

## Management List

Pierre Cardenas, President/CEO  
 Brennan Daniels, Chief Financial Officer  
 Lisa Malesky, Chief Operations Officer  
 Paul Garcia, Chief Information Officer

## 2021 Board of Directors

Position 1 – Colin Parrish, Director 2019-2022  
 Position 2 – Jaime Lynn, Vice Chair 2019-2022  
 Position 3 – Nancy Hrin, Director 2019-2022  
 Position 4 – Karim Hirani, Treasurer 2020-2023  
 Position 5 – Michael Jones, Chair 2020-2023  
 Position 6 – Gregory White, Director 2021-2024  
 Position 7 – Maria Lozano, Director 2021-2024  
 Position 8 – Kelly Evans, Director 2021-2024  
 Position 9 – Bekki Lammert, Director 2021-2024  
 Position 10 – Joel Bennett, Director 2020-2023  
 Position 11 – Wayne Hamilton, Director 2021-2024

## Management Changes 2021

Paul Garcia was promoted to CIO in March 2021

## Capitol Credit Union Membership

Capitol Credit Union is an ever-growing full-service financial institution that is proud to be 13,631\* members strong!

\*Total Number of Members as of December 31, 2021

## Statement of Financial Condition

As of December 31, 2021

ASSETS	12/31/2021	12/31/2020
Loans (Net)	137,746,082	117,291,871
Cash on Hand	1,737,598	1,488,006
Investments	45,741,238	46,344,499
Accrued Income	463,451	431,881
Fixed Assets (Net)	5,127,731	3,705,850
Deferred Assets	318,551	417,255
Other Assets	5,377,423	6,363,889
<b>TOTAL ASSETS</b>	<b>196,512,074</b>	<b>176,043,251</b>

### Loans

- Auto Loan
- Fully Collateralized Loan
- Personal Loan
- Share Secured Loan
- CD Share Secured Loan
- Line of Credit
- Home Equity Loan
- Home Equity Line of Credit
- Mortgage Loan
- Credit Cards

## LIABILITIES & EQUITIES

Accounts Payable	2,119,057	1,867,452
Accrued Interest Payable	12,714	12,454
Other Liabilities	327,163	627,571
Member Deposits	170,400,809	150,551,818
<b>EQUITY</b>	<b>23,652,330</b>	<b>22,983,956</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>196,512,074</b>	<b>176,043,251</b>

## Income Statement

As of December 31, 2021

	12/31/2021	12/31/2020
Loan Interest Income	5,215,572	4,903,901
Investment Income	435,683	488,726
Dividend/Interest Expense	130,855	128,230
Net Interest Income	5,520,400	5,264,397
Fee and Other Income	2,239,104	2,053,733
<b>Gross Operating Income</b>	<b>7,759,504</b>	<b>7,318,130</b>
Operating Expenses	6,869,760	6,052,806
Provision for Loan Loss	57,342	257,070
<b>Total Operating Expenses</b>	<b>6,927,102</b>	<b>6,309,876</b>
Net Operating Income	832,402	1,008,254
Non-Operating Income (Expense)	344,292	9,985,504
Net Income Before NCUSIF		
Stabilization Expense	1,176,694	10,993,758
NCUSIF Stabilization Expense		
<b>NET INCOME</b>	<b>1,176,694</b>	<b>10,993,758</b>



**CAPITOL**  
CREDIT UNION



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**CAPITOL**  
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**VIRTUAL**



April 21, 2022 @ 5 PM (CT)

## AGENDA

- I. **Call to Order**
- II. **Determination of Quorum**
- III. **Invocation**
- IV. **Appointment of Parliamentarian**
- V. **Reading and Approval of the Minutes of the 67th Annual Meeting of the Membership**
- VI. **Report of the Chair**
- VII. **Report of the Treasurer**
- VIII. **Report of the President (Video)**
- IX. **Old Business**
- X. **New Business**
- XI. **Report of the Nominating Committee**
- XII. **Election of Directors**
- XIII. **Question and Answer Session**
- XIV. **Drawing for Door Prizes**
- XV. **Adjournment of Meeting**

## Message from the President

2021 was another difficult year as we all worked our way out of what turned out to be a two-year battle with Covid. After 2020 we had high hopes for 2021, only to find much of the same due to a Covid Variant that dominated every bit of our economic and social attention. As we begin 2022, we are only now beginning to see some relief. Despite these challenging times, Capitol Credit Union grew by over \$20M in assets ending the 2021 year at \$196,512,073 in total assets outstanding. We are looking to push past the \$200M asset point as we begin 2022. We were also able to continue to find ways to provide our membership with excellent loan opportunities having grown our total loans outstanding to \$137,996,503. While the CU Industry on average grew loans outstanding by 4%, we increased our lending to our membership by over 17%. Our Wealth Management Program finished the year with over \$11.2M in assets under management as we continue to provide our membership with top quality financial investment services during these challenging times. We also saw \$20M growth in deposits as we refined our checking account program and launched our brand-new state-of-the-art Mobile Banking Platform. You can now easily manage your budget on your mobile phone so you can track all your expenses along with combining all your other creditors into one convenient mobile location. The Personal Financial Management solution along with Account Aggregation capabilities makes it a full-service online banking platform that will help you manage all your financial needs from the ease of your mobile phone. Our Walk up ATM's with checks and cash depository capabilities are available 24X7 at both our previous Burnet Location under a well lit and easy to find Capitol Credit Union canopy, and also in a 24X7 vestibule at our Domain location. After hours and week-end deposits can be made at these locations with more coming. While 2021 made it a bit more challenging for us, it did not slow us down. We will continue to focus on growth, better member access and providing you with innovative cost savings products and services to earn your membership every day because the **Best Is Yet To Come!**

**Pierre Cardenas**  
Capitol Credit Union President / CEO

## Message from the Chairman

It is fitting that our annual meetings are held in the spring. In nature, spring is a time of rebirth and renewal. After two years of the pandemic, including two major variant outbreaks during the past nine months, we are optimistic about the return to something that resembles our normal life. The 68th annual meeting of Capitol Credit Union and our third virtual meeting takes place as we are poised to take major steps forward as a financial institution.

During one of America's darkest periods, President Abraham Lincoln urged the nation to think anew and act anew to meet the crises of his day. Although our recent past has been difficult, our problems pale in comparison to the travails of Lincoln's time. During the past few years, the credit union has been forced to make major changes in our business practices in order to continue serving members. Despite this challenging environment, our credit union also successfully implemented two strategic initiatives in 2021. We completed construction and opened the state-of-the-art branch in the Domain to replace our old Burnet Road facility. In response to strong member feedback, we introduced an improved online banking platform in November.

The financial health of the credit union also grew stronger during the past 12 months. CCU set new records for lending to members during that time frame. Our total assets reached a record \$197 million at year's end.

The Board of Directors play an important role in approving measures to support healthy growth and improve services to members. As you consider the Nominating Committee's slate of recommended candidates, I want to express my appreciation for the contributions of departing board members Joel Bennett and Maria Lozano. During her two terms on the board, Maria led the effort to streamline our nominating process and update our bylaws as chair of the Bylaw Review Committee. Joel brought the wisdom he developed during four decades as an attorney and judge to the board during his 14 years of service as a board member. Both are great examples of the caliber men and women who volunteer their time and expertise as directors.

As members you are our only reason for existing. We again thank you for giving us the opportunity to make Capitol Credit Union your financial institution of choice.

**Michael A. Jones**  
Capitol Credit Union Board of Directors, Chairman

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## Message from the Nominating Committee

The Board of Directors appointed us to the Nominating Committee and tasked us with reviewing candidates who wish to fill vacant and expired positions on the Board. This said, the Nominating Committee unanimously recommends the following candidates to serve on the 2022 Capitol Credit Union Board of Directors:

Position 1 - Colin Parrish  
Position 2 - Jaime Lynn  
Position 3 - Nancy Hrin  
Position 7 - Mike Warner

We appreciate the opportunity to serve the Board of Directors of Capitol Credit Union.

**Stefanie Medack, David L. Davis, Aaron Demerson**  
Capitol Credit Union Nominating Committee, Chair

## Message from the Treasurer

Capitol Credit Union ended 2021 serving 12,867 members, an increase of 5.9% over 2020. We are very proud that despite the challenges presented by COVID-19 and the Omicron variant, we increased our loan portfolio by \$20.4M or 17.4% over 2020. Capitol continues to make strategic decisions to focus on growing our core membership and deepening our relationship with our existing members. We continue to drastically outperform our peers when it comes to Asset quality. Our credit quality is strong with a net 2021 average charge-off ratio of 0.21%, and delinquency ratio of 0.11%. We continue to remain well below the PEER average of 0.25% and 0.31%, respectively. The Board of Directors engaged the CPA firms of Eide Bailly and Nearman Maynard Vallez to perform a comprehensive review of the financial statements, policies, and procedures of the credit union. The firm's review showed that the financial statements of Capitol Credit Union fairly represent the financial position, its operations, and its cash flows in accordance with Generally Accepted Accounting Principles (GAAP).

### Some of the financial highlights include:

- Assets grew by 11.6 %, ending the year with \$196 million in total assets.
- Net operating Income for 2021 was the \$832,403.
- Net Worth balance has increased from \$22,983,956 at the end of last year to \$23,652,330 in 2021.
- We are well capitalized, with a net worth ratio of 12.09% a slight decrease of 0.74% from 2020.

In closing, we would like to thank our members for their trust and support, and for allowing Capitol Credit Union to be your financial institution of choice. You can count on us to make financially sound decisions to ensure that your credit union is always here for you.

**Karim Hirani**  
Capitol Credit Union Board of Directors, Treasurer