



Powered by JSC FCU

# 2021 ANNUAL REPORT



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# BOARD OF DIRECTORS

**DEBORAH ACOSTA CONDER**  
Chair

**NATALIE SAIZ**  
Vice Chair

**JOHN J. THIEL**  
Treasurer

**BRIAN FREEDMAN**  
Secretary

**DWAYNE D. BUSBY**  
Director

**JENNY DUDLEY**  
Director

**LAVONNE BURKE HOPKINS**  
Director

**PORTIA S. KEYES**  
Director

**PEGGY A. ZAHLER**  
Director

# EXECUTIVE COUNCIL

**MARTY PELL**  
President & CEO

**CHRISTIE JORDAN**  
Executive Vice President

**RICHARD SOWELL**  
Chief Strategy Officer

**DAVID JACOBS**  
Chief Lending Officer

**MONIQUE GUNTER**  
Chief Retail Officer

**PEGGY MCCAULEY**  
Chief Financial Officer

**WES TURNER**  
Chief Technology Officer

**ALEXIS LEWIS**  
General Counsel

# SUPERVISORY COMMITTEE

**RENEE FALLS**  
Chair

**CANDACE BROWN**

**IVELINA PAVLOVA-STOUT**

**THOMAS REYNA**

**JALISA SIMS**

# A MESSAGE FROM OUR CHAIR

■ Since our founding on the grounds of Johnson Space Center on December 27, 1961, we have empowered Houstonians to reach for the stars and realize their dreams. Through this very legacy, we are reminded that with permission to dream, there is no limit to human achievement.

As we celebrate 60 years of service, we continue to be guided by the passion and bravery of our founders – the men and women who put the first man on the moon. Today, we've grown into one of the largest credit unions in the Greater Houston area, and we exist to remove your fear of dreaming, so you can live life uninterrupted.

In 2021, as we continued to navigate the unique challenges of the COVID-19 pandemic, our organization carried out a remarkable and important transformation that centered around re-imagining traditional banking, conventional mindsets, and technology to prepare us to offer unparalleled member experiences in the near future. We worked together to balance keeping our community safe, remaining dedicated to serving our members, and sustaining the momentum required to propel our organization forward.

In October, we launched several new digital solutions – a new website, mobile app, and digital banking experience – and financial products and services designed to fit the varying needs of our members. Alongside modernizing the systems that power our organization and your financial well-being, we launched a refreshed brand that honors our legacy while better positioning us to serve current and future generations of Houston – Wellby.

Wellby launched an exciting new chapter in our history. While transitions of this size take time to fully integrate, I am proud of the foundational work we have accomplished, paving the way toward a brighter future for our members. In many regards, we have reason to celebrate our progress toward achieving better member service.

The past year of transformation has provided us an opportunity to reflect on where our organization is today and where we would like to be in the future. Throughout 2021, we sought feedback, listened to diverse perspectives, acknowledged our wins, and scrutinized our misses. Being honest and transparent allows us to better understand how to address issues and move forward in the right direction.

As a result of these important conversations, we are taking the necessary action to increase our resources, streamline our processes, and enhance our response time. We are working diligently to return to our desired level of excellence in member service.


Throughout this transformation, our amazing team members – the heart of our organization – have shown perseverance and dedication while remaining focused on our members' financial well-being. I want to express my sincere appreciation for those who bring Wellby to life each and every day. All that we accomplished in 2021 could not have been possible without their hard work and commitment.

Additionally, I want to share my appreciation with all my fellow board members for their invaluable support and for offering their

experiences, insights, and expertise to strategically guide the organization through a momentous year. Their commitment to creating an enduring organization that advocates and drives positive change on behalf of our members truly represents our organizational purpose.

Importantly, I share my sincere thanks with you, our members. You are who make this organization all that it is and will be in our next 60 years. It is with great pride and pleasure that I serve as Chair of the Wellby Board of Directors, and I am grateful for your trust as we continue building the next chapter in our organization's long history of member-focused service.

Our focus remains on you and your needs, and we strive to guide our members in their journey toward true well-being. Now and in the future, we will always find ways to be better for future generations and future dreamers.



**DEBORAH ACOSTA CONDER**  
Chair, Board of Directors





## FINANCIALLY SOUND

■ Wellby's Supervisory Committee has two primary purposes: 1) to ensure the organization's financial reporting is in accordance with generally accepted accounting principles and 2) that its practices and procedures safeguard members' assets. These goals are met, in part, by ensuring that Wellby's leadership properly administers policies established by the organization's board of directors and maintains effective procedures to comply with laws and regulations, to minimize the risk of fraud, and to avoid conflicts of interest.

In carrying out its duties, the committee oversees and reviews the internal audit department's activities and is also responsible for ensuring that Wellby's financial condition is accurately presented in the Credit Union's financial statements by engaging an independent audit firm annually.

BKD CPAs & Advisors, LLP (BKD), a certified public accounting (CPA) advisory firm, serves as Wellby's independent external auditor. As one of the nation's leading and oldest CPA firms, BKD assists the organization with its annual audit.

BKD performed an audit of Wellby's 2021 financial statements. In all substantial respects, the Credit Union's accounting practices, cash flows, and operations aligned with generally accepted

accounting principles in the United States of America. Additionally, the National Credit Union Administration (NCUA), the regulatory agency for all federally insured credit unions, performs annual examinations.

The NCUA conducted the 2021 audit as of June 2021, and Wellby received an overall rating indicative of a well-managed credit union serving its members' needs. The NCUA looked at seven major risk areas: credit risk, interest rate risk, liquidity risk, transaction risk, compliance risk, strategic risk, and reputation risk. Based on the NCUA examination report, the supervisory committee is pleased to report that Wellby continues to comply with laws and regulations, operating soundly and capable of withstanding business fluctuations.

The Wellby Supervisory Committee is pleased to report these positive results and serve the Wellby membership. For assistance with issues that cannot be resolved through normal channels, members are encouraged to contact the committee by email at: [SupervisoryCommittee@wellbyfinancial.com](mailto:SupervisoryCommittee@wellbyfinancial.com).

Respectfully,

**RENEE FALLS**  
Chair, Supervisory Committee

# FINANCIALS

 **\$2.62B**  
IN TOTAL ASSETS

 **\$299M**  
IN TOTAL EQUITY

 **\$2.28B**  
TOTAL DEPOSITS

## ASSETS

	2019	2020	2021
<b>Total Loans</b>	\$1,012,024,958	\$1,187,780,858	\$1,466,980,968
<b>Less Allowance</b>	(\$3,201,321)	(\$6,701,629)	(\$7,698,230)
<b>Net Loans</b>	\$1,008,823,637	\$1,181,079,228	\$1,459,282,738
<b>Cash &amp; Cash Equivalents</b>	\$111,513,350	\$214,119,052	\$207,152,730
<b>Net Investments</b>	\$1,060,336,970	\$1,102,607,234	\$823,956,713
<b>OTHER ASSETS</b>			
<b>Fixed Assets</b>	\$35,439,832	\$35,126,263	\$34,383,450
<b>NCUA Share Insurance Deposit</b>	\$18,011,357	\$20,074,891	\$23,497,439
<b>Other Assets</b>	\$13,901,580	\$20,717,754	\$74,996,533
<b>TOTAL ASSETS</b>	\$2,248,026,726	\$2,573,724,423	\$2,623,269,603

## LIABILITIES, SHARES, & EQUITY

	2019	2020	2021
<b>Total Liabilities</b>	\$4,762,474	\$11,245,844	\$45,226,143
<b>Total Shares &amp; Deposit</b>	\$1,973,448,661	\$2,255,517,879	\$2,279,374,569
<b>Total Equity</b>	\$269,815,591	\$306,960,699	\$298,668,891
<b>TOTAL LIABILITIES, SHARES, &amp; EQUITY</b>	\$2,248,026,726	\$2,573,724,423	\$2,623,269,603

## OPERATING INCOME

	2019	2020	2021
<b>Total Interest on Loans</b>	\$34,569,767	\$44,839,499	\$53,084,429
<b>Income from Investments</b>	\$26,249,188	\$20,978,699	\$17,555,558
<b>Fee and Other Operating Income</b>	\$15,857,176	\$14,094,881	\$15,897,057
<b>TOTAL GROSS INCOME</b>	\$76,676,131	\$79,913,078	\$86,537,044
<b>TOTAL OPERATING EXPENSE</b>	\$39,400,914	\$46,844,355	\$59,602,645
<b>INCOME (LOSS) FROM OPERATIONS</b>	\$37,275,217	\$33,068,724	\$26,934,399
<b>Less: Provision for Loan Losses</b>	\$3,233,086	\$6,648,354	\$5,657,560
<b>Interest Paid to Members</b>	\$14,701,933	\$13,892,015	\$8,057,879
<b>Non-Operating Gain (Loss)</b>	(\$206,497)	\$3,004,233	\$2,560,532
<b>ADJUSTED NET INCOME (LOSS)</b>	\$19,133,701	\$15,532,587	\$15,779,492

# A MESSAGE FROM OUR PRESIDENT & CEO

■ It is an honor to join the Wellby, Powered by JSC FCU, community. I am humbled and proud to combine my nearly 30 years of financial services experience with the 60-year history of our Credit Union.



When I arrived at Wellby this past January, I joined a dedicated team, passionate and focused on enhancing your member experience. In visiting our solution centers, meeting every Wellby team member, and having numerous discussions with our members, I have learned a tremendous amount about our history, our proud moments, our challenges, and, importantly, what matters to you.

Last year, we invested heavily in modernizing our systems to provide you a more robust and seamless member experience. Although our previous systems served us well for many years, it became critical to upgrade our tools to provide the right solutions to meet your needs.

During this same time, we updated our brand to better reflect our diverse members across Greater Houston, both inside and outside of the space

community. We created the Wellby brand to honor and reflect our unique legacy while also representing who our members are today and where they dream of going in the future.

Our logo is a great example of this. It is designed to reflect the Andromeda spiral galaxy, a firmly bound system of stars, our neighbor in the universe, and a long-held representation of dreaming and exploring new frontiers. Our Wellby brand embodies our commitment to helping our members and community reach for their dreams while achieving financial well-being.

We realize these transitions brought forth tremendous change, and we have experienced some challenges along the way. Let's face it - change is difficult, frustrating, and even scary at times. Regardless, our team is committed to addressing your concerns, answering your questions, and resolving your frustrations. We are focusing on returning to the basics of member experience and have made progress in some of our core service areas.

However, we know that we still have room to improve. Our goal is to reestablish a high-performance culture focusing on delivering excellent service. To support this momentum, our leadership team and board of directors are conducting strategic planning sessions this spring and summer to help guide our future efforts.

We thank you for your patience, support, loyalty, and trust throughout these recent challenges and are confident you will soon feel the benefits of our efforts over the past year. We are enthusiastic about our future together and are working hard to bring it to fruition.

Personally, I am thrilled to serve such a storied organization with world-class team members truly dedicated to your financial well-being. We are driven to be a force of positive change in your life and in our community. Our purpose is to help you plan for today's needs while you build tomorrow's dreams, and we are committed to living that purpose each and every day.

Best,

**MARTY PELL**  
President & CEO





# LOCATIONS

## Alvin

877 E Highway 6  
Alvin, Texas 77511

## Clear Lake - Main Office

1330 Gemini  
Houston, Texas 77058

## Cypress

14100 Spring Cypress  
Cypress, TX 77429

## Deer Park - Monument

2200 East Thirteenth Street  
Deer Park, Texas 77536

## Dickinson - Bay Colony

2461 FM 646 W  
Dickinson, Texas 77539

## Ellington

404 FM 1959  
Houston, Texas 77034

## Friendswood

1320 S Friendswood Drive  
Friendswood, Texas 77546

## Friendswood North

307 N Friendswood Drive  
Friendswood, Texas 77546

## Galveston

6167 Central City Blvd.  
Galveston, Texas 77551

## Katy

6711 S Fry Rd.  
Katy, TX 77494

## La Porte

607 West Fairmont Parkway  
La Porte, Texas 77571

## League City

501 FM 270  
League City, Texas 77573

## League City - Tuscan Lakes

1280 East League City Parkway  
League City, Texas 77573

## League City - West

2660 West Main Street  
League City, Texas 77573

## Park Place

8424 Park Place Blvd.  
Houston, Texas 77017

## Pasadena North

303 W. Shaw  
Pasadena, Texas 77506

## Pearland - Broadway

9101 Broadway  
Pearland, Texas 77584

## Texas City - Mainland

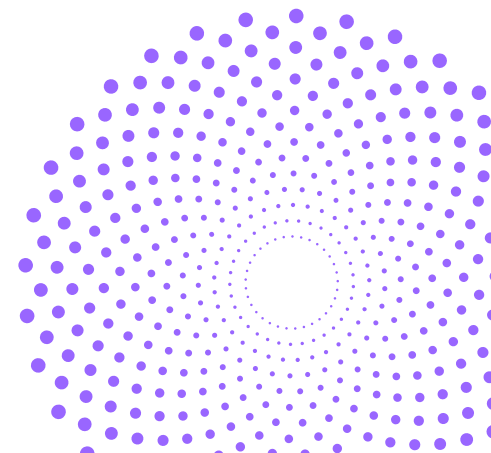
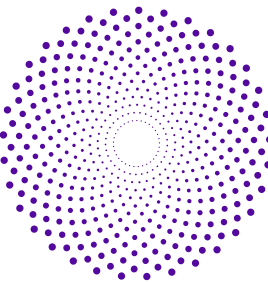
2300 Gulf Freeway, corner of FM 2004  
Texas City, Texas 77591

## Seabrook

3620 NASA Parkway  
Seabrook, Texas 77586

## Sugar Land

530 Hwy 6  
Sugar Land, TX 77478





[wellbyfinancial.com](http://wellbyfinancial.com)