

2018  
ANNUAL  
REPORT



**InvesTex**

CREDIT UNION



*Making Life Better since 1952*

# 2019 AGENDA

## **VERIFICATION OF QUORUM**

Catherine Paraschos  
Chairperson

## **CHAIRPERSON'S REPORT**

Catherine Paraschos

## **PRESIDENT'S REPORT**

Keith Kearney

## **APPROVAL OF MINUTES OF 2018 MEETING**

Catherine Paraschos

## **REPORT OF THE TREASURER**

Allan Griffin, Jr.

## **UNFINISHED BUSINESS**

Catherine Paraschos

## **NEW BUSINESS, OTHER THAN ELECTIONS**

Catherine Paraschos

## **ELECTION OF DIRECTORS**

Dan Calvert

## **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**

- Converted our Credit Card program to a new servicer allowing for greater member control and operational efficiency.
- Implemented Digital Wallet for Credit Cards, planning to implement for Debit Card in 2019.
- Upgraded all ATM's for EMV Chip Card technology.
- Converted to a virtual server environment to improve core system and application interface efficiency.
- Upgraded all security cameras at branch locations.
- Initiated development of new Member Money Market product scheduled to rollout 2019.
- Established partnership with the Susan G. Komen Foundation to help fight Breast Cancer.
- The credit union continues to evaluate and update facility access and security controls, and fraud prevention controls to ensure the integrity, security, and privacy of member information.

**BOARD OF DIRECTORS**  
**TERM EXPIRATION DATES**  
**AS OF 12/31/2018**

**CATHERINE PARASCHOS**  
(Position 2)  
Chairperson  
April 2021

**DR. BOB WILLIAMS**  
(Position 3)  
Vice Chair & Building Committee Chair  
April 2021

**DOROTHEA PICKENS**  
(Position 5)  
Secretary & Supervisory Committee Chair  
April 2019

**ALLAN GRIFFIN JR.**  
(Position 9)  
Treasurer & Compensation Committee  
Chair  
April 2020

**DAN CALVERT**  
(Position 1)  
Nominating Committee Chair  
April 2021

**STEPHEN HAVEMANN**  
(Position 7)  
Technology Committee Chair  
April 2020

**PHYLLIS KENNEDY**  
(Position 8)  
ALCO Committee Chair  
April 2020

**TERESA DOSSMAN**  
(Position 6)  
Director  
April 2019

**JIM WOODWARD**  
(Position 4)  
Merger Committee Chair  
April 2019

**MANAGEMENT**

**KEITH KEARNEY**  
President/CEO

**DEBRA WEIR**  
Executive Vice President

**JANA (ANDERS) GONZALES**  
Vice President Business &  
Community Development/Marketing

**DAVID DURHAM**  
Vice President Branch Administration

**MARTHA MIRELES**  
Vice President Lending

**KELLY PAYNE**  
Vice President Human Resources

**GAIL RUSSELL**  
Vice President Operations

**JOHN TOMSON**  
Vice President Information Technology

# 2018 Annual Meeting Minutes April 24, 2018

Directors present were Catherine Paraschos, Dorothea Pickens, Teresa Dossman, Allan Griffin, Dr. Bob Williams, Phyllis Kennedy, Stephen Havemann and Dan Calvert. Committee Member William (Bill) Lakin Jr. attended as did the credit union management team, various employees and members of the credit union. Jason Stepanik, Financial Advisor with SWBC Investment Services attended as did special guest and former Advisory Committee member B. Jack Wilson and wife Ann. (Director James Woodward was unable to attend.) Jana Gonzales, VP of Business and Community Development, welcomed members in attendance and introduced the Board of Directors and CEO. Ms. Gonzales led the attendees in the Pledge of Allegiance, the Texas Pledge of Allegiance and the invocation, after which dinner was served. Later, Ms. Gonzales announced the six scholarship winners: Tifani Dixon, a student at Hargrove HS (Huffman ISD), will attend Texas A&M University and major in Business Marketing; Connor Hanks, a student at Quest Early College HS (Humble ISD), will attend Texas A&M University and major in Business Communications; Elysian Majeske, a student at Klein Collins High School (Klein ISD), will attend Ouachita Baptist University and major in Physical Therapy; Ineceia Carter, a student at Davis H.S. (Aldine ISD), will attend Prairie View A&M University and major in Biology; Cristy Herrera, a student at MacArthur H.S. (Aldine ISD), will attend Texas A&M University and major in Biology; Dorian Dovai, a student at Eisenhower H.S. (Aldine ISD) will attend Prairie View A&M University and major in Computer Science. Dorian was the recipient of the Ellis & Clydine Kuehn Scholarship. Each scholarship winner was introduced to the members in attendance and presented their award by the Chairperson of the Board, Ms. Catherine Paraschos and the President/CEO, Mr. Keith Kearney. The annual meeting was officially called to order at 7:05 p.m. The Board Chairperson, Catherine Paraschos, ascertained that a quorum was present as required. She recognized her fellow Board of Directors, the credit union staff and the members in attendance. Ms. Paraschos then called upon Mr. Keith Kearney, CEO, to present the President's Report.

Mr. Kearney began by thanking the Board for their support of the credit union. The Board and Committee members volunteer their time to serve and that level of commitment deserves recognition. In addition, he introduced the management team and credit union staff in attendance. Mr. Kearney noted the credit union had continued to grow and expand in 2017. He provided a brief summary of accomplishments in 2017:

- The credit union maintained full access to electronic/remote services during Hurricane Harvey and all branches were open and available within two days of the hurricane. The credit union offered special rates/terms and flexible/free loan skip payment opportunities for those affected;
- The credit union reached \$200 million in assets in October 2017;
- InvesTex successfully implemented Electronic Lien & Titling;
- Selected PSCU as the new credit card vendor; this change will bring greater features and benefits and allows enhanced credit card security;
- The credit union rolled out e-statements within mobile banking and implemented Card Valet to provide members greater control of their debit card security; Mr. Kearney provided a recap of the incredible year the credit union had financially before ending his report by providing a live demonstration of Card Valet to emphasize its ease of use. Ms. Paraschos presented the Annual Meeting Minutes from 2017 for review. Upon motion by Phyllis Kennedy, seconded by B. Jack Wilson, it was unanimously voted to accept the minutes of the 2017 Annual Meeting as presented. Ms. Paraschos called on Mr. Allan Griffin to present the Treasurer's Report. Mr. Griffin noted in 2017, the credit union reflected strong overall growth. Total loans to members were \$105,548,636 and total assets topped \$200 million to end the year at \$202,820,155. In addition, the credit union's capital position remained strong at 9.78% as of December 31, 2017. Mr. Griffin compared the credit union to great club that anyone can belong to and noted the members were the best advertisement InvesTex has. He acknowledged his fellow Board members and stated the contributions of the Board, management team, staff and members were all vital to for the credit union's continued success. In closing, he advised the members that the continuing financial strength of the credit union is detailed in the Annual Report and stands as presented. Upon motion by Dan Calvert, seconded by Rebecca Pearson, 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 called on Ms. Phyllis Kennedy to give the Nominating Committee report. Ms. Kennedy first thanked the credit union management as well as her fellow Committee Members, Mr. Stephen Havemann and Mr. Allan Griffin for their contribution to the nomination process. Ms. Kennedy then introduced the nominees being presented for election: Ms. Catherine Paraschos (Position #2), Dr. Bob Williams (Position #3), and Mr. Dan Calvert (Position #1). Ms. Kennedy 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 Phyllis Kennedy, seconded by Allan Griffin, it was unanimously voted to accept the election of the nominees as presented. Ms. Paraschos called for the adjournment of the Annual Meeting at 7:53 p.m. Upon motion by Teresa Dossman, seconded by Stephen Havemann, the meeting was declared adjourned at 7:53 pm.

# Treasurer's Report

InvesTex Credit Union is people. Pure and simple. 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. In 2018, with outstanding leadership, dedicated employees and loyal and supportive members, InvesTex Credit Union continued our journey towards that goal. In a year when Truth seems optional and Faith in our institutions is wavering, we stand committed to our moral compass, to our guiding principles and to serving you. You can count on us!

We implemented numerous changes to internal operations related to evolving technology needs, controls, and enhancements. We rolled out new technology, such as virtual servers, reducing our operating cost and increasing overall efficiency. We converted to a new credit card provider allowing us to provide greater service to the members including credit card promotions, and member access to significantly more credit card activity, alerts and member control. We also rolled out a new credit card design. Given the continued and massive level of security breaches occurring with many merchants in the market place, we aggressively and successfully pursued measures to combat fraud attempts from external sources and continue to find new ways to combat fraud and protect our members. It is important to note that InvesTex Credit Union has had NO security breaches and we make every effort to ensure the integrity of our member's data and their transactions with us. These moves demonstrate a serious and ongoing commitment to our membership and the communities we serve. Although we don't have any new locations on the horizon for 2019, we do expect to continue to grow in membership and assets as we meet the needs of the InvesTex family.

Growth for 2018 was flat except for Home Equity and Vehicle loans which led the way with 2.4% and 2.2% growth over 2017 respectively. Certificate of Deposits (Regular and IRAs) grew 3.5%. The credit union continues to expand mortgage and home equity lending by providing low closing costs, low loan rates and flexible terms resulting in more than \$10.7 million in well underwritten mortgage loans and \$5.5 million in home equity loans. The Credit Union ended 2018 with \$202 million in assets, \$103 million in loans, \$79 million in investments and \$180 million in member deposits. Total Equity grew 5.25%.

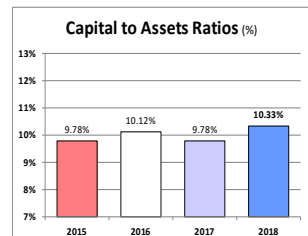
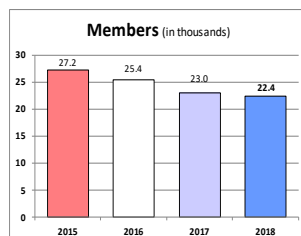
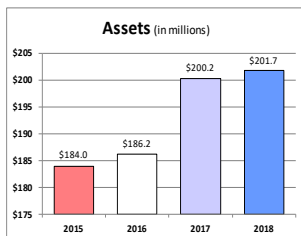
InvesTex Credit Union enlisted the services of CliftonLarsonAllen LLP to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2018. The review was accomplished in accordance with the National Credit Union Administration Rules and Regulations and the Federal Credit Union Act. The Texas Credit Union Department also performed an examination of InvesTex Credit Union as of June 30, 2018, 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. When you are planning to buy a vehicle or look for a new home, remember to check with InvesTex first. Your loyalty is a big part of our success and it should not end there. Let your friends, neighbors, relatives and coworkers know how valuable your membership is to you.

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 Customer Service Representative shares that goal. We believe our credit union is strongest when our members are financially sound and 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>2018</u>	<u>2017</u>
LOANS TO MEMBERS	103,492,486	105,548,636
ALLOWANCE FOR LN LOSSES	(796,065)	(716,163)
TOTAL ACCOUNTS RECEIVABLE	98,224	376,012
CASH IN BANK/ON HAND	2,220,472	2,314,896
INVESTMENTS	79,245,316	78,267,024
ALL OTHER ASSETS	<u>17,475,213</u>	<u>17,029,750</u>
<b>TOTAL ASSETS</b>	<u>201,735,645</u>	<u>202,820,155</u>
<u>LIABILITIES</u>		
ACCOUNTS PAYABLE	<u>2,047,825</u>	<u>2,211,040</u>
<b>TOTAL LIABILITIES</b>	<u>2,047,825</u>	<u>2,211,040</u>
<u>EQUITY</u>		
MEMBER SHARES	179,971,695	182,221,021
MEMBER CAPITAL	19,716,126	18,388,094
<b>TOTAL EQUITY</b>	<u>2,047,825</u>	<u>2,211,040</u>
<b>LIABILITIES + EQUITY</b>	<u>201,735,645</u>	<u>202,820,155</u>

## OPERATING STATEMENT

As of December 31

<u>INCOME</u>		
INCOME FROM LOANS	5,075,798	4,887,637
INVESTMENT INCOME	1,824,629	1,375,464
OTHER INCOME	<u>4,168,259</u>	<u>3,720,318</u>
<b>TOTAL INCOME</b>	<u>11,068,687</u>	<u>9,983,419</u>
<u>EXPENSES</u>		
OPERATIONS EXPENSES	8,313,699	8,108,764
LOAN LOSSES	843,535	921,027
OTHER EXPENSES	266,357	221,647
<b>TOTAL EXPENSES</b>	<u>9,423,591</u>	<u>9,251,439</u>
<b>NET BEFORE DIVIDENDS</b>	<u>1,645,095</u>	<u>731,980</u>
<u>DIVIDENDS</u>		
TOTAL SHARES	47,190	45,253
TOTAL CHECKING	54,484	50,200
TOTAL IRA SHARES	71,358	66,222
TOTAL IRA	50,506	33,437
TOTAL CERTIFICATES	420,973	210,700
<b>TOTAL DIVIDENDS</b>	<u>644,511</u>	<u>405,813</u>
<b>NET AFTER DIVIDENDS</b>	<u>1,000,584</u>	<u>326,167</u>
GAIN (LOSS) INVESTMENTS	0	0
DISPOSITION OF ASSETS	<u>0</u>	<u>636,862</u>
<b>TOTAL NON-OP INC/EXP</b>	<u>0</u>	<u>636,862</u>
<b>NET INCOME</b>	<u>1,000,584</u>	<u>963,029</u>

# Building a Community Together

**We Proudly Partner With:**



Children's  
Miracle Network  
Hospitals



[InvesTexCU.org](http://InvesTexCU.org)



## 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

### E-Branch

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

Saturday

8:30 AM to 3:00 PM

## CONTACT INFORMATION

### Office

(281)449-0109

### Toll Free

(866)449-0109

### Fax (Corporate)

(281)446-2298

### Audio Response

(281)442-4917

### Toll-Free Audio Response

(866)298-4917

### Visit Us Online

[InvesTexCU.org](http://InvesTexCU.org)

### Email

[Info@InvesTexCU.org](mailto:Info@InvesTexCU.org)