

MAIN OFFICE
 1001 N Lee Ave
 Odessa, TX 79761
 Tel: (432)332-8171
 Fax: (432)332-3572

52nd ST BRANCH
 4440 E. 52nd St
 Odessa, TX 79762
 Tel: (432)362-1414
 Fax: (432)362-6164

FORT STOCKTON BRANCH
 401 W. Dickinson Blvd
 Fort Stockton, TX 79735
 Tel: (432)336-6291
 Fax: (432)336-6429

EAST ODESSA OFFICE
 4301 Mission Blvd
 Odessa, TX 79765
 Tel: TBD
 COMING JUNE 2020

WEST TEXAS CREDIT UNION

ANNUAL REPORT

2019

LETTER FROM THE CFO

Valued Members,

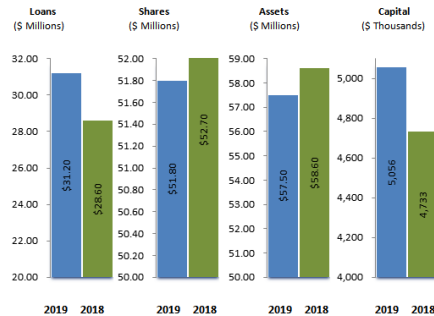
The year **2019** has been a breakthrough year for **West Texas Credit Union**. This is the year that we have surpassed a lot of milestones, an accomplishment that deserves no less than a shoutout to all our team members for their relentless commitment and hard work.

We have grown our loan portfolio by **\$2.6M (9.06% annual growth)** and have hit the **\$30 million** mark (**\$31.2M** to be specific) for the first time in the Credit Union's history. Our loans to share ratio now at **60.23%** is another record high for the Credit Union. Profitability (Return on Assets) also shows an upward trend now at **0.56%**, a figure that has been so elusive for the past 10 years. Our delinquency ratio at **0.59%** is one of the lowest we've had in years, still lower than our peers at **0.81%**.

We ended the year with a solid **8.78%** capital to asset ratio, the strongest we've ever been for the past 9 years – with a corresponding **6.82%** growth in equity now at **\$5.06M**. We also added a Year-To-Date net income of **\$323K** which is **48.32%** more than our CY 2018 figure and is the highest we have ever achieved profitability-wise for the past 12 years.

Best Regards,

Glenn Tolentino
CFO



LEADERSHIP

EXECUTIVE MANAGEMENT:

Nicole Torans-Dominguez | CEO
 Glenn Tolentino | CFO
 Lisa Brooks | DOO/Branch Manager
 Margaret Lopez | Branch Manager
 Felicia Mompoint | Assistant Branch Manager
 Brooke Patterson | Marketing Manager

BOARD OF DIRECTORS:

Steve Brown | Chairman
 Donnie Norwood | Vice Chairman
 Mary Jaramillo | Secretary
 Carolyn Gonzalez | Director
 Paul Pasqua | Director
 Charles Roberts | Director
 Ricky Chandler | Director
 Donald Wood | Director

EXPIRES

2022
 2022
 2020
 2021
 2022
 2021
 2020
 2020

■ = up for re-election 2020

LETTER FROM THE CEO

Members,

On behalf of West Texas Credit Union, I want to thank you for your continued membership and dedication to us over the years. As a Credit Union family, we should all take a moment to reflect on the years we have had and celebrate the success we are experiencing. It is all too often we forget to celebrate these moments. We have had an extremely busy 2019 and we plan to continue working diligently in 2020. We are adding new features to Online Banking and will be offering new products and services to better assist you in your journey of meeting your financial goals.

As a member, you have and will continue to see some new faces in our locations. This is preparing us for our new location and adventure coming soon! We anticipate having our grand opening the first week of June 2020, and will be sending out notification through mail, email, and social media. As we continue pursuing the Credit Union motto "people helping people", we find ourselves involved in many aspects of the community. This past year we held Reality Fairs, performed credit counseling within schools and at the Credit Union, Easter egg hunts, blood drives, back to school bash, new teacher orientation, Salvation Army drive, Food Bank initiatives, and many more events. We find with focusing on our true passion of educating the community, helping those in need, and giving back we impact lives in a positive manner and hold true to our Credit Union mission.

As with many other financial institutions, we are seeing growth. The direction in growing the Credit Union is a conservative approach. With being conservative, we have seen a positive ROA of **0.56%**. This is the best we have seen in years, back to even before my time here at the Credit Union. Our capital asset was a true struggle over the years. This was originally in the low 7's when I began back in late 2012, and we now have boosted this ratio to **8.78%**. We continue to see this rise with our growth in lending and our stability in our assets. The economy isn't always our friend, but with the team we have and the support of our community in education we have remained strong. We ended the year with a total net profit of **\$323** thousand.

As I have said before, our core segment is educators within Ector County and Fort Stockton, and because of that we have worked hard to stay true to our roots. We are here through all stages of life. We are available to Ector and surrounding counties to provide our products and services. Feel free to share the love you have for your local Credit Union with your friends and family. If there is a way to improve, we want to know. If you have new ideas or suggestions, please share with me or my team. We are open to enhancing and building your Credit Union to provide a better experience for you and your family. As always, it is a pleasure to serve you as your President and CEO. Please do not hesitate to contact me directly if anything is ever needed.

Thank you for your continued membership.

Best Regards,

Nicole Torans-Dominguez
CEO/President



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2019 and 2018

	2019	2018
ASSETS		
Total Loans to Members	\$ 31,182,542.88	\$ 28,592,164.84
Total Allowance for Loan Losses	(147,349.05)	(255,034.18)
Total Cash and Cash Equivalents	23,140,372.19	28,154,967.53
Total Prepaid & Deferred Expenses	87,729.56	86,527.55
Total Fixed Assets	1,318,964.48	1,266,735.34
Total Accrued Income	136,550.51	140,231.70
NCUSIF	498,128.81	515,565.49
Other Assets	1,330,388.77	58,791.70
TOTAL ASSETS	\$ 57,547,328.15	\$ 58,559,949.97
LIABILITIES		
Total Accounts Payable	\$ 569,546.77	\$ 772,111.88
Total Accrued Expenses	120,233.56	157,504.41
Other Liabilities	26,548.41	175,334.77
Total Liabilities	\$ 716,328.74	\$ 1,104,951.06
DEPOSITS		
Total Deposits	\$ 51,774,551.88	\$ 52,721,513.92
MEMBERS' EQUITY		
Reserve Account	\$ 1,607,952.04	\$ 1,607,952.04
Undivided Earnings	3,125,532.95	2,907,781.84
Current Earnings	322,962.54	217,751.11
Total Members' Equity	\$ 5,056,447.53	\$ 4,733,484.99
TOTAL LIABILITIES, DEPOSITS & EQUITY	\$ 57,547,328.15	\$ 58,559,949.97

CONSOLIDATED STATEMENT OF INCOME & EXPENSES

For the years ended December 31, 2019 and 2018

	2019	2018
Interest Income:		
Interest on Loans	\$ 1,104,168.13	\$ 1,010,739.35
Interest on Real Estate Loans	448,671.30	477,475.71
Interest on MasterCard Loans	29,585.65	31,041.37
Investment Income	520,754.13	502,654.15
Total Interest Income	\$ 2,103,179.21	\$ 2,021,910.58
Interest Expense and Cost of Funds		
Dividends on Share	\$ 23,670.66	\$ 13,142.01
Interests on Deposits	21,973.46	18,881.25
Total Interest Expense and Cost of Funds	\$ 45,644.12	\$ 32,023.26
Net Interest Income	\$ 2,057,535.09	\$ 1,989,887.32
Provision for Loan Loss Expense	\$ (4,242.75)	\$ 133,500.43
Fees, Charges and Other All Other Income		
Service Fees	\$ 866,483.72	\$ 799,072.56
Total Fees, Charges and Other All Other Income	\$ 866,483.72	\$ 799,072.56
Total Gross Income	\$ 2,928,261.56	\$ 2,655,459.45
Non-Interest Expenses:		
Total Operating Expenses	\$ 2,605,299.02	\$ 2,437,708.34
Total Non-Interest Expense	\$ 2,605,299.02	\$ 2,437,708.34
Net Income	\$ 322,962.54	\$ 217,751.11

2019 Financials

"Beware of little expenses; a small leak will sink a great ship."

- Benjamin Franklin