



2024

ANNUAL REPORT



Traditions ♦ Community ♦ Growth

www.chemcel.org

Chemcel Federal Credit Union began by serving the families of Celanese employees in 1951. Over the years we have seen remarkable changes, improvements, and growth in the way we provide financial assistance to our members. Although we began humbly, we remain a strong, full-service financial institution.

We have convenient office locations in Alice, Bay City, Bishop, Corpus Christi, Pasadena, and Kingsville. At Chemcel, we live the credit union philosophy of *"People Helping People"* providing quality financial services, individual attention and competitive rates and terms.

Provide financial services that enrich our members' lives.

MISSION VISION

Be our members preferred financial institution.

Get the ultimate in convenience and savings by taking advantage of all our products and services.

- **FREE** Reward\$ Checking Accounts... *with cash rewards*
- **FREE** Digital Banking Services
- **FREE** Mastercard® Debit Card
- Direct Deposit ♦ Remote Deposit
- Online Live Chat
- Online Loan Application with DocuSign
- "It's a Money Thing" Financial Education Videos

2025 Annual Meeting Agenda

Welcome & Call to Order	Chair
Ascertain Member Quorum is Present	Vice Chair
Recognition Board of Directors and Supervisory Committee Members	Chair
Read and Approve 2024 Minutes	Secretary
President/Chair Report	
Treasurer Report	
Supervisory Committee Report	
New Business	
a. Elections	
b. 2025 Scholarship Winners	
c. Milestone Anniversaries	
Adjournment	

Minutes of the 2024 Annual Meeting

Introduction and Call to Order. Ken May, Chairperson, introduced himself as the Chairperson and welcomed the membership, to the in-person Chemcel Federal Credit Union (CFCU) 2024 Annual Meeting, held in the Martin Sanchez Building, Celanese Bishop Plant, on April 26, 2024, 4:00 PM CST.

Quorum Determination. Mr. May asked if a quorum was present. Wayne Straty, Board Secretary, certified a quorum was present to begin the meeting.

Approval of the Minutes. Wayne Straty, Board Secretary, reviewed the minutes and opened the floor for questions. There were no questions. A motion to approve the minutes as presented was made by Charlie Petri, Jr. and seconded by Larry Garcia. Minutes were approved by all present.

Board Elections. Ken May stated there were two (2) Board positions up for election. In accordance with credit union bylaws, nominations from the floor are not accepted when the number of nominees equals the number of positions to be filled. The 2024 Nominating Committee members appointed by the Board are Lora Garcia, Chair, John Reeser and Steve Davis. Recommendations from the Nominating Committee are Lauren Richerson and Dheeraj "DK" Kumar. The chair declared that each nominee was elected by general consent as the number of nominees were equal to the number of positions to be filled.

Introduction of the Board, Supervisory and President. Mr. May introduced the Board members that were present: Ken May, Wayne Straty, Mike Garcia, and Steve Davis; Supervisory Committee members that were present: Christina Gonzalez and Lauren Richerson and Michael Engel, President/CEO.

Mr. May expressed the Board's appreciation to Mike Garcia (retiring) for his 20 years of service. Mr. Garcia's collaborative spirit and willingness to share knowledge has been invaluable to the Board.

Chair Report. Ken May, Chairperson, welcomed the attendees to the 2024 CFCU Annual Meeting, recognizing contribution of the Board of Directors, Supervisor Committee Chair and Chemcel's management team.

Mr. May stated 2023 proved to be a challenge with high inflation and interest rates; affecting all our members; an economic condition not experienced in recent years. The Board of Directors experienced challenges during the year. The Board Chairperson, Brian Hokkanen, passed away in August 2023 and additional Board and Supervisory Committee vacancy occurred in 2024. These events lead CFCU to create a web-based process to enable members express their interest in becoming a CFCU volunteer.

Mr. May stated CFCU had another successful year as reflected in the Treasurer's financial reports. CFCU portfolio is primarily composed of consumer loans including vehicle loans, mortgages, and credit cards.

In conclusion, Mr. May stated CFCU's success would not be possible without the outstanding dedication of the entire team - Board members, Supervisory members, CFCU's leadership team and staff and our members. CFCU continues to be committed to continued financial success and to meeting our members' ever evolving financial goals and needs.

Minutes of the 2024 Annual Meeting

President's Report. Michael Engel, President/CEO, welcomed the membership and expressed his appreciation for them taking time to attend the 2024 Annual Meeting. The Federal Reserve short-term rate increases resulted in a rapid increase in deposit costs. Cash and liquidity were also impacted with the movement of deposits to other financial institutions in pursuit of higher return rates. Borrowers were also affected as loan rates for consumers and real estate loans increased.

Mr. Engel stated that CFCU met these challenges by offering high yield promotional certificates and maintaining competitive loan rates; stating that 2023 marked yet another year of success and growth for CFCU. With more than 70 years of serving our members, Mr. Engel stated, "the success of CFCU relies largely on the members utilizing the services offered by the credit union".

Mr. Engel stated, CFCU recognizes that member financial education is an essential part of our fiscal responsibility. In 2023 CFCU began offering free on-line financial education available on our website. *"It's a Money Thing"* offers a full library of forty-eight videos designed for adults 35-years old and younger.

Success does not happen by accident. It is a direct result of an organization-wide commitment to advancing our mission. CFCU's staff and the volunteer Board of Directors look forward to continuing to provide forward-looking leadership and guidance in the ever-changing financial landscape.

Mr. Engel reported CFCU had another successful year. Challenges were turned into opportunities with the team remaining laser-focused on prioritizing strategic initiatives to move the credit union's vision forward.

In closing, Mr. Engel stated CFCU will continue to advocate for its' members by monitoring and assessing the economic climate and making adjustments that allow our credit union to offer competitive loan and deposit rates. He expressed his gratitude for the continued trust, loyalty and support of the membership, staff, and the Board of Directors.

Treasurer's Report. Michael Engel presented the Treasurer's Report. He noted CFCU is primarily a vehicle and consumer loan lender. CFCU had a successful year:

- Member Loans increased 4.14% to \$92.2 million
- Shares and deposits totaled \$130.1 million
- Assets totaled \$150.8 million
- Net worth remains strong at \$18.7 million
- Net Earnings were \$1.3 million

Supervisory Committee Report. Christina Gonzalez, Supervisory Committee Chair, presented the report. Credit Union Resources, Inc., performed the 2023 comprehensive audit for the period ending March 31, 2023. Based on these results, in conjunction with the observations and audits, it is the opinion of the Supervisory Committee that Chemcel Federal Credit Union has adequate internal controls, is financially sound and in compliance with applicable state and federal regulatory laws/regulations.

Minutes of the 2024 Annual Meeting

Scholar Recipients. Mr. Engel recognized the 2024 Scholarship winners for their outstanding academic and community service records. The scholarship winners are:

- Ana Villalobos, Bishop ISD
- Trevor Schulze, Veterans Memorial HS
- Allison Salinas, Bishop IDS

Old Business. The Chair confirms there is no old business.

New Business. The Chair asked if there was any new business. There was none.

Adjourned. Mr. May thanked the members for attending and asked for a motion to adjourn. A motion to adjourn was made by Denise Haskett and seconded by Tony Alegria; the motion was approved by all present. The 2024 Annual Meeting was adjourned at 5:01 p.m.

Wayne Straty

Wayne Straty, Secretary

Always Partnering with You

A message from Board Chair, Ken May and President/CEO, Michael Engel

To our community, members, and the CFCU team, thank you! The success of CFCU relies on the member partnership and our ability to provide exceptional service each time you provide the opportunity. The member partnership that began in 1951 continues to evolve each year. While changes in the financial services industry are each a given, the one thing that has not changed is our commitment to you on your financial journey through life.

CFCU accomplishments in 2024 included, but not limited to:

- A conversion to contactless debit cards enabled faster transactions with the tap-and-pay feature.
- Introduced a live chat feature on the Chemcel.org website. Messaging is much quicker and more efficient when you have context. Co-Browsing and Live Observation in user-initiated and proactive chats instantly see where a member has a question enabling CFCU the ability to provide on-screen guidance.
- Internet banking security was enhanced with the multi-factor authentication introduction.
- Achieving the highest rating possible from the NCUA examiner.

CFCU leadership remains committed to continuous technological improvements and looks forward to unveiling more enhancements in 2025 to further elevate the credit union experience.

Assets increased from \$151 million to \$164 million or 8.40% and a net worth ratio of 12.29%. The National Credit Union Administration (NCUA) benchmarks credit unions with over 7% net worth as well-capitalized. The robust financial position is a testament to the strength and loyalty of our membership.

Looking ahead, we are optimistic about the future. The credit union movement continues to grow in both size and scope, and as consumers face mounting financial pressures, the need for a community-focused, member-owned financial cooperative has never been more important.

CFCU stands dedicated to offering lower rates on loans, higher returns on deposits, and a wide range of financial products at rates that consistently outperform market standards. Unlike for-profit institutions, every dollar of profit we generate is reinvested into your credit union, enabling us to continually enhance and expand our services. Chemcel FCU exists to serve the needs of its members as a member-owned, not-for-profit financial cooperative.

The accomplishments of 2024 do not mean we can relax. In addition to your ongoing support of Chemcel, dedicated leadership, not only from staff but also volunteers who make up the Board and Supervisory Committee, are essential to a successful future. Chemcel has initiated a volunteer recruiting process. We need to fill our volunteer pipeline for future vacancies on the Board and Supervisory Committee. We know your time is valuable. Being a Chemcel volunteer does require time and commitment. It's your volunteer time that creates financial security and value to our fellow members and our community. Please consider volunteering! Details and requirements are on the Chemcel website. YOU can have an active role in our future success!

Thank you for your partnership as we continue to build a strong, trusted credit union together.

Michael Engel

Michael Engel
President/CEO

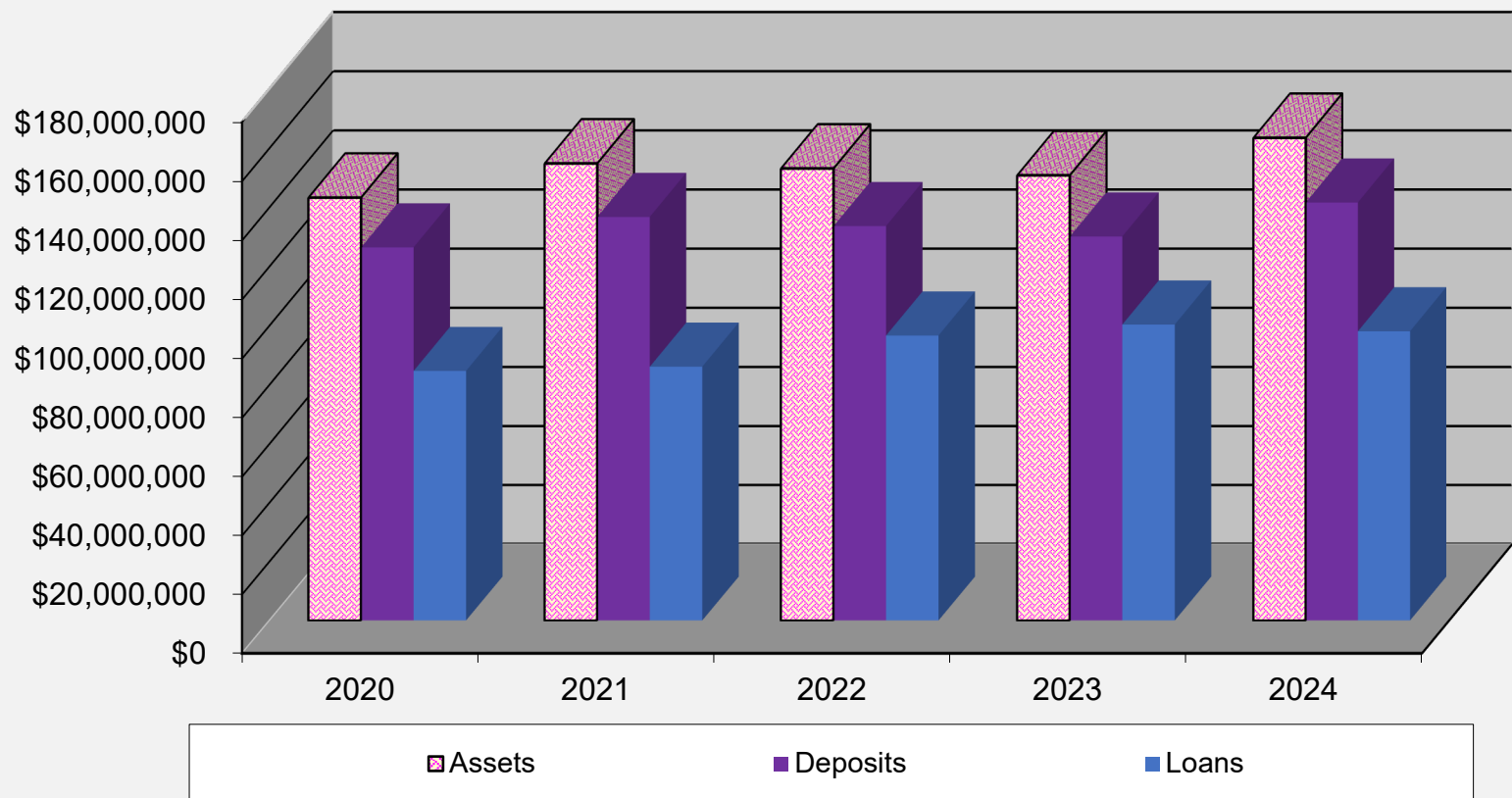
Ken May

Ken May
Chairman of the Board

Treasurer's Report

Balance Sheet							
Assets	2024	2023	%CHG	Liabilities and Equity	2024	2023	%CHG
Loans				Deposits			
Loans	90,370,272	92,240,884	-2.03%	Checking	31,559,531	30,808,373	2.44%
Credit Cards	7,743,827	8,149,908	-4.98%	Savings	49,496,171	51,646,130	-4.16%
Total Loans	98,114,098	100,390,791	-2.27%	Certificate of Deposits	55,253,724	43,730,481	26.35%
Less: Allowance for Share Loss	(2,733)	(5,141)	-46.83%	IRA	5,346,229	3,971,736	34.61%
Less: Allowance for Loan Loss	(1,077,426)	(1,039,819)	3.62%	Total Deposits	141,655,655	130,156,720	8.83%
Secured Loan Liquidation	213,694	146,905	45.46%	Accounts Payable	1,480,231	1,104,868	33.97%
Less: Liquidated Losses	(94,407)	(40,082)	135.53%	Accrued Dividends	123,716	96,381	28.36%
Net Loans	97,153,226	99,452,655	-2.31%	Other Liabilities	178,844	764,292	-76.60%
Cash	28,852,200	15,454,457	86.69%	Total Liabilities	143,438,447	132,122,261	8.56%
Accounts Receivable	5,387	28,169	-80.88%	Regular Reserves	0	0	0.00%
Prepaid Expense	268,589	116,236	131.07%	Undivided Earnings	18,733,503	17,439,451	7.42%
Investments				Unrealized Gain (Loss)			
CD/Securities	25,115,704	23,425,385	7.22%	on Investments	0	0	0.00%
Catalyst Corporate	169,772	194,025	-12.50%	Net Earnings	1,356,713	1,294,052	7.42%
Total Investments	25,285,476	23,619,410	7.05%	Total Equity	20,090,215	18,733,503	7.24%
Accrued Income				Total Liabilities & Equity	163,528,663	150,855,764	8.40%
Loans	319,040	280,779	13.63%				
Investment	58,236	54,972	5.94%				
Total Accrued Income	377,275	335,751	12.37%				
Fixed Assets	6,673,302	6,915,691	-3.50%				
Other Assets	4,913,207	4,933,395	-0.41%				
Total Assets	163,528,663	150,855,764	8.40%				

Chemcel Federal Credit Union Financial Highlights



Treasure's Report

Statement of Income & Expense

Income	2024	2023	%CHG
Interest on Loans	5,977,999	5,067,721	17.96%
Investment Income	1,593,498	987,134	61.43%
Fees & Charges	2,026,245	2,077,765	-2.48%
Miscellaneous	1,454	1,788	-18.69%
TOTAL INCOME	9,599,196	8,134,408	18.01%
Expenses	2024	2023	%CHG
Compensation	1,657,870	1,585,588	4.56%
Employee Benefits	379,113	367,680	3.11%
Payroll Taxes	127,739	124,539	2.57%
Travel & Conference	16,111	8,897	81.07%
Dues	34,321	34,383	-0.18%
Office Occupancy	311,435	309,388	0.66%
Office Operations	1,892,227	1,814,127	4.31%
Education	14,545	9,774	48.82%
Loan Servicing	141,067	97,639	44.48%
Professional Services	50,562	56,711	-10.84%
Interest on Borrowing	362	0	0.00%
Miscellaneous	25,976	15,072	72.35%
Cash Short (Over)	1,766	-61	-3008.86%
Provision for Loan Loss	506,183	564,645	-10.35%
Depreciation Expense	305,774	287,132	6.49%
OPERATING EXPENSE	5,465,052	5,275,514	3.59%
Income from Operations	4,134,144	2,858,893	44.61%
Other (Income) Expenses	(115,682)	(140,100)	-17.43%
Income Before Dividends	4,249,826	2,998,994	41.71%
Dividends Expense	2,893,113	1,704,942	69.69%
NET INCOME	1,356,713	1,294,052	4.84%

2024 Highlights

Deposits

Over \$141 million

Members benefited with near top-of-market deposit rates. Deposit cost increased 69.7% in 2024 with total deposits increasing 8.8%.



Loans

\$98 million;

2024 saw the loan portfolio decrease slightly by 2.2%.

Higher loan rates and vehicle prices increased monthly payments while auto dealers captive financing rates increased competition for loans.



Net Earnings

\$1.4 million in net income

The increase in loan and investment income offset the increase in deposit costs. Expense control helped CFCU recognize a slight 4.3% net earnings increase for 2024.



Financial Soundness & Assets

12.29% net worth/total assets; \$164 million in assets

The credit union ended 2024 with a 12.29% net worth ratio. This ratio is above the 7.0% set by NCUA to be considered “well capitalized”. The \$164 million in assets represented a new high total for CFCU.



Supervisory Committee Report 2025 Annual Meeting

The Supervisory Committee, appointed by the Board of Directors in accordance with the Federal Credit Union Act, ensures that the credit union conducts its operations and activities in a safe and sound manner. The committee, as the members' representative, has the responsibility to review and evaluate the overall financial operations and performance for CFCU, including that of management, to ensure that all regulations, procedures, and policies that govern the credit union are properly followed.

In conformity with NCUA regulations, the committee contracted Credit Union Resources to conduct an independent external audit of the credit union's financial statements as of March 31, 2024. The independent auditor found that Chemcel FCU financial statements fairly represent its financial position and are in conformity with Generally Accepted Accounting Practices.

After reviewing the results of our annual financial audit, as well as many additional internal and external audits, the committee can confidently state that Chemcel Federal Credit Union continues to maintain the highest possible level of financial standards.

We look forward to another year of service to our members and to assure you we will remain vigilant in ensuring CFCU's financial soundness, as your credit union continues to provide you and your family with the highest level of member service. It has been our pleasure to serve CFCU members.

Respectfully submitted,

Christina M. Gonzalez

Christina M. Gonzalez
Supervisory Committee Chair

Lauren Richerson, Supervisory Committee Member
Delmiro Garcia, Supervisory Committee Member

Board of Directors Election 2025 Annual Meeting

The Annual Meeting and Election of the Credit Union will be held at the Martin Sanchez Building located at the Celanese Bishop Plant on April 25, 2025 at 4:00 p.m.

There are three (3) terms expiring on the Board of Directors. The following three (3) individuals are nominated for election by the Nominating Committee.

Steve Davis

Steve has been a Chemcel Federal Credit Union member since 1975. He has served on our Board of Directors since 2004. Steve resides in Kingsville, Texas and retired from Celanese Bishop in 2002. He currently works part-time with Brown & Root Services in Bishop, Texas.

John Reeser

John has been a Chemcel Federal Credit Union member since 1982. He has served on our Board of Directors since 1999. John resides in Coppell, Texas and retired from Celanese Dallas in 2006.

Kathy Borhauer

Kathy has been a Chemcel Federal Credit Union member since 1979. She has served on our Board of Directors since 2011. Kathy resides in Corpus Christi, Texas and retired from Celanese Bishop in 2020.

Our Members' Involvement Matters!

If you would like to be more involved with your credit union and continue to help Chemcel FCU continue to grow and succeed, we encourage you to visit our website to find out more about [Volunteer Opportunities](#).

**You can get involved.
You can make a difference.**

At the Annual Meeting and Election, all persons nominated, either by the Nominating Committee or by Petition, shall be placed before the Members for a vote. The election will be determined by plurality vote and will be by ballot except when there is only one (1) nominee for each position to be filled. Nominations cannot be made from the floor unless insufficient nominations have been made by the Nominating Committee or by petition to provide for one (1) Nominee for each position to be filled. Only those positions without a nominee are subject to nomination from the floor. The results of the Annual Election will be announced at the Annual Meeting.

Scholarship Winners 2025 Annual Meeting

Each year, we recognize three graduating seniors with a \$1,000 scholarship.

Students selected were recognized for scholastic achievement, extracurricular activities, essay, and community services. This year's winners are:

Elizabeth Soliz
Santa Gertrudis ISD

Dylon Everett
Kingsville ISD

Nola Fisher
Corpus Christi ISD



SAVE THE DATE

2026 ANNUAL MEETING

Friday, April 24, 2026



April 2026						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Friday, Apr 24th 2026

Volunteer Appreciation & Milestone Anniversaries

2025 Annual Meeting

Board of Directors:

Ken May	Chairman
Steve Davis	1 st Vice Chair
Lauren Richerson	2 nd Vice Chair
Wayne Straty	Secretary
John Reeser	Treasurer
Kathy Borhauer	
Dheeraj "DK" Kumar	

Supervisory Committee:

Christina Gonzalez	Chairperson
Lauren Richerson	Member
Delmiro Garcia	Member

Milestone Anniversaries

25 Years

John Reeser, Board of Directors

10 Years

Norma Bustamante, Branch Manager
Mike Haskett, Support

20 Years

Christina Gonzalez, Supervisory Committee
Steve Davis, Board of Directors

5 Years

Dheeraj "DK" Kumar, Board of Directors

We want to thank you for all you have done through the years
to support the credit union and the staff.

Your trust, loyalty and diligence are greatly appreciated!

We have come a long way together. Your continued support and
dedication are an essential part of the credit union's
journey and success.

A Credit Union is Owned by its Members.

Most financial institutions are owned by stockholders, who own a part of the institution and intend on making money from their investments. A credit union doesn't operate in that manner. Rather, each credit union member owns one "share" of the credit union. The member of a credit union is an owner, and is entitled to vote on important issues, such as the election of member representatives to serve on the Board of Directors. A member's voting ability is not based on how much money is in their account; each member gets an equal vote.

Credit unions follow a basic business model: Members pool their money in order to provide loans, deposit accounts and other financial products and services to each other. Credit unions are not-for-profit financial institutions that operate on the philosophy of *People Helping People*. Unlike banks, which are publicly owned by stockholders, credit unions return profits to members in the form of advantageous financial products and terms.

There are 4,499 insured credit unions, as of September 30, 2024, in the United States providing services to over 142 million people. Visit [Credit Union System Performance Data: 2024Q3](#) for more information.

All federally chartered credit unions are insured by the National Credit Union Administration (NCUA). The NCUA operates and manages the National Credit Union Share Insurance Fund (NCUSIF) insuring millions of account holders in all federal credit unions. Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. Visit [MyCreditUnion.gov](#) for more information about the NCUSIF.

Member Owned ♦ Value Driven

Credit Union Motto:

- ✓ Not for Profit,
- ✓ Not for Charity,
- ✓ But for Service



2025 Annual Meeting Locations

Alice Office

2740 East Main St.
Alice, TX 78332
361.668.2064

Bishop Office (Main)

5740 County Road 4
Bishop, TX 78343
361.584.6246

Bay City Office

2001 FM 3057
Bay City, TX 77414
979.318.2990

Corpus Christi Office

7001 Saratoga Blvd.
Corpus Christi, TX 78414
361.991.9730

Kingsville Office

1901 South Hwy 77
Kingsville, TX 78363
361.592.7767

Pasadena Office

9502 Bayport Blvd.
Pasadena, TX 77507
281.474.6381

“Convenience” is our Middle Name

You can manage your account from your favorite device
ANYTIME from ***ANYWHERE***

Members have Access to

Allpoint™ Network
55,000+ Nationwide Surcharge-Free ATMs

Shared Branching
A network of credit unions across the United States,
Ecuador, Germany, Italy, Japan, Korea and Puerto Rico

You can perform a wide-range of transactions including
Deposits, Withdrawals, Transfers, Balance Inquires,
Loan Payments, Online Live Chat plus much more...