



2023

Annual Report



MEMBERS TRUST
OF THE SOUTHWEST
FEDERAL CREDIT UNION

President's Message

Challenges and opportunities are present in every organization. These challenges keep us moving forward and embracing them gives us the strength to continue growing.

This year we had some internal changes at our credit union with the transition of our President/CEO position. Brian Gilbert, a credit union employee for over 45 years retired in September. He led the credit union for 14 years as CEO.

I would like to acknowledge the contributions that he has made over the years and the excellent growth that the credit union experienced under his leadership. This was an important change for all of us, but we are prepared and ready to continue serving our members with a collective effort from our staff and Board of Directors. I want to express my deepest appreciation to them for their work, commitment, and passion.

There is no question that 2023 was another challenging year due to the many external factors around the world. The Federal Reserve Bank continued to increase rates during the first part of 2023. The Fed Funds target rate increased four times during the first seven months of the year, ending the year at 5.50%, so we continued to feel the impact of those rate changes.

Members Trust of the Southwest FCU continued to grow during 2023. Assets grew from \$221M in December 2022 to \$230M in December 2023. We ended the year with a positive net income and a capital ratio of 8.08% which classified us, as "well capitalized" under the NCUA Rules and Regulations.

We understand the effect inflation has on many families in our community and we try to help our members by offering many affordable financial solutions including low-rate loans and credit cards. We are also pleased to have helped so many families purchase homes last year and we are proud to continue assisting our members in making the best financial decision. We continue to increase our business loans, with very competitive rates and convenient options to apply for your loan. Our new vision is present in the daily life of each employee at Members Trust, **making financial success a reality ONE member at a time**. We are respectful, dependable, and determined to do the right thing. These are our core values, and we are proud to serve our members with these principles in mind.

Throughout the year, we continue to strengthen our security systems to protect your financial information. It is very important to address a concerning trend - The increase of fraudulent activities targeting financial institutions. Your security is our top priority, and while we implement measures to protect your accounts, we ask for your cooperation in combating this rising threat. We all need to stay vigilant and remain cautious of suspicious emails, calls, or messages that don't sound legitimate, especially those that ask questions about your personal information. We ask that you always be on alert.

Looking ahead, we are committed to you by evolving and adapting to provide timely new products and services, creating new opportunities, and making sure we can offer all the financial tools you need.

We thank you for the opportunity and privilege to serve you and we hope to continue being the financial institution of your choice that supports the growth and prosperity of our community.

Sincerely,

Liliana Canga
CEO / CFO





Supervisory Committee Report

The Board of Directors appoints the Supervisory Committee each year. The Supervisory Committee oversees the internal and external audit functions, monitors regulatory processes, ensures Board Policy complies with regulatory requirements, and ensures that the strategic and operational goals are realized. The bottom line – we make sure that our members are protected and their investment in the credit union is secure.

The Supervisory Committee is comprised of Clarence Helfrich, Reeves Burdick, and me.

In accordance with regulatory needs, the Supervisory Committee worked with Doeren Mayhew CPA to conduct a high-level, Opinion Audit (as of 06/30/2023) of the operations of Members Trust. They found 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, Members Trust underwent a formal examination from the National Credit Union Administration, as of March 31, 2023. This also verified that the operations of the credit union are sound. 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 Supervisory Committee, we thank our members for trusting us with their finances. We are committed to living our vision statement – **Making financial success, ONE member at a time.** We will continue to build a strong risk management program to ensure Members Trust remains a trusted financial partner for our members and community for years to come.

Respectfully submitted,

Kyle Masters

Chairman



Our Vision

Making financial success, ONE member at a time.

Financial Statement

Balance Sheet

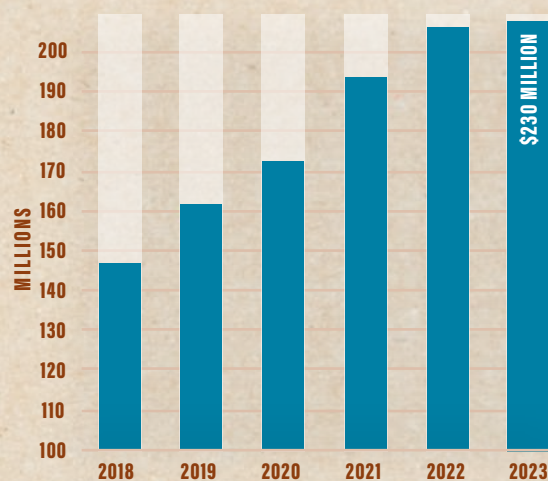
ASSETS	2023	2022
Loans	167,517,503	160,628,567
Less Allowance for Other Losses	(812,106)	(843,851)
Net Loans	166,705,397	159,784,716
Cash	5,297,037	6,200,572
Investments	45,507,044	41,683,187
Land, Building & Equipment	4,039,857	4,183,912
NCUAIF	1,885,885	1,748,022
Other Assets	6,699,678	7,767,844
Total Assets	230,134,898	221,368,252
LIABILITIES		
Total Borrowings	1,000,000	0
Accounts Payable	990,561	1,304,606
Dividends Payable	1,478	1,136
Total Liabilities	1,992,039	1,305,743
EQUITY		
Shares	216,132,811	207,869,127
Member Capital	18,314,192	17,954,018
Other Unrealized Gain/(Losses)	(6,304,144)	(5,760,636)
Total Equity	228,142,859	220,062,509
Total Liabilities & Equity	230,134,898	221,368,252

Income & Expense Statement

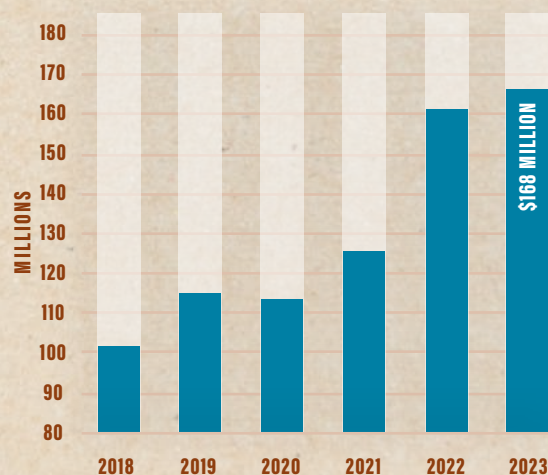
INCOME	2023	2022
Interest on Loans	7,875,152	6,046,468
Interest on Investments	1,585,031	903,812
Fee Income	896,942	881,485
Other Operating Income	618,129	655,288
Total Income	10,975,254	8,487,053
EXPENSES		
Operations Expenses	5,450,344	4,983,103
Provision for Loan & Other Losses	74,056	263,636
Miscellaneous Expenses	56,000	47,481
Total Expenses	5,580,400	5,294,220
Other non Operating Gain or Losses	9,096	1,306
Less: Interest on Borrowed Money	(1,072)	(3)
Less: Dividends on Shares	(5,042,705)	(1,753,294)
Net Income	360,174	1,440,842



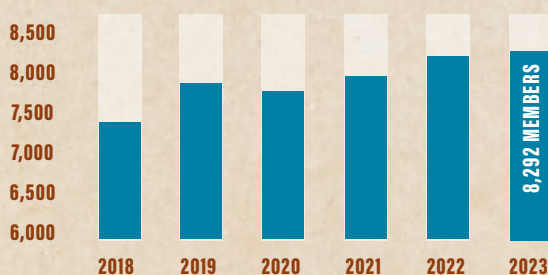
Asset Growth



Gross Loans



Membership Growth



Board of Directors

Kevin Kleb
Chairman

Margaret "Meg" Moore
Vice Chairman

James Harle
Secretary

Wayne Benfer
Director

Jorgen Jorgensen
Director

Brandon McDonald
Director

Glenn Jiral
Director

Supervisory Committee

Kyle Masters
Chairman

Clarence Helfrich
Reeves Burdick

Management Team

Liliana Canga
CEO/CFO

Jeff Forsgren
Chief of Lending

Dennis Y'Barbo
Chief Technology Officer

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



Federally
Insured
by NCUA

Community Happenings

