



2024 **Annual Report**
**Members Lead
the Way**

HFCU *Houston Federal
Credit Union*

Federally Insured by NCUA

Mission Statement

Be our members' advocate by helping them achieve their dreams with personalized financial solutions

Core Values

- › Integrity, Honesty and Respect
- › Passion, Commitment and Enthusiasm
- › Seek Excellence in All We Do
- › Work Hard and Have Fun
- › Friendly Service and Superior Value

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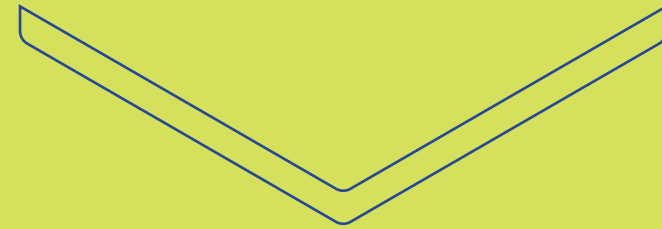
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Branch Locations

Antonio Sanchez

Leads the Way in Member Service



I love this credit union! I often come here for shared branching, and since I'm here often, why not just open an account? Mr. Sanchez was very knowledgeable with the information he provided, and took care of all my concerns! He made opening an account flawless! I appreciate him and the care that I receive from all of the staff here! Thanks Houston Federal Credit Union! I'm a member now!

-MC

Chairman's Report

Our members are the foundation of everything we do, and their trust and engagement drive our decisions and direction. It is your goals, dreams, and financial well-being that fuel our mission to: *Be our members' advocate by helping them achieve their dreams with personalized financial solutions.*

Houston Federal Credit Union's success is rooted in a set of core values that guide the way we serve. These core values begin with *Integrity, Honesty, and Respect*, to ensure that transparency and fairness remain at the forefront of every decision made. *Passion, Commitment, and Enthusiasm*, inspire all staff and volunteers to deliver exceptional service. This dedication to exceed members' expectations drives us to *Seek Excellence in All We Do.*

The organization values the importance of balancing hard work with moments of joy of serving the community by *Working Hard and Having Fun.* This approach enhances our ability to serve effectively and meaningfully through *Friendly service and Superior Value.* These are not just hallmarks of our identity, they are commitments that set us apart from other financial institutions. These core values have guided Houston Federal Credit Union since its founding in 1960, and will continue to do so as we navigate the future together.

This past year brought its share of challenges, yet Houston Federal Credit Union remained committed to delivering value and stability for its members. At year-end, total assets reached \$939,409,513, loans outstanding totaled \$575,415,775, and total membership was 63,772 members.

These numbers tell a story of resilience and growth, but more importantly, they reflect the trust and loyalty of the membership. Members collectively saved \$3,431,717 in loan interest through refinancing options, a critical benefit during times of financial strain. Additionally, savings rates were raised throughout the year, providing members with opportunities to grow their financial resources. These efforts underscore the credit union's focus on empowering its members to succeed.

Giving back to the community is central to Houston Federal Credit Union's identity. In 2024, the credit union partnered with organizations that align with its mission of making a positive impact. Support was provided to East Fort Bend Human Needs Ministry to address food insecurity, while Fort Bend Women's Center received assistance to help survivors of domestic violence. Gulf Coast Regional Blood Center benefited from contributions supporting life-saving initiatives, and Houston Christian University continued to receive support for advancing education and leadership development.

Further efforts included working with Houston Pets Alive! to protect vulnerable animals throughout many surrounding communities, promoting literacy through the Literacy Council of Fort Bend, and feeding those in need with Loaves and Fishes of Greenville. These organizations highlight the credit union's dedication to partnerships that reflect a steadfast commitment to building stronger communities, and embody the spirit of our theme: *Members Lead the Way.*

As we celebrate 64 years of service, it is important to recognize the remarkable legacy that has been built together. Since 1960, Houston Federal Credit Union has grown and evolved, driven by the trust of its members and the dedication of its team. Looking to the future, the focus remains on delivering innovative financial solutions, enhancing services, and empowering members to achieve their goals.

Whether helping families secure homeownership, prepare for retirement, or navigate daily financial needs, Houston Federal Credit Union is proud to serve as a trusted partner. By continuing to listen to and learn from its members, the credit union aims to turn challenges into opportunities and pave the way for continued success.

In closing, I want to personally thank you for the trust and confidence you place in Houston Federal Credit Union. Your loyalty and engagement are the reasons for the organization's success and its unwavering commitment to excellence.



Brent Holloway

Chairman of the Board



In our Community

Houston Art Car Parade

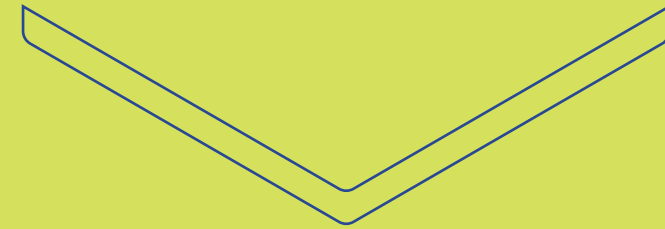
Houston's largest free cultural event and one of its most iconic celebrations started out nearly four decades ago and has become a world-wide phenomenon, drawing hundreds of thousands of spectators to witness the awe and splendor of mobile art on wheels. Community groups, public and private schools, and professional organizations have become regular participants.





Nivedita Bhusarapu

Leads the Way in Member Service



Nivedita is an exceptional IT professional who consistently goes above and beyond to ensure everything runs smoothly. Her expertise, problem-solving skills, and dedication make her an invaluable asset to our team. No matter the challenge, she approaches every issue with patience, professionalism, and a positive attitude. Her ability to quickly diagnose and resolve technical problems keeps our systems running seamlessly. We truly appreciate her hard work and commitment—HFCU wouldn't be the same without her!

–HFCU Team

President's Report

In 2024, two office relocations enhanced accessibility and convenience for members. The Kirby Office was relocated a short distance to the Wesleyan Tower in the Greenway Plaza area and is now referred to as the Greenway Office. Shortly thereafter, the Fluor Houston Office was relocated to the Eldridge One Building in the Memorial Energy Corridor in the same complex as Fluor Corporation, which remains a principal, sixty-five-year sponsor of the credit union.

These new locations feature a modern interior design with teller stations, ATMs, and private office spaces to provide members with an inviting space to receive personalized financial guidance from HFCU Member Service Representatives. The relocation of the Fluor Houston Office to the Memorial area also transformed a restricted-access branch into a fully public facing facility that is proud to serve the Memorial area of Houston.

Progress also continues to be made with construction of a new standalone facility in Greenville, South Carolina. This new office is located just west of downtown Greenville near Greenville's premier hospital district. When open later this year, it will provide a full range of services including drive-through lanes and safe deposit boxes. This new branch will serve as HFCU's main office for Greenville, and is intended to broaden HFCU's commitment to the people of Greenville, which have been served since 1988.

These changes reflect our commitment to our members by expanding accessibility to a growing membership, while focusing on convenience and providing *Friendly Service and Superior Value*.

The introduction of the 360 Secure Checking account in 2024 demonstrated HFCU's dedication to members' well-being. In addition to an excellent checking account with standard features you would expect, this product brings checking account benefits to another level by providing value-added features such as identity theft protection, credit file monitoring, roadside assistance, telehealth services with zero copay, cellular telephone protection, and more. In a complex financial landscape, this account was designed to protect what matters most, aligning with the organization's mission to enhance members' financial and personal security.

The digital experience for members was significantly improved with the launch of a redesigned website on January 23, 2025. The new site offers intuitive navigation, enhanced security features, and mobile-friendly accessibility, enabling members to manage their finances with ease from any platform they choose.

This redesign incorporated technological advancements to ensure it meets the evolving needs of members in the future.

In addition to the robust tools like eTeller online banking and the eMobile banking app, the new website provides a comprehensive resource for the membership to gain more knowledge in regards to financial products, services, and education. Through these enhancements, HFCU remains focused on delivering a seamless and secure online banking experience.

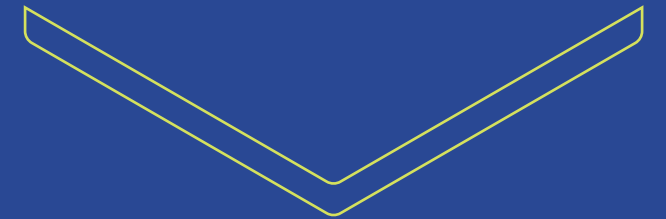
Financial education and empowerment continued to be priorities in 2024. Programs such as Financial Counseling Services, led by Financial Counselor, Zulika Diaz, offered personalized guidance that helped members improve their credit scores, manage debt, and create budgets. At the end of 2024, the Financial Counseling program helped a total of 371 members.

The ELEVATE Financial Education Program provided free online resources, helped members gain control over their finances at their own pace, and from the convenience of their mobile device or computer.

The Investment and Retirement Services program, led by Financial Advisor, John Woltemate, offered support in planning for retirement, investing wisely, and saving for future milestones. At the end of 2024, the Investment and Retirement Services program was serving 598 individuals with assets under management of \$95.4 million.

These initiatives exemplify a commitment to equipping members with the tools necessary to achieve financial success, regardless of their stage in life.

The achievements of 2024 and the plans for 2025 reflect a dedication to staying true to the credit union's mission of *being our members' advocate by helping them achieve their dreams with personalized financial solutions*. Members remain at the heart of every decision and lead the way for the organization, ensuring HFCU continues to grow and adapt in ways that benefit the membership.



Chris Choat

President & CEO



In our Community

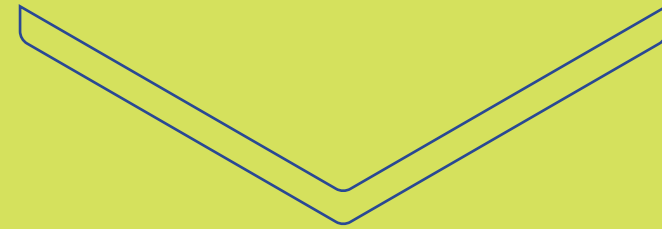
Houston's New Faces of Pride

Houston's New Faces of Pride fosters unity, inclusivity, and empowerment within the diverse LGBTQ+ community of Houston. Through year-round events and fundraising initiatives, they welcome everyone to join them in amplifying and celebrating the vibrant identities that make up our city. They believe in the transformative power of unity and transparent fund distribution. They're here to make a positive, real impact on the lives in our community.



Johan Cervantes

Leads the Way in Member Service



This place, and specifically Johan, is amazing when it comes to auto loans or refis! Rates are better than other credit unions, but more importantly, the service is incredible. Johan takes care of all my lending needs, is always available, and is truly on top of his work. I've used larger financial institutions, but they give you the run around before any work is completed. The lenders and underwriters here know what they are doing and get it done fast!

-Kia

Treasurer's Report

At the close of 2024, HFCU reported a total of 4,626 consumer loans, 352 mortgage loans, and seven commercial loans. The year-end loan portfolio closed at \$575,415,775, which was a slight decrease in loan growth of 2.37% predominately driven by the impact of higher interest rates and cautious consumers.

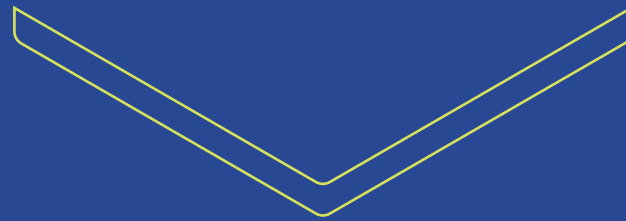
Despite economic challenges, HFCU maintained financial stability. Capital contributions (net income) totaled \$1,616,607, bringing total net worth to \$88,848,768. The net worth ratio stood at 9.46%, ensuring we remained "well-capitalized" under National Credit Union Administration standards.

Total deposits reached \$849,555,564, showing an increase of 3.46%, and total assets were \$939,409,513, showing an increase of 3.77%. Additionally, 5,796 new accounts were opened in 2024, underscoring the trust placed in HFCU as a dependable financial partner. At the end of 2024, HFCU was serving the financial needs of 63,772 members.

As 2025 begins, the focus remains on helping members, and evolving services to meet their needs as their primary financial institution. HFCU continues to review services to ensure they offer value to the membership, and through these evaluations, the organization remains better prepared with making decisions that provide advanced digital solutions that make banking even more accessible and efficient.

Partnerships with local businesses and organizations will also continue to grow, offering tailored solutions that drive mutual success. These initiatives underscore HFCU's commitment to providing value and support to members and partners.

Since its founding in 1960, Houston Federal Credit Union has served as a beacon of *Friendly Service and Superior Value*. The progress made over the decades is a testament to the trust and loyalty of members.



Sally McKnight

Treasurer

Financial Information

December 31, 2023 Compared to December 31, 2024

Assets

	2023	2024
Loans to Members	\$589,059,124	\$575,415,777
Less: Allowance for Loan Losses	\$3,840,068	\$3,569,260
Net Loans to Members	\$585,219,056	\$571,846,515
Cash & Investments	\$272,990,529	\$309,572,044
Fixed Assets	\$23,376,285	\$28,550,728
Other Assets	\$23,711,326	\$29,440,226
Total Assets	\$905,297,196	\$939,409,513

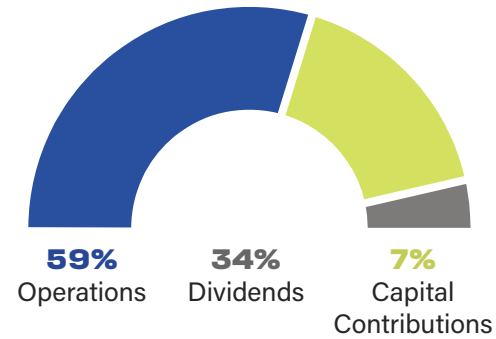
Liabilities & Equity

Accounts Payable	\$2,243,003	\$1,804,489
Accrued & Dividends Payable	\$2,369,541	\$3,086,030
All Other Liabilities	\$5,847,806	\$5,808,071
Total Liabilities	\$10,460,350	\$10,698,590
Shares	\$258,051,156	\$243,049,889
Club Accounts	\$99,984	\$124,290
Share Drafts	\$160,716,651	\$154,823,401
Health Savings Accounts	\$706,928	\$615,570
Term Share Accounts	\$242,027,928	\$289,064,021
IRAs	\$12,805,324	\$12,321,084
Insured Money Market	\$123,257,241	\$124,945,148
Business Accounts	\$23,452,375	\$24,612,161
CECL Required Reserve	(\$2,010,621)	N/A
Net Worth	\$87,232,161	\$88,848,768
Unrealized Gain/Loss on Investments	(\$11,502,281)	(\$9,693,411)
Total Equity	\$894,836,846	\$928,710,923

Total Liabilities & Equity ————— **\$905,297,196** ————— **\$939,409,513**

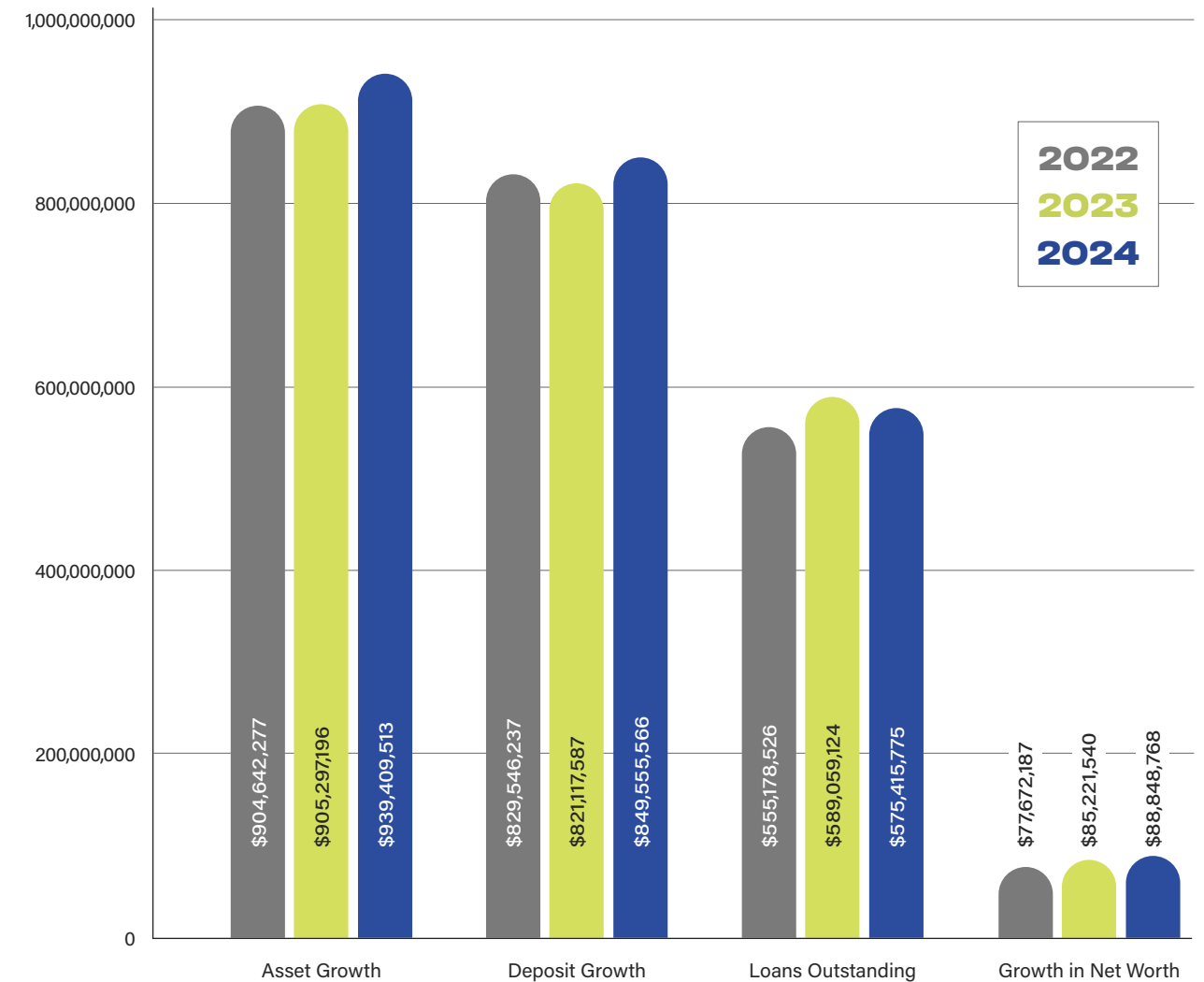
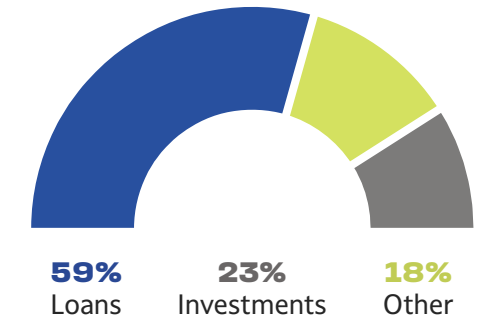
2024 Income

› \$57,737,590



2024 Expenses

› \$54,110,363





In our Community

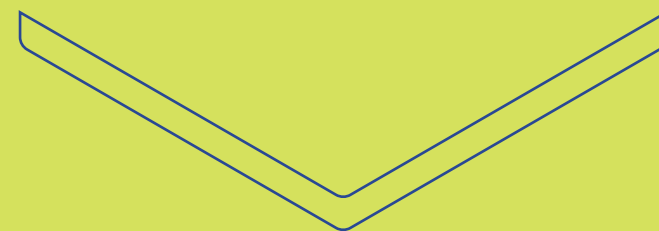
Fort Bend County Fair

The Fort Bend County Fair has grown into one of the largest and most successful fairs in the State. Residents of the county eagerly anticipate visiting with friends and neighbors at some of the many activities the Fair has to offer. Their mission is to help our youth achieve their educational goals through a scholarship program and auctions that are like no other in Fort Bend County.



Gary Selwood

Leads the Way in Member Service



I have banked with HFCU since 2014 and have nothing but positive things to say. I consistently get the absolute best auto loan rates through them, and they have an experienced and friendly staff that makes doing business reminiscent of a small town bank, or how things used to be in banking. Gary has always gone above and beyond to make sure things are done right, and with a level of personal service that is exemplary. I will always seek to do business with HFCU first thanks to Gary and the team at the Imperial branch!

–K. Tyler S.

Supervisory Committee's Report

Our credit union's story is one of collaboration, trust, and mutual success. Every step forward is built upon the foundation of our members' leadership and engagement. It is this unwavering commitment that inspires the Supervisory Committee to uphold our responsibility to protect and preserve the financial health and operational integrity of HFCU.

Members Lead the Way by entrusting us to oversee and safeguard the institution they rely upon. In turn, the Supervisory Committee is dedicated to ensuring the credit union remains a model of safety, soundness, and compliance. Our duties are grounded in thorough reviews, audits, and the diligent implementation of internal controls that strengthen every aspect of HFCU's operations.

The Supervisory Committee, which includes myself, consists of three Board-appointed volunteers who serve as your advocates within the credit union's governance. These dedicated volunteers have faithfully performed their duties with distinction, and I would like to recognize Durenda Mason and Rebekah Riddle by expressing my gratitude for their ongoing contributions to HFCU and specifically to this Committee. I would also like to express appreciation for our Vice President of Internal Audit, Cynthia Daly, who assists us in our duties, and ensures we remain on task to achieve success. The committee is tasked with overseeing:

- › Financial management practices to ensure sound fiscal responsibility.
- › Policies, procedures, and internal controls that guide operations.
- › Compliance with federal and state laws and regulations.

These responsibilities extend to auditing and reviewing critical areas such as credit risk, transaction oversight, and reputation management. Over the past year, we have worked collaboratively with the credit union's management and staff to address these priorities through a comprehensive Internal Audit Plan. This plan is reviewed and approved annually to address regulatory requirements and prioritize areas of risk. Our work this past year has spanned the following key areas:

- › **Regulatory Audits:** Ensuring adherence to automated clearing house activities, information security protocols, financial reporting accuracy, and member account verifications.
- › **Compliance Audits:** Monitoring wire transfers, new accounts and loans, insider accounts, and corporate credit card usage.
- › **High-Risk Audits:** Verifying file maintenance activity, security overrides, cash counts, and new loan reviews.
- › **Best Practice Audits:** Assessing the compliance program and business lending activities to align with industry standards.

These efforts culminated in the engagement of Nearman, Maynard, and Valez, Certified Public Accountants, for their routine examination. I am proud to report that assessment reaffirmed HFCU's financial strength and operational soundness.

The credit union's success in meeting these rigorous standards is not achieved in isolation. It reflects the collective dedication of our Senior Management Team, employees, and most importantly, you—our members. Your trust and active participation drive our mission forward, ensuring that HFCU continues to deliver exceptional financial services.

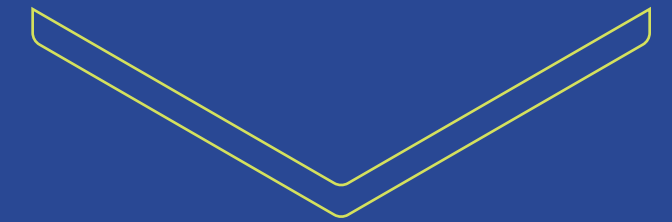
I would also like to express gratitude to the Board of Directors and the Supervisory Committee for their unwavering commitment. Together, we have worked to build a robust governance framework that prioritizes transparency, accountability, and resilience.

As we look to the future, the Supervisory Committee remains steadfast in our commitment to supporting HFCU's growth while protecting its core values. We will continue to explore ways to enhance our audit processes, adapt to evolving regulations, and leverage new technologies to strengthen our oversight capabilities.

Let me emphasize the pivotal role our members play in shaping this institution.

Members Lead the Way not only through their trust and engagement, but also through their vision for a stronger financial future. It is an honor to serve you, and we remain inspired by your leadership as we move forward together.

Thank you for your continued support, and thank you for allowing us the privilege to safeguard this incredible institution.



Clayton Forbes

Supervisory Committee Chairman



In our Community

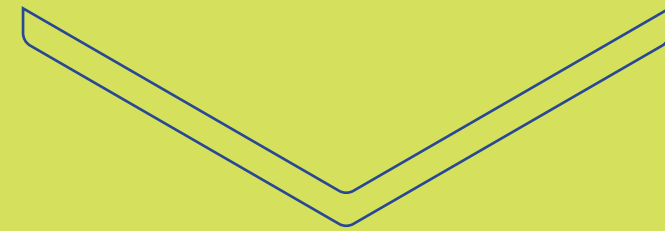
Greenville Humane Society

Greenville Humane Society loves and cares for each pet as if they were their own. They work hard every day to provide homeless pets with more than just the basics of food and shelter—their pets receive daily enrichment, loving attention, and medical care. Beyond adoption, they offer a wide variety of preventative services like vaccinations and spay/neuter to make proper pet care affordable for the community so that all pets can be pets for life.



Alka Patel

Leads the Way in Member Service



After uncovering a fraudulent charge on my account, Alka Patel at the Sugar Land branch helped with filing my dispute, as well as cleaning up my account by removing unused subaccounts, and set up a new account to prevent fraud reoccurrence. Alka exceeded my expectations.

–Stephen B.

Board of Directors

Brent Holloway

Chairman of the Board



Margaret Taylor

Assistant Secretary



Chris Choat

Director/
President/
CEO



John Senna

Vice Chairman



Sally McKnight

Treasurer



Rick Conley

Director



Samaria Chambers

Secretary



Mike Ciancarelli

Director

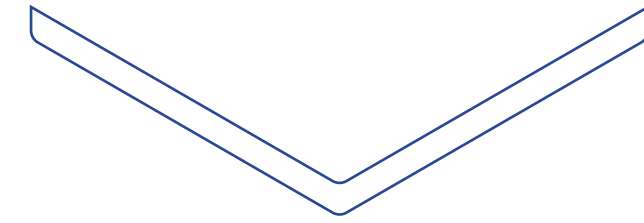


Nancy Breland

Director



Committee Members



Our Board of Directors and Committees consist of volunteers dedicated to making decisions that benefit the entire membership, and continue the success of Houston Federal Credit Union.



Advisory Directors

- › Clayton Forbes
- › Carlos Sepeda



Supervisory Committee

- › Clayton Forbes
- › Durenda Mason
- › Rebekah Riddle

Branch Locations

Sugar Land

16320 Kensington Drive, Sugar Land, TX 77479

HFCU Mortgage

16255 Kensington Drive, Sugar Land, TX 77479

Rosenberg

28050 Southeast Freeway, Rosenberg, TX 77471

Imperial

203 Matlage Way, Sugar Land, TX 77478

Sienna

8130 Highway 6, Missouri City, TX 77459

Northwest

21550 S.H. 249, Houston, TX 77070

Champions

5302 Cypress Creek Pkwy, Houston, TX 77069

HCU

7459 Southwest Fwy, Ste 100, Houston, TX 77074

Memorial

777 N Eldridge Pkwy, Ste 150, Houston, TX 77079

Greenway Plaza

24 Greenway Plaza, Ste 300, Houston, TX 77046

Southeast

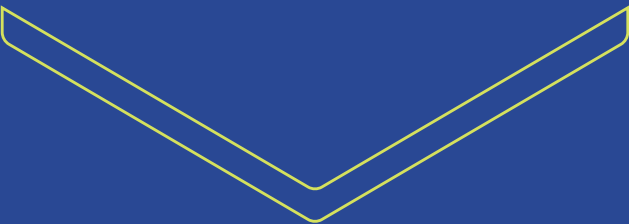
8507 S. Sam Houston Pkwy E, Houston, TX 77075

Greenville

100 Fluor Daniel Drive C102U, Greenville, SC 29607

Second Greenville Location (Coming Soon)

901 Grove Road, Greenville, SC 29605



Stay in Touch

houstonfcu.org

Houston-Area Local: 281-243-0500 | Greenville Local: 864-676-7300

Toll-Free: 866-OUR-HFCU (687-4328)



HFCU *Houston Federal
Credit Union*

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