

A smiling man and woman posing together for a photo. The man is on the left, wearing a light blue button-down shirt. The woman is on the right, wearing a denim shirt over a maroon top. They are both smiling broadly and looking towards the camera.

**credit
human**[®]
A Federal Credit Union

2021 Annual Report

Despite the challenges of the past two years, Credit Human has remained strong, secure and dedicated to helping our members build the financial slack they need to live lives free of financial stress. We do that in part by continuing to offer our members competitive rates on their loans and savings despite the challenging rate environment.

In 2022 we're continuing to open new Financial Health Centers, as well as more drive-up locations to meet our members' needs. We've extended the hours our ITM advisors are available to give members access to the service they need when they need it. Members now also have access to over 55,000 free ATMs from coast to coast through the Allpoint network.

We're also expanding the reach of our mission – including opening new Financial Health Centers – in new service areas. Our first Financial Health Center in New Orleans will open this year.

Our Member Service Center continues to handle significantly more calls than usual as more members choose to use remote service options, and we're working hard to reduce the wait times members have experienced. That includes hiring more member service representatives, but like most other companies we've faced challenges adding staff in certain roles over the course of the pandemic. We're also offering members the option of having their call returned by a representative rather than wait on hold. To take advantage of this feature members can simply select that option when they call and wait for confirmation before they hang up.

With more members using online and mobile banking, we're investing in a new online banking platform that should make your member experience even better. Look for those enhancements later this year.

We also continue to enhance our resources to help members become financially healthier, including the Financial Health Quiz. In addition to being able to take the quiz online at CreditHuman.com, members can now visit a Financial Health Center to take the quiz with the assistance of a specialist. This quiz is designed to help you prioritize and develop a plan to work on the things that can put you on the path to better financial health.

Our Virtual Financial Coach on CreditHuman.com – we call her Lea – has been updated with the ability to give our members access to their credit scores, allowing the coach to provide personalized advice and guidance based on the areas impacting their score.

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.

Credit Human also continues to offer our members new products to help build more slack. In addition to the Slack Builder Home Loan we debuted in 2021, this year we're adding a new Sensible Spend Account that makes overdrafts virtually impossible. We're also continuing to develop business accounts and business loans for members.

To help members build more slack while also conserving precious environmental resources, we've introduced special financing to improve the sustainability of your home. We now offer SustainableHome™ financing through participating dealers for Solar, Home Improvement, Geothermal and Rainwater Harvesting projects. You'll get access to easy financing options with great rates and flexible terms to help your budget while you help our planet.

Our investment in sustainable building at our new headquarters in San Antonio has already led to significant energy savings and will continue to promote environmental stewardship long-term. In just the first seven months we reduced the utility bill on a per-square-foot basis by over 90%.

Credit Human remains committed to supporting the communities we serve. Our Excel Award program just completed its 23rd year recognizing nineteen outstanding teachers from districts across the San Antonio area. We also hosted two Shred Day events for members in the past six months, giving you a safe, secure way to dispose of important documents.

As a member-owned financial cooperative, Credit Human exists to serve the needs of our members. That requires getting your feedback on how we're doing, including things we need to do to improve. If you get an email from Credit Human 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.

And finally, we like to share stories from members about how they're working to become financially healthier. Here's an example of how two of our members found the light at the end of the tunnel as we worked together through a difficult financial situation.

Two long-standing members of Credit Human found themselves drowning in high-interest debt after years of using credit cards and loans from other institutions. With over \$60,000 in debt and monthly payments of more than \$2,000, the high interest rates made it all but impossible to pay off.

As we discussed their situation in one of our Financial Health Centers, they said their ultimate goal was to be debt-free in 10 years so they could enjoy life together after retirement. They admitted saving hasn't always been a priority, and that it always seemed an emergency like a broken stove or plumbing issue would arise just as they had started making progress. They were even reluctant to reach out for help because they were afraid of feeling judged, so they were particularly happy they "did not feel one ounce of judgment" while sitting in our office.

Since their mortgage is with Credit Human, we explored the idea of a refinance with cash out to consolidate their high interest debt. With the many loan terms Credit Human offers, we found an option that would enable them to pay off their credit card debts, lower their overall monthly payments and be paid in full in 10 years.

The financial slack realized through this refinance will allow them to begin an emergency fund for unexpected expenses instead of turning to high interest financing. They thanked us for helping them discover a new lease on life by working with them to find a path to a healthier financial future.

We'd like to thank all our members for giving us the privilege of serving you. We appreciate the trust you place in us, and we work hard every day to continue to earn it.



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 their 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. 2021 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 2021 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, 2021		December 31, 2020	
	#	\$000	#	\$000
Motor vehicle	56,344	\$ 1,301,023	58,731	\$ 1,274,157
Residential mortgages	2,010	85,942	2,444	101,972
Education - Insured	65,551	448,006	66,973	444,675
Manufactured housing	22,682	1,329,009	22,785	1,260,120
Credit cards	13,330	37,229	13,278	38,627
Commercial	8	15,770	3	59,776
Other loans	14,185	65,838	14,318	43,215
Total	174,110	3,282,817	178,532	3,222,542
Allowance for loan losses		(12,102)		(12,937)
Loans, net		\$ 3,270,715		\$ 3,209,605

Loans to Members	39,133	\$ 1,236,051	45,892	\$ 1,284,603
------------------	--------	--------------	--------	--------------

Total loans increased \$61,110,000 (1.90%) from December 2020 to December 2021.

Deposits	December 31, 2021		December 31, 2020	
	#	\$000	#	\$000
Share Draft	75,859	\$ 478,326	76,715	\$ 430,747
Share Savings	236,730	794,300	238,936	657,480
Money Market	7,677	473,184	8,088	431,050
Share Certificate	17,926	924,880	20,899	1,045,720
Retirement Accounts	9,840	144,652	10,526	152,785
Total deposits	348,032	\$ 2,815,342	355,164	\$ 2,717,782

Total deposits increased \$97,560,000 (3.59%) from December 2020 to December 2021.

CREDIT HUMAN FEDERAL CREDIT UNION CONSOLIDATED STATEMENTS OF CONDITION

(In Thousands of Dollars)

Assets	December 31, 2021	December 31, 2020
Cash and cash equivalents	\$ 128,564	\$ 127,047
Investments	9,358	9,331
Loans held for sale	1,061	384
Loans, net of allowance for losses	3,270,715	3,209,605
Premises and equipment, net	166,511	159,525
Other assets	78,981	76,961
Total assets	\$ 3,655,190	\$ 3,582,853

Liabilities and Equity	December 31, 2021	December 31, 2020
Members' shares and deposits	\$ 2,815,342	\$ 2,717,782
Borrowed funds	442,937	463,514
Accrued expenses and other liabilities	68,652	103,796
Total liabilities	3,326,931	3,285,092
Retained earnings	369,872	360,196
Accumulated other comprehensive income (loss)	(41,613)	(62,435)
Total equity	328,259	297,761
Total liabilities and equity	\$ 3,655,190	\$ 3,582,853

CREDIT HUMAN FEDERAL CREDIT UNION CONSOLIDATED STATEMENTS OF EARNINGS

*(In Thousands of Dollars)**For the Years ended*

	December 31, 2021		December 31, 2020	
Interest income	\$	153,683	\$	153,443
Interest expense		27,786		37,926
Net interest income		125,897		115,517
Provision for loan loss		4,888		8,456
Net interest margin after provision for loan loss		121,009		107,061
Non-interest income		26,013		25,074
Non-interest expense		137,346		125,313
Net Income	\$	9,676	\$	6,822



2020-2021 EXCEL AWARD WINNERS

Credit Human continues to support local teachers from nineteen public school districts across the area.



Susan Mertz

Dr. Ferdinand L. Herff Elementary School
Boerne ISD

Cindy Nieto-Ruiz

Scarborough Elementary School
Northside ISD

Tristin Salinas

Alamo Heights Junior School
Alamo Heights ISD

Perry Jackson

Neal Elementary School
San Antonio ISD

Lynli Jones

Castroville Elementary
Medina Valley ISD

Ronal Carpenter

Crossroads Center (Alternative)
Southwest ISD

David Christie

Johnson High School
North East ISD

Kari Wallace

Allison L. Steele Enhanced Learning Center
Schertz-Cibolo-Universal City ISD

Kellie Clark-Chan

Virginia Allred Stacey Jr/Sr/High School
Lackland ISD

Angela Matney

Randolph High School
Randolph Field ISD

Lorena Cantu

Barrera Veterans Elementary
Somerset ISD

Courtney Davis

Clear Spring Elementary
Comal ISD

Regina Kazmir

Las Palmas Leadership School for Girls
Edgewood ISD

David Padilla

Dwight Middle School (Middle School STEM)
South San Antonio ISD

Riley Jones

Legacy Middle School
East Central ISD

Rebecca Roberts

Woodlake Elementary
Judson ISD

Clarissa Kretz

Stonewall Flanders Elementary School
Harlandale ISD

Terrena Bernal

Heritage Elementary School
Southside ISD

Georgina Hanna

Robert G. Cole Middle and High School
Fort Sam Houston ISD

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



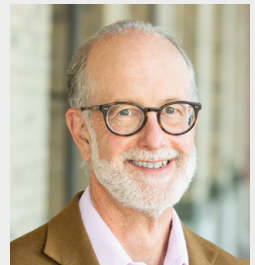
Ed Hinojosa
Member since 2016
Volunteer since 2017



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