

An aerial photograph of the Mobiloil Federal Credit Union building, a modern structure with a large glass facade and a blue roof. The building is surrounded by a parking lot with several cars parked. A large American flag flies on a tall pole in front of the building. The background shows a line of trees under a clear blue sky. The image is overlaid with a dark blue semi-transparent rectangle containing the title text.

# ANNUAL REPORT 2020

**Mobiloil** CREDIT UNION





# AGENDA

**1**

CALL TO ORDER

**RICHARD HEGELE**

**2**

INVOCATION

**FLOYD PRICE**

**3**

ASCERTAINMENT OF A QUORUM

**PAUL WHEELINGTON**

**4**

PRESENTATION OF REPORTS

**RICHARD HEGELE**



# MOBILOILX

When our lobbies closed in March 2020 due to the pandemic, we needed a way to “bring the branch to our members.” MobiloilX, the mobile version of our video banking technology, was the perfect solution. Our first full week we took 50+ member interactions, and by our third full week we grew to over 250 member interactions.

Fast-forward to the end of 2020, we successfully served over 18,000 member interactions through MobiloilX alone.

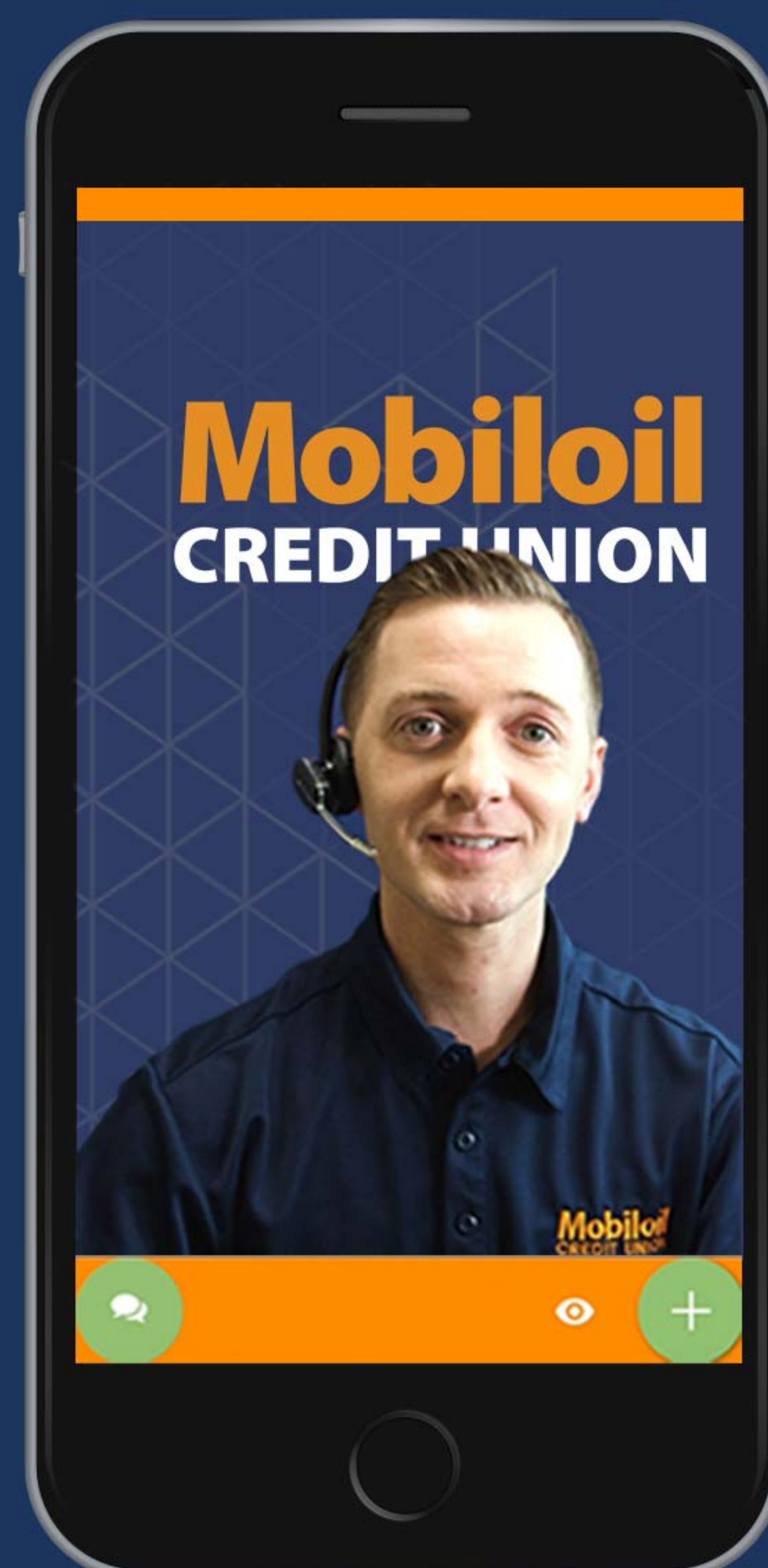
Member Satisfaction Ratings for MobiloilX averaged 4.16 out of 5 stars.

**1,024** - NEW MEMBERSHIPS OPENED

**2,255** - LOANS BOOKED, TOTALING TO OVER \$26M

**1,554** - CHECKING ACCOUNTS OPENED

**212** - CREDIT CARDS OPENED





# MINUTES OF 85TH ANNUAL MEETING

The 85th Annual Membership Meeting was held at Mobiloil Federal Credit Union, 3535 Calder Avenue, Beaumont, Texas 77706 on Thursday, June 25, 2020 at 3:00 p.m.

Chairman, Richard Hegele, called the meeting to order at 3:00 p.m. He welcomed everyone to the 85th Annual Membership Meeting and stated that he would present financial reports, and election results. He added that like last year, today's meeting would follow the suggestions of the League and CUNA, covering the minimum requirements for the annual membership meeting as prescribed by the by-laws. However, things are different due to COVID-19 issues; this meeting will be very short and to the point.

Chairman Hegele asked Mr. Lucenti to affirm the presence of a quorum. Chairman Hegele thanked Mr. Lucenti. Having so affirmed, the minutes of the 84th Annual Meeting were presented for approval. A motion to approve the minutes was made by Tony Lucenti and seconded by Ronnie Sciarrilla. The membership unanimously approved the minutes as presented in the members' programs.

Chairman Hegele announced that there were three (3) Board positions requiring re-election by the membership. As prescribed by our Credit Union by-laws, the Board Nominating Committee made one nomination per Board position. Notices were mailed to all members announcing the election and the annual meeting time and place. There were no nominations made by membership petition, therefore, by acclamation, the nominees stand re-elected to the Board for another three (3) year term.

Congratulations to: Tony Lucenti, Lito Morales and Floyd Price

These should be familiar faces to all of you. These three Directors have over 60 years of volunteer service on the Board and to the members. Thank you for your dedication and continued commitment to the Mobiloil Credit Union. Special thanks to Richard D Newton for leading the Nominating Committee as well as David Bost and Brenda Maldonado for serving on the Committee this year and for assuring that all the mail outs and required paper work was handled correctly.

The Chairman shared with the members that for their review, the required financial reports are in the program. There were no questions about any of the reports.

The Chairman asked John Doucet if he had any last comments, Mr. Doucet replied with, "everyone stay safe". The Chairman asked for a motion to adjourn. Ronnie Sciarrilla made the motion and John Doucet seconded the motion. The motion to adjourn carried. The 85th Annual Membership Meeting of the Mobiloil Federal Credit Union stands adjourned at 3:05 p.m. Chairman Hegele thanked everyone for coming.



# PRESIDENT'S MESSAGE

2020 was a year that we will remember for years to come. It was arguably our most challenging year of record as a result of the first-ever pandemic. This Covid-19 crisis brought the credit union and our world through uncharted waters and uncertain times. On top of that, the year also brought us another hurricane, with the brunt of the damage going to our neighbors in Louisiana. Despite these catastrophic circumstances, there is hope, particularly as the numbers relating to Covid continue to decline, that better days are on the horizon.

At Mobiloil CU, it is our top priority to be available and service our members regardless of the hardships we face. Likewise, the safety of both our employees and members is just as important. As such, the pandemic forced us to close our lobbies to minimize exposure and adhere to social distancing and other guidelines as recommended by the Center for Disease Control (CDC) and other authorities. Please know that it is our goal to reopen all lobbies when we have sufficient staff to accommodate your needs.

Early in the year we were able to implement MobiloilX, an app that allows members a convenient and safe alternative to coming into the branch. This technology made it possible for us to perform over 15,000 transactions and interactions via this new mobile application. The reach and accessibility afforded by MobiloilX during a time when we were not able to open our doors for our members was far and above anything we could have ever imagined. The forethought by our leadership team as well as our innovative culture enabled the MobiloilX initiative to materialize at the right time.

Despite a number of setbacks and hurdles associated with the pandemic, your credit union was able to embark upon other noteworthy accomplishments in 2020, including loan growth of \$61 million, share or deposit growth of \$85 million and asset growth of \$87 million. At year end 2020 our assets were \$951 million. These numbers reinforce our commitment to serving our members by providing financial solutions during every phase of your lives, even when the environment around us is less than desirable.

After a considerable amount of analysis and exploration, we made the decision to open our newest branch location in Dayton, which allows us to better service both existing and new members in the Liberty county area. We now have 11 branches to serve our members in 8 counties.

Looking ahead in 2021, we plan to enhance our digital banking platforms to bring you a more cohesive, member-friendly online and mobile experience. It is important for our members to know that an enormous amount of careful consideration, intensive research and project planning has gone into this endeavor. This is not a decision that was taken lightly by any means and the objective is to bring you improved solutions to meet your current and future digital banking needs. For instance, the new business banking services that will be made possible as a result of these changes is something we know will deliver exceptional benefits unavailable for those users today.

Similarly, we have plans to deploy Interactive Teller Machines (ITMs) to our branch locations in a phased approach and in a manner that will keep any disruption to your ability to conduct your credit union affairs at a minimum. We think you are going to enjoy the many advantages that will be realized with these machines, including a high degree of personalized service, shorter wait times, simpler processes and so forth. Additionally, we have opened our newest branch in the Woodville area where we already have a large number of members.

As your President and CEO, I come to work each day knowing that it is a tremendous privilege and blessing that our Board of Directors and you, our member-owners, have entrusted me to lead the best credit union in Texas. Without a doubt, the pandemic tested the strength of our organization as well as my leadership. Nonetheless, while we are still adapting and learning, it is fair to say that your credit union has proven that it is capable of weathering the various storms that may come our way. Thank you again for allowing me to serve this distinguished institution.

**John Doucet**  
President/CEO

**ANNUAL REPORT 2020**



# BOARD OF DIRECTORS



**Richard Hegele**  
Chairman



**Gary Waldrop**  
Director/1st  
Vice Chair



**Tony Lucenti**  
Director/2nd  
Vice Chair



**Paul Wheelington**  
Director/Secretary &  
Treasurer



**Richard D. Newton**  
Director/Supervisory  
Committee Chair



**Raul "Lito"  
Morales**  
Director



**Floyd Price**  
Director



**Ronnie Sciarrilla**  
Director

## Associate Board Members



Brice Allen



Brandon Rascoe



Jim Tucker

# SENIOR MANAGEMENT TEAM



**JOHN DOUCET**  
President/CEO



**LISA MILLER**  
COO



**JONATHAN HASKETT**  
VP of Accounting & Finance



**KEISHA SMITH**  
VP of Human Resources,  
Training & Development



**LADEDRA JONES**  
VP of Virtual Services



**JUSTIN SHEFFIELD**  
VP of Lending



**BAMBI MCGINN**  
VP of Information Systems  
& Technology



**T. PHILLIP BRENT**  
VP/Legal Counsel



**CODY BUCHHOLZ**  
VP of Marketing



# SUPERVISORY COMMITTEE REPORT

Efficient and effective internal controls, as well as compliance with regulations, policies, and procedures, are paramount in the Supervisory Committee's responsibilities in ensuring the overall soundness of Mobiloil Federal Credit Union. This is accomplished through regular external examinations and internal reviews. The annual financial audit was performed by Plante Moran, a national CPA and business advisory firm, and covered the twelve (12) months ending June 30, 2020. The audit was performed in accordance with generally accepted audit standards and included evaluation of the credit union's financial statements.

The auditors considered the financial statements acceptable, thus rendering an unqualified or "clean" audit opinion, which is optimal. The last regular NCUA Federal Examination was performed as of June 30, 2019. This examination indicated sound financial condition and management. The next NCUA Federal Examination is anticipated to be in the second half of 2021.

As your representative of Mobiloil Federal Credit Union, I attest that the Supervisory Committee will continue to monitor credit union operations while striving to make the credit union the very best financial institution in Southeast Texas.

Richard D. Newton

investing in you.

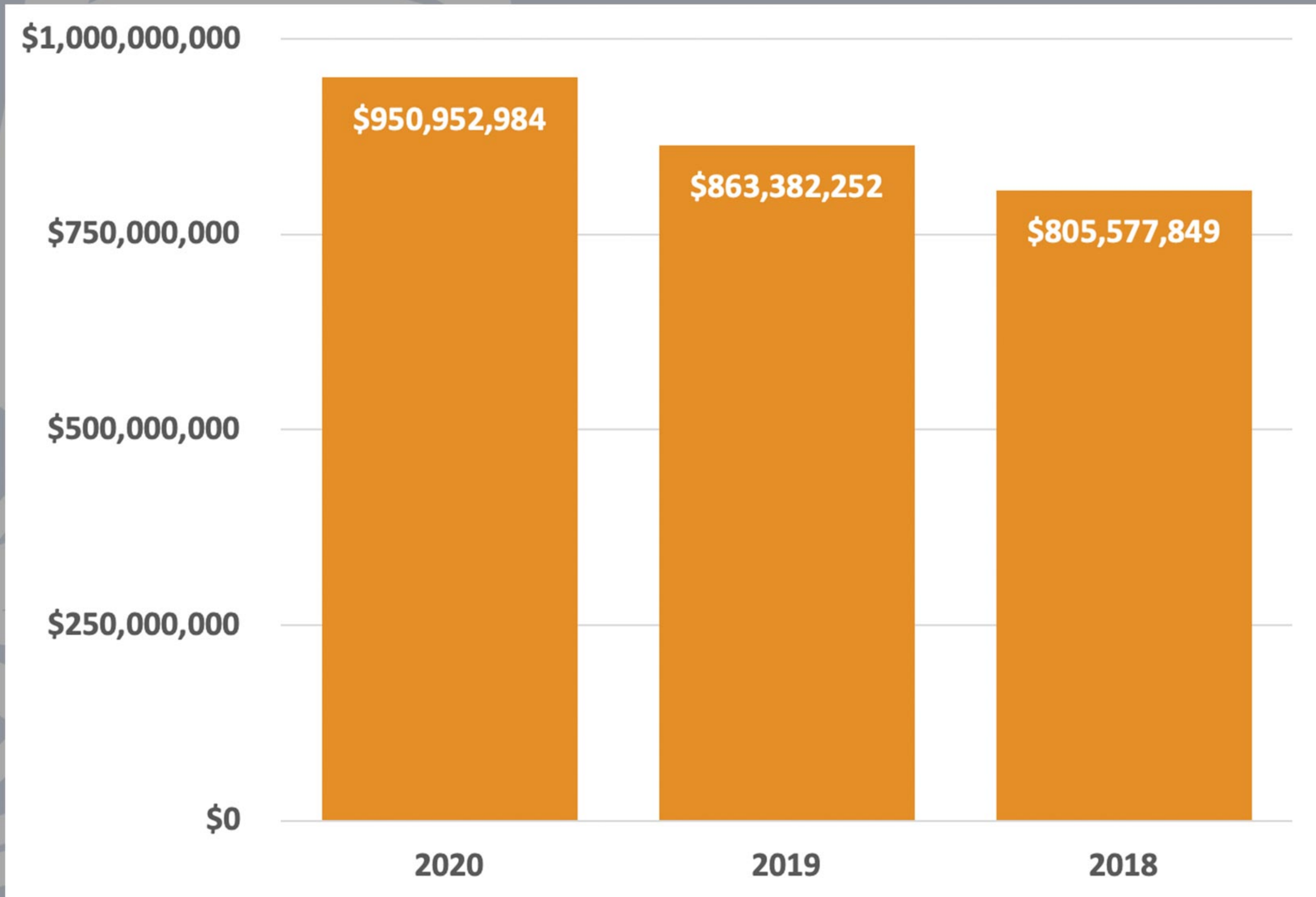


# ANNUAL FINANCIAL REPORT 2020

	Dec 2020	Dec 2019	Dec 2018
<b>Assets</b>			
Loans	\$698,652,754	\$637,895,801	\$643,216,839
Allowance for Loan Loss	(\$7,028,660)	(\$5,948,294)	(\$6,243,916)
Accounts Receivable	\$148,617	\$119,015	\$217,487
Cash	\$82,168,970	\$135,461,939	\$79,430,413
Investments	\$104,118,133	\$21,858,463	\$28,100,204
Other Assets	\$72,740,627	\$73,995,322	\$60,856,823
<b>Total Assets</b>	<b>\$950,800,441</b>	<b>\$863,382,246</b>	<b>\$805,577,850</b>
<b>Liabilities and Equity</b>			
Other Liabilities	\$103,495,351	\$109,709,565	\$114,870,119
Shares and Deposits	\$731,304,162	\$644,764,967	\$591,910,933
Regular Reserves	\$3,043,080	\$3,043,080	\$3,043,080
Undivided Earnings	\$112,957,848	\$105,864,644	\$95,753,724
<b>Total Liabilities and Equities</b>	<b>\$950,800,441</b>	<b>\$863,382,256</b>	<b>\$805,577,856</b>
<b>Income</b>			
Interest on Loans	\$32,202,141	\$31,482,473	\$29,775,779
Interest on Investments	\$1,251,711	\$2,592,593	\$1,814,126
Other Income	\$14,218,841	\$13,762,169	\$13,404,952
<b>Total Income</b>	<b>\$47,672,694</b>	<b>\$47,837,236</b>	<b>\$44,994,857</b>
<b>Expenses</b>			
Salaries and Benefits	\$17,124,609	\$15,429,035	\$13,661,977
Provision for Loan Loss	\$3,863,258	\$3,126,388	\$3,563,785
Operating Expenses	\$15,601,273	\$15,424,111	\$13,200,282
<b>Total Expenses</b>	<b>\$36,589,140</b>	<b>\$33,979,534</b>	<b>\$30,426,044</b>
Non-Operating Inc (Exp)	\$110,958	\$380,473	\$290,049
<b>NCUSIF Stabilization Exp</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Earning Distribution</b>			
Undividend Earnings	\$7,093,204	\$10,110,920	\$11,572,389
Dividends	\$4,984,492	\$4,673,183	\$3,523,761
<b>Total Net Earning Distribution</b>	<b>\$12,077,696</b>	<b>\$14,784,103</b>	<b>\$15,096,150</b>
<b>Total Mobiloil FCU Members</b>	<b>64,623</b>	<b>60,214</b>	<b>56,518</b>



# 2020 ASSET GROWTH





# LENDING REPORT

In 2020 the credit union saw positive results on both loans and financials even in a pandemic environment. Through the pandemic we helped our members with loan deferrals and modifications on all loan types. Our commitment to provide outstanding service and high quality products has allowed us to meet our members' needs. Our Membership took advantage of local decisions and competitive rates, and this increased our overall loan portfolio from \$637 million at the end of 2019 to \$698 million at year end 2020. We made approximately 14,628 loans totaling \$273 million to our membership. We ended the year with a net loan growth of \$61 million dollars. As you can see, your credit union is doing its part to give members the access to cash they need to take care of life's challenges and opportunities. We remain committed to ensuring that all members receive comprehensive consumer, mortgage, and business loan services with fair and timely review of their loan requests. In 2021, we will continue to meet the financial needs of our members by improving and expanding our lending products and application processes. Mobiloil CU will continue its tradition of being a trusted and reliable source of credit for our members.



## FINANCIAL EDUCATION

Smart Change, the financial education program by Mobiloil Credit Union, is a free service that offers education and resources for improving financial well-being. Attend a seminar in person, virtually, work through one of our online Playlists or host a Smart Change event at your business, school or nonprofit organization. We focus on fun and engaging information that provides our communities the resources needed to achieve financial success.

**Below is a list of our current suite of seminar topics.**

- Credit Score Management
- Build a Basic Budget
- Identity Theft Protection
- Car Buying 101
- Home Buying
- College 101

**3,270 SMART CHANGE @HOME PROGRAM USERS**

**2,244 ATTENDEES FOR IN-PERSON AND VIRTUAL PRESENTATIONS**

**93 IN-PERSON AND VIRTUAL PRESENTATIONS**



# Mobiloil

## CREDIT UNION

### SCHOLARSHIP RECIPIENTS

**Zoe Adkins**

Lumberton High School

**Grayson Conger**

Lumberton High School

**Laurel LaBorde**

Hardin Jefferson High School

**Ty Lambert**

Warren High School

**Kian Perry**

Bridge City High School

**Maecy Ratcliff**

Northern Lights Academy

**Grace Ross**

Veritas Classical Academy

**Ethan Willett**

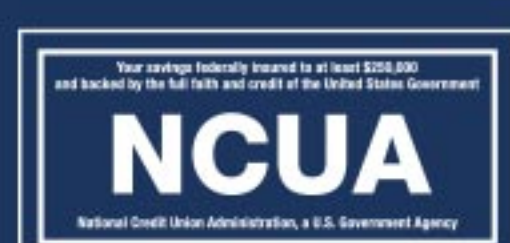
Deweyville High School

investing in **education.**



# Mobiloil CREDIT UNION

[mobiloilcu.org](https://mobiloilcu.org)



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