

2024 ANNUAL REPORT



AGENDA

- Call to Order
- Determination of a Quorum
- Pledge of Allegiance/Invocation
- Welcoming Remarks
- Introduction of BOD & Associates
- Approval of the 88th Annual Meeting Minutes
- Audit Report
- Nominating Committee Report
- New Business
- Introduction of Management/Staff
- President's Remarks
- Other Business
- Adjournment

BOARD OF DIRECTORS/ TERM EXPIRATION

Dr. Michael Sandroussi,
Chairperson/2025
Dr. Lynda DeLeon, Vice-Chair/2026
Angie Ramirez, Secretary/2026
Jesse Gatewood, Treasurer/2026
Ken Combs/2027
Dr. Jose Cavazos/2025
Javier Leal/2027
Kathryn Ortiz/2025
Judge Henry Santana/2027

ASSOCIATE DIRECTORS

Lisa Bitoni
Dr. Michael Montgomery
Tracie Williams

PRESIDENT/CEO

Gina Prince

C-SUITE MANAGEMENT

Evelin Hernandez, CFO
Kari Kelley, COO
Sam Longoria, CLO

VICE- PRESIDENTS

Missy Garcia, VP-HR
Eric Jaramillo, VP-Marketing

89th Annual Meeting CHAIRMAN & CEO REPORT

CoastLife Credit Union (CLCU) is a local credit union that has eight branches in six counties in the area. We are proud to serve the six counties in our communities. If you live or work in Nueces, Jim Wells, Kleberg, Duval, San Patricio or Aransas counties you are eligible to have an account and take advantage of our services that are available for our members.

We surpassed our first year after the core conversion. The last conversion that was held was in 1985. It was time and the Board of Directors, management and staff appreciated the members working with CLCU. This new system brings efficiencies for our staff, and we continue to learn more and add efficiencies as we move along.

The interest rate structure remained volatile during 2024. The deposit interest rates remained high and CLCU stayed competitive in the market to retain and attract new deposits. There were some rate decreases by the Federal Reserve in 2024. Management adjusted loan rates based on the Federal Reserve's action. Deposits grew 3.93% during 2024 and loans decreased 3.69%. The cost of living remained high and caused many individuals to be cautious with their finances.

CoastLife Credit Union sold investments during 2024 that were earning below market rates. This strategy, while a loss was caused, will bring two and half times revenue in 2025. It is important for management to recommend to the board of directors, strategies that have long-term effects on the financial statements. CoastLife Credit Union has now become a half a billion-dollar credit union and due to this achievement, there will be many additional standards that we must meet.

We appreciate you as a member. Our Mission Statement is "To change lives by helping each person navigate their financial journey". We encourage you to reach out to allow us to perform a Credit Score Analysis (CSA) for you so you may determine what your financial future is all about. Our financial literacy programs are top-notch and contact us to schedule a financial literacy presentation for your group or organization. One of our top goals is education and we look forward to assisting and educating you in finances.

Dr. Michael Sandroussi
Chairman of the Board of Directors

Gina Prince
CEO

NOTE: Management changes during 2024 included the hiring of an AVP of Operations - Angelica Almaguer. The Board of Directors received a board meeting fee for each meeting attended in 2024. The total amount paid for BOD meeting fees in 2024 was \$62,000 and the projected amount for 2025 is \$64,800.

2024

**STATEMENT OF
FINANCIAL CONDITION**

ASSETS

Cash	\$ 78,923,654
Investments	43,472,554
Loans To Members, Net Of Allowance For Loan Loss	315,159,559
Fixed Assets	22,539,701
National Credit Union Share Insurance Fund (NCUSIF)	3,828,068
Other Assets	31,644,697
TOTAL ASSETS	<u>\$ 495,568,232</u>

LIABILITIES & RETAINED EARNINGS

Accounts Payable	\$ 2,026,125
Dividend Payable	68,476
Other Liabilities	1,843,399
TOTAL LIABILITIES	<u>\$ 3,938,000</u>

Deposit Accounts	\$ 441,729,840
Regular Reserves	5,508,821
Equity Acquired In Merger	4,463,162
Undivided Earnings	48,378,246
Comprehensive Income	(2,158,211)
Unrealized Gain (Loss) On AFS	(6,291,627)
TOTAL LIABILITIES & EQUITY	<u>\$ 495,568,232</u>

Membership	35,967
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STATEMENT OF EARNINGS

INTEREST REVENUE

Interest on Loans	\$ 18,651,956
Interest on Investments & CD's	3,734,215
Gain (Loss) on Disposition of Investments	(537,072)

OTHER REVENUE

Fees	\$ 6,215,118
Gain (Loss) on Disposition of Assets	5,860
Other	733,875

TOTAL REVENUE	<u>\$ 28,803,952</u>
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DIVIDEND EXPENSE

Dividends on Deposit Accounts	\$ 8,270,137
Interest on Borrowed Money	54

TOTAL DIVIDENDS	<u>\$ 8,270,191</u>
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NET REVENUE

Provision for Loan/Acct Losses	\$ 20,533,761
	4,211,000

NET REVENUE BEFORE OPERATING EXPENSES	<u>\$ 16,322,761</u>
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OPERATING EXPENSES

Compensation & Benefits	\$ 6,640,287
Office Occupancy	1,356,553
Data Processing	2,043,601
Office Operations	2,133,370
Other	4,345,658

TOTAL OPERATING EXPENSES	<u>\$ 16,519,469</u>
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NET INCOME	<u>\$ (196,708)</u>
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89th Annual Meeting

NOMINATING COMMITTEE NOMINEES

Welcome to our 89th Annual Meeting. This year there are three positions open for election on our Board. After careful review, the Nominating Committee, appointed by the Chairman of the Board of Directors, has nominated one member for each Board position to be filled. The term for the positions is a (3) three-year term, and the three nominees are as follows:

Lisa Bitoni - 3 year term
Kathryn Ortiz (Incumbent) - 3 year term
Michael Sandroussi (Incumbent) - 3 year term

A brief statement of qualifications and biographical data of each of the nominees follows:



Lisa Bitoni

Occupation: Corpus Christi Independent School District, Teacher
Education: Associate in Arts Degree-Del Mar College; Graduated Cum Laude from Texas A&M Corpus Christi
Background: CLCU MEMBER since 2021; CLCU Associate Board of Director since 2021; Member of the American Federation of Teachers; Adkins Middle School Teacher of the Year for 2020-2021; CCISD Social Studies Department Chairperson 2015-Present; District Social Studies Curriculum Writer 2017-Present; District Advisory Team Member October 2023 - Present.

Kathryn Ortiz - Incumbent

Occupation: Corpus Christi Independent School District, Principal
Education: Texas A&M University-Corpus Christi, Counseling & Educational Leadership
Background: CLCU MEMBER since 2004; CLCU Board of Director since 2022; CLCU Associate Board of Director November 2021-April 2022; Recognized Principal by ESC-Region 2, October 2023; December 2023 - Attended Conference on Marketing Your Credit Union, AI in the 21st Century, BSA Training, and Serving Members in the 21st Century; CoastLife Credit Union Strategic Planning 2022, 2023, 2024; Serves on Economics Committee.



Michael Sandroussi - Incumbent

Occupation: Superintendent of Schools, Dr. M.L. Garza-Gonzalez Public Charter School
Education: Texas A&M Kingsville & Corpus Christi, UT Pan American Mathematics
Background: CLCU MEMBER since 1982; CLCU Board of Director since 2018; CLCU Associate Board of Director 2016-2018; Currently Serves as CLCU Chairperson of the Board of Directors; Mathematics Teacher, Coach, PK-12 Campus Principal, Superintendent, LULAC 2023 Educator of the Year; Superintendent Regional Advisory Committee Chairperson ESC Region I; Texas Public Charter Schools Member; National Center for Construction & Education Member; Career & Technology Committee Member throughout several Region 1 School Districts; Saint Peters Catholic Church Eucharistic Minister; Confirmation 2 Instructor; and Church Volunteer and Texas State Court Association



89th Annual Meeting

88th ANNUAL MEETING MINUTES - April 9, 2024 - 7:00PM

CALL TO ORDER

Dr. Michael Sandroussi, Chairperson of the Board of Directors along with the CEO of CoastLife Credit Union, Gina Prince, called the meeting to order at 7pm on Tuesday, April 9, 2024. Sandroussi stated there was a quorum of 25 members who were present and validated by signatures. Welcome to the 88th Annual Meeting of CLCU. Sandroussi introduced all of the Board Members. He explained the Nominating Committee had met and validated each applicant's qualifications for nominees for Board of Directors. The Nominating Committee consists of Angie Ramirez, Nominating Committee Chairperson, and committee members: Jesse Gatewood, Kathryn Ortiz, and Michael Sandroussi.

The following applicants were nominated: • Ken Combs • Javier Leal • Henry Santana

There were no petition candidates. These nominees were elected by acclamation.

APPROVAL OF THE 87th ANNUAL MEETING MINUTES – April 11th, 2023 MINUTES

Sandroussi asked for a motion to approve the minutes of 87th Annual Meeting. Motion by Steve DeLeon, seconded by Jacqueline Chavez. Prince, President, confirmed the names of both members making the motion and the second. Sandroussi asked for all to reply either in favor of the motion or opposed. Motion Carried.

CHAIRPERSONS REPORT

Sandroussi, Chairperson, reviewed CLCU's Mission Statement: "To change lives by helping each person navigate their financial journey." He congratulated and recognized CLCU has been in existence for 88 years. CLCU is still going strong despite the fact the feds have raised the interest rate four times.

TREASURER REPORT & AUDIT REPORT

The highlights were given including the renovations of offices and branches, plus a new office in Portland, TX. Sandroussi was pleased to say that currently, CLCU has 37,289 members. CLCU's asset size is nearing half a billion dollars. Sandroussi explained that 39 years ago the credit union was at \$44 million. This shows CLCU has come a long way. He mentioned deposit rates were raised to be competitive. These rates rose approximately 4% compared to the end of 2023. Sandroussi and the Board of Directors acknowledged the staff and thanked them for their hard work during the core data processing system conversion. Members were also thanked for working with the credit union during this conversion.

INTRODUCTION OF CEO AND PRESIDENT

Sandroussi introduced Gina Prince, President of CoastLife Credit Union for 39 years.

PRESIDENTS REPORT

Prince, President and CEO of CLCU reported the credit union is doing very well and is financially strong. She stated CLCU had a core data processing system conversion in 2023, which originally began in September 2021 and continued through live date July of 2023. It was noted the last conversion was in 1985. There were many details to plan during this conversion and the security of the member data was our first concern.

Prince, showed appreciation for the CLCU staff and asked them to stand to be recognized. Praise was given to the employees working hard, especially during the conversion. Prince thanked our "CoastLife Superhero" – Ben (who is in attendance this evening) – for starring in our CLCU commercial.

EMPLOYEE OF THE YEAR

Prince explained every year management recognizes staff members who go above and beyond. At this time Prince asked each Employee of the Quarter to stand to be recognized when their name was called:

- 1st Quarter 2023 - Cindy Rojas (Call Center), Cristian Martinez (Information Technology)
- 2nd Quarter 2023 - Monica Velasquez (Weber Branch), Victoria Ortiz (Accounting Department)
- 3rd Quarter 2023 - Lisa Gonzalez (Call Center), Vanette Obregon (Kingsville Branch)
- 4th Quarter 2023 - Lauren Martinez (Saratoga Branch), Sharon Paschall (Member Solutions)

Prince then announced the Employee of the Year – VICTORIA ORTIZ - Accounting Department. Ortiz was asked to stand and come forward to accept her two weeks' salary and an award, in appreciation for a job well done.

NEW BUSINESS:

Sandroussi asked those in attendance for any New Business. None was reported.

Sandroussi announced that attendees were eligible for prizes totaling \$3,000 this evening. He thanked everyone attending the 88th Annual Meeting.

Meeting adjourned at 7:40pm.