



2025
ANNUAL
MEETING

Central Middle School
200 N. 17th Street

Tuesday, February 25, 2025
5:30 p.m.

VISION STATEMENT

The community's
first choice today and
tomorrow.

MISSION STATEMENT

MCT has a passion for our Members' financial well-being by responsibly delivering innovative products and services in a fun, friendly atmosphere while creating member loyalty.

BUSINESS MEETING AGENDA

1. Establish a Quorum
2. Approve 2024 Meeting Minutes
3. Board Chairman Report
 - Introduction of Board
 - 2024 Bylaw Amendment
 - Board Chairman Remarks
4. CEO Report
 - Introduction of Credit Union Staff
 - Employee Service Recognition
 - CEO Remarks
5. Audit Committee Report
6. Old Business
7. New Business
 - Election of Directors
 - Door Prize Drawings
8. Adjournment

MCT Credit Union Annual Meeting Minutes

Date: April 23, 2024
Time: 5:30 p.m.
Place: Central Middle School

Directors Present: Dr. George Scott, Chairperson
Randy Brown, Vice Chairperson
Becky Demeter, Secretary/Treasurer
Trent Devenzio
Dr. Kimberly Pitts
Debbie Norris
Mike Laird
Jimmy Myers
Randy Chance

Directors Absent: None

Advisory Directors Present: Gary Tiner
Dr. Bobby Lopez

Advisory Directors Absent: Sheri Arnold

Also Present: Thad Angelle, Chad Powell, Karen Frederick,
Brandy Colunga, Magan Bordes, and Angela DeCuir

I. Call To Order

The meeting was called to order by the Chairman, Dr. George Scott at 5:30 pm.

II. Establishment of a Quorum

The Chairman, Dr. George Scott, asked if a quorum was established.
A quorum was established by Angela DeCuir.

III. Annual Meeting Minutes

Dr. George Scott asked for a motion to dispense with the reading of the 2023 minutes.

Motion: A motion was made by Randy Brown and seconded by Dr. Kimberly Pitts to dispense with the reading of the 2023 minutes. The motion carried with all in favor.

IV. Report of the Chairman

The Chairman, Dr. George Scott, introduced the members of the Board of Directors. He then called attention to the CEO/Chairman's report in the printed handout and made a statement. At this time, he informed the membership of a Bylaw change to Section 5.01 adopted by the Board of Directors and approved by the Commissioner of the Texas Credit Union Department on June 2, 2023. This change modifies our allotted Advisory Board members from 3 to 6 in compliance with the state regulation change.

V. Report of the President

Thad Angelle asked the staff to stand and be recognized. He also recognized two board members, and three employees for their years of service.

Board of Directors: 20 Years - Randy Chance

20 Years - Jimmy Myers

Employees: 30 Years - Jennifer Gay

10 Years - Chelsea Freeman

10 Years - Xuyen Pham

He gave a brief overview of 2023 and what's to come in 2024.

VI. Report of the Audit Committee

The Chairman called on Trent Devenzio, Audit Committee Chairman. Trent reported that the Texas Credit Union Department and American Share Insurance completed the primary insurance examination. Also, Moss Adams, LLP conducted the Opinion Audit, and all found the Credit Union in strong financial condition.

VII. Old Business

Dr. George Scott asked if there was any old business. There was no old business to discuss.

VIII. New Business

A. Election of Officers

The Chairman called on Becky Demeter, Nominating Committee Chairperson.

She reported the Nominating Committee met on January 5, 2024, and after consideration of all applications, it is recommended the following Directors be nominated for election:

Jimmy Myers

Randy Brown

Trent Devenzio

The Chairman, Dr. George Scott, asked for a motion to approve the Nominating Committee's recommendation to appoint Jimmy Myers, Randy Brown, and Trent Devenzio to the Board of Directors.

Motion: A motion was made by Dr. Kimberly Pitts and seconded by Debbie Norris to elect the nominees. The motion carried with all in favor.

IX. Drawing of Door Prizes

Dr. George Scott called Mike Laird to conduct the drawing of the door prizes. The drawings for door prizes took place where 20 certificates for \$100 were given away.

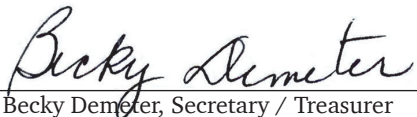
X. Adjournment

There being no further business, the Chairman called for a motion to adjourn the meeting.

Motion: A motion was made by Dr. Kimberly Pitts and seconded by Becky Demeter to adjourn the meeting at 5:59 p.m. The motion carried with all in favor.



Dr. George Scott, Chairman



Becky Demeter, Secretary / Treasurer

CEO / CHAIRMAN REPORT

MCT Credit Union has continued to adapt and grow amid the challenges and opportunities presented in 2024. The dedicated staff focused on integrating innovative solutions and technological advancements to elevate the member experience. With knowledgeable personnel and prompt service as a central priority for the Board of Directors and Management Team, these efforts culminated in another successful and financially sound annual earnings report.

The Credit Union's financial performance in 2024 was significantly shaped by fluctuations in loan volume and investments on the asset side of the balance sheet and deposit movements on the liability side. Loans declined to \$228.9 million, down from \$233.7 million in 2023, showing a decline of -2.06%. Decreases in consumer loans largely drove this. On the other hand, total investments increased to \$98.6 million, increasing from \$89.3 million, reflecting a commitment to balancing risk and opportunity. Total deposits also experienced changes, growing to \$321.8 million, from \$312.8 million in 2023, driven by increased member confidence and engagement. The Credit Union reported undivided earnings rising to \$35.6 million, up from \$34.6 million in 2023, while net earnings remained strong at \$1.0 million. Delinquency and charge-off ratios continued to reflect a high-quality portfolio at 0.50% and 0.14%, respectively. Furthermore, MCT continued to show good membership growth at 2.99%, elevating total membership to 21,788 by the end of 2024.

Throughout 2024, new projects and growth initiatives remained a focal point for the Credit Union. With the new Beaumont branch fully operational, it has successfully set a benchmark with its fully automated services and Interactive Teller Machines (ITMs). The ITMs have shown outstanding performance, particularly in enhancing drive-thru services and member convenience. Responding to ongoing changes in the market, the Board of Directors approved all member deposit accounts with insurance coverage of up to \$1 million per account through Excess Share Insurance, providing added peace of mind. The

Credit Union was approved to extend its community charter by adding seven key surrounding counties, further enhancing our efforts to grow our membership base. The financial literacy program has continued to thrive, further strengthening our partnership with Lamar University and expanding the Banzai program to include 40 local schools. The youth account initiative has gained renewed engagement thanks to innovative outreach strategies. Additionally, ongoing improvements to our website have enhanced accessibility to information and services for our members.

As we look to 2025, the guiding principle for MCT is “Growth.” The integration of ITMs will continue to expand as we complete the implementation at the Orange and Lumberton branches, with plans to have all drive-thru operations transition to ITM technology by 2026. We will implement Incent, a youth card management and educational app, designed to teach our younger members financial literacy and money management. Additionally, we are excited to introduce our new Person-2-Person (P2P) payment product, Payrailz, which will enable quick and effortless fund transfers. Lastly, we will implement new digital issuance capabilities for credit cards to provide members with immediate access.

The culture of “Thank God It’s Monday” continues to be our driving force and a key contributor to our success. Thank you for your unwavering support, which enables us to fulfill your financial needs. A special Booyah is directed to the Board of Directors for their vision and guidance, as well as to the Management Team and Staff for their commitment to serving the membership with caring attitudes. Together, let’s make 2025 the best year yet for MCT Credit Union. BOOYAH!

Thad Angelle
President/CEO

George G. Scott, Jr., DDS PA
Chairman of the Board of Directors

BALANCE SHEET

Assets	12/31/2024	12/31/2023
Cash	\$3,299,134	\$4,337,196
Personal Loans	\$78,168,073	\$86,191,797
Real Estate Loans	\$138,921,545	\$136,723,588
Business Loans	\$1,948,373	\$977,919
Credit Card Loans	\$9,877,590	\$9,828,376
Less Allowance for Loan Loss	\$(858,983)	\$(881,348)
Land and Building	\$10,924,240	\$10,179,035
Furniture and Fixtures	\$1,240,950	\$963,293
Investments	\$95,612,685	\$89,309,111
Other Assets	\$19,435,793	\$18,045,027
 Total Assets	 \$358,569,400	 \$355,673,994

Liabilities & Equity

Accounts Payable	\$4,392,324	\$4,262,741
Interest/Dividend Payable	\$272,638	\$221,859
Other Liabilities	\$(405,798)	\$8,588,191
Shares	\$157,990,509	\$160,473,457
Share Drafts	\$102,725,564	\$104,096,543
Certificates of Deposit	\$33,787,211	\$23,878,049
Money Market Funds	\$20,251,227	\$17,367,182
Individual Retirement Accounts	\$7,050,779	\$6,980,361
Other Comprehensive Income	\$(76,558)	\$(1,161,379)
Reserve Fund	\$3,933,574	\$3,933,574
Undivided Earnings	\$35,654,499	\$34,600,818
Accumulated Unrealized Gain (Loss)	\$35,654,499	\$34,600,818
On Available to Sale Securities	\$(7,006,569)	\$(7,567,402)
 TOTAL LIABILITIES AND EQUITY	 \$358,569,400	 \$355,673,994

Statistical Information

Number of Members	21,788	21,156
Growth in Membership	2.99%	7.05%
Operating Expenses as a Percent of Total Income	77.73%	78.90%
Total Loans as a Percent of Assets	63.84%	65.71%
Capital (Reserves & Undivided Earnings)	11.01%	10.81%
Investments as a Percent of Assets	26.67%	25.11%
Growth in Shares and Deposits	2.88%	-3.42%
Growth in Loans	-2.06%	5.61%
Growth in Assets	0.81%	-0.03%

STATEMENT OF INCOME & EXPENSES

	12/31/2024	12/31/2023
Interest Income		
Income from Loans	\$12,661,721	\$11,273,866
Income from Investments	\$3,031,615	\$3,016,021
Total Interest Income	\$15,693,336	\$14,289,887
Interest Expense		
Dividends on Shares	\$970,680	\$671,866
Interest on Deposits	\$2,527,374	\$1,562,129
Interest on Borrowed Money	\$101,519	\$294,223
Total Interest Expense	\$3,599,573	\$2,528,218
Provision for Loan Losses	\$298,823	\$618,127
Non-Interest Income		
Fee Income	\$1,800,619	\$1,762,175
Other Operating Income	\$3,723,975	\$3,640,652
Gain(Loss) on Investments	\$ -	\$ -
Gain(Loss) on Disposition of Fixed Assets	\$10,846	\$(17,532)
Other Non-Operating Income (Expense)	\$515,150	\$632,212
Total Non-Interest Income	\$6,050,590	\$6,017,507
Non-Interest Expenses		
Employee Compensation and Benefits	\$7,705,350	\$7,845,809
Travel and Conference	\$303,965	\$282,563
Office Occupancy	\$1,124,994	\$1,056,307
Office Operations	\$4,020,702	\$3,720,817
Promotion and Marketing	\$1,350,930	\$1,135,595
Loan Servicing	\$388,689	\$386,134
Professional and Outside Servicing	\$1,779,816	\$1,628,788
Regulatory Fees	\$35,821	\$32,751
Miscellaneous	\$81,583	\$65,935
Total Non-Interest Expense	\$16,791,849	\$16,154,699
Net to Undivided Earnings	\$1,053,681	\$1,006,350

BOARD & ADVISORY DIRECTORS

NAME	TERM OF OFFICE EXPIRES
Randy Chance	2025
Debbie Norris	2025
Dr. Kimberly Pitts	2025
Dr. George Scott	2026
Rebecca Demeter	2026
Mike Laird	2026
Jimmy Myers	2027
Randy Brown	2027
Trent Devenzio	2027

ADVISORY

Gary Tiner
Dr. Bobby Lopez
Sheri Arnold

EXECUTIVE MANAGEMENT

Thad Angelle, Chief Executive Officer, President
Chad Powell, Chief Financial Officer, Executive Vice President
Karen Frederick, Chief Operations Officer