

87TH ANNUAL MEETING


bp



federal credit union

bpfcu

Wednesday
February 21, 2024

 Embassy Suites by Hilton Houston West
16435 Katy Fwy
Houston, TX 77094

AGENDA

APPROVAL OF MINUTES
OF 86TH ANNUAL MEETING
CHAIRMAN'S REPORT
PRESIDENT'S REPORT
NOMINATING COMMITTEE
ELECTION OF OFFICIALS
UNFINISHED BUSINESS
NEW BUSINESS
DRAWING OF DOOR PRIZES
ADJOURNMENT

CREDIT UNION PHILOSOPHY

The American credit union movement began as a cooperative effort to serve the credit needs of individuals of modest means during the Great Depression. Since then, credit unions continue to fulfill the purpose of people helping people by matching savers with borrowers. Credit Unions are member-owned, democratically operated, not -for-profit organizations with a specified mission of meeting the credit & savings needs of our members.

BP Federal Credit Union started 87 years ago as a means of helping individuals. We continue to grow solely due to our relationship with BP & other select groups. We encourage you to share your credit union with family & co-workers.



SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is comprised of credit union members who serve the membership by providing assurances regarding compliance with policies, regulations, & laws governing the operation of BP Federal Credit Union.

Committee Responsibilities:

Annual Audit: The records of BPFUCU, including balance sheet & related statements were reviewed by independent auditors.

Federal Exam: The examination was performed by National Credit Union Administration in accordance with financial performance standards set by NCUA & mandated by the Federal Credit Union Act.

The audit & the federal exam found BPFUCU to be in excellent fiscal condition. Our financial fitness is attributed to safety & soundness of operations, record keeping, compliance & earnings.



Exclusive
Membership



Interest
Earning
Accounts



Mortgage
& Land and Lot
Loans



Auto Loans
New, Used &
Refinance

Make your money work for you.

Call (281) 870-8000 or visit us online at bpfcu.org to learn more.

Thank you for choosing BP Federal Credit Union!



2023

Annual Report



	2023	2022
ASSETS		
Total Loans	\$121,150,900	\$121,537,731
Allowance for Loan Loss	(\$118,333)	(\$126,942)
Cash Accounts	\$5,655,984	\$5,489,795
Investments	\$7,295,889	\$10,481,287
NCUSIF	\$1,128,854	\$1,167,255
Fixed Assets	\$704,671	\$891,406
Other Assets	\$2,807,743	\$3,764,410
Total Assets	\$138,625,708	\$143,204,942
LIABILITIES		
Accounts/Dividends Payable	\$7,649,026	\$4,197,884
Total Liabilities	\$7,649,026	\$4,197,884
EQUITY		
Shares	\$30,208,569	\$40,260,247
Checking	\$35,058,116	\$41,522,342
Money Markets	\$16,070,148	\$23,896,191
Certificate Accounts	\$32,527,700	\$16,554,835
Total Deposits	\$113,864,533	\$122,233,615
Regular Reserves	\$824,124	\$824,124
Undivided Earnings	\$16,432,809	\$16,107,038
Total Member Capital	\$17,256,932	\$16,931,162
Unrealized Gains/Losses on Available-For-Sale Securities	(\$144,783)	(\$157,719)
Total Equity	\$130,976,681	\$139,007,058
Liabilities & Equity	\$138,625,708	\$143,204,942
OPERATING INCOME		
Total Income	\$5,919,425	\$5,533,844
OPERATING EXPENSE		
Total Expenses	\$4,112,740	\$3,901,315
TOTAL DIVIDENDS/MISC		
Total Dividend Expenses	\$1,480,915	\$598,008
Net Income	\$325,770	\$1,034,521
Number of Members	6,852	6,841

2023

86th Annual Meeting Minutes

The 86th Annual Meeting of the BP Federal Credit Union was held on February 15, 2023. Janiece Andrus, Chairman of the Board, chaired the meeting.

It was determined that a quorum was present with 52 members in attendance, and an additional three members present virtually via Zoom, for a total of 55 members. The minutes from last year's meeting were included in the Annual Report brochure and the motion carried to approve them as written.

Janiece Andrus proceeded with the overview of 2022 from the Board of Directors in her Chairman's Report:

Thank you for attending the 86th Annual Meeting for BP Federal Credit Union. This is our first "in-person" meeting since February of 2020; and we certainly appreciate each of you for taking the time to help us celebrate another challenging, yet successful year that was 2022.

If you've not had a chance to visit our new main office at Republic Square, for which we had our grand opening on September 29th, we encourage you to do so. There's a video posted on our website that shows the location of the branch, and how to get to it via the walking paths from BP, as well as the two parking lots outside of Republic Square. Our other offices, located on Memorial, and in the Westlake 1 and Helios buildings, remain open and available for all your financial needs.

2022 has marked our 4th year of solid growth. Despite interest rates increasing sharply, we have done our best to keep our loan rates competitive, and we have crossed 85% loans-to-assets, a significant achievement for most credit unions.

This year was also our first positive increase in new members since 2017. We've opened a significant number of new accounts across all four of our branches, with a notable increase of this sort of activity coming from Helios, a branch that usually trails behind the others in this area.

We hope to continue this trend into 2023, and to that end will be rolling out a revamped mobile app and home banking website in mid-April, which will bring with it the long-requested functionality of Zelle.

Some highlights from 2022:

- We closed 76 real estate, 165 personal, and 308 vehicle loans, a total of \$31 million; an 11% increase of outstanding loans to our members;
- Dividend payouts to our members increased 23%, which included a bonus dividend at the end of September;
- Delinquency remains exceptionally low at just .03% compared to peer credit union average of .80%;
- Despite deposits declining slightly by .6%, our total assets increased by 3% to \$143 million.

Some of our objectives for 2023:

- Mobile app and home banking upgrades;
- Maintain top-5 dividend position versus our competitors;
- Focus on member growth, implement online account opening;
- Begin conversion/addition of 'contactless' functionality to debit cards as they renew.

Our members are always our number one priority, and as we move further into 2023, we will continue to work hard to provide the quality service you have come to expect from us. We value the feedback you provide to us through the suggestion boxes located at each of our branches, and any comments or suggestions you place in them go directly to the Board of Directors.

We know that you have a choice when it comes to banking, and we thank you for choosing BPFUCU.

The Board, Supervisory Committee, ALCO Committee, Advisory Directors and Directors Emeritus were all recognized. President/CEO Robert Corolla then presented the President's Report:

Good evening, nice to see everyone again.

As far as the state of the credit union, our net income remains strong with another year of \$1 million plus in income. Our net worth, which is capital divided by total assets, is nearing 12%. That number compares very well to our peer credit unions and provides financial stability with assurance of this credit union's existence well into the future.

2023

86th Annual Meeting Minutes Cont'd

Please take a look at our CD offerings and the dividend rates currently attached to those. They range from 3.02% annual percentage yield to 4.07% and are likely to go even higher. The credit union has the need to grow and retain our deposits right now with the tremendous amount of lending we have funded over the last year. We've also seen a larger than normal deposit runoff with members moving money out to take advantage of exchange rates and seeking higher returns elsewhere. We don't anticipate this trend to continue as our deposit rates rise and we attract new membership from BP and from the companies in the Republic Square complex. We do understand how important it is, now more than ever, the need to be competitive on our deposit rates in this rising rate environment - which is something we've not seen for many years.

As Janiece mentioned, we have an upcoming conversion of our mobile app, which will include our bill pay and remote deposit products as well as our home banking site. Again, Zelle will also be part of this upgrade. This will be a huge change for our online users that will probably take some adjustment for our members. The anticipated live date will be in mid-April.

Look for an invite soon for more events we intend on hosting. One in particular, another outdoor event in latter part of March at the Republic Square branch, and hopefully weather will cooperate. We would like to do other events as well as the year progresses to bring folks in and hopefully sell our services a little more in the process. Possibly another senior outing as well? It's been a while since we've hosted one of those.

One last thing on the Republic Square branch that we keep mentioning - it's a little bit of a walk from the nearest parking lots similar to how the branch in Westlake 2 was setup before we left that building. So it's challenging to find the first time you visit. With approval from the building management, we would like to add signage along Memorial Dr and the I-10 feeder along with designated parking spaces and walking path signs to direct folks into the branch. We did host a successful open house for all members in October of last year with a few hundred folks attending (that was separate from the grand opening). But, we would certainly like to see more foot traffic coming into that branch on a daily basis.

In closing, I would like to thank the members that have attended today, in person and on the phone. We greatly appreciate your interest and membership. In addition, thank you to our volunteer board of directors and advisory directors, and to our dedicated staff that has been instrumental in our success.

Thank you!

The report of the Supervisory Committee was included in the brochure; therefore, reading of the report was dispensed.

April Inman, Nominating Committee Chair, announced the slate of directors for election: Kira Diaz-Tushman, Sheree Fournerat, and Lynn Williams. The motion carried to elect the above-named directors.

There was no additional unfinished or new business. Prizes were drawn and awarded to attendees, and a drawing held by CU staff the following day amongst all Zoom participants was also to take place.

The meeting adjourned.

Janiece Andrus, Chairman

April Inman, Secretary



THANK YOU

for attending the

87TH ANNUAL

MEETING

bp



federal credit union

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BP FEDERAL CREDIT UNION STAFF

President/CEO:
Executive Vice President:
Vice President of Operations:
Accountant:
Accounting Assistant:
Marketing Manager:
Business Development:
Mortgage Loan Officer:
Sr. Mortgage Loan Processor:
Mortgage Loan Servicer:
Loan Manager:
Loan Officer:
Collections Specialist:
Member Services Supervisor:
Senior Teller:
Member Services:
Member Services:

Robert Corolla
Ben Newcomb
Aaron Martin
Helen Bermudez
Mercy Zalic
Brooke Adkisson
Brandye Wright
Pamela M. Henry
Julie Smeltzer
Jose Llanas
Lisa Foster
Jessica Augustus
Jon Taylor
Jennifer Garza
Kathy Callis
Keenan Thompson
Cristina Rodriguez

Member Services:
Member Services:
Member Services:

Emina Huskic
Kiarla Turcios
Kimberly Garbuth

BOARD OF DIRECTORS

Chairman:
Vice Chairman:
Secretary:
Treasurer:
Directors:

Janiece Andrus
Roger Golden
April Inman
Brent Hill
Bill Mills
Lynn Williams
Sheree Fournerat
Joni Clark
Kira Diaz-Tushman
Ken George
Er’Ron Robinson

Advisory Directors:

Thank you to our Volunteer Board of Directors and BPFCU Staff