



# 2021

ANNUAL REPORT



# CHAIRMAN'S REPORT



**BRIAN MCLEROY III**  
Chairman,  
Board of Directors

Welcome to the 87th Annual Meeting of the Houston Texas Fire Fighters Federal Credit Union.

Thankfully, the year 2021 began and ended with hope as Covid vaccines became readily available and economic lockdowns came to an end.

First, I want to recognize our Board of Directors for their leadership, dedication and passion for this Credit Union. Those are key qualities for long-term sustainability and prosperity, and we are greatly humbled by the trust you have placed in us. As your Credit Union's leadership, we are responsible for ensuring that we have a competent, qualified and trustworthy management team, and I can say unmistakably that we do.

Your needs remain our top priority. During 2021, your Board of Directors devoted its time and expertise to ensure that you were financially fit to stay on course in pursuit of your dreams. As a continuation from prior year, forbearance assistance was granted to aide those in need. Financial advisory services were highlighted throughout the year. Our success was achieved by shifting more business electronically and by phone to ensure your needs were met.

With a net worth ratio of 12.78%, your Credit Union is rated as a "well capitalized" credit union. The National Credit Union Administration, our federal regulator, considers federally-insured credit unions with net worth ratio of 7% or higher to be well-capitalized and possess the ability to handle uncertain economic stress with no or minimum impact on the membership.

The growth of HTFFFCU continues as we ended 2021 with assets of over \$337 million and a total membership count of over 17,300. Financially, we also had a good year with net income of over \$1.4 million.

Our goal is to always strive to meet and exceed your expectations. That includes not only staying relevant with new products and services but also ensuring that we never lose sight of the importance of providing outstanding service to you, our members on a daily basis. We are proud of our staff and appreciate their contribution to the success of the organization by providing the best service possible to you at all times.

Thank you again for joining us tonight and thank you for your loyalty as a member of the Houston Texas Fire Fighters Federal Credit Union.

# TREASURER'S REPORT



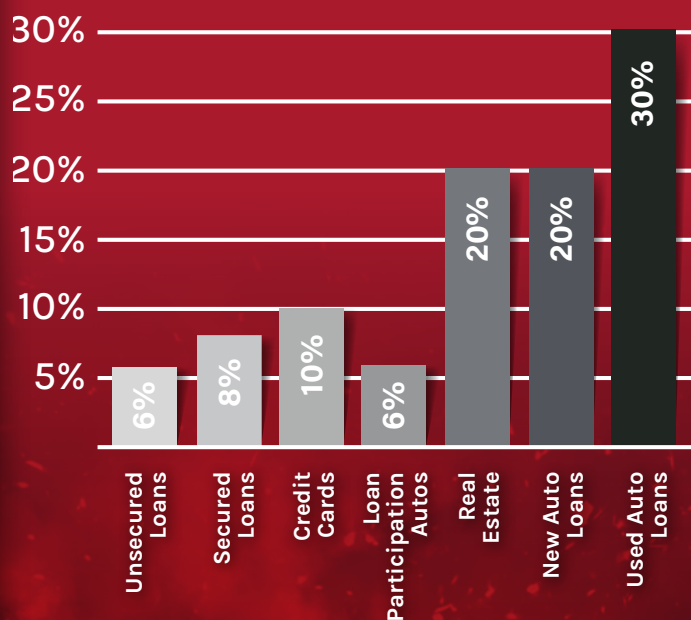
**G.W. "SKIP" NORTH**  
Treasurer,  
Board of Directors

Year after year, your credit union continues its record of achieving positive financial results. The credit union's capital ratio, a measure of financial strength, was 12.78% at the end of the year. This exceeds the industry average by more than 2.43%. The National Credit Union Administration (NCUA) considers ratios greater than 7% to be well-capitalized. In addition, credit union assets increased \$31.7 million with loans increasing \$549 thousand and deposits increasing \$29.9 million.

The Statement of Financial Condition and Results of Operations for the years ending December 31, 2020 and 2021 are provided in this Annual Report for your review.

On behalf of the Board of Directors, Supervisory Committee, Management and Staff, we thank you for making 2021 a successful and productive year.

## LOAN PORTFOLIO AT A GLANCE





# PRESIDENT'S REPORT

It gives us great pleasure to serve the boldest and fearless first responders of the Houston Fire Department and their families.

Prior to, during, and after the pandemic, your needs continue to be our top priority. As the pandemic affected our members, we offered refinancing and forbearance assistance such as loan extensions and skip payments to more than 600 members to alleviate financial stress during challenging and uncertain times.

Your Credit Union continues to offer low-rate loans and credit cards. We were pleased to help families purchase and refinance their homes. There were 30 mortgage loan originations; 1,187 auto loans financed, and credit cards peaked at \$14.6 million. Despite supply shortages, debit card transactions volumes returned to pre-pandemic levels given the fully opened economy.

Our members continued to save more in 2021 resulting in total assets of \$337 million with total deposits of \$290 million.

This year much of our efforts focused on ways combat fraud as it increased during the pandemic. Due to business lockdowns, fraudsters found other ways to exploit members hard earned money. Members experienced an increase in phishing, vishing, and romance scams. PC takeover was at an all-time high.

Our employees rose to the challenge by seeking new and innovative ways to assist and protect members. We provided invaluable information on how to not become a victim and what steps to take if you do. During 2021, we introduced tap-to-pay cards for credit and debit card programs which members valued as the coronavirus caused the world to shift to contactless society. Additionally, more



**PAM MCIVER**  
President & CEO  
and Management Team

processes were shifted to the electronic rim such as electronic titles and increased DocuSign usage.

The Credit Union avoided \$348,000 in card losses due to fraud mitigation rules implemented. Employees and third-party partners diligently monitor changes in purchase behavior to identify potential fraudulent transactions. Total sales volume for debit and credit card transactions was \$183,091,610.

Our commitment to you is unwavering. We will continue providing timely products and services with an enthusiastic attitude and sincere heart to fulfill your financial dreams, ensuring that you are financially fit for all life events. Whether its purchasing a home or car, access to credit, or seeking financial advice, we have the tools needed to make sound financial decisions. We are a member-owned, not-for-profit institution dedicated to meeting the needs of our membership, you.

We thank you for your service as firefighters and firefighters' family members. And as the Board of Directors, Supervisory Committee, Management, and Staff of your Credit Union, we thank you for the opportunity to be your trusted financial partner.

## BALANCE SHEET As of December 31

ASSETS	2021	2020
Net Loan	142,896,421	142,236,857
Cash	26,965,804	36,565,006
Investments	159,263,565	117,651,677
Land	3,598,965	3,598,965
Net Building & Equipment	2,843,558	3,160,466
Other Assets	2,316,242	3,021,201
<b>Total Assets</b>	<b>337,884,554</b>	<b>306,234,172</b>
<b>LIABILITIES &amp; EQUITY</b>		
Total Liabilities	3,851,840	3,221,416
Shares	124,919,968	106,435,700
Share Drafts	65,118,416	57,009,435
Term Share Certificates	35,974,455	40,860,077
Money Management	54,007,542	45,725,093
IRA	10,834,237	11,271,176
Reserves	43,178,097	41,711,275
<b>Total Equity</b>	<b>334,032,714</b>	<b>303,012,756</b>
<b>Total Liability &amp; Equity</b>	<b>337,884,554</b>	<b>306,234,172</b>

## INCOME STATEMENT For the period Jan. 1 - Dec. 31

INCOME	2021	2020
Net Loan Interest Income	6,643,432	6,839,237
Investment Income	1,425,398	2,016,811
Other Income	3,574,937	2,816,688
<b>Total Income</b>	<b>11,643,767</b>	<b>11,672,737</b>
<b>EXPENSE</b>		
Compensation and Benefits	4,984,979	4,973,968
Travel and Conferences	93,981	63,350
Office Operations	950,697	958,838
Education and Promotion	139,986	135,099
Professional Services	2,440,358	2,307,420
Provision for Loan Losses	-161,886	92,685
Annual Meeting	6,000	4,000
Other Operating Expenses	1,293,498	1,119,146
Total Operating Expenses	9,747,613	9,654,505
Income From Operations	2,471,554	2,442,832
NCUSIF Impairment	0	0
(Gain)/Loss on Disposition of Assets	0	0
Income Before Dividends	2,471,554	2,442,832
Dividends Expense	1,004,865	1,404,036
<b>Net Income (35)</b>	<b>\$1,466,689</b>	<b>\$1,038,796</b>



# SECRETARY'S REPORT



**JERRY WALKER**  
Secretary,  
Board of Directors

The 86th Annual Business Meeting of the Houston Texas Fire Fighters Federal Credit Union convened via Zoom Tuesday, March 23, 2021.

Chairman Brian McLeroy called the meeting to order at 5:00 p.m. David Lantrip led the meeting in prayer.

There was a moment of silence for the active and retired firefighters and members that were lost during the past year.

McLeroy introduced the Board of Directors and Supervisory Committee members.

There was a motion and second to approve the minutes of the 2020 Annual Meeting. Motion carried. All other reports are included in the 2020 Annual Report.

Steve Gilman gave the report of the President.

Gilman recognized Barbara Kriesel as the employee of the year.

Chairman of the Supervisory Committee, Dorsey McLeroy, gave the results of the 2021 Board of Directors election. He stated that there were three applicants for the three open positions on the board. No election was necessary and Bruce Koger, Jerry Walker and G.W. North were elected by acclamation.

There being no unfinished or new business to conduct, the meeting adjourned at 5:15 p.m.

## SUPERVISORY REPORT



**DORSEY MCLEROY**  
Chairman,  
Supervisory Committee

The Supervisory Committee is responsible for providing overall assurance that management has established and maintained effective internal controls to protect the financial health of the credit union and safeguard your assets.

To help with this process, the Supervisory Committee engaged the audit services of Doeren Mayhew CPAs and Advisors to audit the credit union's financial statements. We are pleased to report that during 2021, no material areas of concern were found by the auditors. Your credit union remains financially strong and operationally effective with sound practices and procedures. Your credit union is in good financial condition and in compliance with state and federal regulations.

On behalf of my fellow Committee members, Jackie Metcalfe, Victor Boudreaux, and David Lantrip, we would like to thank the members for your continued support.

### BOARD OF DIRECTORS

Brian McLeroy III, <i>Chairman</i>	Phil Cemino, <i>Director</i>
Bruce Koger, <i>Vice Chairman</i>	Rick Flanagan, <i>Director</i>
Jerry E. Walker, <i>Secretary</i>	David Lantrip, <i>Director</i>
G.W. "Skip" North, <i>Treasurer</i>	Philip Malek, <i>Director</i>
Dwight Boykins, <i>Director</i>	

### SUPERVISORY COMMITTEE

Dorsey McLeroy, *Chairman*  
Victor Boudreaux, *Member*  
Jackie Metcalfe, *Member*



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