



# BANK LIKE YOU OWN THE PLACE

2024 Annual Report

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2024 Highlights As of December 31, 2024



**101,296**

Members



**266**

Employees Serving our Members



**\$28,751,644**

in Home Loans Granted in 2024



**286,264**

Member Calls Answered in 2024



**\$154,764,123**

in Auto Loans Granted in 2024



**\$1,188,403,774**

in Total Deposits



**\$21,624,129**

in Dividends Paid

First Service Credit Union

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**The story of First Service  
Credit Union has been one of  
steady growth, not just in size,  
but in purpose.**



# A Year of Growth, Innovation, and Member-First Service

From our beginnings as a small credit union serving the employees of Brown & Root to the successes of today, the story of First Service Credit Union has been one of steady growth, not just in size, but in purpose.

Over the past year, we have welcomed thousands of new members, expanded through a key merger, and introduced services designed to make banking not just easier, but more rewarding. However, we are not content to stop

there! With new branches on the horizon and smarter digital banking solutions ahead, we are building the foundation for the future of First Service Credit Union.

Thank you for being part of First Service Credit Union. Your trust and engagement fuel our success, and we look forward to continuing this journey together.



# Message from the President & CEO



**Dave Bleazard**  
President & Chief Executive Officer

2024 was a monumental year in the history of First Service Credit Union — a year of record growth, bold innovation, and steadfast commitment. These milestones represent more than mere progress; they reflect the simple but enduring truth that a financial institution is strongest when it puts service first.

## **Digital Banking: A Smarter, More Integrated Experience**

There is a time to refine what works and a time to reimagine what is

possible. In 2025, we are introducing a new and improved digital banking experience to our members. This new AI-powered platform is designed with speed, performance, security, and overall efficiency in mind. It's easy to use, offering insights in real-time that will help you make the best possible financial decisions.

The new digital banking experience will premier later this year, and we're excited to share more details in the coming months. Managing your finances with First Service Credit

Union in the years to come will be even easier, more intuitive, and -- most important of all -- empowering.

## **Widening Our Reach: A New Era for First Service Branches**

Besides digital banking, we are also investing our time and your resources into something that is just as important: the physical places where our members and their employees connect in person. This summer, we are opening a second branch in Sugar Land, Texas.

The branch concept at the new Sugar Land location will be open and modern, removing those physical barriers that have traditionally separated members and tellers with the goal of creating a more welcoming, collaborative space. It is no doubt different from the bank lobbies you're used to, but know that the personal, member-first service you have come to expect remains the same.

This relationship branch concept has already been introduced at our Tunnels, Spring Cypress, and Katy branches, and the Galleria and Eldridge branches will soon follow. I strongly encourage you to visit these locations and experience the difference for yourself.

**Record-Breaking Growth: Strength in Numbers**

With all of these improvements

and advancements, it is no surprise that more people are choosing First Service Credit Union.

In 2024, we welcomed over 5,000 new members, and for the first time in our 47-year history, we passed 100,000 members. We are not content to stop there and intend to reach over 107,000 members by the end of the year.

Growth is enormously important to us here at First Service, not as a mere ambition, but as a responsibility. A credit union is not like other businesses; it does not seek profit for profit's sake. A bank will grow to outpace its rivals, while a credit union grows to outreach them.

To this end, we are actively pursuing more mergers, strengthening our connection to other credit unions, and collaborating at the state and national level to ensure the long-term financial

security of the communities we serve.

**Serving Our Members in a Changing Financial Landscape**

Growth is not just about adding new members. It's about growing stronger and more competitive in an ever evolving world that demands we change with it. If this past year has taught me anything, it's that success, especially for credit unions, is never guaranteed. We must remain proactive. We must anticipate challenges before they arise, staying true to those values that set us apart.

At First Service, we do not simply react to change. We prepare for it. We do not merely weather financial shifts. We adapt to ensure that every member, no matter where they are on their financial journey, has the resources, the guidance, and the stability they need to succeed.

# Message from the Chairman of the Board



**Doug Esmond, CPA**  
Board Chairman

## **Building for the Future: A Credit Union That Moves with You**

At First Service Credit Union, we believe in supporting our members in real, tangible ways. Over the past year, we have introduced new tools, improved essential products, and overhauled our digital and in-branch services to enhance the everyday lives of our members.

## **Real-World Applications**

We know that the difference between

a reasonable fee and an unnecessary expense so often, unfortunately, comes down to timing. We proactively introduced a 24-hour grace period for overdrafts to help our members. This service is giving members the extra time they need to cover overdrafts before fees apply.

## **Building Strong Financial Futures, One Member at a Time**

Credit building should not be a mystery, and loans should not feel like gambles. A great financial institution

must do more than simply lend out money. They must empower their members to use it wisely. This means taking ideas that, for so many, are obscured behind the haze of finance jargon and making them clear, engaging, and approachable.

It is with this focus, that we introduced the Bongo youth account in 2024. Bongo is helping our young members acquire financial education early in life by rewarding good spending habits and encouraging consistent saving.

**2024: Bank Like You Own the Place**

Financial education is not just for kids though. This year, we also partnered with Banzai, a leading financial education platform, to provide interactive tools that help our members build credit, manage debt, and prepare for major life decisions like the purchase of a home or car — prospects that have become more attainable with the introduction of Daily Cash Back Checking and Power Up.

This product is in many ways our landmark achievement of 2024, allowing our members to earn cash back on their routine spending. First Service is one of the few credit unions in the nation to offer a program like this, and we expect to see the growth of such initiatives in the long run.

### **First Service Credit Union is Growing**

That being said, we do not have to wait to see the growth that comes

with putting our members first. This year, we welcomed over 5,000 new members, 2,755 of them from a merger with SPCO, and we are currently on track to surpass 107,000 members in 2025.

Growth is much more than just a number to us. It is the ability to offer better rates, expanded services, and enhanced facilities. It is because of this growth--and in anticipation of more--that we have renovated our Tunnels, Katy, and Spring Cypress branches with the relationship branch concept.

We believe that banking should be personal, interactive, and built on relationships. The better we understand our members, the better we can anticipate their needs and provide solutions that meet them where they are today and prepare them for where they'll be tomorrow.

## **Messages**

**First Service Credit Union**

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**“Ensuring the financial stability  
and operational soundness of  
First Service Credit Union is  
vital to fulfilling our mission...”**

**- Kourtney Calhoun**  
Supervisory Committee Chair

# Supervisory Committee Report



Ensuring the financial stability and operational soundness of First Service Credit Union is vital to fulfilling our mission of providing meaningful financial services with integrity and care.

The Supervisory Committee is responsible for overseeing the credit union's operations and internal controls. Our duties include monitoring internal audit functions, commissioning external audits, verifying member accounts, and reviewing closed accounts to ensure compliance with regulations and best practices.

**First Service Credit Union**

Even though our Supervisory Committee possesses extensive experience in financial oversight, we seek outside assistance for the sake of accountability. To this end, we retain the services of an independent CPA firm each year to perform an external audit, validating the accuracy of the credit union's financial statements and the efficacy of our internal safeguards.

For 2024, we engaged Moss Adams LLP, a highly respected accounting firm, to conduct this audit. Based on their assessment, the financial statements for First Service Credit



**Kourtney Calhoun**  
Committee Chair

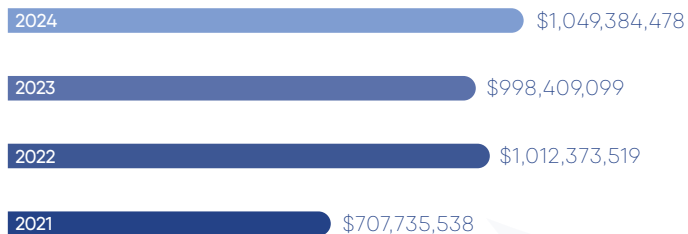
Union as of December 31, 2024, accurately reflect the credit union's financial standing, operational results, and cash flow for the year. For a free copy of the full audited financial statements, please contact First Service Credit Union's Accounting Department at 713-676-7777.

I would like to extend my sincere gratitude to the Supervisory Committee, the Board of Directors, and the dedicated staff of First Service Credit Union for their ongoing support and collaboration.

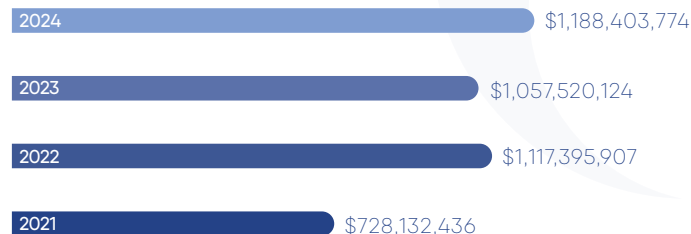
## 2024 Statement of Financial Condition and Income



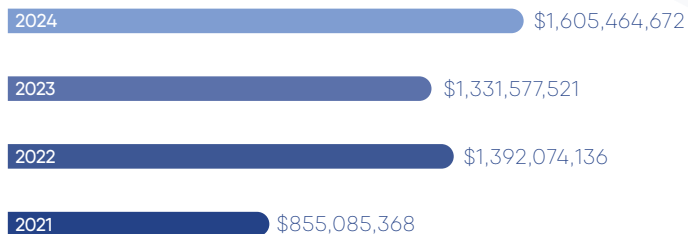
### Net Loans



### Deposits



### Assets



### Members





## Reports

### Assets

	As of Dec 31, 2023	As of Dec 31, 2024
Cash, Cash Equivalents and Interest Bearing Deposits .....	\$75,261,226	\$280,515,917
Investments .....	\$148,415,035	\$145,210,325
Net Loans .....	\$998,409,099	\$1,049,384,478
Accrued Interest Receivable .....	\$3,440,278	\$4,206,242
Premises and Equipment, Net .....	\$46,778,817	\$52,231,958
National Credit Union Share Insurance Fund Deposit .....	\$9,807,940	\$10,551,412
Other Assets .....	\$49,465,126	\$63,364,340
<b>Total Assets .....</b>	<b>\$1,331,577,521</b>	<b>\$1,605,464,672</b>

### Liabilities & Member Equity

Liabilities .....	\$132,113,633	\$270,830,221
Members' Shares and Deposits .....	\$1,057,520,124	\$1,118,403,774
Members' Equity .....	\$141,943,764	\$146,230,677
<b>Total Liabilities and Members' Equity .....</b>	<b>\$1,331,577,521</b>	<b>\$1,605,464,672</b>

### Income & Expense

	YTD Dec 31, 2023	YTD Dec 31, 2024
Total Income .....	\$86,398,662	\$92,457,725
Operating Expenses .....	\$51,494,195	\$57,328,848
Provision for Loan Losses .....	\$7,361,845	\$10,373,734
Interest and Dividend Expense .....	\$15,345,493	\$22,199,004
Non-Operating Income/Expense .....	\$947,724	\$1,377,163
<b>Net Income .....</b>	<b>\$11,249,405</b>	<b>\$1,178,976</b>

## Leadership

# 2024 Board of Directors



**Doug Esmond**  
Chairman  
Volunteer since 1990  
Re-Election 2025



**Gary Daugherty**  
Vice Chairman  
Volunteer since 2014  
Re-Election 2026



**Ron Booth**  
Treasurer  
Volunteer since 2001  
Re-Election 2026



**Tom Bullard**  
Secretary  
Volunteer since 2018  
Re-Election 2027



**Kourtney Calhoun**  
Director  
Volunteer since 1996  
Re-Election 2025



**Mohan Dinanath**  
Director  
Volunteer since 1998  
Re-Election 2026



**Janet Hill**  
Director  
Volunteer since 2001  
Re-Election 2026



**David Itz**  
Director  
Volunteer since 1994  
Re-Election 2025



**Paul Love**  
Director  
Volunteer since 1984  
Retiring 2025



**Wayne Taylor**  
Director  
Volunteer since 1982  
Re-Election 2026



**Paul SoRelle**  
Director  
Volunteer since 1980  
Re-Election 2027



**Dominique Varner**  
Director  
Volunteer since 2021  
Re-Election 2027

# 2024 Supervisory Committee



**Kourtney Calhoun**  
Chair  
Volunteer since 1996



**Mohan Dinanath**  
Director  
Volunteer since 1998



**Mack Mayhew**  
Director  
Volunteer since 2007



**Adrian Nieto**  
Director  
Volunteer since 2014



**Paul SoRelle**  
Director  
Volunteer since 1980



**Dominique Varner**  
Director  
Volunteer since 2020

**First Service Credit Union**



**“Banking should be  
personal, interactive, and  
built on relationships.”**

**- Doug Esmond**  
Board Chairman





## Leadership

# Executive Leadership Team



**Dave Bleazard**  
President & Chief  
Executive Officer



**Matt Downing**  
EVP / Chief Data  
Officer



**Teri Edge**  
EVP / Chief  
Growth Officer



**Steve Gilman**  
Director of Political  
& Legislative Affairs



**Jon Shurtz**  
EVP / In-House  
Counsel



**Jason  
Swatsenbarg**  
EVP / Chief  
Financial Officer



**Nolan Waltman**  
EVP / Chief  
Operating Officer

**First Service Credit Union**



# 2025 Board Nominees



**Doug Esmond**

Chairman  
Volunteer since 1990

Mr. Esmond currently serves as the Chairman of the Board and serves on the Executive Compensation and Asset and Liability Committees. In the past, he has served as the Chairman of the Supervisory Committee for First Service Credit Union.

He formerly was the Chairman of the Board for legacy Right Choice Credit Union. He has recently retired after a long career in the Tax field and is enjoying frequent travels. Doug has been a member of the credit union since 1990. He is the proud parent of three grown children and three grandchildren. He enjoys mountain biking, golf, working out, hunting, motorcycling, and snow skiing. He has a BBA in Accounting from Texas State University (formerly Southwest Texas State University) and is a Certified Public Accountant licensed in the State of Texas.



## Board Nominees



**Kourtney Calhoun**

Director  
Volunteer since 1996

Ms. Calhoun currently serves as a Board Director and as the Chair of the Supervisory Committee for First Service Credit Union. She has previously served as the Chair of the Board, and as the Vice Chair and Chair of the Executive Compensation Committee.

She was previously Chair of the Board of El Paso Corporation Federal Credit Union, a 2013 merger partner with First Service Credit Union. Ms. Calhoun obtained her Bachelor of Arts from Houston Baptist University majoring in Accounting and Political Science. She has served in management positions with Tenneco, El Paso Corporation and Kinder Morgan with a variety of responsibilities in Accounting, Information Technology, Pipeline Commercial Operations and Information Governance. Now retired, Ms. Calhoun enjoys spending time with her family, especially her twin granddaughters and grandson.



**David Itz**

Director  
Volunteer since 1994

Mr. Itz currently serves on the Board of Directors of First Service Credit Union and is a member of the Asset and Liability Committee and the Executive Compensation Committee. Over the years, he has served as the Chairman of the Board and on the Supervisory Committee.

Mr. Itz has over 40 years of experience in the energy industry and is now retired. A native of San Antonio, he earned his bachelor's in Geology and Economics from Rice University and then held professional and management positions with El Paso Natural Gas, Texas Utilities, Houston Industries (now CenterPoint Energy and NRG), and Calpine Corporation. Mr. Itz is currently Board Chairman of the Houston Community College Foundation and a member of the Dean's Advisory Board for the School of Social Sciences at Rice University.

# Annual Meeting Minutes

May 7, 2024

Chair of the Board, Kourtney Calhoun, welcomed everyone to the 46th Annual Meeting of First Service Credit Union (FSCU), which was held in person at the corporate office in Houston, TX. The meeting was called to order at 6:00pm. Chair Calhoun asked if a quorum was present and Executive Assistant Virginia Dolan affirmed that there was.

Chair Calhoun stated that Executive Assistant Dolan will serve as our secretary and the meeting is being recorded. As a reminder, in the 2022 Annual Meeting, Special Rules of Order - also known as "House Rules" - were adopted for the conduct of all membership meetings of First Service Credit Union. Because we are required to follow Robert's Rules of Order and our Bylaws, the Board is appointing a Parliamentarian to help ensure that our meeting is conducted properly and efficiently. The Board has appointed Carolyn Taylor and Jon Shurtz, attorneys for the Credit Union, to serve as Parliamentarian. Chair Calhoun asked if there were any proposed adjustments to the minutes as presented in the 2023 Annual Report. There were none and Chair Calhoun

proceeded to ask for a motion to accept the minutes as presented.

**Motion:** A motion was made by Director Paul SoRelle and seconded by EVP/CFO Jason Swatsenbarg to accept the 2023 Annual Meeting minutes as presented. The motion passes.

CEO Dave Bleazard thanked everyone for coming and took the opportunity to thank the following individuals who represent the 2023 Board of Directors, Supervisory Committee and the Executive Team.

CEO Bleazard turned the podium over to Supervisory Committee Chairman, Doug Esmond, to present the Supervisory Committee Report.

Supervisory Committee Chairman Esmond stated that the Committee members are well qualified, with extensive financial audit experience. We maintain sound management practices and reporting that instills member confidence in the credit union's strength and stability.



## Annual Meeting Minutes

Chair Calhoun announced that since there is no Old Business on our agenda for tonight, we will move to New Business: the elections. She turned the podium over to Vice-Chairman Daugherty to introduce the Board candidates and conduct this meeting's election.

The Nominating Committee Chairman, Vice-Chairman Daugherty, stated the Nominating Committee has recommended that Dominique Marshall Varner, Paul SoRelle and Tom Bullard each be re-elected for a three-year term.

**Motion:** A motion was made by EVP/CGO Edge and seconded by Director of Political & Legislative Affairs Steve Gilman to approve the nominations of Dominique Marshall Varner, Paul SoRelle and Tom Bullard to be re-elected for a three-year term. The motion passes.

Hearing the majority in favor, the Board nominees have now been re-elected.

Chair Calhoun presented the Chair's Report stating last year marked a journey of growth and community engagement. We not only reached milestones, but also created lasting impact through our community-focused initiatives. Looking ahead, our goals are clear and focused. We are committed to continuing deep relationships we have with you, our members. We believe in not just serving you, but also

connecting with you, understanding your goals and being a part of your financial journey every step of the way.

CEO Bleazard presented the CEO Report stating that our motto is "Bank like you own the place, because you do" and we have seen how powerful that can be. It is a philosophy that shapes every service we offer and every interaction we have. We serve over 97,000 members and empower you with the tools and services that enable you to manage your finances with the confidence and authority of an owner.

Chair Calhoun thanked everyone for attending and asked for a motion to adjourn.

Treasurer Esmond made a motion to adjourn with the meeting ending at 6:22pm.

# House Rules



The following special rules of order have been adopted for the conduct of membership meetings of First Service Credit Union:

- 1 -** No business other than that related to the Noticed Business or customary Board and management reports at annual meetings shall be transacted at meetings of the members.
- 2 -** Noticed Business motions may be subject to amendment and debate but may not exceed the scope of the original topic of business noticed.
- 3 -** Notwithstanding the bylaws, the Board may ask for nonbinding member consensus, or other similar polling,

through a nonbinding vote at any meeting of the members. Such polling shall not be considered transaction of business.

- 4 -** In any question before the members subject to debate, each member may speak once in debate for a maximum of three (3) minutes, unless extended by the Chair for an additional two (2) minutes at the Chair's discretion. Members of the Board and management, or special presentations, may be excepted, subject to reasonable time limitations set by the Chair in advance of the meeting. The member who makes or seconds a motion may be called upon or recognized to respond to debate separate from the above time frame. The Chair may limit the time available for overall debate on any main or subsidiary motion to a reasonable time and may end debate and/or limit a member's time if the Chair believes that debate is becoming repetitive.



# 2024 Bylaw Updates

In 2024, First Service amended its bylaws by incorporating SPCO Credit Union members and their Select Employee Groups into its field of membership.



**Bank Like You Own the Place**

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First Service Credit Union  
16430 Park Ten Place, Houston, TX 77084



Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency. First Service Credit Union is an Equal Housing Lender. NMLS #411394