



CHAIRPERSON'S REPORT

On behalf of the volunteers and staff of Veritas Federal Credit Union, we welcome you to this annual meeting, celebrating 45 years of serving the Nissan family. Our vision is to be the preferred financial services provider for all employees and family members of Nissan North America, its affiliates and subsidiaries.

Both the NCUA examination and CPA audit continue to validate the safety and soundness of our financial institution.

In 2018 we completed a major upgrade to our data processing, home banking and mobile platforms, providing our members with advanced tools to manage their finances. This upgrade sets the foundation to allow VFCU to grow and offer new programs for our members, improving our member experience and enhancing member value.

Despite lower loan volume, the credit union maintained net income ahead of similarly sized institutions. Non-operating income benefited from a \$27,197 dividend paid by NCUSIF, the credit union's share insurance fund, restoring a portion of premiums paid during the financial crisis of 2009.

Your trust in VFCU has allowed us to continue to grow, prosper, and to expand the financial services offered to you. The Board, Supervisory Committee, and staff at VFCU wish to thank you for your continued support.

Michelle Garcia
Chairman, Board of Directors



Michelle Garcia
Board Chair

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is appointed by the Board of Directors, and consists of members who have volunteered to serve in this capacity. The Committee is the credit union's audit committee—a kind of "watch dog" for the members. The Committee is also available for its members in case of any personal issues that cannot be resolved by credit union management.

The Committee's role is not just about counting money and making sure the books are in order. Rather, it includes continuing to ensure VFCU management and the Board of Directors fulfill their responsibilities as good stewards of the members' money. This is partly accomplished through regular audits and onsite visits at each of the credit union's locations. G. David Edwards, CPA, our independent auditor, performs a complete and thorough audit of the credit union's financial records. Mr. Edwards has once again issued an unqualified opinion in 2018, showing that the financials statements of Veritas Federal Credit Union fairly represent the financial condition of the credit union.

Regulatory responsibilities continue to increase for both the credit union and the Supervisory Committee. The Committee continues to refine its work plan, including oversight in the areas of compliance, fraud prevention, proper risk assessment and cash management.

As members of the credit union, committee members take seriously the obligation and responsibility to ensure the safety and soundness of Veritas Federal Credit Union and its ongoing operations. On behalf of Valencia Buggs, Dorris Russell and Mike Davis, I thank you for this opportunity to serve.

Larry Branch
2018 Supervisory Committee Chairman

Board of Directors

Michelle Garcia, Chairman
Larry Branch, Vice-Chairman
Thomas Culp, Secretary
Brad Fottrell, Treasurer

Supervisory Committee

Larry Branch, Chairman
Valencia Buggs
Dorris Russell Jr.
Mike Davis



VERITAS FEDERAL CREDIT UNION

Consolidated Statements of Financials Condition

Veritas Federal Credit Union

	Statement of Year End Income		
	2018	2017	2016
Interest Income			
Interest on Member Loans	2,100,329	2,074,954	1,967,203
Interest on Investments	126,388	75,115	75,752
Total Interest Income	2,226,717	2,150,069	2,042,954
Interest Expense			
Dividend Expense on Member Shares	189,921	155,081	173,417
Net Interest Income	2,036,796	1,994,988	1,869,538
Provision for Loan Losses	216,389	164,910	318,558
Net Interest Income after Provision for Loan Losses	1,820,407	1,830,078	1,550,980
Operating Expenses			
Compensation and Benefits	1,172,438	1,198,204	1,221,600
Office Operations	927,181	721,867	708,532
Professional Services	284,894	230,608	198,540
Other Expenses	35,372	232,669	176,240
Total Operating Expenses	2,419,885	2,383,348	2,304,911
Other Income	737,634	744,030	700,146
Net Operating Income	138,156	190,761	(53,786)
Non-Operating Income	28,564	78	(1,679)
Net Operating Income After NOL	166,720	190,839	(55,465)

Balance Sheet

Assets			
Loans to Members	29,675,021	32,261,910	30,689,452
Less: Allowance for Loan Losses	352,338	332,584	345,346
Net Outstanding Loans	29,322,684	31,929,326	30,344,105
Cash and Equivalents	1,137,290	1,414,707	1,616,694
Investments	9,328,841	5,711,195	9,734,018
National Credit Union Share Insurance Fund	343,750	360,505	354,731
Other Assets	1,632,821	1,414,114	468,127
Total Assets	41,765,385	40,829,847	42,517,675
Liabilities, Savings and Equity			
Total Liabilities	284,854	836,780	492,116
Total Savings	37,406,758	36,086,015	38,309,345
Reserves & Equity	4,073,772	3,907,052	3,716,213
Total Liabilities, Savings and Equity	41,765,385	40,829,847	42,517,675