

**HFCU** *Houston Federal  
Credit Union*

2025

# Annual Report

Your Home for Financial Prosperity



Federally Insured by NCUA



## Mission Statement

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



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# Chairman's Report

Every year provides an opportunity to reflect on where Houston Federal Credit Union has been, recognize how a changing environment has been successfully navigated, and look ahead with confidence. The theme, *Your Home for Financial Prosperity*, represents more than a slogan. It reflects the role the Credit Union serves for its members: a stable, trusted financial home that grows with them through every stage of life.

That sense of stability and partnership is rooted in the mission to *be our members' advocate by helping them achieve their dreams with personalized financial solutions*. As a member-owned cooperative, member goals shape organizational priorities, and member trust guides decision-making. Houston Federal Credit Union succeeds because its members succeed.

The mission is carried forward through core values. *Integrity, Honesty, and Respect* ensure transparency and trust remain at the heart of everything the Credit Union does. *Passion, Commitment, and Enthusiasm* inspire the team to deliver meaningful service every day. A continued focus to *Seek Excellence in All We Do* is balanced with a culture of *Working Hard and Having Fun*, recognizing that a strong internal culture leads to better outcomes for members. These values come together through

*Friendly Service and Superior Value*, reinforcing the experience members expect from their financial home.

The economic environment in 2025 presented challenges across the financial services industry. Elevated interest rates, inflationary pressures, and cautious consumer behavior contributed to a slowdown in borrowing activity. As a result, loan volume declined from prior-year levels. While these conditions impacted lending activity, they also reflected a broader period of recalibration across the economy.

Importantly, Houston Federal Credit Union remained financially strong and well positioned throughout this period. At year-end, total assets reached \$950,714,722, loans outstanding totaled \$531,552,531, and total membership stood at approximately 60,000 members.

Rather than pursuing growth during uncertain conditions, the Credit Union focused on responsible lending, balance sheet strength, and long-term sustainability. This disciplined approach protected the financial cooperative while ensuring readiness to support members as opportunities increase. As economic conditions begin to stabilize, Houston Federal Credit Union is well prepared to grow alongside its members.

Throughout the year, the Credit Union remained committed to helping members make progress toward their financial goals. Competitive savings rates, refinancing opportunities, and personalized guidance supported members in navigating a complex environment. In total, members saved \$2,358,816 through lower borrowing costs and strategic financial solutions. These efforts reinforce the Credit Union's role as a dependable financial partner and a true home for financial prosperity.

Community involvement continues to reflect the cooperative spirit of the membership. During 2025, Houston Federal Credit Union proudly supported organizations aligned with its mission and values, investing in education, family stability, food security, and community well-being. These efforts demonstrate the belief that prosperity is shared and that strong communities strengthen everyone.

As the organization reflects on 65 years of service since its founding in 1960, it is clear that Houston Federal Credit Union's success has been built on member trust, thoughtful leadership, and a steadfast commitment to doing what is right. Through changing economic cycles, evolving technology, and shifting member needs, the Credit Union has remained a constant financial home for generations of families.

Looking ahead, the focus remains on enhancing digital services, expanding access to financial education, and delivering solutions that meet members where they are today while supporting their long-term goals. Whether members are buying their first home, planning for retirement, or managing everyday finances, Houston Federal Credit Union is proud to serve as a lifelong financial partner.

In closing, on behalf of the Board of Directors and leadership team, I thank you for your continued trust, loyalty, and engagement. This credit union belongs to its members, and member participation helps shape its future. Together, we will continue building a strong, stable, and member-focused organization that truly serves as *Your Home for Financial Prosperity*.

**Brent Holloway**  
Chairman of the Board



# In Our Community



Shriners Children's Greenville  
Turkey Trot and Roll



HFCU/National Pan-Hellenic Council of  
Houston Holiday Toy Drive



Fort Bend Women's Center's  
Healing & Hope Luncheon



The Orange Show's Houston Art Car  
Parade & Festival



Food Drive Benefitting East Fort Bend  
Human Needs Ministry



Turtle Island Restoration Network  
Hatchling Hustle on Babe's Beach



American Heart Association's NW Harris  
County Heart Walk at Lone Star College



Fort Bend County Fair Parade



Fort Bend Women's Center Gillman  
Golf Tournament



Houston Pets Alive! Puppy Palooza



Pride Houston Festival + Parade



Turtle Island Restoration Network Gala



# President's Report

This year's theme, *Your Home for Financial Prosperity*, reflects the Credit Union's role as more than a financial institution. It represents a commitment to being a stable, reliable financial home where members can grow, plan, and succeed through every stage of life.

At the heart of everything Houston Federal Credit Union does, its mission is: *to be our members' advocate by helping them achieve their dreams with personalized financial solutions*. As a member-owned cooperative, the focus remains on serving members with care, responsibility, and a long-term perspective.

That mission is guided by core values of *Integrity, Honesty, and Respect; Passion, Commitment, and Enthusiasm; Seeking Excellence in All We Do; Working Hard and Having Fun; and Friendly Service and Superior Value*. These values shape how members are served, how employees are supported, and how the communities proudly served are strengthened.

Throughout 2025, Houston Federal Credit Union continued investing in access, convenience, and service to ensure members have a financial home that meets their evolving needs. A significant milestone this past year was the opening of the new Grove Branch location in South Carolina.

The Grove Branch expands the Credit Union's presence in the Greenville area and reflects its long-standing commitment to serving members in South Carolina. This modern, fully accessible location was designed to provide personalized financial guidance, expanded service capabilities, and greater convenience. It represents an important step in strengthening relationships and expanding the ability to serve members where they live and work.

In addition to expanding physical access, accessibility through digital channels continued to be enhanced. The rollout of a Spanish-language website supports efforts to better serve growing and diverse communities by providing clearer access to financial information and services that meet members where they are.

A key priority for Houston Federal Credit Union is to be members' preferred financial institution. The goal is to be the primary place members turn for everyday banking, borrowing, saving, and long-term financial planning. Achieving this requires more than competitive rates; it requires consistency, convenience, and trust across every interaction, whether in a branch, online, or through personalized support.

To support this goal, services and delivery channels are continually evaluated to identify opportunities to provide a secure banking

experience that strengthens protection and delivers meaningful value. These efforts are focused on helping members manage their finances with greater confidence while deepening long-term relationships with their Credit Union.

This focus is reflected in products designed to enhance everyday banking experiences by combining essential features with added protection and lifestyle benefits, offering members greater security and peace of mind. It represents a commitment to providing practical, member-focused solutions and reinforces Houston Federal Credit Union's role as their preferred financial home.

Financial education and personalized guidance remained central to the service model throughout the year. Helping members build confidence, plan for the future, and navigate important financial decisions is a critical part of our role as Your Home for Financial Prosperity.

Through HFCU's Investment and Retirement Services program, members received personalized support in planning for retirement, investing wisely, and preparing for future milestones. Under the guidance of Investment and Retirement Services Financial Advisor Carlos Torresdey, who joined the HFCU team following the retirement of John Woltemate in August 2025, members were able to better align their financial strategies

with their long-term goals and gain greater confidence in their financial plans. At the end of 2025, the Investment and Retirement Services program was serving over 450 individuals with assets under management totaling \$90 million.

In addition, HFCU's Financial Counseling Services provided meaningful, one-on-one support to members working to strengthen their financial foundations. Led by Financial Counselor Zulika Diaz, this program helped members improve credit, manage debt, create budgets, and establish healthier financial habits. These services directly support our mission of *being our members' advocate by helping them achieve their dreams with personalized financial solutions*. At the end of 2025, the Financial Counseling program assisted a total of 490 members.

Looking ahead, HFCU remains dedicated to serving as *Your Home for Financial Prosperity* by growing and strengthening relationships, expanding access, and enhancing services that support members' financial success.

On behalf of the Board of Directors and the entire leadership team, I thank you for your continued support and partnership.

**Chris Choat**  
President and CEO



## Treasurer's Report

From a financial perspective, at year-end 2025, HFCU reported a total of 3,735 consumer loans, 173 mortgage loans, and 23 commercial loans. The year-end loan portfolio totaled \$531,552,531, reflecting a 7.62% decrease in loan growth, influenced primarily by broader economic conditions and more measured borrowing activity among consumers.

Capital contributions (net income) totaled \$3,117,887, bringing total net worth to \$92,630,159 with a ratio of 9.74%. This indicates that HFCU continued to maintain financial stability, ensuring the Credit Union remained well-capitalized under National Credit Union Administration guidelines.

In 2025, members continued to make HFCU their financial home. Total deposits reached \$852,702,674, reflecting a 0.37% increase, while total assets stood at \$950,714,722, a 1.20% increase from 2024. The Credit Union welcomed 5,841 new accounts during the year, clear evidence of the trust the community places in HFCU as a dependable financial partner. By year-end, HFCU was honored to serve approximately 60,000 members.

The Credit Union continues to thoughtfully review inactive accounts to ensure resources are used in the most responsible and efficient way possible. While members are always welcomed and encouraged to take advantage of the wide range of products and services available, this careful review helps reduce unnecessary costs and allows for more effective reinvestment for the benefit of the entire membership.

Since its founding in 1960, Houston Federal Credit Union has remained committed to serving members with integrity, dedication, and care.

**Sally McKnight**  
Treasurer

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**Houston Federal Credit Union has remained committed to serving members with integrity, dedication, and care.**



# Financial Information

December 31, 2024 Compared to December 31, 2025

## Assets

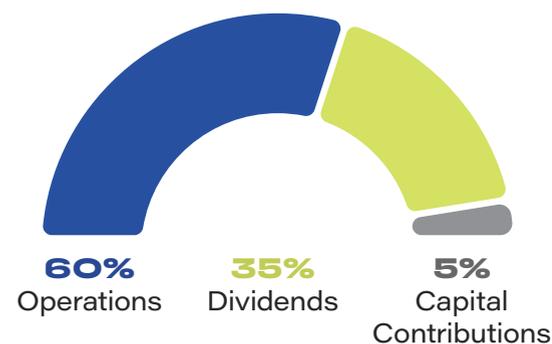
	2024	2025
Loans to Members	\$575,415,775	\$531,552,531
Less: Allowance for Loan Losses	\$3,569,260	\$3,116,600
<b>Net Loans to Members</b>	<b>\$571,846,515</b>	<b>\$528,435,931</b>
Cash & Investments	\$309,572,044	\$362,399,908
Fixed Assets	\$28,550,728	\$27,220,015
Other Assets	\$29,440,226	\$32,658,868
<b>Total Assets</b>	<b>\$939,409,513</b>	<b>\$950,714,722</b>

## Liabilities & Equity

Accounts Payable	\$1,804,489	\$2,053,280
Accrued & Dividends Payable	\$3,086,030	\$2,841,268
All Other Liabilities	\$5,808,071	\$7,426,860
<b>Total Liabilities</b>	<b>\$10,698,590</b>	<b>\$12,321,408</b>
Shares	\$243,049,889	\$239,169,879
Club Accounts	\$124,290	\$104,822
Share Drafts	\$154,823,401	\$155,729,102
Health Savings Accounts	\$615,570	\$609,340
Term Share Accounts	\$289,064,021	\$300,744,831
IRAs	\$12,321,084	\$11,855,260
Insured Money Market	\$124,945,148	\$123,063,139
Business Accounts	\$24,612,161	\$21,426,302
CECL Required Reserve	(\$1,347,116)	(\$663,505)
Net Worth	\$90,195,884	\$92,630,159
Unrealized Gain/Loss on Investments	(\$9,693,411)	(\$6,276,014)
<b>Total Equity</b>	<b>\$928,710,923</b>	<b>\$938,393,314</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$939,409,513</b>	<b>\$950,714,722</b>

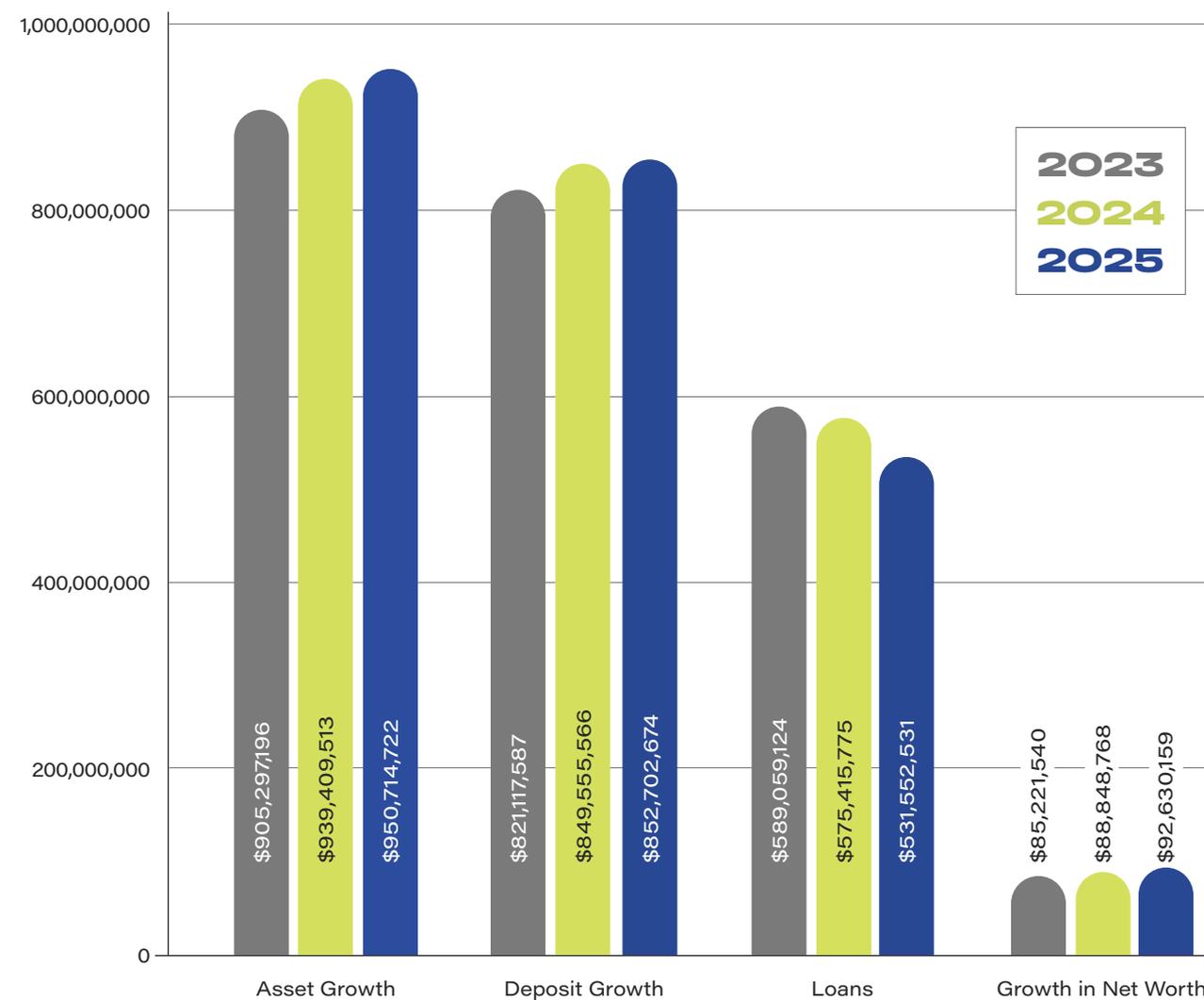
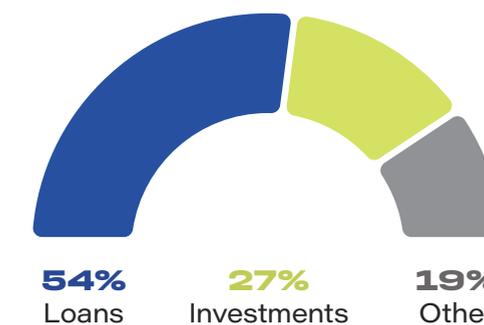
## 2025 Income

\$60,827,203.17



## 2025 Expenses

\$57,709,317.66



**Integrity, Honesty,  
and Respect**

**Passion, Commitment,  
and Enthusiasm**

**Seek Excellence in All We Do**

**Work Hard and Have Fun**

**Friendly Service and**

**Superior Value**





# Supervisory Committee's Report

This year's theme, *Your Home for Financial Prosperity*, speaks directly to the role the Supervisory Committee plays in protecting the foundation of the Credit Union and the trust its members place in it.

Houston Federal Credit Union is more than a financial institution; it is a financial home built on stability, integrity, and shared responsibility. The Supervisory Committee serves as one of the safeguards of that home, helping ensure it remains secure, well managed, and positioned to support members' financial well-being both today and in the future.

Members trust Houston Federal Credit Union to protect their assets, personal information, and financial interests. In turn, the Supervisory Committee is responsible for overseeing the systems, controls, and processes that help ensure the Credit Union operates in a safe, sound, and compliant manner. This work preserves the stability that allows members to confidently pursue their financial goals.

The Supervisory Committee is composed of three Board-appointed volunteers who serve as independent advocates for the membership. Durenda Mason recently retired and stepped down from serving on the Supervisory Committee. I was honored to serve alongside her and Rebekah Riddle, who continues to serve. Their dedication and attention to detail strengthen the Committee's oversight

efforts, and I sincerely thank them for their time and commitment to building a strong financial institution that members are proud to call their financial home.

The responsibilities of the Supervisory Committee include oversight of:

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

These responsibilities extend to reviewing areas such as credit risk, transaction oversight, information security, and reputation management. Each year, the Committee works closely with management to execute a comprehensive Internal Audit Plan. This plan is reviewed and approved annually to address regulatory expectations and to focus on areas of highest risk to the organization.

During the past year, the Supervisory Committee conducted reviews and audits across several key areas, including:

- Regulatory audits to ensure compliance with automated clearing house activity, information security requirements, financial reporting accuracy, and member account verification processes.

- Compliance audits covering wire transfers, new accounts and loans, insider accounts, and corporate credit card activity.
- High-risk audits focused on file maintenance activity, security overrides, cash controls, and new loan reviews.
- Best practice audits evaluating the compliance program and business lending activities against industry standards.

These efforts were further supported by the engagement of Doeren Mayhew, Certified Public Accountants, who conducted an independent examination. I am pleased to report that their review reaffirmed Houston Federal Credit Union's strong financial condition and the effectiveness of its internal controls.

In addition to the independent audit, Houston Federal Credit Union was examined by its primary regulator, the National Credit Union Administration (NCUA). As part of this examination, the NCUA conducted a comprehensive evaluation of the Credit Union's operations, risk management practices, and overall financial condition.

Based on the results of this examination, I am pleased to report that Houston Federal Credit Union was found to be in good order across all reviewed areas. These findings, effective as of March 30, 2025, reflect the Credit Union's continued commitment to strong governance, sound risk management, and regulatory compliance.

The strength of Houston Federal Credit Union does not rest solely on policies or procedures. It is the result of dedicated leadership, engaged employees, and a culture committed to doing what is right for members.

I would also like to recognize the Board of Directors for its continued commitment to strong governance and accountability. Through collaboration and transparency, the Board and Supervisory Committee work together to help ensure the Credit Union remains resilient, responsible, and focused on long-term success.

Looking ahead, the Supervisory Committee remains committed to adapting to an evolving regulatory environment, strengthening audit practices, and leveraging technology to enhance oversight. These efforts are essential to maintaining the safety and soundness that allow Houston Federal Credit Union to remain a dependable home for financial prosperity.

In closing, the Supervisory Committee takes seriously the responsibility entrusted to it by the membership. By safeguarding the integrity of the Credit Union, the Committee helps ensure that members can confidently rely on Houston Federal Credit Union as a stable partner in achieving financial prosperity.

**Clayton Forbes**  
Supervisory Committee Chairman

# Member Testimonials

## Chrystal Strong Grove Branch

I have had car loans, home improvement loans, and assistance with stolen credit cards during my 10 years with Houston Federal Credit Union in Greenville, South Carolina. In my 50 years of working, I have never experienced the level of service, care, and consideration from a bank that I have received from HFCU. A special recognition to Chrystal Strong, who has guided me through all of my transactions and helped resolve issues with stolen cards, always staying on top of every situation for me and my family. Outstanding service and professionalism with a personal touch.

Kenneth M.

## Jesica Mendoza Southwest Branch

I've been using a bank for personal and business checking for almost 20 years. I opened a new company and thought I would try something different, so I opened a personal and new business checking account with HFCU. Jesica helped me set up my accounts and did a wonderful job. She had a good eye for detail, explained everything, and all was set up accordingly. I'm obviously a new member, but with no monthly fees and no cost for both personal and business checking and savings accounts, it sounds like a great bank to try. Thank you for the professionalism, Jesica.

Jay A.

## Crystal Burkhardt-Frantz Northwest Branch

Crystal was a godsend to me. Before I went to work, she helped me with several important tasks: she provided both statements I needed for an important date that was just a day away, assisted me with refinancing my car loan while clearly explaining the different scenarios, and even transferred some funds for me. Before I left, she asked if she could give me a hug, and I said of course. We talked about a fire that changed our lives in different ways. This lady will always be near and dear to my heart. She truly went above and beyond for me, and I'll never forget it.

Eulalia B.

## Ommar Castillo Champions Branch

I always have great experiences at the Champions branch. Ommar is always willing to help and provide pertinent information I can use. I needed a new ATM card, and we also discussed getting pre-approved for another vehicle. He plans to follow up with me when I'm ready to finance another vehicle. It's consistently very helpful going into HFCU.

Renee

## Kathleen Damico Sugar Land Branch

Kathleen has handled numerous detailed fraud investigation cases, saving the credit union hundreds of thousands of dollars and leading to federal, state, and local arrests. She is always ready to go above and beyond for any member or employee. If she does not have the answer or solution, she will go out of her way to figure it out and get the situation resolved, even if it involves duties outside of her department.

HFCU Team

**“Outstanding service and professionalism with a personal touch.”**





## Board of Directors



**Brent  
Holloway**

Chairman of the Board



**Clayton  
Forbes**

Director



**Chris  
Choat**

Director/President/CEO



**Samaria  
Chambers**

Vice Chairman



**Sally  
McKnight**

Treasurer



**Rick  
Conley**

Director



**Margaret  
Taylor**

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

**John  
Senna**

**Carlos  
Sepeda**

### Supervisory Committee

**Clayton  
Forbes**

**Durenda  
Mason**

**Rebekah  
Riddle**



## Branch Locations

### Texas Branches

#### Sugar Land

16320 Kensington Drive,  
Sugar Land, TX 77479

#### HFCU Mortgage

16255 Kensington Drive,  
Sugar Land, TX 77479

#### Rosenberg

28050 Southwest 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

#### Southwest

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

### South Carolina Branches

#### Fluor

100 Fluor Daniel Drive C102U,  
Greenville, SC 29607

#### Grove

901 Grove Road,  
Greenville, SC 29605



## Contact Information

[houstonfcu.org](https://houstonfcu.org)

**Houston-Area Local:** (281) 243-0500

**Greenville Local:** (864) 676-7300

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

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



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