

## Board & Staff

### Board of Directors

Kevin Kleb, *Chairman*

Johnny Leibham, *Vice Chairman*

Lori Carter, *Secretary*

Don Bornemann, *Director*

Wayne Benfer, *Director*

Clarence Helfrich, *Director*

Henry Schmidt, *Director*

### Supervisory Committee

Margaret "Meg" Moore, *Chairman*

Leslie Schultz

Jorgen Jorgensen

### Office Staff

Brian C. Gilbert, *President/CEO*

Liliana Burasi Canga, *Vice President Accounting*

Mark Button, *Operations/Technology Manager*

Karen Kime, *Branch Manager, Stephenville*

Jill Jameson, *Loan Officer*

Tom Dowell, *Senior Credit Analyst/Loan Officer*

Jaki Polich, *Credit Analyst*

Brenda Gaines, *Loan Processor/Card Coordinator*

Jose Jones, *Teller Supervisor/Member Service Representative*

Mary Lowe, *Loan Processor/Collector*

Neida Montez, *Teller/Member Services Representative*

Sharda Prasad, *Loan Officer*

Michelle Rose, *Teller/Member Service Representative*

Nadia Zlatkova, *Accountant Assistant*

Raina Morris, *Accounting Clerk*

Dora Morales, *Teller/Member Service Representative*

Pat Alderete, *Teller/Member Service Representative*

Christine Lowe, *Teller/Member Service Representative*

Amanda Treece, *Credit Analyst*

Ashley Torres, *Teller/Member Service Representative*

Blanca Jimenez, *Teller/Member Service Representative*

Claudia Richards, *PT Teller/Member Service Representative*

## Locations

### Houston Office

2315 Mangum Road

Houston, TX 77092

(713) 681-0339

### Stephenville Office

2311 Northwest Loop

Stephenville, TX 76401

(254) 968-8543

### Toll-Free Number

(800) 683-6455

### Private\*Line for Audio Response

(800) 315-0553

### Website

[www.mtfcu.coop](http://www.mtfcu.coop)

### Mission Statement

Members Trust FCU is dedicated to the philosophy of "members helping members" by providing quality financial services.



Experience the CREDIT UNION difference.



Federally Insured by NCUA



of the  
Southwest  
Federal  
Credit Union

# 2014 Annual Report

79th Annual  
Meeting

*Experience the CREDIT UNION difference.*

[www.mtfcu.coop](http://www.mtfcu.coop)

## President's Message

It is my pleasure to once again report good news about Members Trust's performance. In 2014 the credit union experienced a substantial amount of growth for the year, including asset growth of 12.76% and share growth of 12.57% while maintaining a capital growth of 10.79%. These are very good numbers. Our membership growth was a healthy 6.15% as well. Thanks to each of you who recommend MTFCU to your friends and family. The best method that we have for marketing the benefits of MTFCU is for our current members to tell someone else about their positive experience.

To dig into the numbers a little deeper, we ended the year at a little over \$90 Million in assets, as you can see on the adjacent page. While this is a large number and we are in the top 25% of cu's when you measure size of assets, our regulator, NCUA is discussing a new definition for small credit unions that would include credit unions up to \$100 million in assets. As stated in previous communications to you, it is imperative for your credit union to remain efficient in order to offer services to our members. One component of efficiency is size, as that allows for spreading fixed costs over more users. But even as we grow, our focus is to keep the member service as our primary goal.

The Return on Asset ratio for 2014 was a respectable .99% with Capital to Asset ratio being 9.66% which was down slightly from year end 2013 due to asset growth. But overall, very good numbers to report.

We serve members all over the state of Texas and Oklahoma, with a concentration of members in Houston and Stephenville as where our branch offices are located. While mentioning this, I will digress and remind you that we do provide free ATM service through our association with two ATM networks, ATM1 and TransFund. You may find free ATM locations on our website for these two networks. In addition, we have an association with other credit unions within the CO-OP Shared Branching network. This alone provides access to your money at over 30,000 ATMs and over 5,000 credit union locations across the country.

MTFCU's Netbranch internet banking and our Mobile Banking service allow you to do most of your transactions via your home computer or your mobile device anytime. Of course, we are still available via phone and in person, if you would like to give us a call or come into an office.

An exciting project that we are working on in the Houston location is a new home office. MTFCU has purchased the adjoining property on the south side of our current location and we are making plans to enhance the former bank

property. Our Houston office was built in 1964 and it has served us well over the years. However, despite our best efforts to manipulate the building space, we have outgrown our facility. Therefore, when the adjacent property became available, the board and management staff of the credit union agreed that we should take advantage of the opportunity. So we should be moving into the location in the fourth quarter of 2015. The new location will give us enhanced ability to serve members, including a drive through facility.

We built our office in Stephenville and moved into that location in the spring of 2000. With the growth that we have had at that location, we are now busting at the seams there as well. So, in the not too distant future, we may need to expand that location, too.

All these are great problems and opportunities to deal with as we continue to strive to offer great credit union service to all our members in venues that meet your needs. Of course when you think of the need for a loan or a deposit account, we would like for you to think of MTFCU first.

Last year, I mentioned that credit unions are under the greatest regulatory environment that we have ever had. This is true of the banking industry as well. Just this week, the Chairman of the NCUA made a statement that 2015 would be the year of less regulation. We will have to see where this leads, but hopefully Washington is getting the message that over regulation is as detrimental to our economy as under regulation may be. We will see where we go from here, but the sound of the words is good and hopefully we can start reducing expenses for non-productive purposes which will lead to more money in the pockets of consumers over time.

Thanks again for your membership and support of your financial cooperative.

Best wishes for 2015.

Brian C. Gilbert,  
President/CEO



## Supervisory Committee Report

The Supervisory Committee is comprised of three members who are appointed by the Board of Directors. Last year we had an opening for one of these three positions and I am glad to announce that it has been filled this year by Jorgen Jorgensen. Leslie Schultz, Jorgen and I comprise this committee that is charged with overseeing that Members Trust FCU is operated in a safe and sound manner. This is an increasingly large responsibility as the credit union grows and serves more members with increasingly complex services.

The tasks include evaluation of the employees and board of director's performance in maintaining the records and assets of the credit union. Recommendations and/or suggestions are made to enhance operations to the benefit of the membership. There are spot checks done on accounts that are opened and loans booked to verify the information that is on the data processing system is consistent with member records.

The Supervisory Committee hired an audit team to conduct the annual audit in 2014. The auditors were from Credit Union Resources, Inc., Financial and Technology Resources which is a subsidiary of the Cornerstone Credit Union League. The audit dates period was from November 1, 2013 through October 31, 2014. I am happy to say that this audit revealed the "overall records and operations of the credit union were found in good condition and all noted exceptions were minor. In addition, to the external annual audit discussed above, internal audits are conducted quarterly and compliance audits are conducted semi-annually.

Supervisory Committee Members attend board meetings and have input at each meeting. While committee members do not vote on the issues, they are able to voice their opinions and take positions on each issue. We meet with NCUA Examiners as required, along with the board of directors.

With continued complexity of the services that MTFCU provides to our members it is imperative that we are able to assure that we are providing a safe and sound environment for the financial information and trust that you place with the credit union. I am confident that with the audit and review processes that we have in place, your funds are safe and secure.

It is a pleasure to serve with the board and my fellow committee members.

Sincerely,

Margaret "Meg" Moore,  
Chairman

## Financial Statements

### BALANCE SHEET

As of 12/31/2014 As of 12/31/2013

#### ASSETS

Loans	57,509,357	55,647,059
Less Allow for loan losses	(758,965)	(921,526)
Net Loans	56,750,392	54,725,533
Cash	839,486	561,776
Investments	27,597,555	21,135,160
Land, Building and Equipment	1,677,574	724,342
NCUA	768,068	691,216
Assets Acquired in Process	-	-
Other Assets	2,525,285	2,116,150
<b>Total Assets</b>	<b>90,158,360</b>	<b>79,954,177</b>

#### LIABILITIES

Total Borrowings	100,000	486,103
Accts. Payable	782,078	545,853
Dividends Payable	59	77
<b>Total Liabilities</b>	<b>882,137</b>	<b>1,032,033</b>

#### EQUITY

Member Shares	81,690,381	72,571,629
Member Capital	7,585,842	6,350,515
<b>Total Equity</b>	<b>89,276,223</b>	<b>78,922,144</b>
<b>Total Liabilities &amp; Equity</b>	<b>90,158,360</b>	<b>79,954,177</b>

#### INCOME & EXPENSE STATEMENT

INCOME	2014	2013
Interest on loans	2,860,731	3,034,020
Interest on Investments	409,607	320,565
Other Income	744,393	678,512
<b>Total Income</b>	<b>4,014,731</b>	<b>4,033,097</b>

#### EXPENSES

Operations Expenses	2,671,250	2,415,995
Provision for loan losses	24,042	20,935
Miscellaneous Expenses	0	31,535
<b>Total Expenses</b>	<b>2,695,292</b>	<b>2,468,465</b>
Less: Interest on Borrowing	(664)	(1,130)
Less: Dividends paid to Mbrs	(475,198)	(469,789)
Disp of Fixed Assets: gain/(loss)	1,085	19,961
Gain or Loss Sale of Investments	3,483	35,782
NCUA Stabilization Expense	-	(55,297)
Other Non Operating Income / (loss)	-	2,192
<b>NET INCOME</b>	<b>848,145</b>	<b>1,096,351</b>