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# **CENTEX CITIZENS CREDIT UNION**

**2020 ANNUAL REPORT**



*In Loving Memory*



**JANIS MASSEY BOSLEY**  
1953-2021

**Centex Citizens Credit Union**  
**President & CEO**  
1998 - 2021

## CHAIRMAN'S MESSAGE

### *67 Years and Counting*

*In 2021, we're celebrating sixty-seven years as a credit union. We feel truly fortunate to have so much to celebrate this year. Even as we look back on the past sixty-seven years, and how we got here, we are also looking forward to the growth and success that is yet to come. Our history informs our future, our stability fuels our progress.*

*In 1954, a small group of employees at the Mexia State School, founded the Mexia State School Credit Union dedicated to the movement of "people helping people." Our founders could not have possibly imagined the world we live in today - namely the unprecedented environment that was 2020 - but they had the foresight to build an institution that would survive and thrive well into the future.*

*In 1992, a new community charter was granted to the credit union which allowed it to serve anyone who lived or worked in Limestone County, as well as parts of Freestone, Hill and Navarro Counties. With this new charter came the new name - Centex Citizens Credit Union*

*In 2014, our charter expanded further to include all of Navarro County. This enabled the credit union to expand its branch network into Corsicana, TX - building a new state-of-the-art facility. But the credit union's progress did not stop there. In 2020, the credit union expanded further by building another state-of-the-art branch in Ennis, TX to better serve the needs of our friends in Ellis County - the first credit union to open in Ennis.*

*Then the world was first introduced to a new term: COVID. To this day, it continues to have an impact in our communities and members' lives. Seeing that our members were asked to sacrifice, it was important that the credit union must do anything it could to live up to its slogan: "People Helping People, That's What We Do!" by making sure our members had access to credit and affordable loan rates and earned above market rates on their funds.*

*We pledge our continued commitment to you as we navigate together through these interesting times.*

**Richard Johnson**

*Chairman of the Board*

## TREASURER'S REPORT

### *"People Helping People, That's What We Do"*

*Needless to say, the world changed - at least temporarily - in 2020 due to the COVID pandemic. The nation's economy experienced a short-lived downturn as stay at home protocols and business restrictions were put into place. This had a significant impact on consumer spending behavior and the demand for credit across the country.*

*In 2020, it was especially important the credit union's Managed Growth Plan sought to minimize its members' cost to borrow and maximize its members' yield on funds. Our strong net worth profile enabled us to financially absorb the impact on earnings in order to best serve the interest of our members during the pandemic.*

*The Condensed Statement of Condition (as of December 31, 2020) shows the credit union continues to be a well capitalized institution with \$14.3 million in net worth supporting \$89.6 million in total assets, a net worth ratio of 15.9% - more than 2.2-times greater than the 7.0% minimum requirement to retain a well capitalized status.*

*Total assets grew 13% in 2020 as shares increased more than \$10 million - almost entirely in core checking and savings accounts. Even though COVID-related elements effected loan demand last year, the credit union still originated over \$25.5 million in loans to its members in 2020.*

*Our history has shown an amazing ability to not only be good stewards of members' money but to offer an array of products and services through state-of-the-art facilities. The credit union remains well positioned for the current and pending economic and interest rate environment and retains a strong enterprise risk profile that protects the value of membership capital.*

**Terry Don Shivers**  
*Secretary/Treasurer*

## CONDENSED STATEMENT OF FINANCIAL CONDITION

	2020	2019	2018
<b>BALANCE SHEET</b>			
Cash and Investments	\$ 30,396,898	\$ 19,287,549	\$ 8,372,389
Loans, net	51,087,192	51,864,336	56,219,093
All Other Assets	8,072,629	8,349,465	5,311,687
<b>TOTAL ASSETS</b>	<b>\$ 89,556,719</b>	<b>\$ 79,501,350</b>	<b>\$ 69,903,169</b>
Share Drafts	15,440,965	12,190,812	11,422,329
Regular Savings	32,720,666	25,458,138	22,492,829
Money Market Accts	3,176,057	2,807,228	3,953,633
Certificates of Deposit	18,269,838	19,052,528	12,159,400
All Other Shares	5,447,815	5,592,776	5,540,293
<b>Total Share &amp; Deposits</b>	<b>\$ 75,055,341</b>	<b>\$ 65,101,482</b>	<b>\$ 55,568,484</b>
Other Liabilities & Other Equity	224,006	98,833	433,931
Net Worth Accounts	14,277,376	14,301,035	13,900,754
<b>TOTAL LIABS &amp; EQUITY</b>	<b>\$ 89,556,723</b>	<b>\$ 79,501,350</b>	<b>\$ 69,903,169</b>

<b>INCOME AND EXPENSES</b>			
Interest Income	\$ 2,960,990	\$ 3,382,757	\$ 3,269,663
Less: Interest Expense	438,049	553,681	195,460
Net Interest Income before Provisions	2,522,941	2,829,076	3,074,203
Less: Provisions for loan loss reserves	17,902	196,474	533,748
Net Interest Income	2,505,039	2,632,602	2,540,455
Less: Net Operating Expense	2,549,035	2,188,266	2,061,220
Net Operating Return	-\$ 43,996	\$ 444,336	\$ 479,235
Plus: Nonrecurring Inc(Exp)	20,334	-44,055	-13,485
<b>Net Income</b>	<b>-\$ 23,662</b>	<b>\$ 400,281</b>	<b>\$ 465,750</b>

<b>KEY FINANCIAL RATIOS</b>			
<b>Net Worth Ratio</b>	<b>15.9%</b>	<b>18.0%</b>	<b>19.9%</b>
State Average	10.4%	11.2%	10.8%
<b>Loans as a Pct of Total Assets</b>	<b>57%</b>	<b>65%</b>	<b>80%</b>
State Average	68%	74%	73%
<b>Core Deposits as a Pct of Total Shares</b>	<b>64%</b>	<b>58%</b>	<b>61%</b>
State Average	58%	54%	56%
<b>Net Interest Margin</b>	<b>2.96%</b>	<b>3.52%</b>	<b>3.74%</b>
State Average	2.38%	2.68%	2.65%
<b>Loan Delinquency Rate</b>	<b>0.06%</b>	<b>0.40%</b>	<b>0.65%</b>
State Average	0.73%	0.74%	0.58%

## BOARD OF DIRECTORS

**Richard Johnson**

*Chairman*

Term: 3/2020 - 3/2023

**Terry Don Shivers**

*Secretary/Treasurer*

Term: 3/2019 - 3/2022

**Becca Thomas Vaughn**

*Boardmember*

Term: 3/2020 - 3/2023

**Bobby McDonald**

*Boardmember*

Term: 3/2019 - 3/2022

**Dennis Wilson**

*Boardmember*

Term: 3/2020 - 3/2023

**Joe Sacedo**

*Boardmember*

Term: 3/2019 - 3/2022

**Arthur Busby, Jr.**

*Boardmember*

Term: 3/2020 - 3/2021

