

2022
ANNUAL
REPORT



InvesTex

CREDIT UNION



Making Life Better since 1952

2023 AGENDA

VERIFICATION OF QUORUM

Catherine Paraschos
Chairperson

CHAIRPERSON'S REPORT

Catherine Paraschos

PRESIDENT'S REPORT

Keith Kearney

APPROVAL OF MINUTES OF 2022 MEETING

Catherine Paraschos

REPORT OF THE TREASURER

Allan Griffin, Jr.

UNFINISHED BUSINESS

Catherine Paraschos

NEW BUSINESS, OTHER THAN ELECTIONS

Catherine Paraschos

ELECTION OF DIRECTORS

William "Bill" Lakin

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

- Celebrated 70 Years of Service to our members.
- Managed through significant inflation in 2022 while still providing excellent loan and deposit rates to the membership.
- Hosted multiple Home Equity Seminars. Partnered with Member First Mortgage and Lending to hold 3 Virtual Home Buying Seminars.
- Hosted Shred Day and other member service events.
- Increased the strength and coverage of deposit insurance by successfully moving to American Share Insurance.
- The credit union continues to evaluate, and update facility and software systems access and controls to ensure the integrity of, security, and privacy of member information and the overall quality of operation.
- The credit union continues the successful fight against fraud. InvesTex WILL NOT contact you (phone, email, or text) asking for personal or plastic card information.

BOARD OF DIRECTORS
TERM EXPIRATION DATES
AS OF 12/31/2022

CATHERINE PARASCHOS

(Position 2)
Chairperson
April 2024

DR. BOB WILLIAMS

(Position 3)
Vice Chair & Building
Committee Chair
April 2024

DOROTHEA PICKENS

(Position 5)
Secretary & Supervisory
Committee Chair
April 2025

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 2025

WILLIAM "BILL" LAKIN

(Position 4)
Director & Nominating Committee Chair
April 2025

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 Collections & Facilities

2022 Annual Meeting Minutes April 27, 2022

The 2022 Annual Meeting was held on Wednesday, April 27, 2022 at the Spring ISD Randall Reed Center (23802 Cypresswood Drive, Spring, Texas 77373). Directors present were Catherine Paraschos, Dr. Bob Williams, Allan Griffin, Phyllis Kennedy, Bill Lakin, Stephen Havemann, Dorothea Pickens, Dan Calvert and Teresa Dossman. The credit union management team, various staff members, scholarship recipients and credit union members were in attendance.

Jana Gonzales, VP of Business and Community Development welcomed those in attendance and afterwards led the Pledge of Allegiance, The Texas Pledge and the invocation after which dinner was served. Once everyone was seated, Ms. Gonzales introduced the Board of Directors, Committee Members and the CEO of InvesTex Credit Union. With the assistance of Board Chair Catherine Paraschos and CEO Keith Kearney, Ms. Gonzales introduced the 6 scholarship winners:

- Tom'mya Addison – a student in New Caney ISD (Porter High School) with plans to attend Prairie View University and major in animal science.
- Alyssa Barraza – a student in Spring ISD (Westfield High School) with plans to attend Blinn Jr College & Texas A&M and major in animal science.
- Ashley Chavez – a student at Incarnate Word Academy with plans to attend TCU and major in political science.
- Katrina Machetta – a student in Klein ISD (Klein Collins High School) with plans to attend University of Pennsylvania and major in communications/journalism.
- Jonae Richardson – a student in Humble ISD (Atascocita High School) with plans to attend the University of Houston and major in psychology.
- Tia Bullard – a student in Spring ISD (Spring High School) with plans to attend Prairie View University and major in pre-med.

Individual photos with the scholarship winners were taken as a group photo. Mr. Kearney informed the recipients that the Board of Directors voted to increase the award by \$500 so each scholarship was now for \$1,500 instead of \$1,000. The parents of each scholarship winner were also given a gift as recognition of their input in their child's education.

After ascertaining a quorum was present, the Board Chairperson, Catherine Paraschos officially called the Annual Meeting to order at 7:33 p.m. Ms. Paraschos announced that 2022 was the 70th anniversary of InvesTex Credit Union. Many changes occurred over the years however the one constant which never changed was the desire to provide the best service possible to the members.

Ms. Paraschos presented the Annual Meeting Minutes from 2021 for review. Upon motion by Dan Calvert, seconded by Dave Durham, it was unanimously VOTED: to accept the minutes of the 2021 Annual Meeting as presented. Ms. Paraschos then invited Mr. Kearney to give his President's report.

Mr. Kearney thanked the Board of Directors, management and staff of InvesTex Credit Union. He gave a special thanks to the members who are the reason InvesTex is in business. He acknowledged the impact Covid had on the credit union over the past two years. Inflation and world events including the war in Ukraine has increase uncertainty in what the future holds, but for this day, Mr. Kearney wanted to acknowledge and celebrate the strength of the credit union. He recognized Ms. Paraschos as having been an active participant of the credit union and its board for 41 years. He noted InvesTex had made hundreds of millions in loans since his tenure as CEO. 2021 was a successful year even with its challenges. Mr. Kearney pledged to focus on building resources and ensuring member access to InvesTex at all times. The credit union would continue to have remote operational capability in the event the need arises. Mr. Kearney noted the credit union ended 2021 with \$266 million in assets and net income of \$1.6 million. He ended his report by stating he was extremely proud of InvesTex Credit Union and his belief that people matter most and the member's trust was its biggest asset. Mr. Kearney requested Mr. Allan Griffin to present the Treasurer's Report.

Mr. Griffin referred those in attendance to the Treasurer's Report included in the 2021 Annual Report. Loan growth for 2021 was strong at 5.86% overall. In 2021, home equity loans by an incredible 50% and vehicle loans by 4.66%. Deposits grew by 7.31% while total assets grew by 6.40%. The credit union ended 2021 with \$266 million in assets, \$118 million in loans, \$126 million in investments and \$242 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 Credit Union Department also performed an examination of InvesTex Credit Union as of March 31, 2021 and again as of September 30, 2021 and can report the credit union continues to be a strong and efficiently managed institution. Mr. Griffin ended his report by stating the Board is proud to serve as volunteers and will remain vigilant and serious regarding products and services. Upon motion by Bill Lakin seconded by Dorothea Pickens, 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 next gave the Nominating Committee's Report. She first thanked the credit union management as well as her fellow Committee Members, Dr. Bob Williams and Mr. Dan Calvert, for their contributions to the nomination process. Ms. Paraschos then introduced the nominees being presented for election: Mr. William (Bill) Lakin (Position #4), Ms. Dorothea Pickens (Position #5), and Ms. Teresa Dossman (Position #6). Ms. Paraschos 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 Catherine Paraschos, seconded by Allan Griffin, 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 7:55 p.m. Upon motion by Teresa Dossman, seconded by Dorothea Pickens, the meeting was adjourned at 7:55 pm.

Ms. Paraschos thanked Spring ISD for allowing use of their beautiful facility and all those in attendance for coming.

The Executive Session was called to order at 8:09 p.m. The purpose of the session was to appoint Committee Chairs (if necessary). It was recommended to keep the current slate of officials. Upon a motion by Phyllis Kennedy, seconded by Bill Lakin it was unanimously VOTED: To keep the current slate of officials for 2022. Adjourn from Executive Session: Upon a motion by Bill Lakin, seconded by Dan Calvert, it was unanimously VOTED: to adjourn from the Executive Session at 8:11 p.m.

Treasurer's Report

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. The good news is that 2022 was the most financially successful year in the history of this organization. With the outstanding performance of our loan and investment portfolio we are able to continue to provide and even broaden the products and services needed to support the financial health of our organization and its members. After the many struggles and fears related to Covid, inflation, and other economically impactful events, 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 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 2022 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 2023 as we all hope for continued improvements in our quality of life.

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 2022, 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 2023 and thereafter. 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 2022 was strong at 15.8% overall. During the year, Home Equity loans grew by an incredible 83.4%, and Vehicle loans grew by 9.2%. The credit card portfolio grew by 7.8% and signature loans grew by 14.1%. These growth rates demonstrate the tremendous value InvesTex Credit Union loans provide when members bring their financial needs to the institution they trust. The credit union's Net Worth ratio increased from a strong 9.04% to a higher level of strength at 10.82%, while the quality of credit union assets remained incredibly strong and stable! 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 2022 with \$240.9 million in assets, \$136.3 million in loans, \$83.6 million in investments, and \$231.6 million in member deposits. Overall, a tremendous year of service to the membership!

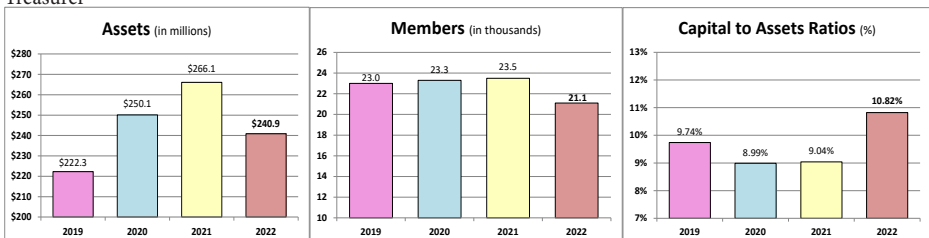
InvesTex Credit Union enlisted the services of CliftonLarsonAllen LLP to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2022. The review was accomplished in accordance with Generally Accepted Accounting Principles (GAAP), and the Federal Credit Union Act. The Texas Credit Union Department also performed an examination of InvesTex Credit Union as of March 31, 2022 and again as of September 30, 2022, and we are pleased to report that the credit union continues to be a strong and efficiently managed institution. The credit union also welcomed an audit by American Share Insurance (as of 12/31/21) which also supported the financial strength noted above.

As always, we must thank each of you for your continued support and involvement with our credit union. Your loyalty and support during the various challenges we have seen in 2022, 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>2022</u>	<u>2021</u>
LOANS TO MEMBERS	136,274,101	117,645,972
ALLOWANCE FOR LN LOSSES	(1,308,626)	(1,129,070)
TOTAL ACCOUNTS RECEIVABLE	91,319	73,013
CASH IN BANK/ON HAND	3,106,136	3,506,194
INVESTMENTS	83,485,776	125,661,752
ALL OTHER ASSETS	19,294,096	20,386,715
TOTAL ASSETS	<u>240,942,803</u>	<u>266,144,576</u>
<u>LIABILITIES</u>		
ACCOUNTS PAYABLE	2,297,473	2,369,486
TOTAL LIABILITIES	<u>2,297,473</u>	<u>2,369,486</u>
<u>EQUITY</u>		
MEMBER SHARES	231,553,864	242,459,747
MEMBER CAPITAL	7,091,465	21,315,343
TOTAL EQUITY	<u>238,645,330</u>	<u>263,775,090</u>
LIABILITIES + EQUITY	<u>240,942,803</u>	<u>266,144,576</u>

OPERATING STATEMENT

As of December 31

<u>INCOME</u>		
INCOME FROM LOANS	5,763,083	5,212,205
INVESTMENT INCOME	1,570,667	1,086,616
OTHER INCOME	4,403,334	4,544,546
TOTAL INCOME	<u>11,737,085</u>	<u>10,843,367</u>
<u>EXPENSES</u>		
OPERATIONS EXPENSES	8,379,254	7,952,990
LOAN LOSSES	397,565	119,425
OTHER EXPENSES	104,159	126,411
TOTAL EXPENSES	<u>8,880,978</u>	<u>8,198,826</u>
NET BEFORE DIVIDENDS	2,856,107	2,644,542
<u>DIVIDENDS</u>		
TOTAL SHARES	0	0
TOTAL CHECKING	6,738	6,704
TOTAL MONEY MARKET	56,702	23,052
TOTAL IRA SHARES	69,728	34,725
TOTAL IRA	77,993	97,597
TOTAL CERTIFICATES	657,754	830,457
TOTAL DIVIDENDS	<u>868,915</u>	<u>992,536</u>
NET AFTER DIVIDENDS	1,987,192	1,652,006
GAIN (LOSS) INVESTMENTS	0	(91,698)
DISPOSITION OF ASSETS	20,000	0
TOTAL NON-OP INC/EXP	<u>20,000</u>	<u>(91,698)</u>
NET INCOME	<u>2,007,192</u>	<u>1,560,308</u>

Building A Community Together





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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