

We offer the following services:

Share/Savings Accounts

Sharedraft/Checking Accounts

ATM/Debit Cards

Term Share Certificates (6 month/24 month)

IRA Accounts

Real-time on-line Account Access

Automatic Draft

We offer a variety of loan products:

New and Used Vehicles

New and Used Recreational Vehicles

Farm Equipment

Term Share and Share Secured



Thank You for Attending the Annual Member Meeting!

Hope you had a good time!

If you have any comments or suggestions for next year's meeting, please
call the credit union office at (325) 676-8925 or (800) 657-9092

TxDOT CREDIT UNION

**Annual Report
For
The Year Ending 12-31-2018**

GROCERY LIST/THINGS TO DO

TxDOT Credit Union

4174 Old Anson Rd.

Abilene, TX 79601

(325) 676-8925

Fax (325) 676-0560

www.txdotcu.com

txdotcu@camalott.com

Mission Statement

“TxDOT Credit Union is committed to providing a broad range of financial services to our members while maintaining a strong asset base. Services shall be provided on a personal level utilizing experience and all available resources.”

NOTES/DOODLES

Order of Business

1. Call to Order/Verification of Quorum
2. Prior Year Meeting Minutes
3. Introductions
4. Audit Committee Report
5. Membership Officer's Report
6. Chairman's Report
7. Credit Committee Report
8. Treasurer's Report
9. Old/Tabled Business
10. New Business (other than election)
11. Election
12. Meal
13. Prize Drawings
14. Adjournment

BIOGRAPHIES

TxDOT CREDIT UNION

ANNUAL MEETING #45!!

March 16, 2018

The annual member meeting was called to order by Chairman of the Board, Russell Chapman, at approximately 6:40 pm. Mr. Chapman introduced himself to the attendees and asked if a quorum was present. Margie Wheeler, board secretary, verified a quorum of the membership was present. There were approximately 86 members and guests in attendance at the Ben E. Keith Facility in Abilene. Mr. Chapman announced that the business meeting would be held first and then the meal would be served.

Those present were asked to review the minutes of the March 2017 annual meeting. He asked if there were any additions or corrections to the minutes. Jack Wallace made a motion to accept the minutes as presented. Johnny Gallagher seconded the motion. Motion carried.

Russell Chapman then introduced the current board members: Wayne Ekdahl, Chairman, Russell vice chairman, Margie Wheeler secretary, Linda Peavy treasurer, Cecil McCormick membership officer, Jason Collett appointee and Guy Sledge director. The credit committee is comprised of Jack Wallace, Amy Hart and Richard Garza. The audit committee is Linda Peavy, David Hall and Kenneth Williams. The credit union staff was introduced: Toni Nelson—President/Manager and Marcy Daniel—MSR/Loan Officer and Shawna Stotler—PT teller.

Linda Peavy gave the Audit Committee Report. 2 exam/audits were performed and reviewed by the Board of Directors and Audit Committee. Both were good.

Cecil McCormick gave the Membership report. For the year ending 2017 the credit union opened 67 new accounts and closed 81. Overall the credit union lost 14 accounts. 11 of those closures were related to charge off accounts.

Russell gave the Chairman's Report. The credit union received a "1" rating from the State of Texas Credit Union Department. This is the highest rating they can present after an exam and the best the credit union has ever received. The credit union had two months with over \$1 million in loans! We continue to pay a good rate on investments. He thanked everyone for their continued support of the board and staff.

The Credit Committee Report was given by Jack Wallace. The credit union granted 480 loans in 2017 for a total of 5,398,117.70. 13 loan requests were denied. The credit committee approved 24% of the loans, with the remaining

Margie Wheeler has been a board member for 3 years serving as secretary. She has been a member of the credit union for 48 years!!! Her and her husband, Clinton Wheeler a TXDOT retiree, live in Tuscola. Margie is a retired postmaster.

Cecil McCormick Member of the credit union since 1971. He has served on the board for over 10 years! He and his wife, Susie, live in Hawley. Cecil is a TXDOT retiree. Cecil and Susie enjoy camping and volunteering.

Calvin White is a TXDOT retiree. He and his wife, Virginia, reside in Hamlin. Mr. White joined the credit union in 1971 and has been active in the credit union ever since. He stays active with many business ventures.

Stuart Jeffrey is currently employed with TXDOT. He and his wife, Emily, live in Anson. Stuart is wanting to learn more about credit union operations and help grow the credit union for all TXDOT employees and their families. He has been a member of the credit union for 16 years.

Income/Expense
For the Year Ending 12-31-18

Interest on Loans	\$447,184.53
Income from Investments	\$12,957.26
Fees and Charges	\$17,515.81
Miscellaneous Income	\$14,990.87
Total Income	\$492,648.47
Dividends Paid on Shares	\$71,030.90
Employee Compensation/Benefits	\$137,218.65
Travel/Conference/Education/ Promotion	\$2,485.24
Office Occupancy	\$51,297.22
Office Operations	\$63,376.79
Loan & Professional Outside Service	\$15,549.08
Operating & Miscellaneous	\$5,317.62
Allowance for Loan Loss	\$25,845.18
Total Expense	\$372,120.68

74% approved by the loan officers and 2% by the board.

Linda Peavy gave the Treasurer's Report. Total expenses for 2017 were \$390,430.88 and revenue was \$481,312.21. Of the revenue received for the year, 65.41% went to office and operating expenses, 18.88% went to capital and 15.71% went to dividend expense.

Russell asked if there was any old or tabled business that needed to be discussed. No old or tabled business was presented. He then asked if there was any new business other than the election that needed to be discussed. Nothing was presented.

Mr. Chapman then asked if every voting member had a ballot to vote in the election. Nominees on this year's ballot were: Russell Chapman, Jason Collett, Linda Peavy, David Flash and Kenneth Williams. Russell asked if there were any nominations from the floor. No nominations were made. Jack Wallace made a motion for nominations to cease. W L Massey seconded. Motion carried. A motion was made by Glen Bohannon to elect by acclamation the above mentioned names on the ballot. Johnny Gallagher seconded. Motion carried. No ballots were collected or tallied.

Jack Wallace gave the invocation. Russell announced that dinner was served. Everyone enjoyed a fried chicken with the trimmings.

Door prize drawings were conducted. Toni Nelson drew the first ticket. The prize winner came forward, selected his/her envelope, announced the prize won and then drew the next ticket. Each winner draws the next ticket.

The prizes and winners were:

Martini Set	Brianna
Texas Pride Basket	Paula Higgins
Samsung Galaxy Tablet	Johnny Gallagher
Insulated Duffel/Bilbrey Tours	Babe Black
Insulated cooler	Johnny Gallagher
Cookie & Tea Basket	Richard Garza

6 count stacking bowls	Adam Brown
Pioneer Woman Ceramic Bowls	Faye Morgan
Beverage Server	Juan Lankford
Headlamp & \$30 Sears gift card	Maxine Stevens
6 piece solar light set	Adam Brown
Outside basket	Jeremiah Gallagher
\$30 Sharon Riley restaurant GC	Jeremiah Gallagher
Lake & Deer Art	Melanie
Stack-o-games	Sophia Garza
Kid Basket	Paula Higgins
Bushel Basket Stand	Reginald Titus
Deep Fryer	Rick Meyer
Cross	Kim
\$20	Sean Gallagher
\$50	Shawna Stotler
Park Terrace Salon GC	Faye Morgan
Park Terrace Salon GC	Mindy Collett

Grand Prize Winner

43 inch Toshiba Smart TV Brandi Chapman

Russell Chapman thanked all of the people who helped set up and served the meal. He also thanked those individuals who donated door prizes. Russell asked if there was any further business to discuss. With no further business, Joseph Swinney made a motion to adjourn the meeting. Robert Nelson seconded. Motion passed. Mr. Chapman thanked everyone for coming and the meeting was adjourned at 8:15 pm.

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Russell Chapman, Chairman Margie Wheeler, Secretary

TREASURER'S REPORT

Financial Statement for the Year Ending 12-31-18

Assets:				
	Loans			\$10,241,130.66
	Allowance for Loan Loss			(\$53,880.55)
	Cash			\$136,134.61
	Corporate Credit Union Deposits			\$612,228.26
	Investments			\$498,000.00
	NCUA Share Insurance Fund			\$110,039.79
	Prepaid Expenses			\$6,417.47
	Land			\$13,945.65
	Building			\$339,157.63
	Furniture & Equipment			\$952.72
	Computer Hardware & Software			\$3,921.80
	Accrued Interest on Loans			\$33,781.38
	Other Assets			\$726.29
	Total Assets			\$11,942,555.71
Liabilities:				
	Accounts Payable			\$48,602.24
	Accrued Annual Meeting Expense			\$2,680.24
	Accrued Employee Benefits			\$3,569.72
	Accrued Accounting Fees			\$315.27
	Accrued Miscellaneous Expense			\$15,967.73
	Regular Shares			\$5,161,179.87
	IRA Shares			\$1,090,508.82
	Christmas Club Accounts			\$1,855.00
	Sharedraft Accounts			\$152,429.37
	Term Share Certificates			\$3,814,812.77
	Regular Reserves			\$210,357.87
	Reserve Contingencies			\$55,000.00
	Undivided Earnings			\$1,330,609.57
	Net Income/Loss			\$54,667.24
	Total Liabilities			\$11,942,555.71
	Office & Operating Expenses		61.11%	
	Capital		24.47%	
	Dividend Expense		14.42%	
	Linda Peavy			
	Treasurer			

CREDIT COMMITTEE REPORT

For the Year Ending December 31, 2018

Month	New	Denial	Total \$
January	32	1	\$320,868.13
February	27	1	\$269,264.61
March	57	3	\$1,175,103.59
April	33	0	\$324,952.33
May	36	1	\$303,240.65
June	40	0	\$338,745.36
July	39	0	\$328,702.51
August	28	0	\$216,009.48
September	54	4	\$1,020,166.97
October	31	2	\$374,214.27
November	28	0	\$292,453.59
December	25	4	\$235,764.73
Totals	430	16	\$5,199,486.22

Of the 430 granted loans, 25% were approved by Credit Committee, 74% were approved by loan officers and 1% were approved by the Board of Directors. TxDOT Credit Union allows any member in good standing to apply for loans. The loan decisions are based on the current lending guidelines established by the Board of Directors. Approval for loans may be granted from three different sources: Loan Officers, the Credit Committee, or the Board of Directors. The Credit Committee and Board of Directors have the authority to deny any loan request. Any member who wishes to appeal an adverse loan decision must address the Board of Directors in writing.

Jack Wallace, Credit Committee Chairman

Board of Directors

	<u>Term Expires</u>
Russell Chapman, Chairman	(March 2020)
Jason Collett, Vice Chairman	(March 2021)
Linda Peavy, Treasurer	(March 2020)
Margie Wheeler, Secretary	(March 2019)
Kenneth Williams, Mbr. Officer	(March 2020)
David Flash, Director	(March 2021)
Cecil McCormick, Director	(March 2019)

Audit Committee

Kenneth Williams, Chairman
David Hall

Credit Committee

Jack Wallace, Chairman
Amy Hart
Richard Garza

Credit Union Staff

Toni Nelson, President
Marcy Daniel, MSR/Loan Officer
Shawna Stotler, PT Teller

AUDIT COMMITTEE REPORT

For the Year Ending December 31, 2018

For the year 2018, TxDOT Credit Union underwent 3 reviews. The State of Texas Credit Union Department, NCUA and the firm of Green & Fillingim, PC reviewed the policy & procedures and accounting entries for 2018. The results of both were reviewed by the Board of Directors and Audit Committee. As always, the credit union is here to serve the members and the Audit Committee will continue to serve in any way that we can.

Kenneth Williams, Audit Committee Chairman

MEMBERSHIP REPORT

For the Year Ending December 31, 2018

TxDOT Credit Union approved the membership of 83 accounts during the course of the year. The credit union recognized the closure of 86 accounts during the same time period giving us an overall loss of 3. 11 of those closures were directly related to loans charged-off in the same year.

As of January 1, 2018, the credit union had 1,282 member accounts. As of December 31, 2018, TxDOT Credit Union has 1,279 member accounts.

If you would like to help your credit union grow, please share the news of your credit union with your families and TXDOT co-workers!

Kenneth Williams, Membership Officer

CHAIRMAN'S REPORT

For The Year Ending December 31, 2018

This year brought about some changes at the credit union. We added a second drive-thru lane to accommodate the big trucks and SUV's that our members drive. The credit union now offers members real-time on-line access to their accounts. 2019 will bring even more changes.

Our audits were all good and overall the credit union continues to perform well. Loans continue to be steady and our members still get a good dividend on their investments. The board considers all aspects of new services or procedures before offering them to the membership. We appreciate your input or suggestions to help the credit union grow.

On behalf of the board of directors, committee members and staff, thank you for your continued support of TxDOT Credit Union.

Russell Chapman, Chairman