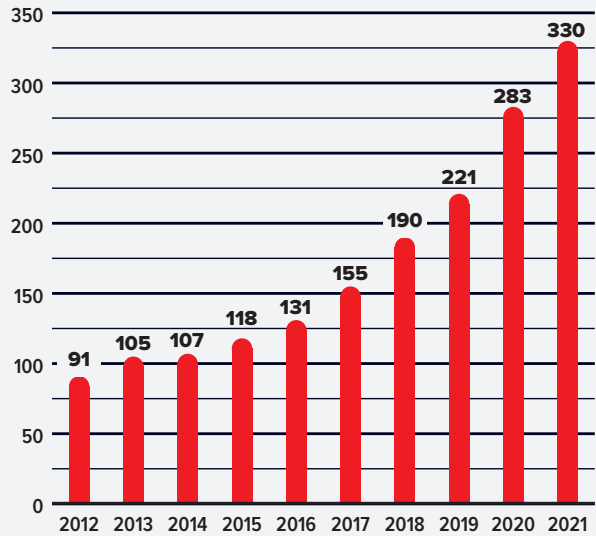
MEMBER DEPOSITS

IN MILLIONS



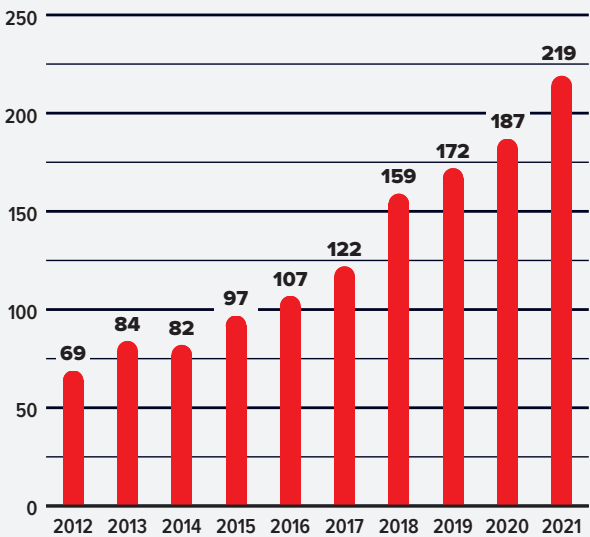
TOTAL ASSETS

IN MILLIONS



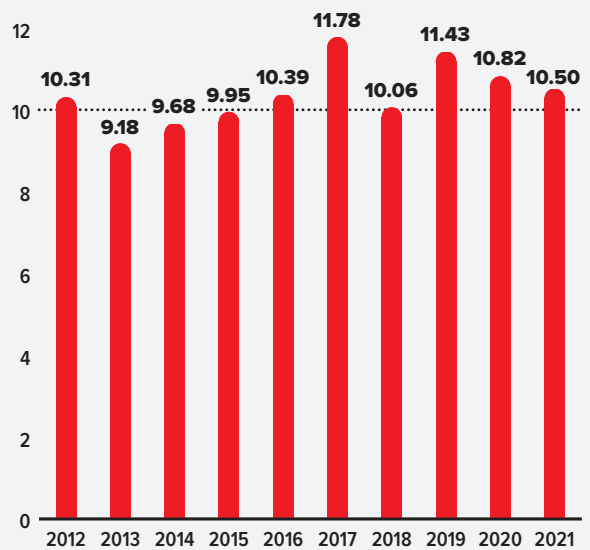
TOTAL LOANS

IN MILLIONS



NET WORTH

IN PERCENTAGE



We're here to guide you through the home-buying process.

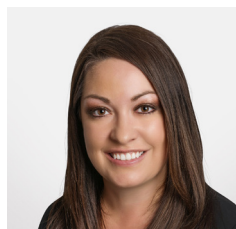
We have an in-house mortgage program for buying and refinancing. Talk to a loan officer today.



Tom Couture
Mortgage Loan Officer
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tom.couture@texastechfcu.org



Savanna Holton
Mortgage Loan Officer
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Kevin Geeslin
Mortgage Loan Officer
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shaun.schimmelman@texastechfcu.org



Ryan James
Mortgage Loan Officer
512.584.5188 | NMLS# 509719
ryan.james@texastechfcu.org

We'll help find the loan that's right for you!

- ✓ New and Refinanced Mortgage Loans
- ✓ HAT Downpayment Grants
- ✓ Conventional, FHA, VA Loans
- ✓ Home Equity Loans
- ✓ Second Liens
- ✓ Jumbo Loans



66

As I went through the mortgage process, I was notified every time a step was completed.

Clark L.
Texas Tech Credit
Union Member



**Get started in minutes at
[texastechfcu.org/home-loans](https://www.texastechfcu.org/home-loans)**



Hear what other members have to say about the home-buying process with Texas Tech Credit Union.

 [youtube.com/texastechcu](https://www.youtube.com/texastechcu)

 Equal Housing Lender | Federally insured by **NCUA**



SUPERVISORY COMMITTEE



Ben Lagasse
Supervisory Committee Chairman

The Supervisory Committee consists of board-appointed volunteer members committed to ensuring the safety and security of the assets of the Texas Tech Federal Credit Union. Collectively, the members of the Supervisory Committee possess experience in education, information systems, human resources, and finance.

The goals of the Committee are to ensure that the Credit Union has met required financial reporting objectives and that management has established practices and procedures to sufficiently safeguard members' assets. In order to achieve those priorities, the Committee annually undertakes the following steps:

- Engage an external audit firm to perform an audit and conduct a verification of members' accounts. The CPA firm of Bolinger, Segars, Gilbert and Moss, LLP, performs the annual financial statement audit and member verification for the Credit Union. We are pleased to report the firm expressed an unqualified opinion in the 2021 audit.
- Engage and oversee an internal auditor to perform tests of internal controls. This year the Committee engaged Waypoint Advisory Services, Inc. to serve as the Credit Union's internal auditor. Waypoint periodically performs risk assessments and has scheduled periodic audits of accounts and reviews of policies and procedures, with periodic reporting to Management and the Committee. We are pleased to report that, to date, no significant internal control gaps have been identified.
- Engage the firm Waypoint Advisory Services, Inc., to conduct the required examination of the Credit Union's compliance with the Bank Secrecy Act and related federal anti-money laundering provisions. We are pleased to report the firm had no major findings with the program.

In addition to the internal and external audits, the National Credit Union Administration (NCUA) performs regulatory examinations every 12 to 18 months covering major risk areas of the Credit Union's operations. NCUA conducted the latest examination for the one-year period ending March 31, 2020. Credit Union Management has positively addressed all concerns raised by NCUA.

The Supervisory Committee meets regularly with the Board of Directors, the Management of the Credit Union, and as a committee. We are engaged with continued examination of our policy and practice. This committee meets quarterly to learn more about the operations of the Credit Union each year and to ask questions of our staff about their work.

As of this writing, we are pleased to report that the Credit Union's operations are safe, sound, and in compliance with all laws and regulations. We commend the Board of Directors and Management for another great year and appreciate the support given to the Committee.

If any member has a concern regarding the Credit Union, the Supervisory Committee is the entity to contact. All communications will be treated in an impartial and independent nature. Members may correspond confidentially with the Committee at:

Texas Tech Credit Union Supervisory Committee
c/o Audit Services
Box 41104
Lubbock, TX 79409-1104

Ben Lagasse
Supervisory Committee Chairman



Texas Tech Credit Union puts you in the driver's seat to help reach your financial goals.



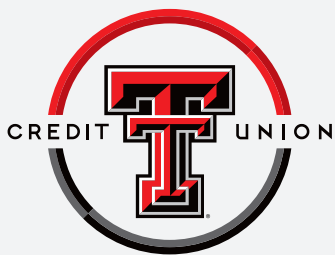
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Follow us on social @texastechcu

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Lubbock, TX 79430

RAVENWOOD BRANCH
4005 98th St
Lubbock, TX 79423

FLOYDADA BRANCH
230 West California St
Floydada, TX 79235

Texas Tech Credit Union Mortgage

LUBBOCK (KW)
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Lubbock, TX 79424

