

Chairman's Report to Membership
71st Annual Meeting
February 9, 2024

WCTCU ended 2023 with the following:

716 Members – down from 752 in 2022

133 Active Loans totaling \$1,355,661.14

102 Loans made in 2023 totaling 891,616.22 for an average loan amount of \$8,741.34

There were 2 loans written off in 2023 for a total of \$2,380.32.

Total Assets of \$8,541,865.26.

57 CD investments totaling \$6,599,000.00 with an average return of 2.2182%.

WCTCU enjoyed another profitable year. The investment portfolio is not as extensive as in previous years. Two factors have affected this: (1) Members are leaving the credit union. When a membership is closed, the funds on deposit also leave. Thus, there is less available money to invest. (2) The credit union has experienced growth in loans, particularly car loans. These loans have been higher than in previous years. The rate of CD's being offered has gradually risen since Covid in 2021. Currently the average rate of return on a CD is a little over 2.21%. The loan portfolio has also increased slightly while the average return on loans to members has remained constant at just over 4.7%.

WCTCU maintains excellent liquidity through Money Market Investments to cover our Members' normal needs and sufficient funds to cover large withdrawals. Please remember that the CU needs two business days' notice for large withdrawals.

The rate of dividends is set by the board of directors and was adjusted in January to represent the improving economic trends. Rates were set at 0.10% for share savings of less than \$5000; 0.125% for share savings of \$5000 to \$24,999.99; and 0.150% for share savings of \$25,000 or more. The new rate scale went into effect February 1, 2023.

In 2019, the BOD improved the Scholarship Program by increasing the number of scholarships to TWO and raising the stipend to \$750.00. Tonight, two deserving students will be awarded scholarships of \$750.00.

WCTCU has very few delinquent payments on loans and our loan portfolio is sound. As previously reported, membership and loan volume are the two areas that present the greatest challenge to the WCTCU. To assist in that area, the BOD voted to increase the Field of Membership to include those that live, work, go to school or church in Wharton County. This change went into effect in January 2021. Currently, WCTCU has added share drafts, debit cards, and online services to its services and is available to those interested.