

Centex Citizens Credit Union

2018

Annual Report

CHAIRMAN'S REPORT

KEN POLLARD

Welcome to the 65th annual meeting of the membership. Thank you for your attendance and for being a part of CCCU, entrusting us with your financial needs. The board of directors, the committee members and the employees strive to give their strategic insight and always be good stewards of your money.

Important milestones in 2018 include completion of the Mexia Office Expansion. The building will now provide the membership with a more efficient operation. This includes an expanded drive-thru, a new ATM and more offices. The Ellis County Office will begin shortly and be completed in 2019. This office will be the only credit union with a physical location in that area. CCCU is continuing with its pledge to serve its field of membership with state of the art technology and friendly member service.

CCCU is financially sound and our capital position is strong. We continue to look to the future with excellent leadership and an expectation of future growth.

PRESIDENT'S REPORT

JANIS MASSEY

CCCU is proud to have 10,023 members. Staying true to our Mission Statement, we pledge to all our members a commitment to excellence in service, current technology and community participation.

We strive to be good citizens of the communities we serve. Our board and employees participate in school events, chamber events, serve as board members at hospitals, chambers, college, civic and community service organizations.

CCCU has completed 2018's outside financial audit. The exceptions were minor and corrected during the audit. Credit Union Resources also performs several other audits including checking reports on member eligibility, automated clearing house transactions and security.

Scholarships are one of the services CCCU takes great pride in providing. As of 2018 we have awarded \$150,250 in scholarships to members and family members, a significant milestone. In 2019 we will award 4 conventional scholarships for \$1,000 each and 2 vocational scholarships for \$750 each. All scholarship applications must be in by April 5, 2019.

The Mexia Office expansion is scheduled to be complete soon. The Ennis Office should be complete by the end of 2019. We are looking towards future growth but never forget where we started and the members that brought us here.

TREASURER'S REPORT

TERRY DON SHIVERS

The Condensed Statement of Financial Condition available to the membership shows delinquencies decreased in 2018 to .65%. The capital position of 19.9% far exceeds peer ratio and lends itself to support the expansion projects currently underway. Loans increased over 12% and shares increased more than 10%.

This balance allows CCCU to focus on all financial services, rewarding our members with attractive savings rates as well as competitive loan rates.

**CENTEX CITIZENS CREDIT UNION
CONDENSED STATEMENT OF FINANCIAL CONDITION**

<u>BALANCE SHEET ACCOUNTS</u>	<u>2017</u>	<u>2018</u>
ASSETS:		
Net Loans	\$49,904,508	\$56,219,093
Investments	9,370,582	8,372,389
Other Assets	<u>6,800,690</u>	<u>5,311,687</u>
Total Assets	\$66,075,780	\$69,903,169

LIABILITIES:

Shares	\$21,058,801	\$23,247,276
Share Drafts	10,631,758	11,422,329
Money Market Accounts	3,541,687	3,953,633
IRA Accounts	2,639,224	4,785,846
Certificates of Deposit	14,166,515	12,159,400
Other Liabilities	602,789	441,248
Regular Reserves	3,920,570	3,930,066
Undivided Earnings	<u>9,514,436</u>	<u>9,963,371</u>
Total Liabilities & Equity	\$66,075,780	\$69,903,169

INCOME AND EXPENSES

Total Income	\$ 3,908,873	\$ 4,464,621
Total Operating Expenses	<u>3,535,684</u>	<u>3,789,925</u>
Operating Gain	373,189	674,696
Non-Operating Gain (Loss)	(182,148)	(13,485)
Total Dividends Expense	<u>169,194</u>	<u>195,460</u>
Net Gain to Undivided Earnings	\$ 21,847	465,751
Transfer to Reserves	\$ 787	9,496

KEY FINANCIAL RATIOS

	<u>DEC. 2017</u>	<u>DEC. 2018</u>	<u>PEER DEC. 2018</u>
Gross Loan Mix	69.0%	79.0%	59.0%
Gross Spread	3.70%	4.52%	3.39%
Total Capital/Ttl. Assets	21.40%	19.9%	11.5%
Delinquency Ratio	.88%	.65%	.70%

TOTAL MEMBERS 10,023