

Coastal Community And Teachers Credit Union

2019 ANNUAL REPORT



AGENDA

- Determination of a Quorum
- Call to Order
- Welcoming Remarks
- Nominating Committee Report
- Approval of the Minutes of the 83rd Annual Meeting
- Chairman's Remarks
- President's Remarks
- New Business
- Adjournment

BOARD OF DIRECTORS/ TERM EXPIRATION

Ken Combs, Chairperson/2021
Dr. Lynda DeLeon, Vice-Chairperson/2020
Angie Ramirez, Secretary/2020
Dr. Michael Sandroussi, Treasurer/2022
Dr. Tony C. Diaz/2022
Dr. Jose Cavazos/2022
Jesse Gatewood/2020
Javier Leal/2021
Judge Henry Santana/2021

PRESIDENT/CEO

Gina Prince

C-SUITE MANAGEMENT

Yvonne Alaniz-Carpentier, CFO
Leanne Mulholland, COO

VICE-PRESIDENTS

Missy Garcia, VP-HR
Jessica Read, VP-Risk Management

Chairman's Report

WE CHANGE LIVES!

Coastal Community And Teachers Credit Union continues to be financially, strong community oriented LOCAL financial institution. Our net income for 2019 exceeded \$4.5 million and was one of our best years.

The merger of Kingsville Area Educators Federal CU was completed, and the accounts were joined April 1, 2019. This was a successful merger since their members can now take advantage of the many products and services offered by their new credit union family. Our field of membership has expanded due to the merger to include not only the following counties of Nueces, Aransas, San Patricio, Jim Wells, Kleberg and Duval – but also includes Public and Private Schools in Kenedy County, Employees of Brooks County ISD, and Employees of Jim Hogg County ISD.

The loan growth for 2019 was 25% and deposit growth was 14%. A major part of the growth in these two areas was contributed from the mergers which was part of the strategic plan of YOUR credit union.

The credit union implemented instant issue in 2019 where a member can obtain a debit card from one of our locations immediately. We listened to the members requests and eliminated the wait time for debit cards from seven days to immediate receipt when a card no longer works, is lost or stolen.

CCATCU continues to enhance the security of YOUR account and the technology available to our members. Protecting the assets of our credit union is a primary focus.

CCATCU thanks all of our members for their continued support. YOUR credit union appreciates word of mouth marketing. Spread the news of our competitive products and services and great rates offered to eligible members. Take advantage of one of our programs and let us help you raise your credit score. We are your LOCAL credit union and we support those in our community.

Your Community Partner dedicated to forming a positive change in people's lives.


Ken Combs,
Chairperson


Gina Prince,
CEO

Financial Information

as of December 31

STATEMENT OF CONDITIONS

	2019	2018
ASSETS		
Cash	\$16,068,373	\$19,693,112
Investments	24,089,621	38,464,372
Loans to members, net of allowance for loan loss	0 286,323,755	0 227,886,895
Note Receivable	0	0
Accrued Interest Receivable	0	0
Fixed Assets	5,651,238	5,249,252
National Credit Union Share Insurance Fund (NCUSIF)	2,816,587	2,603,901
Other Real Estate	0	0
Other Assets	19,411,376	18,304,207
TOTAL ASSETS	<u>\$354,360,950</u>	<u>\$312,201,740</u>
LIABILITIES AND RETAINED EARNINGS		
Note Payable	\$0	\$0
Dividend Payable	0	0
Other Liabilities	2,963,981	4,782,734
TOTAL LIABILITIES	<u>\$2,963,981</u>	<u>\$4,782,734</u>
Deposit Accounts	313,453,595	276,084,341
Regular Reserves	5,508,821	5,587,480
Equity Acquired in Merger	1,586,050	0
Undivided Earnings	34,196,249	29,300,052
Comprehensive Income	(3,337,919)	(2,589,768)
Unrealized Gain (Loss) on AFS	(9,827)	(963,099)
TOTAL LIABILITES & EQUITY	<u>\$354,360,950</u>	<u>\$312,201,740</u>
Membership:	37,333	35,507

STATEMENT OF EARNINGS

INTEREST REVENUE		
Interest on Loans	\$14,477,414	\$11,295,882
Interest on Investments and CDs	894,453	1,199,272
OTHER REVENUE		
Fees	5,102,164	4,661,376
Gain (Loss) on Disposition of Assets	0	(70,585)
Gain (Loss) on Investments	19,706	(140,529)
Non-Operating Gain or Loss	0	0
Extraordinary Gain (Loss)	0	0
Non-Operating Income	0	0
Other	1,280,634	1,128,899
TOTAL REVENUE	<u>\$21,774,371</u>	<u>\$18,074,317</u>
DIVIDEND EXPENSE		
Dividends on Deposit Accounts	1,956,239	1,560,968
Interest on Borrowed Money	107,941	5,565
TOTAL DIVIDENDS	<u>\$2,064,181</u>	<u>\$1,566,533</u>
NET REVENUE	<u>\$19,710,190</u>	<u>\$16,507,784</u>
Provision for Loan/Acct Losses	2,141,632	2,043,341
NET REVENUE BEFORE OPERATING EXPENSES	<u>\$17,568,558</u>	<u>\$14,464,443</u>
OPERATING EXPENSES		
Compensation & Benefits	\$5,165,955	\$4,573,975
Office Occupancy	767,370	688,880
Data Processing	1,371,952	1,249,221
Office Operations	1,534,299	1,211,402
Other	3,747,385	3,255,395
Member Insurance	0	0
TOTAL OPERATING EXPENSES	<u>\$12,586,960</u>	<u>\$10,978,873</u>
NET INCOME	<u>\$ 4,981,598</u>	<u>\$ 3,485,570</u>