

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, **James A. Russell**

Name of the Holding Company Director and Official

Director, Vice Chairman

Title of the Holding Company Director and Official

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

James A. Russell
Signature of Holding Company Director and Official

Date of Signature **5/25/21**

For holding companies not registered with the SEC—
Indicate status of Annual Report to Shareholders:

- ☒ is included with the FR Y-6 report
☐ will be sent under separate cover
☐ is not prepared

For Federal Reserve Bank Use Only

RSSD ID _____

C.I. _____

This report form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2020

Month / Day / Year

N/A-None

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

Citadel Bancorp Inc

Legal Title of Holding Company

PO Box 699

(Mailing Address of the Holding Company) Street / P.O. Box

Burleson

Texas



76097

City

State

Zip Code

899 NE Alsbury 76028

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Mark Hamilton

Professional Staff

Name

Title

817-594-2704

Area Code / Phone Number / Extension

817-599-7389

Area Code / FAX Number

mark@gms-cpa.com

E-mail Address

N/A-None

Address (URL) for the Holding Company's web page

Is confidential treatment requested for any portion of this report submission?

0=No

1=Yes

0

In accordance with the General Instructions for this report (check only one).

1. a letter justifying this request is being provided along with the report



2. a letter justifying this request has been provided separately ...



NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

[None as of December 31, 2020](#)

Legal Title of Subsidiary Holding Company

(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box

City State  Zip Code

Physical Location (if different from mailing address)

Legal Title of Subsidiary Holding Company

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City State  Zip Code

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City State  Zip Code

Physical Location (if different from mailing address)

CITADEL BANCORP, INC.
ATTACHMENTS TO FORM FR Y-6
FOR YEAR ENDED DECEMBER 31, 2020

Item 1. Not applicable (Parent Only Statements Enclosed)

Item 2a. Enclosed

Item 2b. Enclosed

Item 3. Enclosed

Item 4. Enclosed

CITADEL BANCORP, INC.

BURLESON, TEXAS

Item 1

PARENT ONLY FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

CITADEL BANCORP, INC.
BALANCE SHEETS
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash in bank	\$ 56,014	\$ 116,823
Investment in subsidiary bank		
Equity investments	22,388,913	21,029,861
Goodwill, net	4,613	4,613
Other assets	-	-
	<u>\$ 22,449,540</u>	<u>\$ 21,151,297</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Note payable - TIB	\$ 1,425,000	\$ 2,225,000
Total liabilities	<u>1,425,000</u>	<u>2,225,000</u>
STOCKHOLDERS' EQUITY		
Common stock, \$1.00 par value; 747,185 shares authorized, 617,921 shares issued and outstanding	747,185	747,185
Paid-in capital	3,641,411	3,641,411
Retained earnings	20,789,574	18,970,566
Accumulated other comprehensive income	<u>596,822</u>	<u>317,587</u>
	25,774,992	23,676,749
Treasury stock - at cost (129,264 shares in 2020 and 2019)	<u>(4,750,452)</u>	<u>(4,750,452)</u>
Total stockholders' equity	<u>21,024,540</u>	<u>18,926,297</u>
	<u>\$ 22,449,540</u>	<u>\$ 21,151,297</u>

CITADEL BANCORP, INC.
STATEMENTS OF INCOME
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Income		
Dividend income - subsidiary bank	\$ 1,585,950	\$ 3,110,000
Other income	-	-
	<u>1,585,950</u>	<u>3,110,000</u>
Expenses		
Interest expense	87,659	141,039
Professional fees	1,600	1,600
Management fees	72,000	69,000
Miscellaneous Expense	175	175
	<u>161,259</u>	<u>211,814</u>
Income (loss) before federal income tax and equity in undistributed earnings of subsidiary	1,424,691	2,898,186
Federal income tax expense	-	-
Income (loss) before equity in undistributed earnings of subsidiary	<u>1,424,691</u>	<u>2,898,186</u>
Equity in undistributed earnings of subsidiary		
Subsidiary bank	1,079,817	(92,900)
NET INCOME	<u>\$ 2,504,508</u>	<u>\$ 2,805,286</u>

CITADEL BANCORP, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Net earnings	\$ 2,504,508	\$ 2,805,286
Adjustments to reconcile net earnings to net cash provided by operating activities		
Equity in earnings of subsidiary	(2,665,767)	(3,017,100)
Other, net	-	-
Total adjustments	<u>(2,665,767)</u>	<u>(3,017,100)</u>
Net cash provided (used) by operating activities	<u>(161,259.00)</u>	<u>(211,814.00)</u>
Cash flows from investing activities		
Dividends received from bank subsidiary	1,585,950	3,110,000
Capital contribution to bank subsidiary		
Net cash provided by investing activities	<u>1,585,950</u>	<u>3,110,000</u>
Cash flows from financing activities		
Repayment of long-term-debt	(800,000)	(750,000)
Dividends paid	(685,500)	(2,061,000)
Net cash used by financing activities	<u>(1,485,500)</u>	<u>(2,811,000)</u>
Net change in cash and cash equivalents	(60,809)	87,186
Cash and cash equivalents at beginning of year	116,823	29,637
Cash and cash equivalents at end of year	<u>\$ 56,014</u>	<u>\$ 116,823</u>
 Supplemental schedule of non-cash investing and financing activities		
Change in investment in bank subsidiary for unrealized depreciation on available-for-sale securities	\$ (279,235)	\$ (489,817)
Net change in stockholders' equity for unrealized depreciation on available-for-sale securities	\$ 279,235	\$ 489,817
 Cash paid during the year for		
Interest	\$ 87,659	\$ 141,039
Income taxes	\$ -	\$ -

CITADEL BANCORP, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
Years Ended December 31, 2020 and 2019

	<u>Common Stock</u>		<u>Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Treasury Stock</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>					
Balances, January 1, 2019	747,185	\$ 747,185	\$ 3,641,411	\$ 18,226,280	\$ (172,230)	\$ (4,750,452)	\$ 17,692,194
Comprehensive income							
Net income				2,805,286			2,805,286
Other comprehensive income, net of tax							
Change in unrealized depreciation on available- for-sale securities					489,817		489,817
Total comprehensive income							3,295,103
Distributions of earnings				(2,061,000)			(2,061,000)
Balances, December 31, 2019	747,185	747,185	3,641,411	18,970,566	317,587	(4,750,452)	18,926,297
Comprehensive income							
Net income				2,504,508			2,504,508
Other comprehensive income, net of tax							
Change in unrealized depreciation on available- for-sale securities					279,235		279,235
Total comprehensive income							2,783,743
Distributions of earnings				(685,500)			(685,500)
Balances, December 31, 2020	747,185	\$ 747,185	\$ 3,641,411	\$ 20,789,574	\$ 596,822	\$ (4,750,452)	\$ 21,024,540

CITADEL BANCORP, INC.

ITEM 2a

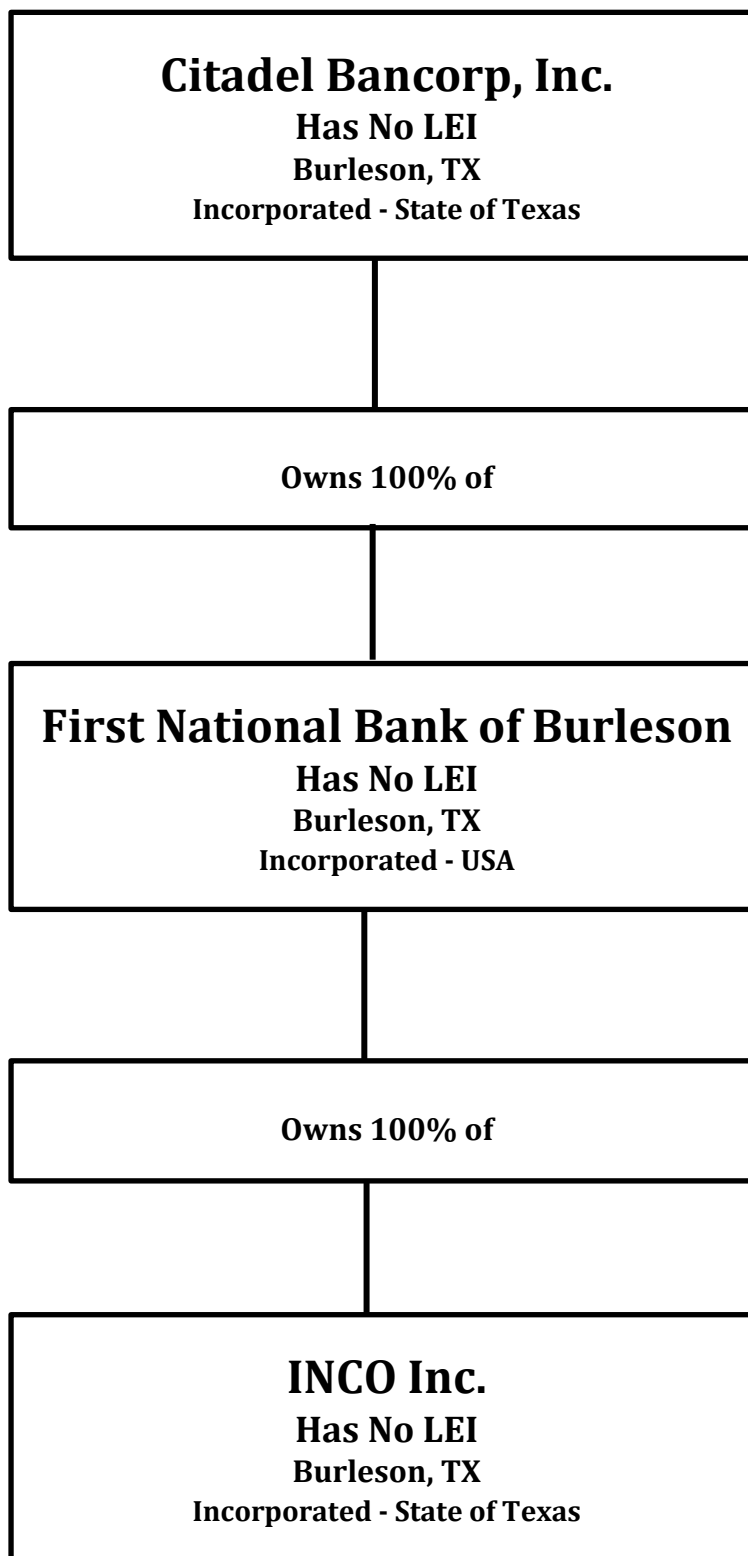
Citadel Bancorp, Inc.

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Report Item 2a

Organization Chart

December 31, 2020



CITADEL BANCORP, INC.

ITEM 2b

Results: A list of branches for your depository institution: **FIRST NATIONAL BANK OF BURLESON (ID_RSSD: 240954)**.
This depository institution is held by **CITADEL BANCORP, INC. (1130191)** of **BURLESON, TX**.
The data are as of **12/31/2020**. Data reflects information that was received and processed through **04/20/2021**.

Reconciliation and Verification Steps

- 1. In the **Data Action** column of each branch row, enter one or more of the actions specified below
- 2. If required, enter the date in the **Effective Date** column

Actions

OK: If the branch information is correct, enter **'OK'** in the **Data Action** column.

Change: If the branch information is incorrect or incomplete, revise the data, enter **'Change'** in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.

Close: If a branch listed was sold or closed, enter **'Close'** in the **Data Action** column and the sale or closure date in the **Effective Date** column.

Delete: If a branch listed was never owned by this depository institution, enter **'Delete'** in the **Data Action** column.

Add: If a reportable branch is missing, insert a row, add the branch data, and enter **'Add'** in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

Submission Procedure

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.
If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:
To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of **Change, Close, Delete, or Add**.
The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	240954	FIRST NATIONAL BANK OF BURLESON	899 NORTHEAST ALSBURY	BURLESON	TX	76028	TARRANT	UNITED STATES	Not Required	Not Required	FIRST NATIONAL BANK OF BURLESON	240954	
OK		Full Service	3281716	WILSHIRE BRANCH	740 SW WILSHIRE BLVD	BURLESON	TX	76028	JOHNSON	UNITED STATES	Not Required	Not Required	FIRST NATIONAL BANK OF BURLESON	240954	

CITADEL BANCORP, INC.

ITEM 3(1)

CITADEL BANCORP, INC.

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Report Item 3(1)

List of Shareholders of Record with Five Percent or More of Voting Stock

December 31, 2020

Name, City, State, Country 1(a)	Citizenship 1(b)	Shares Owned, Controlled or Held With Power to Vote **	
		Number 1(c)	Percent 1(c)
David E. Roberts Cleburne, TX, USA	USA	282,752	45.76%
James M. Russell Cleburne, TX, USA	USA	310,453	50.24%
James A. Russell Burleson, TX, USA	USA	12,358	2.00%
Erin Russell Cleburne, TX, USA	USA	12,358	2.00%

On December 31, 2012 James M. Russell gifted 12,358 share each to J. Adam Russell and Erin Russell. James A. Russell and Erin Russell are the adult children of James M. Russell hence we included in this report item.

Total Shares held by Russell Family (James A. Russell, James M. Russell and Erin Russell)	335,169	54.24%
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**** - Holding company only has 1 class of stock - Common Stock**

CITADEL BANCORP, INC.

ITEM 3(2)

CITADEL BANCORP, INC.

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Report Item 3(2)

List of Shareholders of Record with Five Percent or More of Voting Stock

December 31, 2020

Name, City, State, Country 1(a)	Citizenship 1(b)	Shares Owned, Controlled or Held With Power to Vote **	
		Number 1(c)	Percent 1(c)
Not Applicable			

CITADEL BANCORP, INC.

ITEM 4

CITADEL BANCORP, INC.

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Report Item 4

Insiders

December 31, 2020

Name, City, State, Country (1)	Principal Occupation, if other than with Holding Company (2)	Title & Position with Holding Company (3)(a)	Title & Position with Subsidiaries (3)(b)	Title & Position with Other Business (3)(c)	Percentage of Voting Shares in Holding Company (4)(a)	Percentage of Voting Shares in Subsidiaries (4)(b)	List Names of Other Companies (Including Partnerships) & Percent of Voting Securities, if 25% or More of Voting Securities Are Held/Owned (4)(c)
James M. Russell Cleburne, TX, USA	Self-Employed	Director & Chairman	Director and Chairman (First National Bank of Burleson) Director (INCO Inc.)	N/A	50.24%	DQS (First National Bank of Burleson) DQS (INCO Inc.)	N/A - None
David E. Roberts Cleburne, TX, USA	Self-Employed	Director & President	Director (First National Bank of Burleson) Director (INCO Inc.)	N/A	45.76%	DQS (First National Bank of Burleson) DQS (INCO Inc.)	N/A - None
James A. Russell Burleson, TX, USA	Banker	Director, Vice Chairman, Treasurer, Secretary	Director, Senior Vice President & Secretary (First National Bank of Burleson) Secretary (INCO Inc.)	N/A	2.00%	DQS (First National Bank of Burleson) DQS (INCO Inc.)	N/A - None
Erin Russell Cleburne, TX, USA	Banker	Director	Director & Marketing Officer (First National Bank of Burleson) Treasurer (INCO Inc.)	N/A	2.00%	DQS (First National Bank of Burleson)	N/A - None

DQS - Director Qualifying Shares Only