

### Management List

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

### 2023 Board of Directors

Position 1 – Colin Parrish, Director 2022-2025  
 Position 2 – Jaime Lynn, Vice Chair 2022-2025  
 Position 3 – Nancy Hrin, Secretary 2022-2025  
 Position 4 – Karim Hirani, Director 2023-2026  
 Position 5 – Michael Jones, Chair 2023-2026  
 Position 6 – Gregory White, Director 2021-2024  
 Position 7 – Mike Warner, Director 2022-2024  
 Position 8 – Kelly Evans, Director 2021-2024  
 Position 9 – Bekki Lammert, Treasurer 2021-2024  
 Position 10 – Diana Maldonado, Director 2023-2026  
 Position 11 – Wayne Hamilton, Director 2021-2024

### Capitol Credit Union Membership

Capitol Credit Union is an ever-growing full-service financial institution that is proud to be 13,134\* members strong!

*\*Total number of members as of December 31, 2023.*

### Statement of Financial Condition as of December 31, 2023

ASSETS	12/31/23	12/31/22
Loans (Net).....	145,364,475	161,577,445
Cash on Hand.....	3,453,987	1,610,570
Investments.....	48,739,589	34,321,925
Accrued Income.....	500,338	453,811
Fixed Assets (Net).....	8,653,586	8,807,915
Deferred Assets.....	355,225	392,334
Other Assets.....	6,858,631	5,929,379
<b>TOTAL ASSETS.....</b>	<b>213,925,831</b>	<b>213,093,379</b>

LIABILITIES & EQUITIES	12/31/23	12/31/22
Accounts Payable.....	1,577,613	1,926,041
Accrued Interest Payable.....	133,973	40,953
Other Liabilities.....	13,444,510	7,628,918
Member Deposits.....	175,319,425	180,678,653
<b>EQUITY.....</b>	<b>23,450,310</b>	<b>22,818,814</b>
<b>TOTAL LIABILITIES &amp; EQUITY.....</b>	<b>213,925,831</b>	<b>213,093,379</b>

### Income Statement as of December 31, 2023

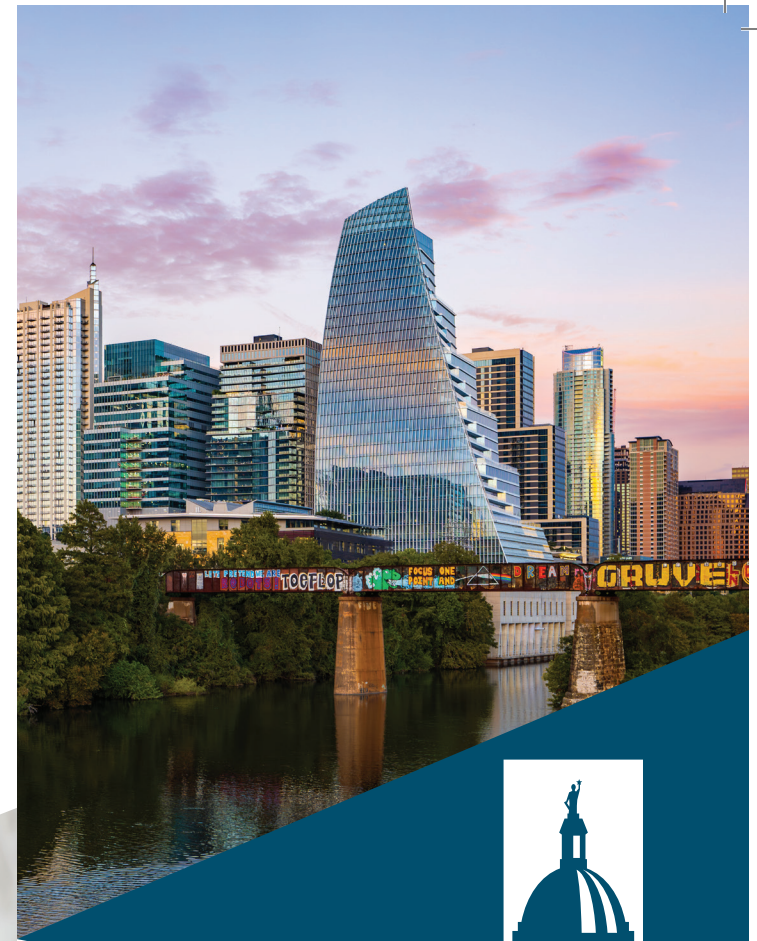
	12/31/23	12/31/22
Loan Interest Income.....	7,126,108	6,175,465
Investment Income.....	958,172	564,598
Dividend/Interest Expense.....	1,171,054	254,444
Net Interest Income.....	6,913,226	6,485,619
Fee and Other Income.....	2,011,026	2,342,652
<b>Gross Operating Income.....</b>	<b>8,924,252</b>	<b>8,828,271</b>
Operating Expenses.....	7,929,223	7,511,848
Provision for Loan Loss.....	189,587	94,933
<b>Total Operating Expenses.....</b>	<b>8,118,810</b>	<b>7,606,781</b>
Net Operating Income.....	805,442	1,221,490
Non-operating Incomings (Expense).....	48,804	456,099
Net Income Before NCUSIF.....		
Stabilization Expense.....	854,246	1,677,589
<b>NET Income.....</b>	<b>854,246</b>	<b>1,677,589</b>



Save today with a  
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 an Auto Loan Refinance.

**5.99%  
 APR\***

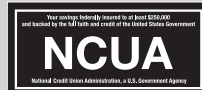
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# 70TH ANNUAL MEETING

APRIL 17<sup>TH</sup>, 2024 | 6 PM CST  
 BULLOCK TEXAS STATE  
 HISTORY MUSEUM

*Celebrating 70 Years of Service  
 & Revolutionary Banking Solutions*



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## Agenda

- I. Call to Order
- II. Determination of Quorum
- III. Invocation
- IV. Appointment of Parliamentarian
- V. Reading and Approval of the Minutes of the 69<sup>th</sup> Annual Meeting of the Membership
- VI. Report of the Chair
- VII. Report of the Treasurer
- VIII. Report of the President
- IX. Old Business
- X. New Business
- XI. Report of the Nominating Committee
- XII. Election of Directors
- XIII. Question and Answer Session
- XIV. Adjournment of Meeting

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## Message from the Chairman

Welcome to the 70th annual meeting of the membership of Capitol Credit Union. We appreciate members who take the time to attend to the business of our credit union.

It's appropriate that our meeting is being held in the shadow of the State Capitol. Our credit union was launched seven decades ago in the basement of the Capitol. The original 154 members who opened accounts in our first year were seeking a trusted financial institution that made their needs the top priority. Despite dramatic changes in our field of membership, we will never betray the interests of our members, especially the dedicated employees who work in the Capitol Complex.

In the intervening decades, Capitol Credit Union has opened three full-service branches, installed multiple depository automated teller machines, introduced business checking and savings accounts, processed thousands of home equity loans and created an online portal that allows members to conduct most transactions online. Capitol Credit Union now serves 13,134 members and our field of membership includes attorneys, optometrists, small business owners and employees of Texas Gas Services. Starting 70 years ago with \$11,000 in deposits stored in the bottom desk drawer of founding member E.L. Stryck, the credit union finished last year with \$213,000,000 in total assets.

The Board of Directors, management team and staff are committed to taking all steps necessary to improve services and promote the healthy growth of our credit union. We recognize you have many options for meeting your financial service needs. As always, we thank you for placing your trust in Capitol Credit Union as your financial institution of choice.

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

## Message from the President

Boy, that was fast..... 2023 has come and gone, and 2024 is here! I guess it is true when they say that as you get older time goes quicker. The financial challenges of 2023 were not for the faint of heart. The economy seems to have weathered last year's rate increase storm, as rates have remained high but stable. Even with the challenging economic prior year and rates remaining at historically high levels, I am happy to report that Capitol Credit Union has stayed the course and is in a strong financial position. Not only were we able to productively get through a financially difficult prior year but we are also able to provide YOU, our members with great financial value and services.

To combat the interest challenges, we launched our 5% 10-month\* CD special. In addition, we increased our Kasasa Checking Account rate to pay our members 6% up to the first \$15,000 balance in their account and complimented this by paying our members 4% on their Kasasa Savings Account up to the first \$100,000 on deposit. We incorporated a "free" credit monitoring and credit score reporting solution that automatically provides you with your most updated credit score as soon as you log into our top-rated mobile app. We also added a Buy Now, Pay Later option on your debit card that allows you to easily pay for those higher, unexpected expenses, giving you the option to pay for the expense in 6, 9, 12 or 18 months. It is as easy as clicking "yes" on the expense you want to set up as payments and it is done, right there in a matter of seconds. How is that for convenience?

And to add even more value, we have made it easier for you to do teller transactions by adding three more new drive-up depository ATMs. These new drive-up depository ATM locations, one of which is in the Stone Hill Town Center in Pflugerville, the other drive up is in South Park Meadows and the third is right off of I-35 and Parmer. All three drive up locations are near the Walmart Murphy gas station ready to handle your teller transactions 7 days a week, 24 hours a day. We began these drive-up depository units by placing the first one at our Ben White branch ATM location. We also added a new depository ATM in front of the Café in the Texas State Mall at the Barbara Jordan Building.

We continue our effort to provide you with great financial value, convenience to enhance your banking experience, so you'll want to tell others about Texas' best credit union, Capitol Credit Union. Invite your friends, family, neighbors, and co-workers to join too so they don't miss out on financial freedom with CCU. And don't forget to tell them that... **The Best is Yet to Come!**

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

## 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 2024 Capitol Credit Union Board of Directors:

Position 11 – Wayne Hamiton  
Position 8 – Kelly Evans  
Position 9 – Bekki Lammert  
Position 6 – Greg White  
Position 7 – Mike Warner

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

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

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## Message from the Treasurer

Capitol Credit Union ended 2023 serving 13,134 members. We dialed back our lending in 2023 as liquidity in the market decreased due to increased market rates and diminishing liquidity from the COVID stimulus funding. 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 2023 average net charge-off ratio of 0.16%, and delinquency ratio of 0.17%. We continue to remain well below the PEER average of 0.35% and 0.44%, 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 remained stable, ending the year with \$213 million in total assets.
- Net operating Income for 2023 was the \$805,442.
- Equity balance has increased from \$22,818,814 at the end of last year to \$23,450,310 in 2023.
- We are well capitalized and maintained a stable net worth ratio of 11.94% in 2023.

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 to serve you, our members.

**Bekki Lammert**  
Capitol Credit Union Board of Directors, Treasurer