

# 2023 TREASURER'S REPORT

## SUMMARY OF FINANCIAL CONDITION

ASSETS	
Cash on Hand	\$2,024,657
Cash on Deposit	\$15,532,986
Loans to Members	\$74,916,824
Less: Allowance Loan Losses	\$(566,476)
<b>Total Net Loans &amp; Cash</b>	<b>\$91,907,991</b>
Investments	\$59,279,686
Land & Buildings Net of Depreciation	\$741,813
Furniture, Fixtures & Equipment	\$178,501
NCUA Insurance Deposit	\$1,485,107
Other Assets	\$865,900
Foreclosed Assets	-
<b>Total Assets</b>	<b>\$154,458,998</b>
LIABILITIES	
Accounts Payable	\$616,429
Dividends Payable	\$3,371
<b>Total Net Liabilities</b>	<b>\$619,800</b>
MEMBER'S EQUITY	
Member Deposits	\$149,240,833
Retained Earnings	\$1,141,734
Statutory Reserves	\$3,456,631
<b>Total Liabilities &amp; Member's Equity</b>	<b>\$154,458,998</b>

## STATEMENT OF INCOME

OPERATING INCOME	
Income from Loans	\$3,097,399
Income from Investments	\$1,918,609
<b>Total Income</b>	<b>\$5,016,008</b>
Expenses	
Member Dividends	\$569,821
Provision for Loan Loss	\$114,285
Interest on Borrowed Money	-
<b>Total Expense</b>	<b>\$683,106</b>
<b>Net Income after Provision</b>	<b>\$4,331,902</b>
Non-Interest Income	
Fee Income	\$811,595
Other Operating Income	\$109,459
Gain (Loss) Fixed Assets	-
Other Non-Operating Income	-
<b>Total Non-Interest Income</b>	<b>\$921,054</b>
<b>Total Income</b>	<b>\$5,252,956</b>
OPERATING EXPENSES	
Employee Compensation & Benefits	\$2,254,582
Training & Conference	\$25,636
Office Occupancy	\$170,282
Office Operations	\$1,576,915
Education & Promotion	\$129,765
Loan Servicing	\$153,698
Professional & Outside Services	\$251,711
Regulatory Agency Fees	-
Operating fees	\$26,684
Miscellaneous Operating Expense	\$26,911
<b>Total Non-Interest Expenses</b>	<b>\$4,616,184</b>
<b>Net Income</b>	<b>\$636,772</b>

# ANNUAL REPORT

## 2023 Annual MEMBERS MEETING

On behalf of the Board of Directors of the Communities of Abilene Federal Credit Union. Welcome to the 2023 Annual Meeting. The Federal Credit Union system is highly regulated, and we are closely audited. These watchdogs ensure we are in full compliance in every area of all functions. There are other essential supportive services in which we must engage to function properly. All are expensive and hinder our goals of effectiveness in serving you. Information Technology (IT) is complicated and a costly but a necessary component. In summary, One can say, "It takes a lot of money to run a railroad."

Progression toward more effectively providing full service to our Members is an ever-present resolution in our Strategic Plan. The introduction of the new KASASA rewards checking account was a major Member benefit this year. The 6.00% annual percentage yield on deposits up to \$25,000 in one's checking account is a windfall for Members.

The metrics this year shine brightly: Return on assets remained stable. Operating expenses increased slightly due to inflation and the costs of goods and services. The Capital to Assets ratio rose from 9.5% to 9.9%. Delinquency averaged .20% for the year. Loan to Share Ratio and Loan to Asset Ratio remained steady at 50%. These primary measurements indicate a sound organization. This solid-ground position ensures we are in a vibrant mode of service.

Our President/CEO, Clint Wilson, is to be extolled due to his diligence in skillfully managing all aspects of the credit union. The Board of Directors are resolved to serve, and each brings an area of expertise that enhances effectiveness. The Supervisory Committee is like-minded and efficient in their duties. The staff is hi-caliber They serve as a cohesive team. This credit union is well-oiled and serves its Members well.

Jim McDonald  
Chairman of the Board

## 2023 CHAIRMAN'S REPORT



**COMMUNITIES  
OF ABILENE**  
Federal Credit Union



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# 2023 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.

To aid us in completing our responsibilities we hire outside audit firms to conduct specific reviews.

In 2023 the firm Eide Bailly LLP completed four quarterly audits; October-December 2022, January-March 2023, April-June 2023 and July-September 2023 on the Share Accounts of Officials and Employees, Dormant Account Activity, Expense Report and Corporate Credit Card Activity, Loan Reviews to Include Officials, Employees and their Family members, File Maintenance Reports, and Bank and General Ledger Account Reconciliations.

In 2023 the firm Waypoint completed the Bank Secrecy Act and Automated Clearing House audits. In addition, they completed a Supervisory Committee audit on specific areas identified by the Committee.

We commend and thank our Credit Union Leadership and Staff for their superior professionalism and cooperation with the Supervisory Committee, all outside auditors and especially with all of the outstanding members of our credit union.

The Supervisory Committee invites any credit union member who may be interested in becoming a member of the Supervisory Committee to one of our monthly meetings to see our activities to complete our responsibilities to the credit union and its members. Please send a letter to the committee at the address below for dates and times of future meetings.

If you have any issues concerning your account, I respectfully ask that you first call or visit a branch office. If your issue is not resolved, then I ask you to secondly please contact the Supervisory Committee and give us an opportunity to address and work the issue. Lastly, I ask that you contact NCUA as only a last resort. The Supervisory Committee 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

# 2023 PRESIDENT'S REPORT

2023 was another strong year for your credit union. Communities of Abilene had earnings of \$636,772 and our total assets ended the year at \$154,458,998. Lending activity remained relatively steady, and our investment portfolio continues to provide solid returns. In addition to adding over \$636,000 to our net capital, we were also able to pay out almost \$570,000 in dividends back to our members—that's roughly \$250,000 more than we've ever paid out in dividends in the history of the credit union. It really does pay to be a member of Communities of Abilene Federal Credit Union.

In addition to having a solid year financially, we also introduced a new suite of Kasasa checking and savings accounts. With Kasasa Cash Checking, you can earn up to 6.00% cash back each month on up to \$25,000. With a complimentary Kasasa Saver account, you can earn up to 3.75% APY on up to \$100,000. When considering most CDs in the area are below 4.50% APY, Kasasa Cash is a great way to earn cash dividends every month without having your money tied up in a timed deposit.

Overall, Communities of Abilene Federal Credit Union continues to keep our operating costs in line with industry standards and our collections department has continued to keep our charge offs well below peer averages. Our tellers and member service representatives continue to meet our members' expectations at every turn and will continue to do so moving forward.

Moving into 2024, we see the Federal Reserve potentially cutting rates toward the end of the year, as inflation continues to challenge the American economy. While these challenges are real and create financial hardship for our members, I have no doubt that Communities of Abilene will continue to thrive due to loyalty and patriotism of our members.

I want to thank our members for their continued trust of Communities of Abilene Federal Credit Union family, and I look forward to serving each of you in 2024.

Respectfully Submitted,

Clint Wilson  
*President and Chief Executive Officer*