



**credit  
human**  
A Federal Credit Union

# 2022 Annual Report





*The past several years have been challenging for everyone. Through it all Credit Human remains strong and secure, a safe place for savers and borrowers to put their trust as they have for the past 90 years.*

With interest rates rising we continue to pay our members very competitive rates on their savings, while also still making borrowing affordable for members.

These days avoiding fraud is a big concern for everyone, and keeping your accounts safe and secure is our top priority at Credit Human. In addition to constantly monitoring your accounts for any signs of fraud, we are providing advice and guidance on how to prevent fraud and security issues.

We want it to be easy for members to do business with Credit Human. As a member-owned financial cooperative, Credit Human exists to serve our members. Our goal is to continually improve that service and doing that requires listening to what our members have to say about the things we're doing well and the things we need to improve.

Members have a voice at Credit Human. If you get an email inviting you to take a survey please take a few moments to give us your honest feedback. We're committed to improving your experience as a member to ensure you have the support you need to reach your financial goals.

Based on feedback from members, we raised daily debit card spending limits so you can shop with greater confidence and eliminated the \$25 continuous overdraft fee and the \$3 overdraft transfer fee. We're also looking at other fees we could potentially reduce or eliminate.

Members also told us they want access to their money faster, and this year we introduced Early Pay. This allows members with payroll and other direct deposits into their checking accounts to access their money up to two days earlier than before. There's no need to sign up – Early Pay is free and automatic when your paycheck or other payments like Social Security are directly deposited into your Credit Human checking account.

With more members using online and mobile banking, last year we debuted a new online banking platform that should make your member experience even better.

Designed with feedback from our members in mind, our new online and mobile banking is easier to access while being even more secure. It includes a powerful set of financial health tools that can help you build and maintain financial slack, including a Financial Health Snapshot, Spending Analysis and access to your full credit report for free.

We know our members want easier, more convenient ways to make payments. Our enhanced Bill Center in online and mobile banking provides more convenience and control, allowing you to manage your payments more easily.

We're working on other improvements to making payments as well, so stay tuned for more to come.

We're also working hard to improve service to members who need to talk to someone on the phone. In the past year we've hired and trained more member service representatives, resulting in significantly shorter wait times for members.

In 2023 we're continuing to open new Financial Health Centers, as well as more drive-up locations to meet our members' needs. This includes opening our second Financial Health Center in New Orleans, bringing greater access to financial services to a market that has traditionally been underserved by banks and other financial institutions.

Helping make our members financially healthier, especially when times are hard, is a high priority at Credit Human. In the past year we continued to help members recover from natural disasters and other challenges.

One example is our new partnership with SBP (formerly the Saint Bernard Project), a non-profit dedicated to helping low-income homeowners recover from disasters through a reimbursement program funded by the department of Housing and Urban Development (HUD). Together we developed an affordable loan with a deferred payment feature, so families have little to no out-of-pocket expenses for the restoration of their homes. SBP works with them to ensure they meet the requirements for the government reimbursement to pay off the loan. In 2022, we prototyped the program and helped ten families repair storm damage with over \$600,000 in loans. We are gearing up to help more families in 2023 and beyond.

We also continue to enhance our resources to help members build financial slack. Our Virtual Financial Coach, Lea, now offers guidance for members who need help with savings. We also understand you're never too young to start learning good financial habits, so we've added K-12 online educational modules to our website. You can check it out at [CreditHuman.com](https://CreditHuman.com).

Members may have also noticed that we're continuing to provide weekly financial health information and advice through email and on our website, as well as daily posts on social media.

Last year we told you about our new SustainableHome™ financing, giving members easy financing options through participating dealers to improve the sustainability of your home. In 2022 we helped over 1,300 members with nearly \$20 million in loans. The 25-year environmental impact of just the solar systems funded will equal over 147 million metric tons of avoided CO2 or the equivalent of 2,495,455 trees planted. We've also now begun funding geothermal projects, making our first loan through our first geothermal dealer partnership.

Our commitment to environmental sustainability is paying off in both energy and cost savings for Credit Human as well. From baseline to current, Credit Human has reduced our greenhouse gas emissions by 72% by building more efficient buildings and improving the efficiency of those we lease. The new headquarters has saved 90% in utility costs compared to the old headquarters while having 52% more square footage.

Credit Human remains committed to supporting the communities we serve. Our Excel Award program just completed its 24th year recognizing nineteen outstanding teachers from districts across the San Antonio area. We also hosted our annual Shred Day again in April, giving members a safe, secure way to dispose of important documents.

And finally, we like to share stories from members about how they're working to become financially healthier. Here's an example of how even members outside San Antonio are getting the help they need to become financially healthier...

*A member from Colorado met with a specialist at one of our Financial Health Centers to learn how to put his finances back on track. We spent hours together discussing ways he could start developing more financial resilience.*

*His main pain point was a high-rate credit card from another institution that had been maxed out. He was also concerned about his low credit score, which we discussed could cut further into his financial slack by triggering things like large rent deposits and having to pay higher interest on credit cards and loans. We discussed a spending plan that would help him save more from each paycheck to pay off his balance and improve his credit score.*

*After he returned home to Colorado our Member Relationship Specialist contacted him every two months to encourage him to stay on the path they set. Since they've been working together he's been able to get out from under the heavy burden of debt and understands better how to use his credit to help achieve his goals rather than weigh them down. Recently he's even been able to go back to school full-time, an investment he's making in himself.*

We'd like to thank all our members for giving us the privilege of serving you. We appreciate the trust you've placed in us.



**Fred Hines**  
Board of Directors Chair  
Member Since 2013



**Stephen Hennigan**  
President and CEO  
Member Since 1993

# Report from the Supervisory Chair

*Our ongoing commitment to our members' long-term financial health and success includes offering a financial cooperative that is stable and secure.*

The Supervisory Committee ensures that management's financial reporting objectives are met and that management practices and procedures safeguard members' assets. Our Internal Audit department assists the Committee in our work by overseeing periodic external audits and by conducting internal audits of safeguards, internal controls and regulatory compliance.

The National Credit Union Administration (or NCUA) is our regulatory authority that insures members' deposits to at least \$250,000. 2022 brought another successful NCUA examination. This examination serves as a marker attesting to our credit union's sound performances and risk management practices relative to its size, complexity and risk profile.

The Supervisory Committee hired the independent accounting firm of RSM US LLP, in accordance with NCUA rules and regulations. This company fulfilled the committee's requirements by performing the 2022 financial statement audit and completing a verification of member accounts.

Once again, our credit union is in compliance with the credit union's bylaws, policies, federal and state laws, and good business practices. I would like to express my appreciation to my fellow committee members for their dedication to this process, as well as to Internal Audit.

The Committee and I would like to express our thanks to you, the members, for allowing us to serve you.



**Mike Burnett**  
Supervisory Committee Chair  
Member Since 2012  
Volunteer Since 2015

## FINANCIALS

### Business Activity

Loans	December 31, 2022		December 31, 2021	
	#	\$000	#	\$000
Motor vehicle	52,822	\$ 1,268,268	56,344	\$ 1,301,023
Residential mortgages	2,323	120,591	2,010	85,942
Education - Insured	47,999	320,488	65,551	448,006
Manufactured housing	22,309	1,377,630	22,682	1,329,009
Credit cards	13,370	39,805	13,330	37,229
Commercial	20	16,674	8	15,770
Other loans	15,873	89,713	14,185	65,838
<b>Total</b>	<b>154,716</b>	<b>3,233,169</b>	<b>174,110</b>	<b>3,282,817</b>
Allowance for loan losses		(14,124)		(12,102)
<b>Loans, net</b>		<b>\$ 3,219,045</b>		<b>\$ 3,270,715</b>

Loans to Members	31,742	\$ 1,066,160	39,133	\$ 1,236,051
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**Total loans decreased \$51,670,000 (1.58%) from December 2021 to December 2022.**

Deposits	December 31, 2022		December 31, 2021	
	#	\$000	#	\$000
Share Draft	74,621	\$ 492,331	75,859	\$ 478,326
Share Savings	231,393	780,559	236,730	794,300
Money Market	7,122	426,541	7,677	473,184
Share Certificate	18,333	914,692	17,926	924,880
Retirement Accounts	9,272	133,707	9,840	144,652
<b>Total deposits</b>	<b>340,741</b>	<b>\$ 2,747,830</b>	<b>348,032</b>	<b>\$ 2,815,342</b>

**Total deposits decreased \$67,512,000 (2.40%) from December 2021 to December 2022.**

## CREDIT HUMAN FEDERAL CREDIT UNION CONSOLIDATED STATEMENTS OF CONDITION

(In Thousands of Dollars)

<b>Assets</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Cash and cash equivalents	\$ 127,522	\$ 128,564
Investments	9,428	9,358
Loans held for sale	-	1,061
Loans, net of allowance for losses	3,219,045	3,270,715
Premises and equipment, net	165,838	166,511
Other assets	79,790	78,981
<b>Total assets</b>	<b>\$ 3,601,623</b>	<b>\$ 3,655,190</b>

<b>Liabilities and Equity</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Members' shares and deposits	\$ 2,747,830	\$ 2,815,342
Borrowed funds	446,036	442,937
Accrued expenses and other liabilities	47,473	68,652
<b>Total liabilities</b>	<b>3,241,339</b>	<b>3,326,931</b>
Retained earnings	377,636	369,872
Accumulated other comprehensive income (loss)	(17,352)	(41,613)
<b>Total equity</b>	<b>360,284</b>	<b>328,259</b>
<b>Total liabilities and equity</b>	<b>\$ 3,601,623</b>	<b>\$ 3,655,190</b>



## CREDIT HUMAN FEDERAL CREDIT UNION CONSOLIDATED STATEMENTS OF EARNINGS

*(In Thousands of Dollars)*

	December 31, 2022	December 31, 2021
Interest income	\$ 164,437	\$ 153,683
Interest expense	26,992	27,786
Net interest income	137,445	125,897
Provision for loan loss	10,116	4,888
Net interest margin after provision for loan loss	127,329	121,009
Non-interest income	23,643	26,013
Non-interest expense	143,208	137,346
Net Income	\$ 7,764	\$ 9,676



# BOARD OF DIRECTORS



**Fred Hines**  
Chair  
Member Since 2013  
Volunteer Since 2014



**Richard Rodriguez**  
Vice Chair  
Member Since 1971  
Volunteer Since 1993



**Blaise C. Bender**  
Secretary  
Member Since 2008  
Volunteer Since 2008



**Frank W. Burk**  
Treasurer  
Member Since 1991  
Volunteer Since 1991



**G. Esther Cruz**  
Member Since 2006  
Volunteer Since 2015



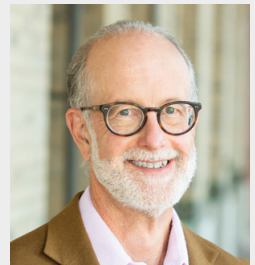
**Ed Hinojosa**  
Member since 2016  
Volunteer since 2017



**Debs McCrary**  
Member Since 1977  
Volunteer Since 1995



**Peter C. Morales**  
Member Since 1992  
Volunteer Since 2006



**Steve R. Nivin**  
Member Since 2013  
Volunteer Since 2015

## SUPERVISORY COMMITTEE



**Mike Burnett**  
Chair  
Member Since 2012  
Volunteer Since 2015



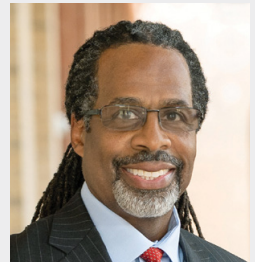
**Dan Crowley**  
Secretary  
Member Since 1989  
Volunteer Since 2020



**Pat Harper-Pollard**  
Member Since 2015  
Volunteer Since 2015



**Bill R. Micale**  
Member Since 2014  
Volunteer Since 2014



**Travis Wiltshire**  
Member Since 2018  
Volunteer Since 2018

## ASSOCIATE DIRECTORS



**Mike DuBose**  
Member Since 2013  
Volunteer Since 2018



**Karen Von Der Bruegge**  
Member Since 2013  
Volunteer Since 2018



**Ramon Abarca**  
Member Since 2005  
Volunteer Since 2008



**Sue E. Turner**  
Member Since 1994  
Volunteer Since 1996

## DIRECTORS EMERITI





Federally Insured by NCUA