



With our CardValet & MobiMoney apps, you can manage your cards like never before! Set alerts, check activity, block or unblock cards and more. Available for free on all debit and credit cards. Contact CECU at (888) 897-2323 for more details.



Increased Rewards for Your CECU Visa Credit Card

CECU has increased Visa® UChoose rewards for all restaurant purchases. In fact, we are doubling it! You will earn two points for every dollar spent at any restaurants including bar & grills and fast food. Now is the time to take the kids for pizza or join friends for a nice dinner! This deal expires August 31, 2019*.

All other purchases continue to earn one point for each dollar spent. Be sure to check the UChooseRewards.com for more opportunities. Deals found there can be combined with our specials to maximize your rewards! Need a CECU credit card or to increase your limit? Apply today!

*Offer valid 3/1/2019 - 8/31/19. Visa cash back rewards will be applied as credit on your January statement.

Board of Directors
 David Urich, Chairman
 Dennis Steward, Vice-Chairman
 Tim Smith, Secretary/Treasurer
 Dean Harre, Director
 Mary Lyon, Director
 Sandy Payne, Director
 Tamie Yegge, Director

Supervisory Committee
 Pam Porting, Chairperson
 Sandra Dorge, Member
 Julie Love, Member
 Doug Novinger, Member

Credit Union Staff
 Kevin Brueseke, President
 Cathy Adams, Vice Pres. of Operations
 Kathy Kliethermes, Dir. of Office Admin
 Jessica Stuenkel, Branch Manager
 Maureen Ball, Loan Officer
 Ronda LePage, Loan Officer
 JoAnn Pointer, Loan Officer
 Dawn Ellis, Card Services Coordinator
 Stacia Peters, Financial Services Specialist
 Mike Kallenbach, Financial Services Specialist
 Carol Kimball, Loan Processor
 Jean McKinley, Support Specialist
 Sharon Bax, Call Center Clerk
 Denise Willroth, Member Services Rep.
 Lisa Woodland, Member Services Rep.
 Emily Franklin, Member Services Rep.
 James Gerling, Member Services Rep.
 Mike Smith, Member Services Rep.
 Roger Luebbert, Financial Advisor



CONSERVATION EMPLOYEES' CREDIT UNION 2018 ANNUAL REPORT

Statement of Condition

Assets	
Loans to Members (net)	87,573,226.91
Non-Interest Earning Cash	286,549.01
Corporate/Overnight	2,636,069.78
Investments	18,694,259.25
Furniture/Equipment	48,335.53
Building/Land	937,046.75
Accrued Income	201,915.70
PrePaid & Deferred Expenses	618,089.90
NCUSIF Share Insurance	982,036.89
<u>Other Assets</u>	<u>60,603.31</u>
Total Assets	112,038,133.03

Liabilities/Equity

Accts Payable	1,507,884.03
Dividends	58,165.52
All Other Liabilities	489,612.06
Members' Shares	38,450,244.87
Members' Share Drafts	15,286,068.75
Members' Share Certificates	24,678,574.48
Members' IRA Certificates	4,084,671.19
Members' IRA Shares	4,225,155.82
Members' Money Market Shares	12,304,673.15
<u>Life Savings</u>	<u>42,832.15</u>
Total	101,127,882.02
Unrealized Gain/Loss Investments	(446,214.54)
Pension Other Comprehensive	(541,309.00)
Regular Reserves	3,161,143.70
<u>Undivided Earnings</u>	<u>8,736,630.85</u>
Total	10,910,251.01
Total Liabilities/Members Equity	112,038,133.03

Statement of Earnings

Income	
Interest from Member Loans	3,097,370.10
VISA Interchange Income	283,105.10
Debit Interchange Income	236,903.30
Interest from Investments	501,663.67
Life and CDI	110,540.73
<u>Other Income</u>	<u>176,697.60</u>
Total Income	4,406,280.50

Operating Expenses

Salary and Benefits	1,377,479.09
Travel & Conference	26,226.96
Association Dues	29,822.22
Office Occupancy	38,554.25
Office Operations	183,209.82
Education/Marketing	57,072.35
Loan Servicing	450,243.76
Professional Outside Services	785,984.57
Supervision and Examinations	16,963.05
Depreciation Expense	72,836.29
Provision for Loan Loss	(3,665.22)
(Gain)/Loss on Sale of Assets	(3,750.00)
Other Non-Operating (Gain)/Loss	(4,828.68)
<u>Misc.</u>	<u>42,621.53</u>
Total Operating Expenses	3,068,769.99

Interest Expense

Interest on Borrowed Money	2,975.46
Share/Share Draft Dividends	154,434.91
Money Market Shares	54,464.93
IRA Shares and Certificates	89,253.09
<u>Share Certificates</u>	<u>311,652.43</u>
Total Cost of Funds	612,780.82

Total Expenses	3,681,550.81
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Net Income 2018

Net Income	724,729.69
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Conservation Employees' Credit Union
 2915 West Truman Blvd
 P.O. Box 180, Jefferson City, Mo 65102-0180
 573-522-4000, 888-897-2323



Loan Report 2018 Business Year

Conservation Employees' Credit Union assisted members during 2018 by loaning a total of \$34,754,874. The following data indicates the areas in which CECU assisted members during the year.

<u>LOAN TYPE</u>	<u>NUMBER</u>
New Vehicles	69
Used Vehicles	945
Mortgage	40
Mortgage-10 yr. Balloon	5
Home Equity	593
Land Equity	47
Unimproved Land	13
Recreation	134
Farm/Industrial	77
LOC/Overdraft	4,247
Adjustable Rate LOC	970
Student	204
Share Secured	27
Signature	207
Co-Maker	21
Payday	75
Other	1
Total	7,675



Supervisory Committee Report

The Supervisory Committee is responsible for reviewing procedures and examining the business operations of Conservation Employees' Credit Union (CECU). The Supervisory Committee has met monthly throughout the past year and is happy to report another year of great performance by CECU leadership and employees.

Committee activities for 2018 included:

- Reviewed CECU for compliance with the Office of Foreign Asset Control (OFAC).
- Conduct periodic surprise cash drawer audits.
- Audited all consignment items.
- Reviewed CECU employee monthly VISA bills.
- Participated in the CECU annual planning session.
- Maintained the "Supervisory Committee Internal Control Checklist" document. This is a living document that helps guide the Supervisory Committee through its duties and provides consistency with year to year reporting.
- Reviewed CECU vehicle expense records.
- All Supervisory Committee members attended Bank Secrecy Act Compliance training.
- Conducted physical equipment inventory.
- Reviewed Share Accounts, Accrued Dividends, Other Liabilities and Member Equity.

The Chairperson of the Supervisory Committee or a substitute, if needed, attended the monthly board meetings throughout the year. That member then shared pertinent information on the actions of the Board with the Supervisory Committee member for their review.

I would like to recognize Supervisory Committee members Sandy Dorge, Julie Love and Doug Novinger for their dedicated service on this committee throughout 2018.

I would also like to thank CECU President Kevin Brueseke and his entire staff for their support and willingness to help our committee whenever needed.

Best Regards,
Pam Porting
Supervisory Committee Chairperson

Chairman of the Board of Directors and President's Report 2018

If we had to describe Conservation Employees' Credit Union's 2018 using only one word, it would be 'growth.' Our financials, access and the value we strive to provide our members – they all increased or were enhanced last year.

Financially, we ended the year with \$112 million in assets. Our loans grew more than 8% – we made 140 more loans and lent more than \$5.4 million more than we did in 2017. Additionally, we grew our net worth by more than 75 basis points. Finally, we also grew our membership. As of December 31, 8,259 members take part in the credit union difference of better rates, fewer fees and superior service.

One of our goals for 2018 was to increase awareness and usage of our home loans – both mortgages and home equity lines of credit. We set aside \$4 million for a limited-time mortgage offer that include a special fixed rate for 10 years. Also, we ran a limited-time home equity line of credit special offering members up to \$500 toward closing costs. We're happy to report that 38 members took advantage of the mortgage offer, and 27 members received the home equity special.

In addition to our limited-time offers, Conservation Employees' Credit Union strives to grow the value we provide to our members year-round. In 2018, we rolled out two new services for our membership and were able to increase our savings rates without increasing consumer loan rates.

The first is our free auto-buying resource portal, found online at cecuonline.org. We've always been trusted to provide vehicle loans with better rates and flexible repayment terms, and now, the credit union provides one-stop vehicle shopping through our website! Members can research more than 4 million vehicles nationwide, compare vehicles, check dealer inventory, get free CARFAX® reports and more. If anyone is in the market for their next vehicle, we encourage checking it out!

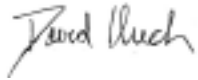
The second service is our enhanced debt protection. It's like the credit life and credit disability insurance the credit union previously offered, but it includes valuable upgrades like unexpected unemployment coverage and terminal illness coverage, in addition to disability and death. Almost 80% of Americans report they're living paycheck to paycheck, and if the unexpected happens, affecting your job and paycheck, your family's well-being can be shaken. For a small fee, members can get Debt Protection with Life Plus optional coverage on their consumer loans, home equity lines of credit and credit cards with the credit union.


In addition to rolling out new services, we also provided value to our members by increasing our deposit rates in 2018. In fact, our certificate of deposit rates increased by 0.70%! The credit union also saw the return of tiered-rate money market accounts, with the highest tier paying 1.25%.

Another goal the credit union had was to continue to use technology to improve the way we communicate with you. Your newsletter isn't the only way to get scoop on what's happening at Conservation Employees' Credit Union! We increased our focus on communicating with the membership electronically by sending out 15 eblasts. Also, our website, cecuonline.org, and Facebook page, [facebook.com/conservationcu](https://www.facebook.com/conservationcu), are great resources for learning about our events, offers and financial tools.

We want to thank you, our members. Without your continued support, the credit union would not exist. We encourage you to take advantage of the unique benefits Conservation Employees' Credit Union offers and to tell your family members and co-workers about the benefits of membership at the credit union.

We hope you have a safe, happy and productive 2019.


David Urich
Chairman


Kevin Brueseke
President/CEO