



Annual Report 2023





2023

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Credit Union Leadership

Executive Council



Marty Pell
President & CEO



Deena Smith
Chief Financial Officer



David Jacobs
Chief Lending Officer



Monique Gunter
Chief Retail Officer



Wes Turner
Chief Technology Officer



Alexis Lewis
Chief Legal Officer



Richard Sowell
Chief Strategy Officer

Board of Directors

Deborah Acosta Conder
Chair

Brian Freedman
Vice Chair

Peggy A. Zahler
Treasurer

Portia S. Keyes
Secretary

Jenny Dudley
Director

Carla Kantara
Director

Sid Schmidt
Director

Natalie Saiz
Director Emeritus

Supervisory Committee

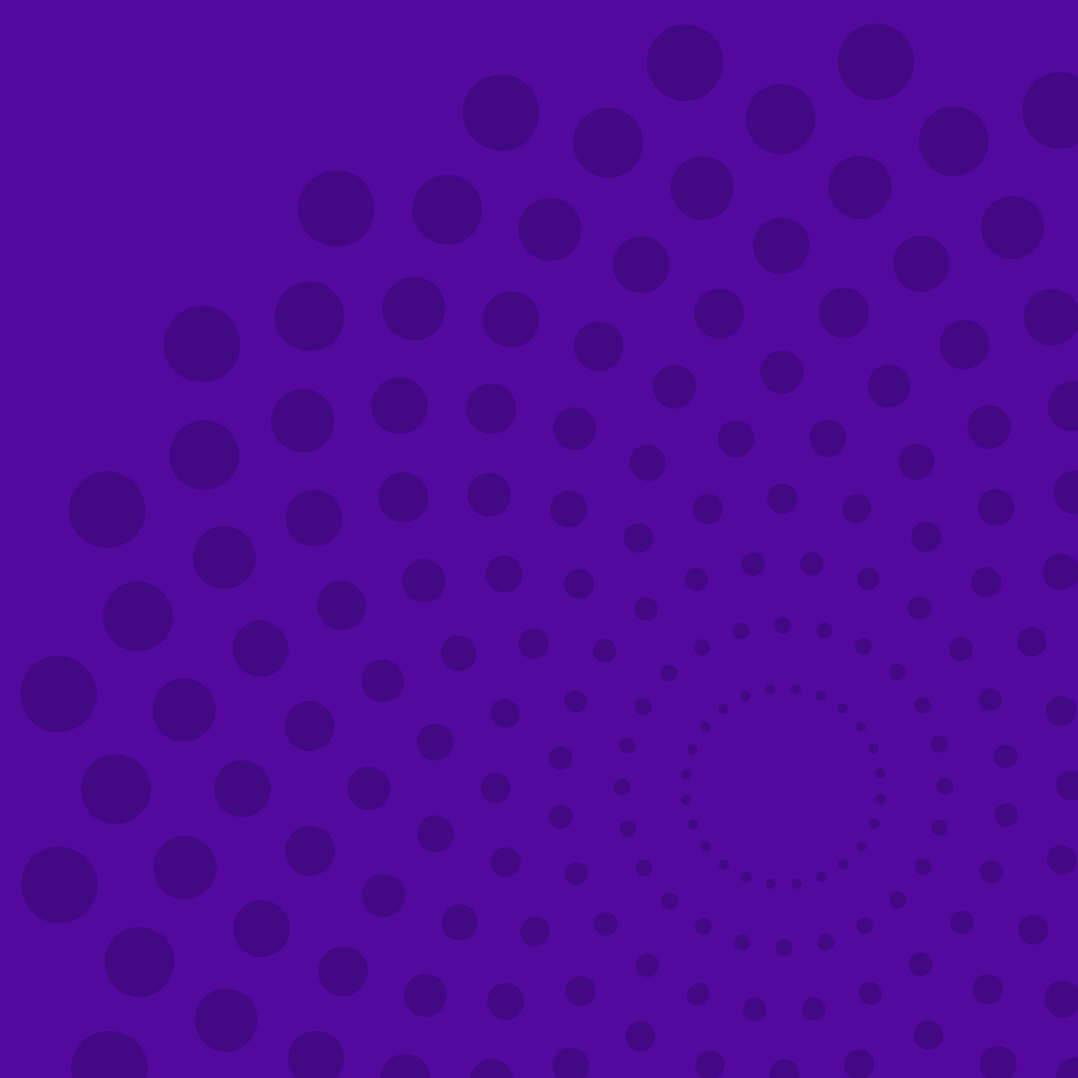
Renee Falls
Chair

Ivelina Pavlova Stout
Vice Chair

Jalisa Sims
Secretary

Candace Brown
Member

Mike Frahlman
Member



2023 Highlights

Supported

128,000
Members

On their journey toward financial prosperity



Guided

300
Individuals

With tailored solutions for their financial future



Guided

4,000
Families

On their journey to homeownership



Funded

8,000

Dreams through our personalized lending solutions



Donated

\$230,000

Through local community partnerships and events



Volunteered

1,200
Hours

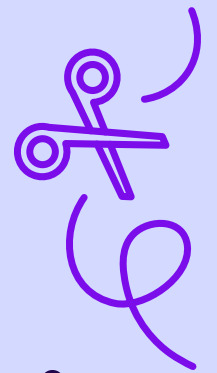
supporting our communities



Opened a

New Location

In a Clear Lake City Blvd. H-E-B



Helped

39,000

Wellby members invest in their financial safety net



2023-2024 Awards

We continue to place you at the forefront of every decision and strive to provide an unparalleled member experience as we live into our purpose of helping people prosper.



Top Credit Union



2023-24
Best Overall Credit Union in Texas
Money.com



2024
One of America's Best Credit Unions
Newsweek and Plant-A Insights Group



2023
CUNA Desjardins Adult Financial Education Award
Credit Union National Association (CUNA)

Top Leadership



Marty Pell

One of Houston Business Journal's Most Admired CEOs



Our President & CEO Marty Pell has received the prestigious honor of being named one of Houston Business Journal's Most Admired CEOs. We take immense pride in having Marty as our visionary leader, and we're excited to see his outstanding contributions and invaluable role celebrated. Join us in congratulating Marty on this well-deserved recognition!

Top Place to Work



2024
Top Workplaces USA
USA TODAY and Energage



2023
Top Workplaces award
The Houston Chronicle and Energage



2023
Top Workplaces Culture Excellence Award for Employee Appreciation
The Houston Chronicle and Energage



Deborah Acosta Conder

Cornerstone League's 2024 Volunteer of the Year



Deborah Acosta Conder, the Chair of our Board of Directors, has received the incredible honor of being named Cornerstone League's 2024 Volunteer of the Year for her dedication to Wellby and our community. Debbie is a highly valued leader in our organization, as well as in the Greater Houston community, and we're proud to see her dedication recognized in this way. Join us in congratulating Debbie on this immense honor!

A Message from Our Chair

2023 was a year of growth, accomplishments, and celebration as we supported your financial journey to prosperity.

Last year, we helped more than 39,000 Wellby members invest in their financial safety net. We supported more than 8,000 members as they turned their dreams into reality through our personalized lending solutions. We guided more than 4,000 families in achieving their dream of homeownership. We provided unique solutions for more than 300 members as they planned for their financial future. In total, we supported more than 128,000 members to build, grow, and thrive in their journey to financial prosperity. I am proud of all that Wellby Financial accomplished for our members last year and am so grateful for your membership and trust.

In addition to our dedication to our members, we remain steadfast in our commitment to community well-being. Last year, the Wellby team served more than 1,200 hours in our community to support our neighbors in need and truly help the people of Greater Houston prosper.

We continued strengthening community relationships that strongly align with both our unique legacy and our mission to invest in the dreams

of the next generation. We proudly support Space Center Houston and NASA Johnson Space Center in a variety of ways, including sponsoring community events and providing financial education opportunities for both employees and patrons.

Through our growing relationship with Clear Creek Independent School District (CCISD), we partnered to ignite learning through a spirit of exploration. For the second year in a row, Wellby's STEM Stars of the Game recognition program showcased exceptional students achieving excellence in science, technology, engineering, and math programs. In addition, we were proud to again sponsor a CCISD Title I elementary school to attend Space Center Houston's Galaxy Lights, a special opportunity for nearly 600 students, staff, and families to enjoy the event.

We continue expanding our footprint by building meaningful relationships across Greater Houston to provide financial literacy to our community, including Axiom Space, Galveston Health District, PAM Health Rehabilitation Hospital, Bay Area Turning Point, Family Promise, and more.

2023 was truly a year of celebration, with Wellby Financial winning both local and national awards. I wish to share my heartfelt thanks to our more than

Our unique legacy remains foundational to who Wellby Financial is and how we serve our members and our community.



400 Wellby team members, whose dedication to our members truly fueled our success. Our President & CEO, Marty Pell, was also honored to be named one of Houston Business Journal's Most Admired CEOs.

As we reflect on the amazing year we've had together, I'm pleased to share Wellby's operational and financial soundness, as detailed herein, on behalf of the Board of Directors.

The financial well-being of our members and our Credit Union is top of mind, and our governance and organizational policies are strategically aligned to this purpose. Wellby Financial is very well positioned for advancement in our competitive financial services industry.

Our unique legacy remains foundational to who Wellby Financial is and how we serve our members and our community. We know that with the right tools, resources, and partners, there is no limit to human achievement. We are grateful for your membership, loyalty, and trust as we build our shared path to continued success.

Deborah Acosta Conder
Chair, Board of Directors



*A full moon was visible behind the Artemis I SLS (Space Launch System) rocket and Orion spacecraft at Launch Complex 39B at NASA's Kennedy Space Center in Florida on June 14, 2022. The first in an increasingly complex series of missions, Artemis I tested SLS and Orion as an integrated system prior to crewed flights to the Moon.
Image Credit: NASA / Ben Smegelsky*

A Message from Our President & CEO

Serving as President & CEO of your credit union, Wellby Financial, is both an honor and a privilege. Throughout the past two years, our exceptional team has focused on strengthening our Culture of Excellent Member Service as we strive to provide you with the right tools, products, and resources to help you prosper.

Last year, we enhanced our products to strengthen our commitment to your financial well-being. We launched a 105% mortgage product designed to support our members' dreams of homeownership without a down payment standing in the way. We launched highly competitive share certificates, providing an opportunity for our members to build long-term savings with certainty. The highly competitive rate on our Home Equity Line of Credit (HELOC) product was a popular, more flexible, lower-interest-rate alternative to credit cards and personal loans. We also continued offering our members the opportunity to expand their relationship with us and save even more through our Savings Plus Bonus offer. This provides members an opportunity to receive a more-than-doubled dividend rate on our high-yield Wellby Spending Plus and Wellby Savings Plus accounts with expanded account benefits and flexibility.

In addition, we added new services to provide you with the right tools to support your financial journey. We launched a new free Financial Wellness Center, which offers online courses and resource materials to help you on each step of your financial journey, whether you're building, growing, or thriving. We also added

a new direct deposit tool designed to allow you to quickly and securely allocate your paycheck to the account(s) of your choice. This tool allows you to auto-deposit all or a portion of your paycheck into your savings account or other account, helping you build your financial safety net simply and easily.

To serve our growing membership, we began the process of adding a new Wellby location inside a local neighborhood H-E-B grocery store on Clear Lake City Blvd., which opened in early 2024. We also celebrated our new community-oriented branch in Sienna with exciting grand opening and community paint day events. In addition, we celebrated a grand re-opening at our Pasadena branch, which underwent renovations to enhance your in-person experience.

We also highlighted our dedication to community well-being through our local partnerships. We donated \$150,000 to Bay Area Habitat for Humanity to provide a local family with a secure and well-constructed home while offering a significant step in their journey toward financial prosperity. Furthering this partnership, our team members will soon begin assisting the Habitat team in building this home together! We also partnered with Bay Area Turning Point to support our shared mission of providing everyone in our community with a safe and secure home. As the Presenting Sponsor of Space Center Houston's Moon 2 Mars Festival, we hosted a Rocket Challenge for high school students, where they assembled and launched a rocket on NASA Johnson

Space Center grounds for an engaging, hands-on learning opportunity. We also partnered with the Houston Livestock Show & Rodeo™ scholarship program to support one Galveston ISD student's dreams of higher education.

We expanded our Member Advocacy Group, Member Insights Panel, and Team Member Insights Panel. These member and team member groups regularly share insights on processes, products, and services with us. In addition, we continue regularly surveying members on their experiences to help us gain valuable insights on improving all aspects of your relationship with Wellby. Thank you for your engagement to help us best support your financial well-being.

Our executive team and Board continued working diligently throughout 2023, implementing our strategic plan and future goals. This work included enhancing our Culture of Excellent Member Service model, complete with resources, education, and hands-on learning for our team members to ensure we serve our members to the best of our ability.

2023 was an award-winning year for Wellby Financial. Money.com rated us as the Best Overall for Banks and Credit Unions in Texas, and Newsweek ranked us as one of the best Credit Unions in America. Our dedication to your financial well-being was highlighted in our winning the prestigious CUNA Desjardins Adult Financial Education Award. In addition, our commitment to providing an excellent team environment was honored with a Top Workplace award from the Houston Chronicle and a national Top Workplaces Culture Excellence Award for the category of Employee Appreciation. We went on to win a USA TODAY Top Workplace award, naming Wellby as one of the top workplaces in the nation. In addition,

our Board of Directors Chair, Deborah Conder, was honored to receive Cornerstone's 2024 Volunteer of the Year award for her service to Wellby and our community. These awards and honors reflect our dedication to our members, team members, and community.

We're here to help you prosper. Every enhancement we make to our products, services, and resources is designed to strengthen your financial well-being. You aren't just a member; you are a part-owner of Wellby Financial and a highly valued member of our community. We will continue to model the cooperative principles of credit unions by returning our profits to our members through dynamic benefits. Our incredible team is dedicated to helping you reach your dreams and achieve true financial prosperity. As the year continues, I look forward to sharing more of what our team is working on to support you as you build, grow, and thrive in your financial journey.

Thank you for your membership and loyalty. We will continue to keep your financial well-being central to every decision we make as we strive to help people prosper.



Marty Pell
President & CEO



Financially Sound

A Message from Our Supervisory Committee

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

In performing its duties, the committee oversees and reviews the internal audit department's activities. The committee 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. For the year ending 2023, we engaged qualified external auditors from Doeren Mayhew, a globally recognized CPA firm, to provide a level of assurance commensurate with the Credit Union's size and complexity. After extensive testing of internal controls and transactions, the firm found that the Credit Union's accounting practices, cash flows, and operations aligned with generally accepted accounting principles in the United States of America, resulting in an unqualified or 'clean' opinion. This opinion assures our members that the financial statements are free of material errors and omissions and fairly present the Credit Union's financial position.



Additionally, the regulatory agency for all federally insured credit unions, the National Credit Union Administration (NCUA), performs annual examinations. In 2023, The NCUA reviewed seven major risk areas: credit risk, interest rate risk, liquidity risk, transaction risk, compliance risk, strategic risk, and reputation risk. The NCUA conducted the examination as of June 2023, and Wellby received an overall rating indicative of a well-managed credit union serving its members' needs.

Based on the NCUA examination and the external audit results, the Supervisory Committee is pleased to report that Wellby continues to operate soundly and remains capable of withstanding business fluctuations. The 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.

Renee Falls
Chair, Supervisory Committee



Based on the NCUA examination and the external audit results, the Supervisory Committee is pleased to report that Wellby continues to operate soundly and remains capable of withstanding business fluctuations

Financial Report

Assets	2023	2022	2021
Loans	\$1,825,605,191	\$1,679,420,938	\$1,466,980,968
Less Allowance	(\$16,946,000)	(\$11,336,774)	(\$7,698,230)
Net Loans	\$1,808,659,191	\$1,668,084,164	\$1,459,282,738
Cash & Cash Equivalents	\$221,842,734	\$57,954,833	\$207,152,730
Net Investments	\$484,775,650	\$630,755,731	\$823,956,713
Other Assets			
Fixed Assets	\$33,681,159	\$31,950,088	\$34,383,450
NCUA Share Insurance Deposit	\$21,316,040	\$21,139,853	\$23,497,439
Other Assets	\$84,827,486	\$77,498,057	\$74,996,534
Total Assets	\$2,655,102,259	\$2,487,382,727	\$2,623,269,604

Liabilities, Shares, & Equity	2023	2022	2021
Liabilities	\$31,016,421	\$29,401,438	\$45,226,144
Shares & Deposit	\$2,354,492,424	\$2,209,600,654	\$2,279,374,569
Equity	\$269,593,414	\$248,380,635	\$298,668,891
Total Liabilities, Shares, & Equity	\$2,655,102,259	\$2,487,382,727	\$2,623,269,604

Operating Income	2023	2022	2021
Interest on Loans	\$81,738,212	\$61,480,658	\$53,084,429
Income from Investments	\$24,262,191	\$23,804,239	\$17,555,558
Fee and Other Operating Income	\$16,013,059	\$15,494,740	\$15,897,057
Gross Income	\$122,013,462	\$100,779,637	\$86,537,044
Dividends Paid to Members	\$32,170,182	\$8,223,861	\$8,057,879
Provision for Loan Losses	\$8,611,180	\$10,400,651	\$5,657,560
Operating Expense	\$71,835,954	\$68,475,544	\$59,602,645
Other Non-Operating Gain (Loss)	\$7,675,092	(\$2,184,220)	\$2,560,532
Adjusted Net Income (Loss)	\$17,071,238	\$11,495,361	\$15,779,492
Special Dividends Paid to Members	\$0	\$6,473,696	\$0
Net Income (Loss)	\$17,071,238	\$5,021,665	\$15,779,492

2023 Financial Highlights

\$17M

NET INCOME

\$270M

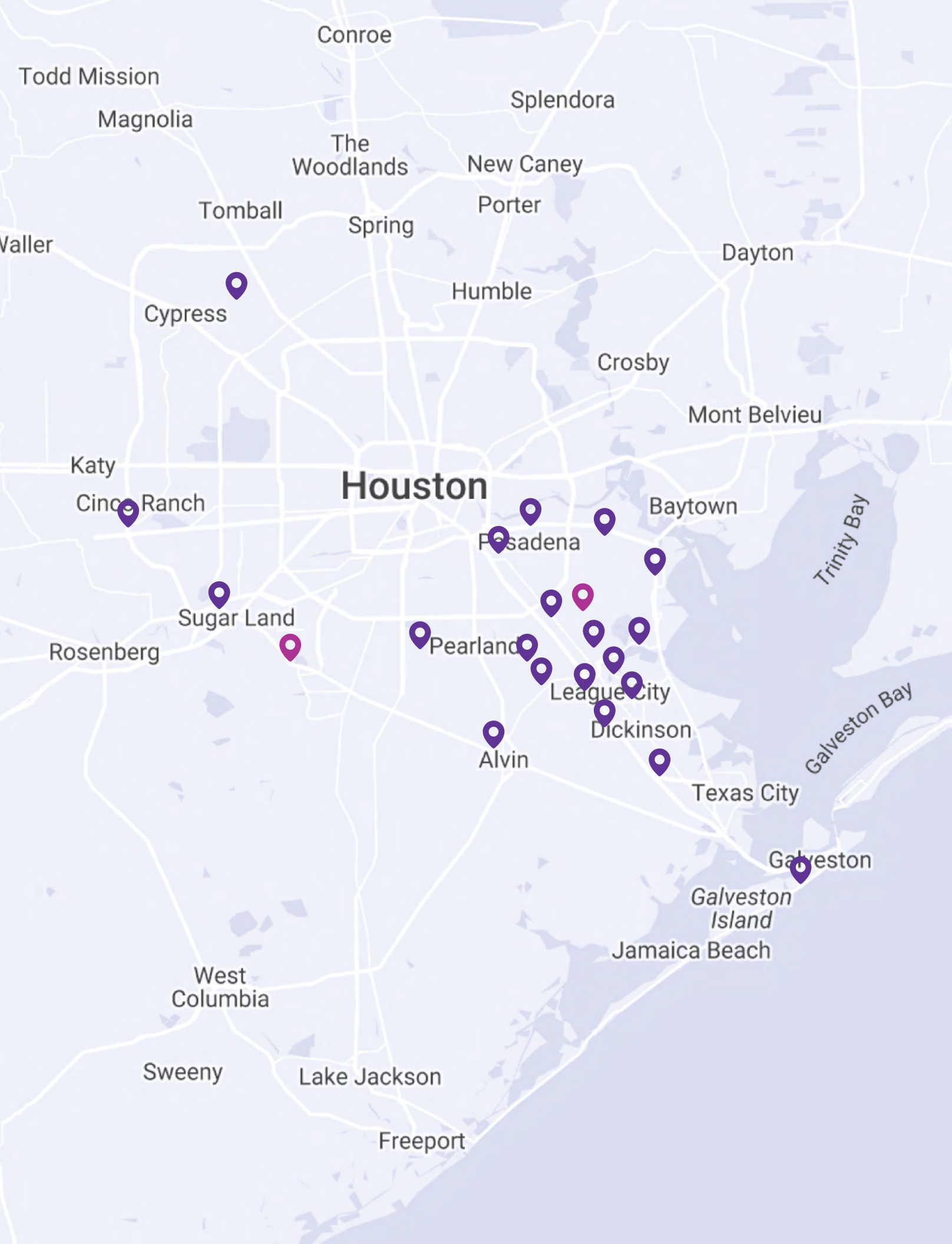
MEMBERS' EQUITY

\$146M

LOAN GROWTH

\$145M

SHARE GROWTH



Our Locations

Alvin

877 E. Highway 6
Alvin, Texas 77511

Clear Lake - Main Office

1330 Gemini
Houston, Texas 77058

★ Clear Lake Blvd H-E-B

3501 Clear Lake City Blvd.
Houston, TX 77059

Cypress H-E-B

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 H-E-B

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
Texas City, Texas 77591

Seabrook

3620 NASA Parkway
Seabrook, Texas 77586

★ Sienna

8215 Hwy. 6
Missouri City, Texas 77459

Sugar Land H-E-B

530 Hwy. 6
Sugar Land, TX 77478

★ New Location



HELPING PEOPLE PROSPER

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