

2021
ANNUAL
REPORT



InvesTex

CREDIT UNION



Making Life Better since 1952

2022 AGENDA

VERIFICATION OF QUORUM

Catherine Paraschos
Chairperson

CHAIRPERSON'S REPORT

Catherine Paraschos

PRESIDENT'S REPORT

Keith Kearney

APPROVAL OF MINUTES OF 2021 MEETING

Catherine Paraschos

REPORT OF THE TREASURER

Allan Griffin, Jr.

UNFINISHED BUSINESS

Catherine Paraschos

NEW BUSINESS, OTHER THAN ELECTIONS

Catherine Paraschos

ELECTION OF DIRECTORS

Catherine Paraschos

ADJOURNMENT

Catherine Paraschos



VISION STATEMENT

InvesTex Credit Union will develop lasting relationships that promote our members' quality of life and financial well-being.

MISSION STATEMENT

InvesTex Credit Union is dedicated to the highest quality service for its members, while maintaining a solid financial foundation. Our core values reflect the strong character of our members and our growing relationship with them.

OPERATIONAL CHANGES

- The credit union successfully and continuously managed the needs of the staff and members through the 2020 and 2021 pandemic. Other than nominal Covid disruptions to specific branches for 1 – 3 days, maintained all branches and services open and available to members throughout 2021.
- Implemented a 30-year First Lien Home Equity product.
- Added a CUNA Mutual Claims Portal on the website for members convenience.
- Partnered with Member First Mortgage and Lending to hold 3 Virtual Home Buying Seminars.
- Hosted a Shred Day for members.
- Continued a successful program to offer 0% Promotion for new credit card accounts throughout 2021.
- The credit union continues to evaluate, and update facility and software systems access and controls to ensure the integrity, security, and privacy of member information.

BOARD OF DIRECTORS
TERM EXPIRATION DATES
AS OF 12/31/2021

CATHERINE PARASCHOS
(Position 2)
Chairperson & Nominating
Committee Chair
April 2024

DR. BOB WILLIAMS
(Position 3)
Vice Chair & Building
Committee Chair
April 2024

DOROTHEA PICKENS
(Position 5)
Secretary & Supervisory
Committee Chair
April 2022

ALLAN GRIFFIN JR.
(Position 9)
Treasurer & Compensation
Committee Chair
April 2023

DAN CALVERT
(Position 1)
Director
April 2024

STEPHEN HAVEMANN
(Position 7)
Technology/Marketing &
Merger Committee Chair
April 2023

PHYLLIS KENNEDY
(Position 8)
ALCO Committee Chair
April 2023

TERESA DOSSMAN
(Position 6)
Director
April 2022

WILLIAM "BILL" LAKIN
(Position 4)
Director
April 2022

MANAGEMENT

KEITH KEARNEY
President/CEO

KELLY PAYNE
SR Vice President
Human Resources

JOHN TOMSON
SR Vice President
Information Technology

DAVID DURHAM
Vice President Operations

JANA (ANDERS) GONZALES
Vice President Business &
Community Development

RENE PAREDEZ
Vice President Accounting

MATT SPISAK
Vice President Lending &
Branch Administration

RICK SULFRIDGE
Vice President Asset Management
& Collections

2021 Annual Meeting Minutes April 28, 2021

The 2021 Annual Meeting was held via conference call on Wednesday, April 28, 2021. Directors present onsite were Catherine Paraschos, Dr. Bob Williams, Allan Griffin and Phyllis Kennedy while those on the call were William (Bill) Lakin, Stephen Havemann, Dorothea Pickens, Dan Calvert and Teresa Dossman.

The credit union management team, various staff members and credit union members were participants on the call to establish a quorum.

The annual meeting was officially called to order at 6:09 p.m. The Board Chairperson, Catherine Paraschos, ascertained that a quorum was present as required through the taking of a roll call. Ms. Paraschos welcomed everyone to the 2021 Annual Meeting and thanked those in attendance. She acknowledged the incredibly challenging year we all experienced and noted how patient our members were through it all. She ended her remarks with the wish that everyone gets the opportunity to get vaccinated.

Ms. Paraschos then called upon Mr. Keith Kearney, CEO, to present the President's Report. Prior to giving his report, Mr. Kearney expressed his appreciation to the credit union Board for their service and support. In honor of her 40th anniversary on the InvesTex Board, Mr. Kearney presented Ms. Paraschos with a service plaque and card. He noted Ms. Paraschos played an integral role in shaping the credit union's visions and values during her time on the Board. Volunteers like Ms. Paraschos make the credit union what it is.

Mr. Kearney declared the effects of 2020 will remain for a long time. This was one of the most difficult and challenging years he had experienced in his professional career. However, InvesTex continued to grow and expand. Believing staff safety and member access were top priorities, InvesTex set up remote services allowing staff to work from home. Almost every member need was met remotely or in the drive-thru while the lobbies were temporarily closed from March 19, 2020 until October 1st. In addition to remotely serving the members, the credit union implemented a social media presence with Facebook and Instagram, offered 0% credit cards and started texting alerts on possible fraudulent debit card transactions.

Mr. Kearney concluded his report by reiterating his appreciation to the Board and staff and reminding everyone of the credit union's Mission Statement – InvesTex Credit Union is dedicated to the highest quality service for its members, while maintaining a solid financial foundation. Our core values reflect the strong character of our members and our growing relationship with them.

Ms. Paraschos presented the Annual Meeting Minutes from 2020 for review. Upon motion by Debra Weir, seconded by William Lakin Jr., it was unanimously voted to accept the minutes of the 2020 Annual Meeting as presented.

Next, Ms. Paraschos called on Mr. Allan Griffin to present the Treasurer's Report.

Mr. Griffin referred those in attendance to the Treasurer's Report included in the 2020 Annual Report. Loan growth for 2020 was strong at 5.84%. In 2020, mortgage loans grew by 32%, home equity loans by 30% and vehicle loans by 7.93% for new and 3.30% for used. Deposits grew by 12.65% while total assets grew by 12.50%. The credit union ended 2020 with \$250 million in assets, \$111 million in loans, \$117 million in investments and \$226 million in member deposits. Total equity grew 3.27%. The capital to assets ratio was 8.99% at year-end.

InvesTex Credit Union enlisted the services of CliftonLarsonAllen LLP to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2020. The Credit Union Department also performed an examination of InvesTex Credit Union as of December 31, 2019 and can report the credit union continues to be a strong and efficiently managed institution.

Mr. Griffin ended his report by thanking the InvesTex staff for their efforts in making life better for its members. The credit union is strongest when the members are financially sound.

Upon motion by Phyllis Kennedy seconded by Dr. Bob Williams, it was unanimously voted to accept the Treasurer's Report as presented. Ms. Paraschos asked if there was any Unfinished Business. There was none.

Ms. Paraschos asked if there was any New Business (other than Elections). There was none.

Ms. Paraschos introduced Mr. Stephen Havemann, Committee Chair, to give the Nominating Committee's Report.

Mr. Havemann first thanked the credit union management as well as his fellow Committee Members, Ms. Phyllis Kennedy and Mr. Allan Griffin, for their contributions to the nomination process. Mr. Havemann then introduced the nominees being presented for election: Mr. Dan Calvert (Position #1), Ms. Catherine Paraschos (Position #2), and Dr. Bob Williams (Position #3).

Mr. Havemann explained that all nominees had met the qualifications to be elected to the Board and confirmed there were no nominations by petition as required by the election rules.

Therefore, upon motion by Stephen Havemann, seconded by Teresa Dossman, it was unanimously voted to accept the election of the nominees as presented by acclamation. Ms. Paraschos called for the adjournment of the Annual Meeting at 6:35 p.m.

Upon motion by William Lakin Jr., seconded by Dan Calvert, the meeting was declared adjourned at 6:35 pm.

Treasurer's Report

Just when it seems you can see the light at the end of the tunnel... you realize it's the train racing towards you!

Our task with this report is to summarize the events of the past year and present a picture of the financial health of InvesTex Credit Union. As we did at the end of 2020, we must again this year consider the physical, mental, emotional and financial health of our organization and its members. After the many struggles and fears related to Covid, we need to feel safe when going about our daily lives and we need to recognize and grieve the incredible loss we have all suffered over the past two years. At the same time, we must be constantly paying attention to other potential disruptions like cyber-attacks and global unrest that impact the U.S. economy and our personal security.

During 2021 we continued to take the necessary precautions to make InvesTex a place that is safe for your money and your health. This effort will continue in 2022 as we all hope for continued improvements in our quality of life.

In the midst of the COVID-19 crisis we were finding new safer ways to accommodate members needs while limiting direct contact. Many years ago InvesTex prepared a pandemic response policy but even after dealing with multiple hurricanes and other natural disasters this new challenge reminded us of the importance of the fact that InvesTex Credit Union is its people. People helping people through a cooperative financial institution. And because of who we are and what we are, the goal of our organization is to "make life better" for our members, including being available through multiple channels for all of the services we offer and providing not just safety for our financial lives but for the health of our members and employees.

In 2021, with outstanding leadership, dedicated employees and loyal and supportive members, InvesTex Credit Union continued our journey towards that goal. In a year of continued uncertainty worldwide, we stand committed to our guiding principles and to serving you. You can count on us!

Every day we are looking for new and better ways to protect our members security. These moves demonstrate a serious and ongoing commitment to our membership and the communities we serve. We are currently evaluating new branching opportunities for 2022 and thereafter. We are evaluating a new "In-House" mortgage program and recently implemented a new 30-year First Lien Home Equity loan product. We expect to continue to grow in membership and seek new ways to provide our great services and products to new communities as we meet the needs of the InvesTex family. We prepare for, we plan for, and we expect success!

Loan growth for 2021 was strong at 5.86% overall. During the year, Home Equity loans grew by an incredible 50%, and Vehicle loans grew by 4.66%. Deposits grew by 7.31%. Total assets grew by 6.40%. The credit union continues to expand all loan programs, especially mortgage and home equity lending by providing low closing costs, low loan rates and flexible terms. The Credit Union ended 2021 with \$266.2 million in assets, \$117.6 million in loans, \$125.7 million in investments, and \$242.5 million in member deposits. Net Worth ended the year at 9.04%.

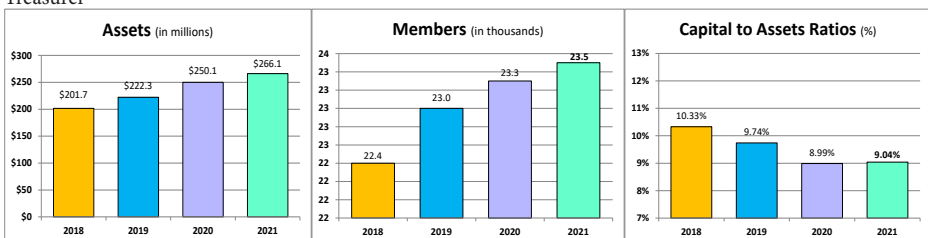
InvesTex Credit Union enlisted the services of CliftonLarsonAllen LLP to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2021. The review was accomplished in accordance with the National Credit Union Administration Rules and Regulations and the Federal Credit Union Act. The Texas Credit Union Department also performed an examination of InvesTex Credit Union as of March 31, 2021 and again as of September 30, 2021, and we are pleased to report that the credit union continues to be a strong and efficiently managed institution.

As always, we must thank each of you for your continued support and involvement with our credit union. Your loyalty and support during the many changes and business interruptions experienced in 2020 and 2021 due to the Covid-19 pandemic exemplify the cooperative nature of credit unions and the trust you have honored us with as we endeavor to serve you and all the families of InvesTex Credit Union. When you are planning to buy a vehicle or look for a new home, remember to check with InvesTex first. Your success drives our success and it should not end there. Let your friends, neighbors, relatives and coworkers know how valuable your membership is to you. When you have an organization you trust to provide quality products and services, shouldn't you be spreading the word.

In a year with so many changes, we especially want to thank the InvesTex staff for their efforts in making life better for you. Our common goal is the financial success of every member of the credit union and every employee from CEO to front line Member Service Representative shares that goal. We believe our credit union is strongest when our members are financially sound! We will continue "Investing in Texas by Investing in You!"

Thank you,

Allan Griffin, Jr.
Treasurer



STATEMENT OF CONDITION

As of December 31

| <u>ASSETS</u> | <u>2021</u> | <u>2020</u> |
|-----------------------------|--------------------|--------------------|
| LOANS TO MEMBERS | 117,645,972 | 111,130,499 |
| ALLOWANCE FOR LN LOSSES | (1,129,070) | (935,851) |
| TOTAL ACCOUNTS RECEIVABLE | 73,013 | 63,901 |
| CASH IN BANK/ON HAND | 3,506,194 | 3,416,028 |
| INVESTMENTS | 125,661,752 | 116,510,486 |
| ALL OTHER ASSETS | <u>20,386,715</u> | <u>19,942,934</u> |
| TOTAL ASSETS | <u>266,144,576</u> | <u>250,127,998</u> |
| <u>LIABILITIES</u> | | |
| ACCOUNTS PAYABLE | <u>2,369,486</u> | <u>2,276,817</u> |
| TOTAL LIABILITIES | <u>2,369,486</u> | <u>2,276,817</u> |
| <u>EQUITY</u> | | |
| MEMBER SHARES | 242,459,747 | 225,937,896 |
| MEMBER CAPITAL | 21,315,343 | 21,913,285 |
| TOTAL EQUITY | <u>263,775,090</u> | <u>247,851,181</u> |
| LIABILITIES + EQUITY | <u>266,144,576</u> | <u>250,127,998</u> |

OPERATING STATEMENT

As of December 31

| | | |
|-----------------------------|-------------------|-------------------|
| <u>INCOME</u> | | |
| INCOME FROM LOANS | 5,212,205 | 5,159,505 |
| INVESTMENT INCOME | 1,086,616 | 1,804,848 |
| OTHER INCOME | <u>4,544,546</u> | <u>3,772,353</u> |
| TOTAL INCOME | <u>10,843,367</u> | <u>10,736,706</u> |
| <u>EXPENSES</u> | | |
| OPERATIONS EXPENSES | 7,952,990 | 8,522,166 |
| LOAN LOSSES | 119,425 | 642,485 |
| OTHER EXPENSES | <u>126,411</u> | <u>210,624</u> |
| TOTAL EXPENSES | <u>8,198,826</u> | <u>9,375,276</u> |
| NET BEFORE DIVIDENDS | 2,644,542 | 1,361,430 |
| <u>DIVIDENDS</u> | | |
| TOTAL SHARES | 0 | 7,558 |
| TOTAL CHECKING | 6,704 | 16,441 |
| TOTAL MONEY MARKET | 23,052 | 16,606 |
| TOTAL IRA SHARES | 34,725 | 59,658 |
| TOTAL IRA | 97,597 | 117,946 |
| TOTAL CERTIFICATES | <u>830,457</u> | <u>1,041,956</u> |
| TOTAL DIVIDENDS | <u>992,536</u> | <u>1,260,165</u> |
| NET AFTER DIVIDENDS | 1,652,006 | 101,265 |
| GAIN (LOSS) INVESTMENTS | <u>(91,698)</u> | <u>557,307</u> |
| TOTAL NON-OP INC/EXP | <u>(91,698)</u> | <u>557,307</u> |
| NET INCOME | <u>1,560,308</u> | <u>658,572</u> |

Building A Community Together



C O M M U N I T Y



LOCATIONS

Aldine Branch

905 Aldine Bender
Houston, TX 77032

Atascocita Branch

5212 Atascocita Rd.
Humble, TX 77346

NLW-Heights Branch

1614 N. Durham
Houston, TX 77008

Cypresswood Branch

230 Cypresswood Dr.
Suite H
Spring, TX 77388

Tomball Branch

24922 Tomball Pkwy
Suite 100
Tomball, TX 77375

FM1960 Branch & Corporate Office

8404 FM 1960 Bypass Rd. W
Humble, TX 77338

HOURS OF OPERATION

Lobby Hours

Monday-Friday (except Thursday)
8:30 AM to 5:00 PM

Thursday

9:00 AM to 5:00 PM

Saturday

8:30 AM to 3:00 PM

Drive-Thru Hours

Monday-Friday
8:30 AM to 6:00 PM

Saturday

8:30 AM to 3:00 PM

eBranch

Monday-Friday
8:30 AM to 6:00 PM

Saturday

8:30 AM to 3:00 PM

CONTACT INFORMATION

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