

**TRAVIS CREDIT UNION
STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2020 AND 2019**

	2020	2019
ASSETS		
Cash and Cash Equivalents	\$ 592,060,812	\$ 276,708,143
Securities - Available-for-Sale	210,919,424	282,482,073
Federal Home Loan Bank (FHLB) Stock	11,566,700	10,775,700
Loans Held-for-Sale	9,256,044	2,179,096
Loans, Net	3,246,578,451	2,609,407,611
Accrued Interest Receivable	9,253,564	8,650,868
Premises and Equipment, Net	37,000,749	37,566,404
National Credit Union Share Insurance Fund (NCUSIF) Deposit	29,663,991	24,430,129
Prefunded Benefit Investments	59,738,993	56,283,958
Life Insurance Policies	17,560,080	16,179,612
Other Assets	30,229,130	40,342,382
	\$ 4,253,827,938	\$ 3,365,005,976
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Members' Share and Savings Accounts	\$ 3,672,201,936	\$ 2,930,117,037
Borrowed Funds	100,000,000	-
Accrued Expenses and Other Liabilities	47,768,778	39,970,993
Total Liabilities	3,819,970,714	2,970,088,030
MEMBERS' EQUITY		
Regular Reserves	15,445,198	15,445,198
Undivided Earnings	414,813,641	378,506,262
Accumulated Other Comprehensive Income	3,598,385	966,486
Total Members' Equity	433,857,224	394,917,946
Total Liabilities and Members' Equity	\$ 4,253,827,938	\$ 3,365,005,976

See accompanying Notes to Financial Statements.

**TRAVIS CREDIT UNION
STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
INTEREST INCOME		
Loans	\$ 134,139,933	\$ 122,571,213
Securities, Interest Bearing Deposits and Cash Equivalents	<u>6,664,007</u>	<u>13,415,853</u>
Total Interest Income	140,803,940	135,987,066
INTEREST EXPENSE		
Members' Share and Savings Accounts	19,032,819	18,941,418
Borrowed Funds	<u>443,306</u>	<u>-</u>
Total Interest Expense	<u>19,476,125</u>	<u>18,941,418</u>
Net Interest Income	121,327,815	117,045,648
PROVISION FOR LOAN LOSSES	<u>8,942,311</u>	<u>25,204,697</u>
Net Interest Income After Provision for Loan Losses	112,385,504	91,840,951
NONINTEREST INCOME		
Service Charges and Fees	8,156,271	11,122,979
Interchange Income	16,359,881	16,562,836
Gain on Sale of Loans	13,420,621	2,590,896
Other Noninterest Income	<u>8,990,289</u>	<u>15,154,080</u>
Total Noninterest Income	46,927,062	45,430,791
NONINTEREST EXPENSE		
General and Administrative:		
Compensation and Benefits	71,084,592	60,596,499
Operations	46,537,966	40,885,592
Occupancy	<u>5,382,629</u>	<u>5,362,001</u>
Total Noninterest Expense	<u>123,005,187</u>	<u>106,844,092</u>
NET INCOME	<u>\$ 36,307,379</u>	<u>\$ 30,427,650</u>

See accompanying Notes to Financial Statements.

**TRAVIS CREDIT UNION
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
NET INCOME	\$ 36,307,379	\$ 30,427,650
OTHER COMPREHENSIVE INCOME:		
Securities - Available-for-Sale		
Unrealized Holding Gain Arising During the Period	<u>2,631,899</u>	<u>5,551,320</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 38,939,278</u>	<u>\$ 35,978,970</u>

See accompanying Notes to Financial Statements.

**TRAVIS CREDIT UNION
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	Regular Reserves	Undivided Earnings	Accumulated Other Comprehensive Income (Loss)	Total
BALANCES - DECEMBER 31, 2018	\$ 15,445,198	\$ 348,078,612	\$ (4,584,834)	\$ 358,938,976
Net Income	-	30,427,650	-	30,427,650
Other Comprehensive Income	-	-	5,551,320	5,551,320
BALANCES - DECEMBER 31, 2019	15,445,198	378,506,262	966,486	394,917,946
Net Income	-	36,307,379	-	36,307,379
Other Comprehensive Income	-	-	2,631,899	2,631,899
BALANCES - DECEMBER 31, 2020	<u>\$ 15,445,198</u>	<u>\$ 414,813,641</u>	<u>\$ 3,598,385</u>	<u>\$ 433,857,224</u>

See accompanying Notes to Financial Statements.

**TRAVIS CREDIT UNION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 36,307,379	\$ 30,427,650
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	3,891,089	3,655,743
Amortization of Investments, Net	2,254,758	3,388,641
Provision for Loan Losses	8,942,311	25,204,697
Impairment of Servicing Rights	936,476	552,991
Amortization of Servicing Rights	213,940	891,238
Capitalization of Servicing Rights	(2,504,772)	(885,581)
Amortization of Net Loan Origination Costs	5,871,985	7,088,691
Gain on Sale of Loans	(13,420,621)	(2,590,896)
Lease Payments of Right of Use Assets - Lessee	1,422,676	1,376,644
Loss on Disposal of Assets, Net	26,920	20,048
Increase in Cash Surrender Value of Life Insurance Policies	(373,683)	(371,206)
Change in Value of Prefunded Benefit Investments	(3,455,035)	(7,313,691)
Changes in:		
Loans Held-for-Sale	6,343,673	780,800
Accrued Interest Receivable	(602,696)	(144,754)
Other Assets	9,913,348	(18,115,716)
Accrued Expenses and Other Liabilities	7,797,785	6,195,893
Net Cash Provided by Operating Activities	63,565,533	50,161,192
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Securities:		
Available-for-Sale	(48,820,305)	-
Proceeds from Maturities of Securities:		
Available-for-Sale	120,760,095	161,403,634
Purchase of FHLB Stock	(791,000)	-
Loan Originations Net of Principal Collected on Loans to Members	(669,566,969)	(347,570,406)
Increase in NCUSIF Deposit	(5,233,862)	(1,093,151)
Purchase of Prefunded Benefit Investments	-	(15,000,000)
Purchase of Life Insurance Policies	(1,006,785)	(1,366,510)
Proceeds from Sales of Foreclosed and Repossessed Assets	17,713,417	31,965,664
Expenditures for Premises and Equipment	(3,352,354)	(4,897,299)
Net Cash Used by Investing Activities	(590,297,763)	(176,558,068)

See accompanying Notes to Financial Statements.

**TRAVIS CREDIT UNION
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Increase in Members' Share and Savings Accounts	\$ 742,084,899	\$ 202,073,263
Advances on Term Borrowings	100,000,000	-
Net Cash Provided by Financing Activities	<u>842,084,899</u>	<u>202,073,263</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 315,352,669	 75,676,387
Cash and Cash Equivalents - Beginning of Year	<u>276,708,143</u>	<u>201,031,756</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 592,060,812</u></u>	<u><u>\$ 276,708,143</u></u>
 SUPPLEMENTARY DISCLOSURE OF NONCASH AND CASH FLOW INFORMATION		
Borrowed Funds Interest Paid	<u>\$ 443,306</u>	<u>\$ -</u>
Members' Share and Savings Accounts Interest Paid	<u>\$ 19,032,819</u>	<u>\$ 18,941,418</u>
Transfers of Loans to Other Assets (Foreclosed and Repossessed Assets)	<u>\$ 17,581,833</u>	<u>\$ 31,564,384</u>

See accompanying Notes to Financial Statements.