

## — BOARD OF DIRECTORS —

James Kiefer  
*Chairman*

George “Rocky” Rosario  
*Vice Chairman*

A. Joe Loduca  
*Treasurer*

Josephine Giometti  
*Secretary*

Cecile Kaiser  
*Assistant Secretary*

Dean Alexander

Robert Applegate

Ralph Sanguinetti

Yolanda Solari

Sean Whelan

T. Hugh Windsor

## — SUPERVISORY COMMITTEE —

Theodore “Ted” Rich  
*Chairman*

Lori Olson  
*Secretary*

John Proctor

Rich Garcia

Isela Ruiz Lawrence

## — CREDIT COMMITTEE —

Hal Vennes  
*Chairman*

Paul Wheeler  
*Secretary*

Frank Wernette

Steve Woodruff

## — MANAGEMENT —

David Silvestri  
*President/CEO*

Patricia Jackson  
*Executive VP/COO*

Sharon Evard  
*Vice President of Operations*

Michael Hausenfleck  
*Vice President of Lending*

Paula Runion  
*Vice President of Information  
Systems and Compliance*

Linh Vo  
*Vice President of Accounting*

Benny Magdaleno, AVP  
*Information Systems*

Cynthia Pierro, AVP  
*Human Resources*

Dottie Lothrop, AVP  
*Lending*

Lisa Henne, AVP  
*Center Street Branch Manager*

Candice Alaniz, AVP  
*Lodi Branch Manager*

Sue Dorman, AVP  
*San Andreas Branch Manager*

Sheila Zachary, AVP  
*El Dorado Branch Manager*

Annie Starr, AVP  
*Angels Camp Branch Manager*

Kris Davis, AVP  
*Member Service Support Manager*

## – DIRECTORY –

### CALL CENTER

(209) 444-5300  
(800) 675-5114

### STOCKTON MAIN OFFICE

919 N. Center Street  
Stockton, CA 95202  
*Monday-Thursday 9am-5pm*  
*Friday 10am-6pm*

### EL DORADO BRANCH

5242 N. El Dorado Street  
Stockton, CA 95207  
*Tuesday-Friday 9:30am-5:30pm*  
*Saturday 9am-3pm*  
*Closed Sunday & Monday*

### LODI BRANCH

363 So. Lower Sacramento Rd., Ste C  
Lodi, CA 95242  
*Tuesday-Thursday 9am-5pm*  
*Friday 10am-6pm*  
*Saturday 9am-3pm*  
*Closed Sunday-Monday*

### SAN ANDREAS BRANCH

462 St. Charles Street  
San Andreas, CA 95249  
*Monday-Thursday 9am-5pm*  
*Friday 10am-6pm*

### ANGELS CAMP BRANCH

Frog Jump Plaza  
51 North Main Street  
Angels Camp, CA 95221  
*Tuesday-Thursday 9am-5pm*  
*Friday 10am-6pm*  
*Saturday 9am-3pm*  
*Closed daily 1-2 for lunch, except Saturday*  
*Closed Sunday-Monday*

### WEBSITE/ONLINE SERVICES

[centralstatecu.org](http://centralstatecu.org)

### CALL 24

(209) 943-6803  
(800) 217-4939

### LOANS BY PHONE 24/7

(800) 811-7424

### LOAN CENTRAL

[centralstatecu.org](http://centralstatecu.org)

### 24-HOUR, NO-FEE ATM LOCATIONS

Cal Trans, 1976 E. Charter Way, Stockton  
Center Street Branch (2) Walk Up and  
NEW Drive UP  
El Dorado Branch  
Lodi Branch  
San Andreas Branch  
Angels Camp Branch  
University of the Pacific  
McCaffrey Center, Stockton

## – PRODUCTS & SERVICES –

Online Central Internet Banking  
Online Bill Payments  
Online Member Statements and  
VISA Statement  
Online Check Reordering  
View Your Checks and get copies Online  
VISA Check Card  
CALL-24  
Loans by Phone 24/7  
Loan Central – 24 Hour Online  
Worldwide ATM Network  
Payroll Deduction/Direct Deposit

Regular Savings Accounts  
Share Plus Accounts  
Checking  
Overdraft Privilege  
Premium Checking  
Youth Accounts:  
Planet M ages 0-12  
BOOM! ages 13-18  
Savings and IRA Certificates  
Individual Retirement Accounts  
Financial Services – Financial Network  
VIP Accounts for Members 55 and Better

Classic and Gold VISA Cards  
Personal Loans  
Vehicle Loans  
Home Loans for Purchases and Refinances  
Fixed Rate Second Mortgages  
Home Equity Lines of Credit  
Auto Loans through  
Dealerships with CUDL  
Easy Car Shopping through  
AutoLand Auto Brokerage Service

## – CENTRAL STATE CREDIT UNION MISSION STATEMENT –

*To focus on our members' financial needs by offering accessible solutions  
and excellent service while maintaining fiscal integrity.*





serving you

# ANNUAL REPORT

and your future



## – JOINT REPORT OF THE CHAIRMAN AND THE PRESIDENT –

Central State Credit Union proudly celebrated 70 years of service in 2006. Naturally, many things have changed since 1936, when the credit union was first established. Back then, oil had just been discovered in Saudi Arabia. A shiny new Studebaker car cost \$665. And there were only about 2,000 televisions worldwide.

Today, we can't imagine life without computers, cell phones and plasma TVs. And while our credit union has evolved with the times, our core values have not changed. We remain a place where service is paramount, and our members come first. Each time we adopt a new technology or venture into a new endeavor, we start by considering the benefits for our members. With your best interests in mind, we completed several new projects in 2006, and we look forward to some upcoming improvements for 2007.

Several of our branch locations were updated this year. The new Lodi branch provides more space, a better location and easier parking, allowing for faster, more efficient service for our members. We also remodeled our El Dorado branch; completed new landscaping and irrigation at the Center Street branch; and installed a new drive-up ATM at the Center Street branch, for secure access 24/7.

If you have visited one of our branches lately, you probably noticed our new video screens. These attractive monitors display up to date product information, as well as keeping members informed on the latest weather, sports and news around the world.

Knowing that many of our members appreciate convenient online account access, we added online VISA statements in 2006. This secure service makes it easy to get your statements electronically and safeguard against fraudulent transactions or potential for mailbox theft.

Account security is a top priority here at Central State Credit Union, so we now use Falcon™ Fraud Manager to reduce plastic card fraud. We maintain top quality security procedures for our online banking system, and consistently offer information on the latest scams and precautions to help you protect yourself from fraud and identity theft.

In 2007 we will take our online capabilities to the next level, with a new state of the art core computer system. The new system will help speed transactions at the teller line, and will enable us to retrieve records quickly and to identify members with optical archiving. We also have plans for new automated coin counting machines at our El Dorado and Center Street branches.

As your financial partner, Central State Credit Union is here for you in many different ways. We have 70 years of success behind us, and many great years ahead.

**James Kiefer**  
*Chairman*  
*Board of Directors*

**David Silvestri**  
*President/CEO*

## – FINANCIAL REPORT –

### Assets 2006

Cash on Hand	\$1,501,248
Investments	30,597,735
Total Loans (Net)	100,152,294
Furniture & Equipment	1,032,868
Prepaid Expenses	550,025
Building and Land	5,026,428
Accrued Income	564,647
Other Assets	3,080,487
<b>TOTAL ASSETS</b>	<b>\$142,505,732</b>

### Assets 2005

Cash on Hand	\$1,938,388
Investments	46,013,992
Total Loans (Net)	93,934,948
Furniture & Equipment	899,470
Prepaid Expenses	447,820
Building and Land	4,916,239
Accrued Income	480,065
Other Assets	2,804,618
<b>TOTAL ASSETS</b>	<b>\$151,435,540</b>

### Liabilities & Equity 2006

Accounts Payable	\$1,492,603
Undistributed Payroll	(287,803)
Certificates	30,765,795
Shares	73,060,502
Share Drafts	22,059,288
Reserves & Undivided Earnings	15,412,347
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$142,502,732</b>

### Liabilities & Equity 2005

Accounts Payable	\$1,759,257
Undistributed Payroll	(221,663)
Certificates	24,133,610
Shares	87,548,242
Share Drafts	24,795,303
Reserves & Undivided Earnings	13,420,791
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$151,435,540</b>

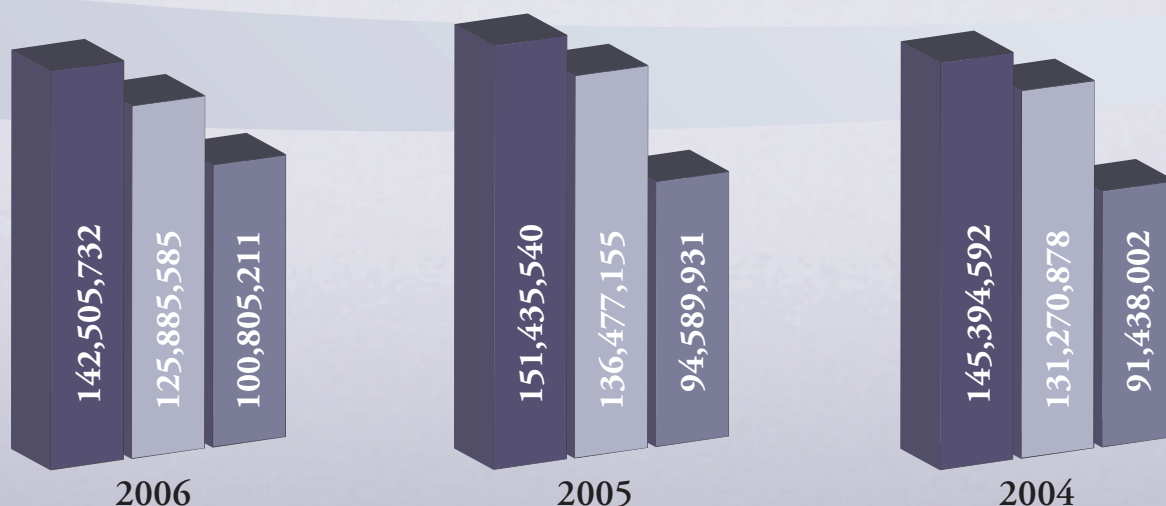
<b>TOTAL INCOME</b>	<b>\$9,906,885</b>
<b>TOTAL EXPENSE</b>	<b>\$7,098,461</b>
<b>DIVIDEND EXPENSE</b>	<b>\$1,974,709</b>
<b>NET INCREASE TO CAPITAL</b>	<b>\$833,715</b>

<b>TOTAL INCOME</b>	<b>\$9,364,965</b>
<b>TOTAL EXPENSE</b>	<b>\$6,923,664</b>
<b>DIVIDEND EXPENSE</b>	<b>\$1,431,974</b>
<b>NET INCREASE TO CAPITAL</b>	<b>\$1,009,327</b>

Assets Growth	(\$8,929,808) or (5.897%)
Share Growth	(\$10,591,570) or (7.760%)
Loan Growth	\$6,217,346 or 6.619%

Total Loans Funded to Members in 2006	\$43,200,943
Net Worth Ratio (Reserves)	11.016%
Total Members	22,826

Assets
  Shares
  Loans



## – CREDIT COMMITTEE REPORT –

The Credit Committee oversees the lending programs at Central State Credit Union, striving to promote consistent growth while keeping delinquencies to a minimum. With interest rates remaining relatively low, we are pleased to report that we had a very strong year in 2006, with overall loan growth of \$6.2 million.

The credit union provides solid financing choices for members, including auto loans, personal loans, home equity loans and much more. Our not-for-profit business model allows us to maintain a very competitive rate structure, and our friendly, professional staff makes the lending process easy and convenient. These advantages will continue to support the success of our loan programs for years to come.

**Hal Vennes**  
*Chairman*  
*Credit Committee*

## – SUPERVISORY COMMITTEE REPORT –

The Supervisory Committee monitors the operational soundness and financial stability of Central State Credit Union. To this end, the committee oversees a comprehensive audit each year.

This year, an independent audit was performed by McGladrey & Pullen LLP, Certified Public Accountants. On behalf of the Supervisory Committee, I am pleased to report that the audit results were quite positive. Central State is in sound financial condition, and is operating in accordance with industry standards and all applicable federal and state regulations.

**Theodore “Ted” Rich**  
*Chairman*  
*Supervisory Committee*

