



2022 *Annual Report*



MEMBERS TRUST
OF THE SOUTHWEST
FEDERAL CREDIT UNION

President's Message

I am happy to say that 2022 was again a good year for your credit union. We have continued to grow with positive earnings and membership. We have a solid team of professionals here to provide great service to our members and we are very fortunate to also have the leadership at the Board and Supervisory Committee levels. I will address each of these in a little more detail.

As the world changes and things get more complex, it is important to provide members with the latest technology. Spreading those costs over more members and assets helps to lower the cost per member. There are significant start-up costs with any new service that we provide so those costs are the same whether we serve ten members or 1,000 members. This is when we find value in having some size and scale.

Growth for the sake of growth is not valid, but our goal is to grow so that we can convert that into improved and affordable services for our members. If done correctly, it can help with earnings and allow us to price our deposits and loans competitively to further help our members. To accomplish that, we need to maintain a good earnings ratio but also build capital for financial strength.

Here's a look at several positive growth statistics from 2022:

- Asset growth of 15.83%
- Share growth of almost 19%
- Loan growth of over 28%
- Capital growth of 8.73%

We ended the year at over \$221 million in assets. While accomplishing this, we also upgraded loan software, information and technology software, and accounting software. This credit union was founded in 1936, almost 87 years ago and with a continued focus on strong financial management, our goal is to be around another 87 years and beyond.

Our sole reason for existence is to serve our members. People do business with people, not with financial institutions. Our team members are critical to our success because they work directly with members to provide needed financial services. Our employees work hard to build relationships with members to create trust and loyalty.

We are also blessed to have excellent leadership at the Board and the Supervisory Committee levels. They have the ultimate responsibility of setting policies and guidelines for the credit union to operate within. They are also accountable for the safety and soundness of the credit union, both of which are major obligations for volunteer positions.

Finally, a big thank you to our members. You are the reason that we exist. We know you have a choice and we appreciate you choosing Members Trust for all of your financial needs.

Sincerely,

Brian C. Gilbert
President / CEO



Our Mission

Members Trust 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 provides our members with an avenue to express their concerns and acts as the oversight body for both the internal and external audit functions of the credit union. Our goal is to assure the membership that their investment in the credit union is secure.

The Supervisory Committee is also responsible for ensuring that management adheres to the policies established by the Board of Directors and maintains a strong internal control system. The current Supervisory Committee is comprised of Glenn Jirald, Clarence Helfrich, Henry Schmidt, and myself.

Based on an in-depth audit of the operations of Members Trust, Doeren Mayhew CPA Firm concluded that, in their opinion, the financial position of MTFCU conforms with generally accepted accounting principles and practices. 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.

The Supervisory Committee is pleased to report that Members Trust FCU is in good financial condition and in compliance with all regulatory directives. On behalf of the Board of Members Trust, we thank our members for trusting us with their finances. We are committed to serving our members and our communities and will continue to build a strong risk management program to ensure Members Trust remains a trusted financial partner for our members. Thank you for choosing Members Trust!

Respectfully submitted,

Brandon McDonald
Chairman

Financial Statement

BALANCE SHEET

ASSETS	2022	2021
Loans	160,628,567	124,846,366
Less Allowance for Other Losses	(843,851)	(730,706)
Net Loans	159,784,716	124,115,660
Cash	6,200,572	4,982,477
Investments	41,683,187	49,395,060
Land, Building & Equipment	4,183,912	4,162,012
NCUAIF	1,748,022	1,581,030
Other Assets	7,767,844	6,880,364
Total Assets	221,368,252	191,116,603

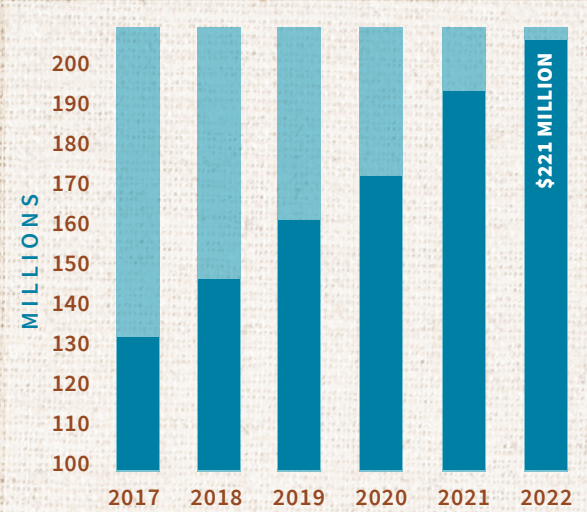
LIABILITIES		
Total Borrowings	0	0
Accounts Payable	1,304,606	1,791,582
Dividends Payable	1,136	1,758
Total Liabilities	1,305,743	1,793,340

EQUITY		
Shares	207,869,127	174,707,702
Member Capital	17,954,018	16,513,176
Other Unrealized Gain/(Losses)	(5,760,636)	(1,897,616)
Total Equity	220,062,509	189,323,262
Total Liabilities & Equity	221,368,252	191,116,603

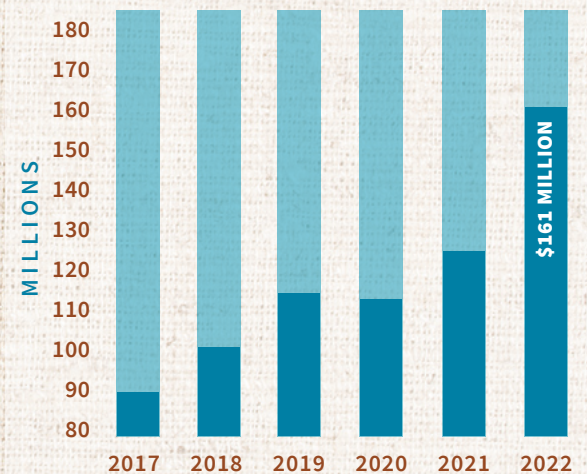
INCOME & EXPENSE STATEMENT

INCOME	2022	2021
Interest on Loans	6,046,468	5,337,756
Interest on Investments	903,812	644,511
Fee Income	881,485	929,224
Other Operating Income	655,288	902,000
Total Income	8,487,053	7,813,491

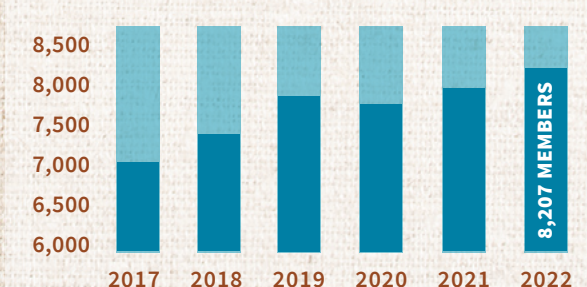
EXPENSES		
Operations Expenses	4,983,103	4,545,190
Provision for Loan & Other Losses	263,636	472,883
Miscellaneous Expenses	47,481	24,620
Total Expenses	5,294,220	5,042,693
Less: Interest on Borrowed Money	(3)	(70)
Less: Dividends on Shares	(1,753,294)	(1,065,568)
Other non Operating Gain or Losses	1,306	0
Net Income	1,440,842	1,705,160



ASSET GROWTH



GROSS LOANS



MEMBERSHIP GROWTH

Board of Directors

Kevin Kleb
Chairman

Johnny Leibham
Vice Chairman

Margaret "Meg" Moore
Treasurer/Secretary

Don Bornemann
Director

Wayne Benfer
Director

Jorgen Jorgensen
Director

James Harle
Director

Supervisory Committee

Brandon McDonald
Chairman

Glenn Jirald

Clarence Helfrich

Henry Schmidt

Management Team

Brian C. Gilbert
President/CEO

Liliana Canga
EVP/CFO

Dennis Y'Barbo
Chief Technology Officer

Jeff Forsgren
Chief of Lending

Larry Pugh
VP of Operations

Dee Anna Griswold
Stephenville Branch Manager



www.MTFCU.coop

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



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