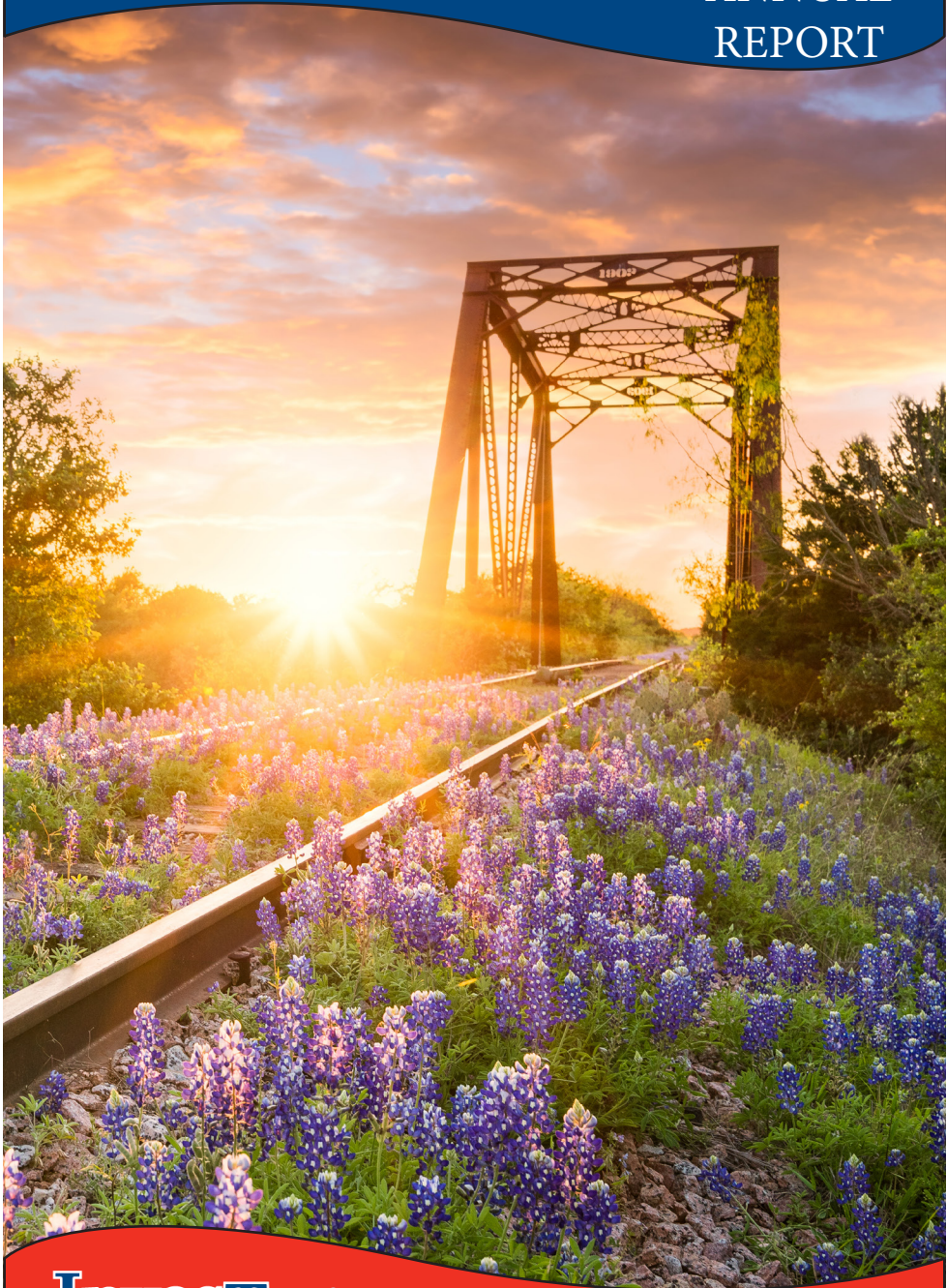


2023
ANNUAL
REPORT



InvesTex

CREDIT UNION



Making Life Better since 1952

2024 AGENDA

VERIFICATION OF QUORUM

Catherine Paraschos
Chairperson

CHAIRPERSON'S REPORT

Catherine Paraschos

PRESIDENT'S REPORT

Keith Kearney

APPROVAL OF MINUTES OF 2023 MEETING

Catherine Paraschos

REPORT OF THE TREASURER

Allan Griffin, Jr.

UNFINISHED BUSINESS

Catherine Paraschos

NEW BUSINESS, OTHER THAN ELECTIONS

Catherine Paraschos

ELECTION OF DIRECTORS

Allan Griffin, Jr.

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 71 plus Years of Service to our members.
- Managed through significant inflation in 2023 while still providing excellent loan and deposit rates to the membership.
- Implemented new Online Service Platform February 2024 increasing benefits for members.
- Hosted Shred Day and other member service events.
- 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.
- Implemented Early Direct Deposit allowing members to receive their direct deposit payroll up to two days early.

BOARD OF DIRECTORS
TERM EXPIRATION DATES
AS OF 12/31/2023

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
Nominating Committee Chair
April 2026

DAN CALVERT

(Position 1)
Director
April 2024

STEPHEN HAVEMANN

(Position 7)
Technology/Marketing &
Merger Committee Chair
April 2026

PHYLLIS KENNEDY

(Position 8)
ALCO Committee Chair
April 2026

TERESA DOSSMAN

(Position 6)
Director
April 2025

WILLIAM "BILL" LAKIN

(Position 4)
Director
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

2023 Annual Meeting Minutes April 26, 2023

The 2023 Annual Meeting was held on Wednesday, April 26, 2023 at the Spring ISD Randall Reed Center (23802 Cypresswood Drive, Spring, Texas 77373). Directors present were Allan Griffin, Phyllis Kennedy, Bill Lakin, Stephen Havemann and Dorothea Pickens. 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 Treasurer, Allan Griffin and CEO Keith Kearney, Ms. Gonzales introduced those scholarship recipients in attendance:

- Reyna Bullard – a student in the Spring ISD (Spring High School) with plans to attend the University of Houston and major in architecture.
- Crystal Capetillo – a student in the Klein ISD (Klein Collins High School) with plans to attend Tarleton State University and major in agriculture business.
- Carlie Cook – a student in the Tomball ISD (Tomball High School) with plans to attend Sam Houston State University and major in education.
- Vivian Garcia – a student in the Humble ISD (Kingwood Park High School) with plans to attend the University of Texas and major in pre-med.
- Ronnie Leija – a student in the Aldine ISD (MacArthur High School) with plans to attend Vanderbilt University and major in computer science.

Scholarship winner, Yoselyn Owolabi – a student in the Aldine ISD (Victory Early College) currently undecided on which college/university to attend but will major in pre-law was unable to attend the scholarship presentation. Individual and group photos were taken. The awards for 2023 was \$2,000 per student. The parents of each scholarship winner received a token offering from the credit union for their dedication to their child's education.

Mr. Griffin undertook chairing the Business meeting at this point. At that time he spoke directly to the scholarship recipients and shared a quote by Thomas Edison: "Opportunity is missed by most people because it is dressed in overalls and looks like work."

After ascertaining a quorum was present, the Board's Treasurer, Mr. Allan Griffin officially called the Annual Meeting to order at 7:26 p.m. Mr. Griffin noted with both the Board's Chair and Co-Chair unable to attend due to illness, he will follow the agenda for the Business meeting as given. Mr. Griffin presented the Annual Meeting Minutes from 2022 for review. The minutes were included in the 2022 Annual Report provided by the credit union. Upon motion by David Durham, seconded by Rhonda Bullard, it was unanimously voted to accept the minutes of the 2022 Annual Meeting as presented. After approval of the minutes, Mr. Griffin requested Mr. Kearney to give the President's Report.

Mr. Kearney thanked the Board of Directors, management and staff of InvesTex Credit Union. He gave special thanks to the members who are the reason InvesTex has celebrated 70 years of service in 2022. He noted the Board's Chair, Ms. Paraschos, had not missed an Annual Meeting in the 42 years she had been a Director and her presence was missed.

Mr. Kearney shared he had been the credit union's President/CEO for 19 years and during that time, the credit union had survived multiple recessions, experienced hurricanes and epic flooding events and COVID and its aftermath. Through all those challenges, the credit union not only survived but prospered. He credited the success to three things – its management, growth and taking care of staff. InvesTex Credit Union is strong, resilient and prepared for the future. The credit union had its most successful year in 2022. Net income for the year was \$2,007,192. The credit union moved to American Share Insurance (ASI) in 2022. This transition allowed for greater coverage of insured funds held on deposit and was voted on and approved by the members.

Mr. Kearney noted the credit union processed 9.6 million monetary transactions and managed 94,000 drive-thru and 44,000 lobby interactions in 2022. A great deal was accomplished in 2022 which focused on member access and remote capabilities. 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. He expressed it was a pleasure and honor to be serve as InvesTex's President.

Next, Mr. Griffin presented the Treasurer's Report. He referred those in attendance to the Treasurer's Report included in the 2022 Annual Report. Loan growth for 2022 was strong at 15.8%. In 2022, home equity loans by an incredible 83.4% and vehicle loans by 9.2%. Credit cards and signature loans experienced healthy growth as well. 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. Net worth increased to 10.82% by 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 ending March 31, 2022. The Credit Union Department also performed an examination of InvesTex Credit Union as of March 31, 2022 and again as of September 30, 2022 and can report the credit union continues to be a strong and efficiently managed institution. 2022 was the most financially successful year in InvesTex's history. 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 Jesse Sanchez, seconded by Charles Jones, it was unanimously voted to accept the Treasurer's Report as presented.

Mr. Griffin asked if there was any Unfinished Business. There was none. Mr. Griffin asked if there was any New Business (other than Elections). There was none.

Mr. Griffin asked Mr. Bill Lakin to present the Nominating Committee's Report. Mr. Lakin thanked the credit union management as well as his fellow Committee Members, Ms. Dorothea Pickens and Ms. Teresa Dossman, for their contributions to the nomination process. Mr. Lakin then introduced the nominees being presented for election to a 3-year term: Ms. Phyllis Kennedy (Position #8), Mr. Stephen Havemann (Position #7), and Mr. Allan Griffin Jr. (Position #9). Mr. Lakin 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 Bill Lakin, seconded by Carol Jackson, it was unanimously voted to accept the election of the nominees as presented by acclamation.

Mr. Griffin called for the adjournment of the Annual Meeting at 7:51 p.m. Upon motion by Richard Vera, seconded by Barbara Sullivan, the meeting was adjourned at 7:51 pm. Mr. Griffin thanked all those in attendance for participating and turned the floor over to Ms. Gonzales for handing out door prizes.

Treasurer's Report

One of the great responsibilities of operating InvesTex Credit Union is managing risk. Whether that risk is in the physical or digital world, we are continuously monitoring and responding to a never-ending list of challenges. On the other hand, among the great rewards of serving the members of InvesTex Credit Union is helping families secure financing for a new home or automobile. Providing secure investment opportunities for retirees as they move from work to a second career or lives of leisure, confident that their financial partner is ready to continue that journey together. Opening new accounts for young members knowing that we'll be here to support them for years to come.

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 2023 was financially successful despite the challenges of inflation, world instability, and the aggressive Federal Open Market Committee rate hikes. 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. During 2023 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 2024 as we seek continued improvements in our quality of life.

Over the years we have managed various natural disasters such as hurricanes, recessions, inflation, and the pandemic, side-by-side with all of you. We remain a trusted resource and stable partner regardless of the challenges faced. With any challenge, we are reminded 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 the many services we offer and providing not just safety for our financial lives but for the health of our members and employees.

In 2023, with outstanding leadership, dedicated employees and loyal and supportive members, InvesTex Credit Union continued our journey towards that goal. 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 technology initiatives and branching opportunities for 2024 and thereafter, as well as ongoing improvements in daily operations. 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!

During 2023 the credit union focused on competitive deposit and loan rates and overall credit union strength. Lending hi-lights include Home Equity loans growing 4.54%, and the credit card portfolio growing by 13.49%. Member held Certificates of Deposit (CD) grew during 2023 by an astounding 56.39% reflecting the tremendous value in both high-yield and safe CDs! These growth rates reflect the local needs of the membership and the 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 10.82% to a higher level of strength at 11.45%, 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 2023 with \$236.7 million in assets, \$131.0 million in loans, \$84.4 million in investments, and \$225.3 million in member deposits. Overall, a tremendous year of service to the membership!

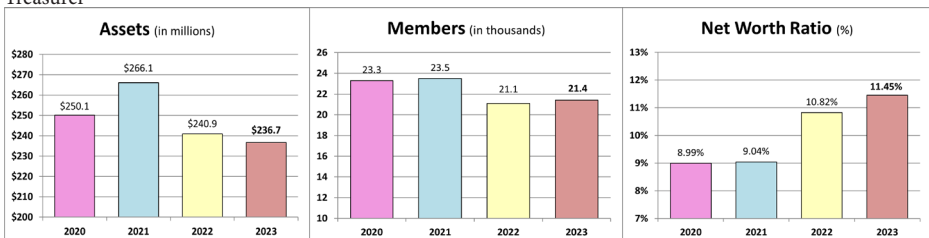
InvesTex Credit Union enlisted the services of CliftonLarsonAllen LLP to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2023. The review was accomplished in accordance with Generally Accepted Accounting Principles (GAAP), and the Federal Credit Union Act. The Texas Credit Union Department also performed an examination of InvesTex Credit Union as of March 31, 2023, and again as of September 30, 2023, 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 March 31, 2023, which also documented the financial strength noted above.

As exemplified by 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, please accept our sincere thanks. When you are planning to buy a vehicle, look for a new home, or invest your hard-earned dollars safely while earning strong returns, 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>2023</u>	<u>2022</u>
LOANS TO MEMBERS	131,043,641	136,274,101
ALLOWANCE FOR LN LOSSES	(897,816)	(1,308,626)
TOTAL ACCOUNTS RECEIVABLE	67,746	91,319
CASH IN BANK/ON HAND	1,821,448	3,106,136
INVESTMENTS	84,368,995	83,485,776
ALL OTHER ASSETS	20,269,196	19,294,096
TOTAL ASSETS	236,673,209	240,942,803
<u>LIABILITIES</u>		
ACCOUNTS PAYABLE	748,501	2,297,473
TOTAL LIABILITIES	748,501	2,297,473
<u>EQUITY</u>		
MEMBER SHARES	225,308,810	231,553,864
MEMBER CAPITAL	10,615,898	7,091,465
TOTAL EQUITY	235,924,708	238,645,330
LIABILITIES + EQUITY	236,673,209	240,942,803

OPERATING STATEMENT

As of December 31

<u>INCOME</u>		
INCOME FROM LOANS	6,573,136	5,763,083
INVESTMENT INCOME	1,572,521	1,570,667
OTHER INCOME	4,099,649	4,403,334
TOTAL INCOME	12,245,306	11,737,085
<u>EXPENSES</u>		
OPERATIONS EXPENSES	8,819,702	8,379,254
LOAN LOSSES	44,796	397,565
OTHER EXPENSES	179,369	104,159
TOTAL EXPENSES	9,043,867	8,880,978
NET BEFORE DIVIDENDS	3,201,439	2,856,107
<u>DIVIDENDS</u>		
TOTAL CHECKING	4,862	6,738
TOTAL MONEY MARKET	146,234	56,702
TOTAL IRA SHARES	162,223	69,728
TOTAL IRA	183,455	77,993
TOTAL CERTIFICATES	1,676,602	657,754
TOTAL DIVIDENDS	2,173,377	868,915
NET AFTER DIVIDENDS	1,028,062	1,987,192
DISPOSITION OF ASSETS	0	20,000
TOTAL NON-OP INC/EXP	0	20,000
NET INCOME	1,028,062	2,007,192

Building A Community Together



Lake Houston
Chamber Singers
...a musical journey



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 5:00 PM

Saturday

8:30 AM to 3:00 PM

eBranch

Monday-Friday
8:30 AM to 5:00 PM

Saturday

8:30 AM to 3:00 PM

CONTACT INFORMATION

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