



2025

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, 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

2026 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 2025 Minutes	Secretary
President/Chair Report	
Treasurer Report	
Supervisory Committee Report	
New Business	
a. Elections	
b. 2026 Scholarship Winners	
c. Milestone Anniversaries	
Adjournment	

Minutes of the 2025 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 25, 2025, 4:00 PM CST.

Quorum Determination. Mr. May asked if a quorum was present. Steve Davis, 1st Vice Chair, certified a quorum was present to begin the meeting.

Introduction of the Board, President and Supervisory. Mr. May introduced the Board Members that were present: Steve Davis, 1st Vice Chair, Lauren Richerson, 2nd Vice Chair who also serves on the Supervisory Committee, Christina Gonzalez, Supervisory Committee Chair, Delmiro Garcia, Supervisory Committee Member and Michael Engel, President/CEO.

Approval of the Minutes. Ken May reviewed the 2024 Annual Meeting minutes and opened the floor for questions. There were no questions. Mr. May called for a motion to approved the 2024 Annual Meeting minutes as presented in the 2025 Annual Report booklet available to all members present. A motion to approve the minutes was made by Charlie Petri, Jr. and seconded by Larry Garcia. Minutes were approved by all present.

Chair and President Report. Ken May, Chairperson, welcomed the attendees to the 2025 CFCU Annual Meeting, recognizing contribution of the Board of Directors, Supervisor Committee Chair and Chemcel' s management team and dedicated staff. Mr. May noted that typically the Chair and CEO/President present separate reports on the status of the Credit Union; but this year a combined report is being presented for efficiency and collaboration.

Michael Engel, President/CEO welcomed the membership and expressed his appreciation for them taking time to attend the 2025 Annual Meeting. Mr. Engel stated 2024 was a very successful year - Net Operating Income and Certificate of Deposit growth were positive. Throughout the year, we continue to innovate and enhance our products and services to create a seamless banking experience tailored to your evolving needs. In 2024 Chemcel also introduced:

- Conversion to contactless debit cards to enable faster transactions with the tap-and-go feature
- Live chat on the Chemcel website enabling quicker and more efficient communication with members. This feature includes user-initiated co-browsing enabling a Chemcel member service representative to provide on-screen guidance
- Enhanced internet banking security to include multi-factor authentication
- Achieving the highest rating possible from the NCUA examiners

Early pay for direct deposits was introduced in April 2025 and has been widely received by the membership. Early pay is a service offering members access to their paycheck and other direct deposits up to two days before the scheduled deposit date. This feature provides members more flexibility and control over their finances. Early pay is offered to our direct deposit members without any fee.

Mr. Engel recognized the Credit Union's dedicated staff who are at the heart of everything CFCU does; their passion for serving our members is what makes Chemcel truly special.

Ken May, Chair, stated throughout 2024 the Board and Executive Management team worked closely together to make strategic decisions to enhance the credit union's growth. The members' interests are always part of the decision-making process.

Minutes of 2025 Annual Meeting

Mr. May echoed Mr. Engel's assessment that 2024 was an outstanding year. Mr. May announced a milestone for Chemcel - assets grew substantially to a new high milestone of over \$160 million in assets. This asset growth has continued into 2025 increasing by 13% from March 31, 2024 until March 31, 2025. Mr. May and the Board trust in the Executive Management team and their ability to navigate the ever-changing financial landscape. The board is confident that our members can have certainty in the Credit Union's stability, safety and soundness. Well-managed financial management has positioned Chemcel FCU for continued success.

Mr. May stated volunteers are essential to the success of the credit union. He asked attendees to consider volunteering or referring other members to volunteer to fill our pipeline for future vacancies on the Board of Directors and Supervisory Committee. He directed interested members to view the Chemcel website for more information or to speak with one of the Board members.

Mr. May acknowledged Chemcel FCU received the highest rating possible by NCUA. This rating recognizes Chemcel as a top-tier credit union. He thanked the staff for their outstanding efforts and performance in making this possible.

Treasurer's Report. Michael Engel presented the Treasurer's Report. CFCU had another successful year:

- Shares and Deposits increased 8.8% totaling over \$141 million
- Member Loans decreased slightly by 2.2% to \$98 million
- Net Worth remains strong at 12.29% with \$164 million in Assets
- Net Earnings increased 4.3% to \$1.4 million

Supervisory Committee Report. The Supervisory Committee is appointed by the Board of Directors for the purpose of ensuring accurate records and protecting members' funds. An outside third-party audit firm is retained by the Supervisory Committee to review policies, procedures and internal controls annually.

Christina Gonzalez, Supervisory Committee Chair, stated Credit Union Resources, Inc., was retained to performed the 2024 comprehensive audit for the period ending March 31, 2024. Ms. Gonzalez stated, based on the audit results, in conjunction with on-site observations and internal audits, it is the opinion of the Supervisory Committee that Chemcel Federal Credit Union is conducting its affairs in a fiscally safe manner and that the financial statements presented in the Annual Report fairly represent the condition of Chemcel FCU. It is the opinion of the Supervisory Committee that your Credit Union is financially sound and in compliance with applicable state and federal regulatory laws/regulations.

Board Elections. Ken May stated there were three (3) 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 2025 Nominating Committee members appointed by the Board are Lora Garcia, Chair, Ken May and Lauren Richerson. The recommendations from the Nominating Committee are Steve Davis, John Reeser and Kathy Borhauer. 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.

Scholar Recipients. Mr. May recognized the 2025 Scholarship winners for their outstanding academic and community service records. The scholarship winners were Elizabeth Soliz, Santa Gertrudis ISD, Dylon Everett, Kingsville ISD and Nola Fisher, Corpus Christi ISD.

Minutes of 2025 Annual Meeting

Milestone Anniversaries. Mr. May recognized the 2025 Milestone Anniversary recipients for their dedicated service: John Reeser, board member was recognized for 25 years of service; Christina Gonzalez, supervisory committee and Steve Davis, board member were recognized for 20 years of service; Norma Bustamante, branch manager and Mike Haskett, support were recognized for 10 years of service and Dheeraj “DK” Kumar, board member for 5 years of service.

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 Charlie Petri, Jr. and seconded by Suzie Harz; the motion was approved by all present. The 2025 Annual Meeting was adjourned at 4:49 p.m.

Wayne Straty

Wayne Straty, Secretary

Board Chair and President's Report 2026 Annual Meeting

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! From our start in 1951 and throughout the years, our purpose has stayed the same, to make life better for our members. We're excited to continue to bring even more value into this milestone 75th year of continuous operation. The success of CFCU relies on the member partnership and our ability to provide exceptional service each time you provide the opportunity.

2025 was an interesting year. Rapid interest rate shifts and the longest government shutdown in history created challenges. CFCU continued to navigate this complex and evolving economic environment, while demonstrating strong financial discipline and resilience. We concluded 2025 with a net worth ratio of 12.29% - well above many of our peers – underscoring the strength of our well-capitalized position as an indicator of our ability to withstand undesirable economic conditions. Our total assets grew by 11.82%, ending the year with \$183 million in total assets as we served over 9,000 members. CFCU's robust financial position is a testament to the strength and loyalty of our membership.

At the beginning of 2025 50% of U.S. existing home mortgages were in a rate of lower than 4% while the fixed-rate mortgage rate hovered around 6.70%. This presented a serious incentive for homeowners to stay in their homes and a barrier for new homeowners. In response to these needs CFCU began offering promotional mortgage rates to provide opportunities for members to move or become homeowners. Over the past year we increased our real estate portfolio by 39%.

As with home loans, high interest rates made auto loans less attractive. Members faced uncertainty over trade tariff policies, vehicle pricing and higher interest rate loans. CFCU recognized our members' need for options by adjusting our auto lending rates early in 2025 to provide our members with more lending options and by offering one of the most competitive auto loan lending rates in the area. By year-end 2025 CFCU funded over \$39 million in auto loans, growing the portfolio by 8.62% or \$6.6 million.

As we look back on 2025, despite an evolving and uncertain economic environment, we reflect on how we continued to meet the needs of our members. Despite the impact of higher interest rates, our members benefited from the higher interest with attractive savings options. We returned more dividends to our members in 2025 than in any other year in our almost 75 years of existence.

We had a productive year for advancing initiatives focused on enhancing service delivery, improving efficiency and elevating our members' experience. Highlights of those accomplishments include:

- Core systems software upgrades to improve security, digital banking features, enhance usability and improve efficiency across all digital platforms.
- The National Credit Union Administration (NCUA) approved CFCU's application to expand our field of membership, which was unanimously approved by your Board of Directors. CFCU is now open to members of the American Consumer Council allowing CFCU to serve additional segments by increasing accessibility to affordable financial services.
- Early Pay service that allows members to receive direct deposits up to two days earlier than their scheduled payday. It works by processing Automated Clearing House (ACH) payments faster when payroll information is submitted early, helping members improve cash flow, pay bills and avoid predatory lenders such as payday loans.

Board Chair and President's Report

2026 Annual Meeting

- Completed agreements and testing for instant funds transfer through FedNow Service. Go-live date for sending FedNow instant payments is expected to be completed in the Third Quarter of 2026.
- Partnered with Lending Solutions, Inc. (LSI) to improve loan application handling time by seamlessly directing loans to the CFCU underwriters.

While we recognize that we are in a people business, we continue to invest in technology, to better empower our team to improve service and security for our members, to meet the expectations of today's generation and future growth.

Despite the accomplishments of 2025, it does not mean we can relax. Looking ahead, we are optimistic about the future and committed to continuous improvements and enhancements to further elevate the credit union experience. 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 credit union has never been more important.

Our focus will continue to be a "member first" mindset to deliver exceptional service. We are 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.

Our Board of Directors and Supervisory Committee members are essential to a successful future. Chemcel has a Volunteer recruiting process 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!

We would like to thank the members whom we proudly serve, the CFCU team, our Board of Directors and Volunteers, for their ongoing support and commitment. Your dedication has allowed us to continue our legacy of success. Our success is entirely dependent on our people. We would not be where we are without our members' ongoing support. CFCU has come a long way since 1951. As we celebrate our 75th anniversary in 2026 our commitment to our members has never changed.

Thank you choosing us as your financial partner and for being part of our journey as we look forward to another year of success, growth and bright futures – together.

Michael Engel

Michael Engel
President/CEO

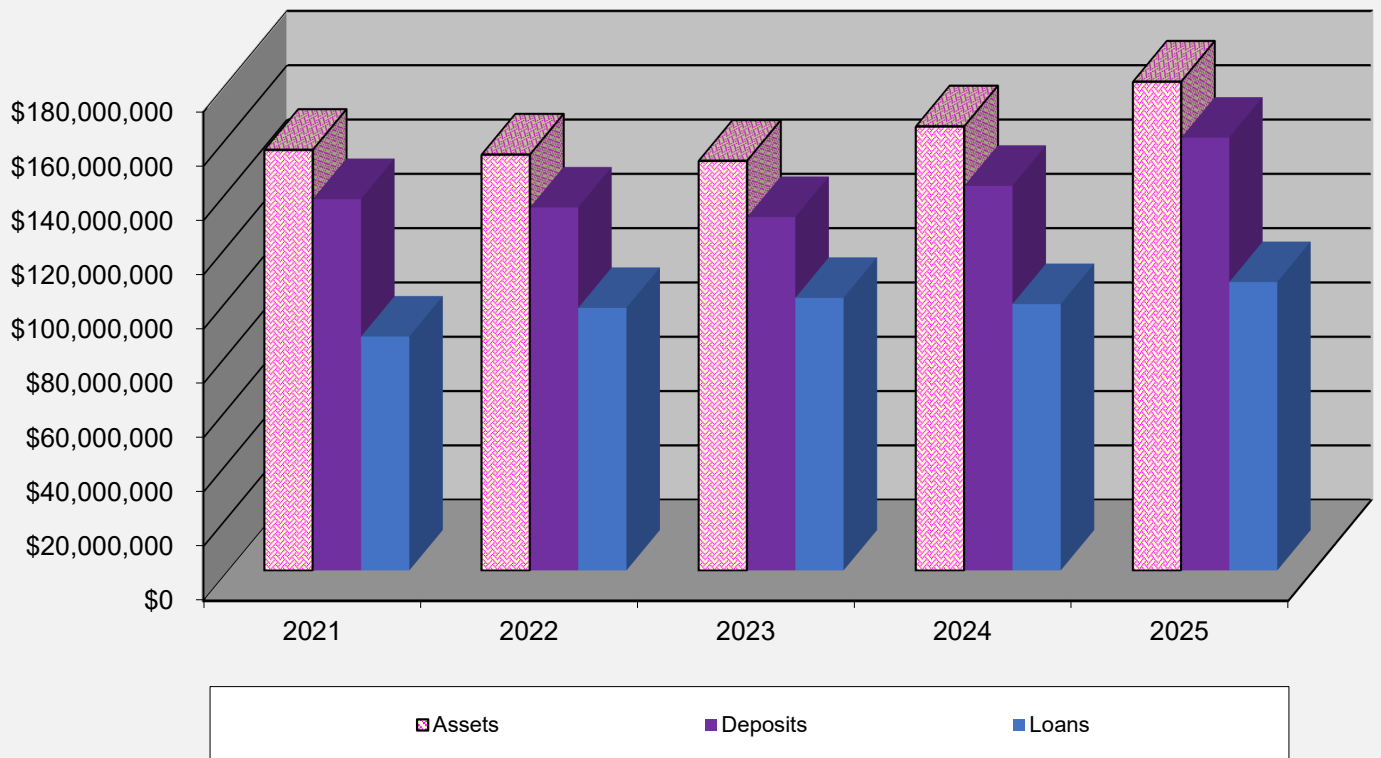
Ken May

Ken May
Board Chair

Treasurer's Report

Balance Sheet							
Assets	2025	2024	%CHG	Liabilities and Equity	2025	2024	%CHG
Loans				Deposits			
Loans	98,655,019	90,370,272	9.17%	Checking	34,704,293	31,559,531	9.96%
Credit Cards	7,536,132	7,743,827	-2.68%	Savings	51,819,306	49,496,171	4.69%
Total Loans	106,191,151	98,114,098	8.23%	Certificate of Deposits	65,273,119	55,253,724	18.13%
Less: Allowance for Share Loss	(2,758)	(2,733)	0.88%	IRA	7,589,004	5,346,229	41.95%
Less: Allowance for Loan Loss	(1,058,209)	(1,077,426)	-1.78%	Total Deposits	159,385,722	141,655,655	12.52%
Secured Loan Liquidation	210,824	213,694	-1.34%	Accounts Payable	1,898,274	1,480,231	28.24%
Less: Liquidated Losses	40,005	(94,407)	-142.38%	Accrued Dividends	134,422	123,716	8.65%
Net Loans	105,381,013	97,153,226	8.47%	Other Liabilities	(97,734)	178,844	-154.65%
Cash	33,958,019	28,852,200	17.70%	Total Liabilities	161,320,685	143,438,447	12.47%
Accounts Receivable	38,187	5,387	608.87%	Regular Reserves			0.00%
Prepaid Expense	300,801	268,589	11.99%	Undivided Earnings	20,090,215	18,733,503	7.24%
Investments				Unrealized Gain (Loss)			0.00%
CD/Securities	30,837,788	25,115,704	22.78%	on Investments	0	0	0.00%
Catalyst Corporate	169,772	169,772	0.00%	Net Earnings	1,449,706	1,356,713	6.85%
Total Investments	31,007,560	25,285,476	22.63%	Total Equity	21,539,922	20,090,215	7.22%
Accrued Income				Total Liabilities & Equity	182,860,607	163,528,663	11.82%
Loans	362,312	319,040	13.56%				
Investment	91,406	58,236	56.96%				
Total Accrued Income	453,717	377,275	20.26%				
Fixed Assets	6,480,275	6,673,302	-2.89%				
Other Assets	5,241,034	4,913,207	6.67%				
Total Assets	182,860,607	163,528,663	11.82%				

Chemcel Federal Credit Union Financial Highlights



Treasure's Report

Statement of Income & Expense

Income	2025	2024	%CHG
Interest on Loans	6,545,049	5,977,999	9.49%
Investment Income	2,172,945	1,593,498	36.36%
Fees & Charges	2,094,698	2,026,245	3.38%
Miscellaneous	1,502	1,454	3.34%
TOTAL INCOME	10,814,194	9,599,196	12.66%
Expenses	2025	2024	%CHG
Compensation	1,853,789	1,657,870	11.82%
Employee Benefits	419,033	379,113	10.53%
Payroll Taxes	140,213	127,739	9.77%
Travel & Conference	31,105	16,111	93.07%
Dues	35,542	34,321	3.56%
Office Occupancy	316,364	311,435	1.58%
Office Operations	2,088,777	1,892,227	10.39%
Education	16,238	14,545	11.64%
Loan Servicing	169,266	141,067	19.99%
Professional Services	54,247	50,562	7.29%
Interest on Borrowing	483	362	33.45%
Miscellaneous	10,524	25,976	-59.49%
Cash Short (Over)	302	1,766	-82.91%
Provision for Loan Loss	537,842	506,183	6.25%
Depreciation Expense	286,262	305,774	-6.38%
OPERATING EXPENSE	5,959,986	5,465,052	9.06%
Income from Operations	4,854,209	4,134,144	17.42%
Other (Income) Expenses	(100,536)	(115,682)	-13.09%
Income Before Dividends	4,954,745	4,249,826	16.59%
Dividends Expense	3,505,038	2,893,113	21.15%
NET INCOME	1,449,706	1,356,713	6.85%

2025 Highlights

Deposits

Over \$159 million

Members benefited with near top-of-market deposit rates. Deposit cost increased 21.15% in 2025 with total deposits increasing 12.52%.



Loans

Over \$105 million

2025 saw the loan portfolio increase by 9.17%.

Auto loan balances showed a steady increase throughout 2025. Loan growth, while showing strengthening, continues to be affected by high-interest rates in consumer lending.



Net Earnings

\$1.45 million in net income

The increase in loan and investment income offset the increase in deposit costs. Expense control helped CFCU recognize a 6.85% net earnings increase for 2025.



Financial Soundness & Assets

12% net worth/total assets; \$183 million in assets

The credit union ended 2025 with a 12.29% net worth ratio. This ratio is above the 7.0% set by NCUA to be considered “well capitalized”. The \$183 million in assets represented a new high total for CFCU.



Supervisory Committee Report 2026 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 adherence with NCUA regulations, the committee contracted Credit Union Resources, Inc. to conduct an independent external audit of the credit union's financial statements as of March 31, 2025. The independent auditor found that Chemcel FCU financial statements fairly represent its financial position and conform with Generally Accepted Accounting Practices.

After reviewing the results of the annual financial audit, in addition to internal audits, the committee can confidently state that Chemcel Federal Credit Union continues to maintain a high 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 2026 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 24, 2026, at 4:00 p.m.

There are two (2) terms expiring on the Board of Directors. The following two (2) individuals are nominated for election by the Nominating Committee.

Ken May has been a member of CFCU since 1980 and on our Board of Directors since 1981. He resides in Pampa, TX and is retired from Celanese.

Wayne Straty has been a member of CFCU and worked for Celanese Clear Lake Plant for 40 plus years. He has been on our Board of Directors since 1991. He is currently a Senior Maintenance Specialist and resides in Alvin, TX.

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.

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 to visit our website to find out more about [Volunteer Opportunities](#).

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

Volunteer Appreciation & Milestone Anniversaries 2026 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

35 Years

Wayne Straty, Board of Directors

10 Years

Amber Kennedy, Member Service
Lauren Richerson, Board of Directors

20 Years

Jo Ann Herrera, Executive Team

5 Years

Esmeralda Gomez, Member Service
Elma Gonzalez, Member Service
Bianca Loza, Branch Manager
Melissa Rodriguez, Branch Manager

15 Years

Alicia Cantu, Accounting Support

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.

2026 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:

- Alex C. Aguilar, Bishop ISD
- Jayden B. Guajardo, Bishop ISD
- Ava R. Suazo, Kingsville ISD



SAVE THE DATE

2027 ANNUAL MEETING

Friday, April 23, 2027

CHEMCEL
Federal Credit Union
We're Here for You!

April 2027

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	

THE CREDIT UNION DIFFERENCE

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 4,331 federally insured credit unions, as of September 30, 2025, in the United States providing services to over 145 million people. Visit [Credit Union System Performance Data: 2025Q3](#) 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

RETAIL LOCATIONS

ALICE BRANCH

2740 East Main St
Alice, TX 78332
361.668.2069

CORPUS CHRISTI BRANCH

7001 Saratoga Blvd.
Corpus Christi, TX 78414
361.991.9467

KINGSVILLE BRANCH

1901 South Hwy 77
Kingsville, TX 78363
361.592.7767

CELANESE LOCATIONS

BISHOP BRANCH

5740 County Rd.4
Bishop, TX 78363
361.584.6246

PASADENA BRANCH

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...