



COMMUNITIES OF ABILENE

Federal Credit Union

2019

Treasurer's REPORT

SUMMARY OF FINANCIAL CONDITION

| ASSETS | |
|-------------------------------------|---------------|
| Cash on Hand | \$2,645,427 |
| Cash on Deposit | \$12,214,331 |
| Loans to Members | \$93,872,909 |
| Less: Allowance Loan Losses | \$(462,539) |
| Total Net Loans & Cash | \$108,270,128 |
| Investments | \$30,304,434 |
| Land & Buildings | |
| Net of Depreciation | \$878,167 |
| Furniture, Fixtures & Equipment | \$216,780 |
| NCUA Insurance Deposit | \$1,202,232 |
| Other Assets | \$1,582,725 |
| Foreclosed Assets | \$(681) |
| Total Assets | \$142,453,785 |
| LIABILITIES | |
| Accounts Payable | \$1,034,151 |
| Dividends Payable | \$779 |
| Total Net Liabilities | \$1,034,930 |
| MEMBER'S EQUITY | |
| Member Deposits | \$127,965,483 |
| Retained Earnings | \$9,996,741 |
| Statutory Reserves | \$3,456,631 |
| Total Liabilities & Member's Equity | \$142,453,785 |

STATEMENT OF INCOME

| OPERATING INCOME | |
|----------------------------------|-------------|
| Income from Loans | \$4,304,072 |
| Income from Investments | \$832,048 |
| Total Income | \$5,136,120 |
| Expenses | |
| Member Dividends | \$366,944 |
| Provision for Loan Loss | \$113,853 |
| Interest on Borrowed Money | \$2,308 |
| Total Expense | \$483,105 |
| Net Income after Provision | \$4,653,015 |
| Non-Interest Income | |
| Fee Income | \$883,492 |
| Other Operating Income | \$129,283 |
| Other Non-Operating Income | - |
| Total Non-Interest Income | \$1,012,775 |
| Total Income | \$5,423,373 |
| OPERATING EXPENSES | |
| Employee Compensation & Benefits | \$2,371,614 |
| Training & Conference | \$31,737 |
| Office Occupancy | \$184,452 |
| Office Operations | \$1,290,216 |
| Education & Promotion | \$111,609 |
| Loan Servicing | \$226,091 |
| Professional & Outside Services | \$215,844 |
| Regulatory Agency Fees | - |
| Operating fees | \$37,326 |
| Miscellaneous Operating Expense | \$42,938 |
| Total Non-Interest Expenses | \$4,511,827 |
| Net Income | ?????? |

Charlotte Caldwell, Chief Financial Officer



COMMUNITIES OF ABILENE

Federal Credit Union

2020

Annual MEMBERS MEETING

It was a phenomenal year for our Credit Union. Because of great business practices, a strong economy, and the staff's eye on efficient management and effective financial practices, we earned over \$1 million! When you have good management, who hires and supports a quality staff like we have, who everyone knows, and trains continuously and never takes ANYTHING for granted, we prosper.

Because of the outstanding relationships that the staff has forged with local and regional business partners, our credit union has been able to earn the trust of these businesses and we have gained their loyalty and support. This is a free market. There are plenty of credit unions and banks available to deal with besides CoAFCU, yet a significant number of quality businesses chose to go with us. Gaining the support of so many companies is extremely difficult to do, and is a very significant reason we had the year that we had in 2019. It takes quality people to develop these relationships, and we are so grateful that they are so dedicated to our credit union and to our members. I want to thank Lou, the senior staff, and all the employees for your undying dedication to the credit union's success. More important than the credit union's success, you make it your personal mission every day to ensure that all our members receive the very best care.

None of what I just said means anything without the trust and support of all of you, the members. Our members are our backbone. Trusting us with your hard-earned money, choosing CoAFCU to get your home mortgages, car loans, credit cards, and other financial services is the only reason we can exist, and is one of the big reasons that we are a success.

I hear it often; how individual members have favorite staff that they like and seek out to help them. If it were one or two staff members, we might wonder about the rest of the staff. It turns out that we hear this for just about every staff member. That means there is consistent, professional training in place.

The Communities of Abilene Federal Credit Union is more of a family than a financial institution. The name represents all the employees, volunteers, members, and the vendors who support our success. We take nothing for granted, and in 2019, we worked hard every day to earn your trust, then your business. We are there with each other to celebrate the good times, and we are there to support each other through the rough times.

Even though this is a report for our activities in 2019, it is necessary to share one of our losses with you. On June 16, we lost a valued member of our staff, Patrick Wood. His passing was felt by us all, and especially by his fellow co-workers. Patrick had a great personality. He was the kind of person you just wanted to be around. He loved our credit union and was eager to learn more and more. To the staff who were close to Patrick, I am sorry that you lost a friend. To Patrick's family, words could never be enough to make the pain of his loss go away. All of us wish you comfort and peace, and we want you to know that we enjoyed the time we got to be around him, and we miss him too.

We have a culture that knows how to perfect the basics, handle the difficult with skill, and competently manage staff and member assets. Not just any credit union can master these abilities. In addition, we have the best Board of Directors and Supervisory Committee possible. We received excellent evaluations from the Federal Examiners, and the contracted vendors who challenge our systems and processes to uncover flaws and weaknesses consistently report minimal or no negative findings. There is an attitude of continuous learning and building upon past successes.

The COVID-19 disease pandemic forced us to hold our annual meeting in late 2020. The disease threatened to knock us out, but all it did was knock us down. We got back up, dusted ourselves off, and kept on moving forward to take care of our members. So far, it looks like we will be able to tell you we are weathering the storm very well and 2020 will be another good year all things considered. Our members are being safely taken care of, we are holding our own in a rocky economy, and we are poised for a strong end to 2020. The greatest thanks to our staff. They are the heroes of this pandemic! They show up every day and take care of all of us with courage and confidence.

On behalf of the Board of Directors, the Supervisory Committee, and the employees of the Communities of Abilene Federal Credit Union, we thank you for putting your trust and confidence in us. We wish you all a healthy and successful rest of 2020.

Respectfully Submitted,

Robert Sayer
Chairman, Board of Directors

2019

Chairman's REPORT



2019

Supervisory **COMMITTEE REPORT**

The Supervisory Committee is made up of members who oversee the basic financial health of our credit union. The Committee is responsible for making sure the accounting practices used represent the financial condition of the Credit Union accurately. The Committee continuously monitors the Credit Union's internal controls and insures the institution conforms to National Credit Union Administration (NCUA) and Federal Reserve Board regulations.

The firms of WayPoint Advisory Services Inc. and Eide Bailly LLP conducted audits agreed to by the Supervisory Committee solely to assist it in fulfilling responsibilities outlined in the NCUA Rules and Regulations.

The Supervisory Committee once again commends and thanks our credit union leadership and staff for all their hard work and efforts that made 2018 an outstanding year for our credit union.

If any credit union member is interested in becoming a member of the Supervisory Committee they can send a letter to the committee at the address below.

If you are unable to resolve an issue concerning your account by calling or visiting a branch office, please contact the Supervisory Committee and give us an opportunity to address and work the issue. We can be contacted by sending a letter to the CoAFCU Supervisory Committee P.O. Box 488, Abilene TX 79604.

Respectfully Submitted,

Kenneth M. Simonton
Chairman Supervisory Committee



2019

President's **REPORT**

This was a great year for Communities of Abilene Federal Credit Union. In 2019, we had earnings of \$1,153,962 and our total assets increased to \$142,453,785. Our loan volume increases 1.6 million but started slowing down towards the end of the year. Our charge-offs decreased by \$379,100 which had a positive impact on our earnings.

During the year, we focused on getting new computer equipment and upgrading our servers. We continue to make minor changes to our website to give our members access to more information so they can make better decisions concerning their finances. During the year, several of our camera's at North 6th were upgraded, along with minor repairs to our roof.

The collections department did a great job working with our members to reduce delinquencies and charge-offs. They were instrumental in the large reduction in our charge-offs for the year. The loan department continues to work with our dealerships to provide low rates and great service.

This year we had the NCUA examiners perform an audit of our financials, along with reviewing our operations. The audit went well, with no major finding but just a few recommendations to consider.

I want to thank our members for being part of the Communities of Abilene Federal Credit Union family and our Board of Director and Supervisory Committee

Respectfully Submitted,

Louis Zientek
President and Chief Executive Officer