

2024 Annual Report

Report to Members

In 2024, H-E-B Federal Credit Union, the trusted financial partner exclusively serving H-E-B Partners, Senior Partners, and their families, celebrated an outstanding year of financial success. Closing the year with total assets of \$209 million, we exceeded expectations through significant growth in assets and loans to members. Our capital-to-assets ratio, a key indicator of financial health, reached an impressive 17.55%, solidifying H-E-B FCU as one of the most well-capitalized credit unions in the industry.

Key Performance Highlights:

- Net Worth/Assets: 17.55% – Strong, well-capitalized
- Asset Quality: 0.16% delinquency – 59 basis points below the target
- Net Charge-Offs: 0.03% – 72 basis points below the target
- Return on Average Assets: 0.99% – 69 basis points above the target
- Net Operating Expenses: 3.69% – 24 basis points below the target

While many financial institutions introduced or increased fees, H-E-B FCU prioritized its Members' financial well-being by reducing the number of fees on our Fee Schedule by 50%. This initiative reflects our commitment to putting more money in our H-E-B FCU Members' pockets.

What Does This Mean For Our Members?

These results demonstrate our unwavering dedication to providing a financially strong and secure credit union while consistently delivering value to our Members. Looking ahead to 2025, we remain focused on enhancing the Member experience, reinforcing our financial foundation, and continuing to be your trusted partner for generations to come.

John Carroll
John Carroll
Board Chair

Don R. Ford
Don R. Ford
Chief Executive Officer
and President

Meet Your H-E-B FCU Board of Directors

John Carroll - Chair
Gracie Toyosima - Vice Chair
Mark Lewis - Secretary/Treasurer

Mike Mims - Director
Gemma Leija - Director
Lance Frantum - Director
Justin Combs - Director



Supervisory Committee's Report

H-E-B Federal Credit Union's Supervisory Committee, appointed by the Board of Directors, is responsible for monitoring and evaluating the credit union's operations and compliance practices to safeguard the assets of the credit union.

To fulfill our responsibilities over the past year, a comprehensive annual audit was conducted and presented to the Board of Directors.

After reviewing the operations of the credit union and the auditor's report, it is our opinion that H-E-B FCU is being managed in compliance with the rules and regulations governing federal credit unions, the policies established by the Board of Directors, and generally accepted accounting principles.

In summary, we consider the credit union financially strong and effectively managed. Your Supervisory Committee can report that H-E-B FCU is a financially sound organization dedicated to serving the membership.

William Padilla

William Padilla, Supervisory Committee Chair



Federal Credit Union

Statement of Financial Condition

For the period ending December 31, 2024

Assets

	<u>2024</u>	<u>2023</u>
Net Loans to Members	\$ 137,853,488	\$ 133,689,873
Cash on Hand	\$ 35,059,879	\$ 34,127,523
Investments	\$ 21,477,426	\$ 29,609,420
Furniture and Equipment	\$ 86,558	\$ 140,110
Reserve Deposits	\$ 1,567,898	\$ 1,679,255
Other Assets	\$ 13,124,349	\$ 8,740,240
Total Assets	\$ 209,169,599	\$ 207,986,421

Liabilities and Capital

Member Shares	\$ 166,794,510	\$ 167,523,522
Dividends and Interest Payable	\$ 198,650	\$ 170,782
Accounts Payable	\$ 5,702,575	\$ 6,210,625
Regular Reserves	\$ 1,961,918	\$ 1,961,918
Undivided Earnings	\$ 34,739,851	\$ 32,678,153
Accumulated Other Comprehensive Inc.	\$ (227,907)	\$ (558,580)
Total Liabilities and Capital	\$ 209,169,599	\$ 207,986,421

Distribution of Income

Total Income	\$ 12,469,803	\$ 12,099,412
Operations	\$ 8,552,199	\$ 8,563,247
Dividends	\$ 1,780,906	\$ 1,423,243
Reserves and Undivided Earnings	\$ 2,061,698	\$ 2,152,922
Provision for Loan Losses	\$ 75,000	\$ (40,000)

Treasurer's Report

For the period ending December 31, 2024

	<u>2024</u>	<u>2023</u>
Gross Income	\$ 12,469,803	\$ 12,099,412
Operating and Provision Expense	\$ 8,627,199	\$ 8,523,247
Net Income	\$ 2,061,698	\$ 2,152,922
Dividends	\$ 1,780,906	\$ 1,423,243
Total Undivided Earnings	\$ 34,739,851	\$ 32,678,153
Total Regular Reserves	\$ 1,961,918	\$ 1,961,918
Loan Loss Allowance	\$ 402,021	\$ 372,774
Total Capital	\$ 36,875,884	\$ 34,454,265
Total Assets	\$ 209,169,599	\$ 207,986,421
Total Shares	\$ 166,794,510	\$ 167,523,522
Number of Loans Outstanding	4,003	4,040
Amount of Loans Outstanding	\$ 138,255,509	\$ 134,062,647
Amount of Loans Delinquent	\$ 221,062	\$ 276,006
Number of Members	12,318	12,628
Number of Checking Accounts	7,313	7,508

Meet Your H-E-B FCU Executive Team

Don R. Ford - Chief Executive Officer and President
Natalie Jones - Chief Operating Officer
Dolores M. Huerta - Chief Administrative Officer
Haru Bhagat - Vice President, Information Technology
Judy Jackson - Vice President, Marketing



Federal Credit Union

Contact Us

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