

2024 ANNUAL REPORT



OUR HISTORY

1934

Federal Credit Union Act enabled credit unions to organize. First charter issued for Humble Oil Employees, which would later form ECCU.

1960s

Converted from Federal to State Charter and joined TCUL (Texas Credit Union League, now known as Cornerstone League).

1990s

Invested in CUAC, Added Checking Accounts, Certificate of Deposits, Home Improvement Loans, Electronic Bill Payment, Lines of Credit Loans, ATM Cards, Loans by Phone.

2005

Added money orders, secured Visa credit cards, Spanish Member Benefits Brochure, home equity and home equity lines of credit.

2014

Spring Community Branch opened.

2018

Linda Pearsall became CEO.

2021

ECCU Insurance was founded.

2023

Katy branch opened at the end of the year. IRAs introduced.

1950s

First branch established inside the Prudential Building.

1989

Randall Dixon became CEO.

1998

The Credit Union changed the name to Energy Capital Credit Union.

2006

The Northwest Branch (1st community branch) was opened.

2015

Consolidated ExxonMobil locations and opened the ExxonMobil Campus branch.

2019

Partnered with Haberfeld and Revised Checking Account Offerings.

2022

Kanika Boutté became CEO, Redefined Company Culture, Land Purchased in Katy, Texas for fourth branch location. Field of membership expanded to include Fort Bend, Brazoria, Waller and Liberty Counties. ECCU Cares Foundation established. High-Yield Savings accounts introduced.

2024

Secured naming rights to The Cy-Hope Fields presented by Energy Capital Credit Union. Expanded Field of Membership to include State of Texas, Oklahoma, Arkansas, Missouri, and Kansas.

ECCU



WHY DO WE EXIST?



WE EXIST TO HELP YOU BUILD THE LIFE OF YOUR DREAMS.

We positively impact members' quality of life.

We help make dreams happen.

We help those who may not be able to get financial help elsewhere.

MEMBER TESTIMONIALS



My loan officer went
ABOVE AND BEYOND
to help me. I'm grateful for the
excellent customer service.

Energy Capital is very
FAMILY ORIENTED!
This is why I love them. They make
banking fun and relaxing. Keep it up!



**EXCELLENT
SERVICE!**

I have been a member over
40 years. ECCU is great!

**GREAT FRIENDLY
STAFF.**

Addressed my needs quickly

THEY LISTENED
to my question, understood it, knew
the answer, and clearly explained what I
needed to do.

AN EASY PROCESS
and so polite.
The professionalism
always wins me over.



It's always great to visit ECCU.
The employees are always
**FRIENDLY AND
PROFESSIONAL.**

The kindness and attention paid to my
concern, quite frankly,
BLEW ME AWAY.
I'm grateful for being treated with
dignity and respect!

MINUTES

90TH ANNUAL SHAREHOLDER'S MEETING

The 90th Annual Meeting of the shareholders of Energy Capital Credit Union (ECCU) was held via Teams on Tuesday, February 20, 2024, at 6:00 p.m. K. Boutte introduced Detra Johnson, Chair, who opened and presided over the meeting.

Shannon Rives, Board Secretary/Treasurer, verified that a quorum was present for the meeting. Ethel Hamilton moved to accept the meeting minutes from February 21, 2023, which Maria Calvillo seconded. The motion was approved.

DETRA JOHNSON PRESENTED THE CHAIR'S REPORT

D. Johnson noted that despite the challenging economic climate in 2023, Energy Capital Credit Union remained resilient and steadfast in its financial stability and commitment to serving members. She highlighted a few notable numbers from 2023, including \$3,260,299, which was paid in member dividends. This year was filled with rate volatility for consumers. As such, the primary focus of the credit union was on increasing member deposits. Energy Capital Credit Union consistently adjusted rates to meet or beat the market average and local competitors. Our members were paid more than \$3.2 million in dividends, an increase of almost \$2.2 million. She noted that \$45,960,555 was granted in loans to members. She noted that despite being a deposit-focused year, we upheld our core value of helping people and lending to members when they needed to borrow money. Members purchased homes, refinanced autos, and consolidated debt with the help of ECCU. She noted 9.63% capitalization. While it is true that loans and deposits experienced a decrease compared to the previous year, I want to emphasize that these results should not be viewed in isolation. A number that is used within credit union management to determine health and security is our capitalization. Anything 6% or greater is considered adequately capitalized, while 7% or more significant is well capitalized. Energy Capital's capitalization is a highly healthy 9.63%. We actively monitor this percentage and operate conservatively to adequately oversee all members' assets.

As we move forward, our strategic priorities remain clear: assist our members with the financial products and services they need for their whole lifetime and provide a level of service that

MINUTES

CONTINUED

they do not receive elsewhere. We are confident in our ability to drive growth and remain our members' financial partners of choice. Thank you for your continued support and trust in our credit union.

KANIKA BOUTTE, CEO OF ECCU, PRESENTED THE PRESIDENT'S REPORT.

K. Boutte thanked the Board of Directors for their leadership and time over the past year. Our Board is comprised of members who volunteer their time to ensure the credit union grows and remains strong. Our Board played an active role in determining what community we should expand in, and as you have heard by now, our fourth branch and third community branch opened at the end of 2023 in Katy, located at 3211 Peek Road, in an area quickly growing. If you have not visited yet, I encourage you to stop by any time or plan to join us at our Grand Opening celebration on Saturday, March 23rd, at 11:00 am.

She thanked our members. She noted that we may see you in person less often with the availability of online services, but we appreciate your continued loyalty. We always strive to be your banking preference regarding your finances. Every year, we email a member survey to collect feedback. A metric we use for measurement is the Net Promotor Score, which helps us determine if we are best meeting our members' needs or if there are specific areas to improve. She reported that, yet again, our members have indicated they are pleased with the product availability and the quality of member service provided at ECCU.

In keeping with our goal of helping you build the life of your dreams, we added a new share insurance coverage option for our members' accounts. ECCU was one of the few financial institutions in the Houston metro area that could provide deposit protection coverage above the NCUA limits via a partnership with Excess Share Insurance Corporation. With the proper account structure, members can protect up to \$1.75 million or more in deposits, based on certain conditions.

To ensure members had the products needed to assist with all phases of their lives, we updated our product offering by introducing both Traditional and Roth IRA Savings and Certificate Accounts to help our members create a sound plan on their path to retirement.

We also upgraded our online banking system to bring new features to our membership, such as easy access to your credit score along with tips on how to improve it, self-managed

MINUTES

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investment options with our Easy Vest platform, and the ability to invest in cryptocurrency with our Easy Coin platform, all of which are conveniently located in our online banking and mobile app.

In 2024, we will continue to focus on providing tools and enhancements to help our members build the life of their dreams. If you have any recommended products, services, or improvements you'd like to see. Please share them in the Q&A.

SHANNON RIVES, BOARD SECRETARY/TREASURER, PRESENTED THE TREASURER'S REPORT.

S. Rives stated Energy Capital Credit Union is a powerful and robust financial institution. Its ninety years of history have established ECCU as one of Houston's oldest credit unions and a top-performing one. He noted that total assets were down slightly to \$267,443,775. The primary reason for the decrease was the rate volatility from last year. The stock market had huge gains; some members moved deposits to chase elevated earning potential. Total income was up \$2.4 million, which was attributed to our increasing loan rates and our investment rates. ECCU closed the year with a lower net income than in 2022 due to the \$3.2 million paid in dividends and the credit union provision for loan losses, a reserve for missed loan payments, and uncollected loans. The credit union had a good year and served the members well with strong deposit rates and affordable loans. He noted full details of the 2023 financials are included in the annual report.

KANIKA BOUTTE, CEO OF ECCU, PRESENTED THE ANNUAL AUDIT REPORT.

K. Boutte noted as a state-chartered credit union, ECCU's financial condition, accounting practices, and compliance with applicable laws and regulations are examined every 12 to 18 months by the State of Texas Credit Union Department. The effective date of the most recent examination was September 30, 2022. Energy Capital received favorable ratings in all six performance areas, including earning the highest possible ratings in the following areas - Asset Quality, Management, and Earnings. The Certified Public Accounting firm of DoerenMayhew was retained to audit the Credit Union's financial records. From the audit period of July 1, 2022, to June 30, 2023, DoerenMayhew found ECCU to be financially and operationally sound and issued an unqualified opinion. In addition, DoerenMayhew completed

MINUTES

CONTINUED

compliance reviews of our Lending, Real Estate Website, Bank Secrecy Act, and Deposit Operations. ECCU retained the firm ePay Advisors to review the institution's ACH and Wire Transfer processes, and the firm VyFi reviewed the Information Technology processes of the Credit Union. The audits and examinations completed in 2023 have shown that ECCU continues to function as a sound financial partner for our member-owners.

DETRA JOHNSON PRESENTED THE ELECTION OF DIRECTORS.

The bylaws of Energy Capital Credit Union require that a Board of 7 to 12 directors be elected from the Membership to provide general direction and Control of the credit union's affairs, funds, and records. A Director's standard term of office is three years, with one-third of the directorships expiring yearly. The bylaws also provide that directors may serve additional terms if the Board approves them.

Three board seats were up for election and two advisory director positions in 2024. The Board of Directors nominees for 2024 are Brent Rawson, Todd Reppert, and Shannon Rives. The Advisory Director nominees are Gregg Cooper and Akpevwen Onoyase.

Adrian Davis moved to approve the Board of Directors as presented, and Douglas Miller seconded the motion. The election of the board of Directors passed, concluding the formal portion of the meeting. Congratulations to our new Board of Directors, and thank you to all past and current Board members for their service to ECCU.

With no further business, the 90th Annual Meeting adjourned at 6:20 p.m. by acclamation.

4 BRANCHES
JERSEY VILLAGE, SPRING,
KATY, EXXONMOBIL CAMPUS



CHAIRMAN'S REPORT



Thank you for joining us for our 91st Annual Meeting. As we move into the report section of our meeting, I want to begin by expressing my sincere appreciation to my fellow board members, as well as the outstanding leadership team and staff at Energy Capital Credit Union. Their dedication and strategic oversight continue to drive our credit union forward, ensuring the strength and success of our financial institution and the well-being of our members.

I am honored to present the year-end results for 2024. While this year brought its own set of economic challenges, I am proud to share that Energy Capital Credit Union has remained strong, adaptable, and unwavering in its commitment to financial stability and exceptional member service. Let's take a look at some key highlights from the past year.



\$3.7 MILLION

PAID IN MEMBER DIVIDENDS

Throughout the year, members navigated a landscape of fluctuating interest rates. In response, Energy Capital Credit Union remained focused on growing member deposits by strategically adjusting rates to stay competitive with, and often exceed, both market averages and local competitors. This commitment to providing value to our members resulted in over \$3.7 million in dividends paid in 2024—an increase of nearly \$841k from the previous year.



CHAIRMAN'S REPORT

CONTINUED



\$59 MILLION

GRANTED IN LOANS TO MEMBERS.

While 2024 was a year focused on deposits, we remained committed to our core value of “people helping people” by continuing to support members with their borrowing needs. Whether purchasing homes, refinancing vehicles, or consolidating debt, our members turned to ECCU for financial solutions that helped them achieve their goals. As a result, total loans granted grew from \$46 million to \$59 million—an increase of \$13 million—demonstrating our dedication to providing members with the financial resources they need.

10.20%

CAPITALIZATION

One of the key indicators of a credit union's financial health and stability is its capitalization. A net worth ratio of 6% or higher is considered adequately capitalized, while 7% or greater is categorized as well capitalized. Last year, Energy Capital Credit Union had a strong capitalization rate of 9.63%, and I'm pleased to report that we have further strengthened our position in 2024, increasing to **10.20%**. This growth reflects our commitment to financial security and responsible stewardship of our members' assets.

We continuously monitor this percentage and operate with a conservative approach to ensure long-term sustainability. As we move forward, our strategic focus remains clear—providing our members with the financial products and services they need at every stage of life, while delivering an unparalleled level of service that sets us apart. We are confident in our ability to drive continued growth and strengthen the financial well-being of our members.

Thank you for your trust and support in Energy Capital Credit Union.

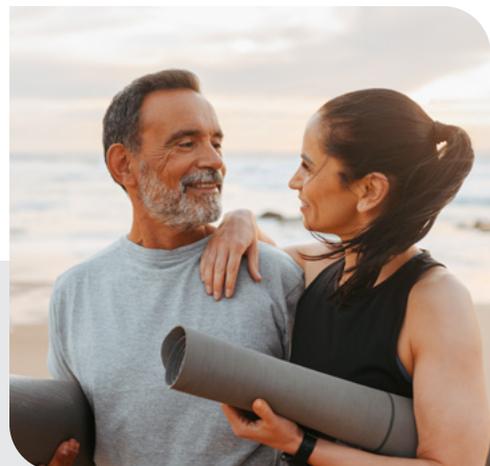


PRESIDENT'S REPORT

I'd like to extend my sincere gratitude to the Board of Directors for their leadership and dedication over the past year. Our Board is made up of members who volunteer their time to ensure the continued growth and financial strength of the credit union. Their active involvement played a key role in determining where we should expand, and as you know, our fourth branch—our third community branch—opened at the end of 2023 in Katy. Located at 3211 Peek Road, this branch serves a rapidly growing area, and we have been excited to see such a warm reception from the Katy community. We remain committed to strengthening our presence and building meaningful relationships to better serve our members.

We truly appreciate your continued trust and loyalty. Our commitment remains the same—to be your preferred financial partner for every stage of life. As we continue to grow, we are actively engaging with the communities we serve, building relationships, and ensuring we meet the diverse financial needs of our members.

Every year, we send a member survey to gather feedback, and one key metric we track is our **Net Promoter Score**, which helps us measure member satisfaction and identify areas for improvement. I'm pleased to report that once again, our members have expressed high satisfaction with the products we offer and the level of service we provide. We remain committed to delivering exceptional member experiences and continuing to expand our impact in the communities we serve.



PRESIDENT'S REPORT

CONTINUED

THE CY-HOPE FIELDS

PRESENTED BY ENERGY CAPITAL CREDIT UNION

At Energy Capital Credit Union, we believe in the power of community and the importance of giving back in meaningful ways. That's why we are proud to highlight our partnership with Cy-Hope, a local organization dedicated to making a lasting impact on underserved children and families. Through a multi-year sponsorship agreement, ECCU was honored to be awarded naming rights to Cy-Hope's property, reinforcing our commitment to the community and our dedication to supporting initiatives that create brighter futures.

This property will soon be home to Dierker's Champs, a transformative program that gives elementary and middle school students from low-income families the opportunity to play baseball in a positive, structured environment. By providing access to sports and mentorship, Dierker's Champs helps instill confidence, teamwork, and leadership skills in young athletes—values that align with ECCU's mission of supporting financial and personal growth.

Beyond our sponsorship, ECCU is committed to playing an active role in supporting Cy-Hope and the community it serves. In the coming months, we will be looking for opportunities to get involved—whether through volunteer initiatives, financial education programs, or member-driven community efforts. Our goal is to be more than just a financial institution; we strive to be a trusted community partner that uplifts and empowers those we serve.

We are excited about the future of this partnership and look forward to making a meaningful difference in the lives of local families.



PRESIDENT'S REPORT

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EXPANDED

DEPOSIT PROTECTION

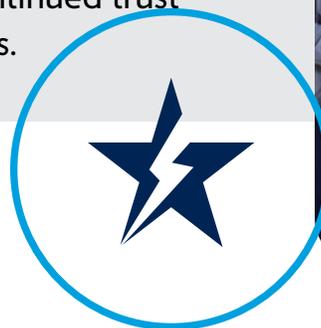
We want to remind you of an important enhancement – ECCU's expanded share insurance coverage for member accounts. ECCU remains one of the few financial institutions in the Houston metro area offering coverage beyond standard NCUA limits through our partnership with Excess Share Insurance Corporation. With the right account structure, members can protect up to \$1.75 million or more in deposits, depending on certain conditions.



THANK YOU

FOR YOUR MEMBERSHIP AND SUPPORT

Thank you for taking the time to attend our annual meeting today. We appreciate your continued trust in ECCU and are glad you could join us.



TREASURER'S REPORT



Energy Capital Credit Union remains an exceptionally strong and resilient financial institution. With a rich history spanning 90 years, ECCU has established itself as not only one of Houston's oldest credit unions but also one of its top-performing ones.

Let's take a look at our financial review of **2024**, with a side-by-side comparison to **2023**.



\$253,053,367

TOTAL ASSETS FOR 2024

Total assets for 2024 were \$253,053,367, reflecting a slight decrease from the previous year's \$267,443,775. This decline was primarily driven by the rising cost of funds and increased competition for deposits in a high-rate environment. As financial institutions adjusted rates to attract and retain deposits, members explored various options to maximize their earnings.



Despite these challenges, ECCU remains financially strong, well-capitalized, and committed to providing competitive financial solutions while maintaining long-term stability for our members.

NOTABLE NUMBERS

\$3,785,608
PAID IN MEMBER DIVIDENDS

\$59,533,289
LOANS GRANTED

4
COMMUNITY BRANCHES

18,619
MEMBERS



STATEMENT OF FINANCIAL CONDITION

ASSETS	2023	2024
Loans	\$208,373,025	\$200,765,848
Cash In Bank	\$24,948,730	\$18,472,792
Investments	\$18,313,513	\$16,169,387
Share Insurance (NCUSIF and ESI)	\$2,479,929	\$2,329,814
Land	\$2,772,732	\$2,741,582
Building (Net)	\$6,994,536	\$6,906,275
Other Assets	\$3,561,310	\$5,667,669
TOTAL ASSETS	\$267,443,775	\$253,053,367

LIABILITIES	2023	2024
Payables & Other Misc. Liabilities	\$16,049,880	\$14,181,063
Dividends Payable	\$369,535	\$327,488
Member Savings, Checking, and Certificate Accounts	\$225,276,680	\$212,739,624
Reserves	\$25,747,680	\$25,805,192
TOTAL LIABILITIES & EQUITY	\$267,443,775	\$253,053,367

STATEMENT OF INCOME

	2023	2024
Interest on Loans	\$10,250,684	\$11,073,152
Interest on Investments	\$1,359,494	\$1,647,419
Total Interest Income	\$11,610,178	\$12,720,571
Fees and Other Income	\$2,516,091	\$2,049,362
TOTAL INCOME	\$14,126,269	\$14,769,933

Operating Expenses	\$9,313,073	\$9,389,066
Provision for Loan Losses	\$1,426,965	\$1,221,893
Dividends	\$3,260,299	\$4,101,462
Total Expenses	\$14,000,337	\$14,712,421
NET INCOME/(LOSS)	\$125,932	\$57,512

BOARD OF DIRECTORS



TERM EXPIRATION YEAR

CHAIRMAN

Brent Rawson
2027

Gregg Cooper
2025

VICE CHAIRMAN

Shannon Rives
2027

Dr. Detra D. Johnson
2025

Todd Reppert
2027

SECRETARY/TREASURER

George Edwards
2025

Kimberly Irchirl-Carter
2025

ADVISORY BOARD OF DIRECTORS

TERM EXPIRATION YEAR

Akpevwen Onoyase
2025



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