

2020

ANNUAL REPORT

ANNUAL MEETING



Once a Member | **Always** a Member

President's *Message*

As I sit down to write this article, I am thinking of Charles Dickens opening line in “A Tale of Two Cities” novel, “It was the best of times, it was the worst of times.” It seemed 2020 contained a little of everything. Some were good and much not so good.

Early in the year, our economy was humming along at a record pace and then COVID-19 struck. We all know that with major changes like a pandemic, we will see winners and losers. In this case, there were more losers, particularly in the small business, travel, and hospitality sectors. Other businesses that cater to online purchases did quite well. So, it was a tale of two very different outcomes for people across the country and the world.

The same has been true for our members. Financially, some have suffered greatly while others have been able to maintain. MTFCU strived to be available for our members providing the financial services they needed throughout the year. From assistance with restructuring loans to providing Payroll Protection Program loans while also conducting routine business for others, who were not negatively affected by the pandemic. We also recognize this has been a very difficult year for those who lost loved ones and our hearts go out to each of you in that situation.

During this time, we were very fortunate that your board had the foresight to invest in technology which allowed us to serve our members remotely. We operate in a digital world, but to provide services in this realm takes time and money. Hindsight gives clarity if decisions were good but looking ahead is never easy. I thank the leadership of our board and our management team for keeping us strategically positioned to serve our members with the technology needed to provide continuous service during this turbulent time.

As usual, I like to get into the numbers a little. It is important for our members that we maintain a strong balance sheet so we can provide service to our members in the future. In 2020, MTFCU continued to see growth in assets and net worth. Our assets grew a little over 7% for the year and we ended the year with a Net Worth to Total Assets of 8.64% compared to 8.32% at year-end 2019.

My hope is that you have a successful 2021 and that Members Trust will continue to be your financial institution of choice.

Sincerely,

Brian C. Gilbert
President / CEO



Our **Mission**

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

Supervisory Committee Report

Appointed by the Board of Directors, the Supervisory Committee ensures that a comprehensive audit program is established and implemented in accordance with all credit union rules and regulations. The committee is also responsible for ensuring that management adheres to policies established by the Board of Directors and maintains a strong internal control system. The current Supervisory Committee is comprised of Jorgen Jorgensen, James Harle and me.

The Supervisory Committee contracted with Credit Union Resources, Inc., Financial and Technology Resources which is a subsidiary of the Cornerstone Credit Union League, to conduct the 2020 annual audit. The audit date period was from November 1, 2019, through October 31, 2020. The results of the audit indicate that the financial statements accurately represent the results of the operations and financial position for this period. No material weaknesses in internal controls were reported.

In addition to the external audit and regulatory examinations, the credit union Supervisory Committee members also attend and provide input at each board meeting; however, we do not vote on credit union issues.

With the continued complexity of the services that Members Trust provides to our members, it is imperative that we are able to assure that we are providing a safe and sound financial environment for our members. As the credit union grows, we will continue to work with management and the Board, to build a strong risk management program to ensure Members Trust remains a trusted financial partner for our members.

It is a pleasure to serve with the Board and my fellow committee members and we thank you for your membership.

Sincerely,

Leslie Schultz
Chairman

Financial Statements

Balance Sheet

Assets	2020	2019
Loans	111,756,255	112,780,420
Less Allowance for Loan Losses	(555,631)	(386,566)
Net Loans	111,200,624	112,393,854
Cash	7,620,379	7,233,642
Investments	41,069,298	29,702,750
Land, Building and Equipment	4,384,844	4,433,969
NCUAIF	1,416,465	1,302,264
Other Assets	5,656,861	4,944,314
Total Assets	171,348,471	160,010,793
Liabilities		
Total Borrowings	0	0
Accounts Payable	1,081,444	985,540
Dividends Payable	1,580	1,580
Total Liabilities	1,083,024	987,120
Equity		
Shares	157,409,732	148,033,230
Member Capital	14,808,016	13,327,722
Other Unrealized Gain/(Losses)	(1,952,302)	(2,337,280)
Total Equity	170,265,447	159,023,672
Total Liabilities & Equity	171,348,471	160,010,793

Income & Expense Statement

Income	2020	2019
Interest on Loans	5,538,400	5,429,657
Interest on Investments	718,479	787,692
Other Income	1,535,819	1,212,372
Total Income	7,792,698	7,429,721
Expenses		
Operations Expenses	4,097,081	3,941,553
Provision for Loan Losses	386,631	131,972
Miscellaneous Expenses	54,105	53,285
Total Expenses	4,537,817	4,126,810
Less: Interest on Borrowed Money	0	0
Less: Dividends on Shares	(1,790,739)	(2,161,027)
Disp. of Fixed Assets: Gain/(Losses)	(21,963)	(598)
Gain or Loss Sale of Investments	38,115	0
NCUA Stabilization Expense	0	14,064
NET INCOME	1,480,294	1,155,350



Board *of Directors*

Kevin Kleb, Chairman
Johnny Leibham, Vice Chairman
Margaret "Meg" Moore,
Treasurer/Secretary
Don Bornemann, Director
Wayne Benfer, Director
Clarence Helfrich, Director
Henry Schmidt, Director

Supervisory *Committee*

Leslie Schultz, Chairman
Jorgen Jorgensen
James Harle

Credit Union *Management Team*

Brian C. Gilbert, President/CEO
Liliana Canga, CFO
Mark Button, COO/Technology Manager
Jeff Forsgren, Chief of Lending
Amanda Treece, Stephenville Branch Manager

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