

HD 2 CU

**HIGHWAY DISTRICT 2
CREDIT UNION
FORT WORTH, TEXAS**

ANNUAL REPORT

DECEMBER 31, 2021

BOARD OF DIRECTORS

		Term Expiration
Chairman	Zelma Myers	April, 2022
Sec./Treasurer	Lisa Stone	April, 2022
Member	Charles Crockett	April, 2023
Member	Tanya Crockett	April, 2022
Member	Scott Hall	April, 2023
Member	Kysha Holland	April, 2023
Member	John Tillinghast	April, 2022

STAFF

President/Manager	Dania Pearson
Assistant Manager	Robin Scarberry

Highway District 2 Credit Union
Order of Business
63rd Annual Meeting, April 21st, 2022

*Spring Creek Barbecue
Burlison, TX 76028*

Board Member, Kysha Holland, presiding.

1. Call meeting to order
2. Ascertain a quorum is present (Bylaws require 25 members)
3. Invocation by Charles Crockett

Old Business

1. Approval of Minutes from the 62nd Annual meeting.
2. Printed reports from:
 - Board of Directors
 - 2021 Balance Sheet and Income StatementQuestions may be directed to committee chairpersons
3. Other old business

New Business

1. Recognize chairperson of Nominating Committee, Stephen Brown and committee members, Paula Meyer and Rebecca Soria.
2. Chairman of Nominating Committee will nominate three directors to serve a two-year term. (Directors whose term expires are: Tanya Crockett, Zelma Myers, John Tillinghast and Lisa Stone).
3. Ask for nominations from the floor, if none ask for a motion to elect these nominees by acclamation. If there are nominees from the floor, then a ballot will need to be prepared. A tally committee will be appointed to count the ballots.
4. Present the Supervisory Committee and BSA Audit summaries to the membership
5. Recognize credit union staff: Dania Pearson and Robin Scarberry
6. Recognize TXDot retirees, those that have traveled the farthest distance, etc.
7. Other new business
8. Adjourn
9. Drawing for door prizes

Highway District 2 Credit Union
September 16th, 2021
Minutes of the 62nd Annual Meeting

*Spring Creek Barbecue
Burlleson, TX 76028*

The meeting was called to order by Kysha Holland, Board Member, and it was ascertained that a quorum was present.

The invocation was given by Charles Crockett.

Old Business:

Lisa Stone made a motion to accept the minutes of the 61st annual meeting as printed. John Tillinghast seconded; motion was approved. Kysha went over the financials and there were no questions.

There was no other old business.

New Business:

Printed reports from the Board of Directors, Balance Sheet and Income Statement were distributed to each attending member. Kysha went over the reports, announcing that the Credit Union had a good year in 2020. The net income decreased by \$1,991.62. CD rates were at an all-time low in 2020. There were no questions from members regarding the printed reports.

Kysha recognized the nominating committee members, Stephen Brown, chairperson, Paula Meyer and Rebecca Sorio. Stephen presented the 3 nominees to serve a two-year term on the Board of Directors of the Highway District 2 Credit Union. They are as follows: Charles Crockett, Scott Hall and Kysha Holland. Stephen asked for nominations from the floor; none were received. Motion by John Tillinghast that the nominees be elected by acclamation. Butch Harris seconded and the motion carried.

The BSA and Supervisory Committee results were shared with the members. The members did not have any questions regarding either audit.

Kysha recognized Dania Pearson and Robin Scarberry and thanked them for their service to the Credit Union. She then recognized all retirees of TXDot, and all of the members who are still working. Loyl Bussell was the member who traveled the furthest to attend the meeting. He currently resides in Hico.

Kysha asked if there was other new business and there was none. Charlie Doss made a motion to adjourn and John Tillinghast seconded.

The meeting was adjourned.

Dania Pearson conducted the drawing for door prizes.

Dania Pearson
Manager

Zelma Myers
Chairperson of the Board

HIGHWAY DISTRICT TWO CREDIT UNION

Detailed Balance Sheet Comparison

In USD.

As of: 12/31/2021

Produced: 4/13/2022 1:22:33PM

		MTD Dec-2021	MTD Dec-2020
LOANS & CASH			
701000	Loans	2,081,809.64	2,230,153.28
719000	Allowance For Loan Losses	(15,698.14)	(31,859.82)
	Net Loans	2,066,111.50	2,198,293.46
732000	Southwest Bank	296,229.44	258,740.06
INVESTMENTS			
745100	SimpliCD	2,682,000.00	2,482,000.00
745200	Southwest Bk - MM	204,187.30	253,802.70
745300	Simmons Bank - CD	150,000.00	300,000.00
747000	Investment Deposit Ncuif	43,052.80	41,925.04
	Total Investments	3,079,240.10	3,077,727.74
ACCRUED INCOME & PREPAID EXPENSES			
781000	Accrued Interest on Loans	10,094.03	12,491.87
782000	Accrued Income On Investments	970.25	3,107.37
764000	Association Dues	0.06	(0.02)
765000	Prepaid Workman'S Comp	211.00	233.28
766000	PREPAID SECURITY SYSTEM	451.87	451.86
767000	Prepaid Exam Fee	504.31	490.67
768000	PREPAID HARDWARE MAINT	0.01	0.02
769000	Prepaid Bond	2,860.67	2,979.31
FIXED ASSETS			
772000	LEASE SECURITY DEPOSIT	951.00	951.00
	Net Land & Building	951.00	951.00
774000	Furniture And Equipment	19,947.59	19,947.59
775000	Allowance For Depreciation	(18,230.77)	(16,785.85)
	Net Furniture, Fixtures & Equipmen	1,716.82	3,161.74
OTHER ASSETS			
	TOTAL ASSETS	5,459,341.06	5,558,628.36
Liabilities and Equity			
840000	Member Paid Insurance	155.90	202.64
841000	Fed Withhold Taxes Payable	580.00	470.00
846000	Social Security Taxes Payable	1,326.00	1,224.00
855000	Accrued Annual Meeting Expense	501.39	744.83
856000	Accrued Audit Expense	6,027.34	5,457.34
	Total Liabilities	8,590.63	8,098.81
901000	Shares Of Members	4,182,155.08	4,305,279.89
	Total Shares	4,182,155.08	4,305,279.89
931000	Regular Reserves	264,500.00	264,500.00
940000	Undivided Earnings	1,004,095.35	980,749.66
	Total Equity	5,450,750.43	5,550,529.55
	Total Liabilities and Equity	5,459,341.06	5,558,628.36

HIGHWAY DISTRICT TWO CREDIT UNION

Detailed Income Statement Comparison

In USD.

As of: 12/31/2021

Produced: 4/13/2022 1:22:31PM

	MTD Dec-2021	MTD Dec-2020	YTD Dec-2021	YTD Dec-2020
Income				
111000	10,673.36	11,594.65	129,537.87	138,096.13
121200	762.82	3,477.47	15,630.72	50,969.85
121203	246.58	0.00	3,000.00	0.00
121205	4.00	140.15	384.60	1,301.19
123000	0.00	0.00	0.00	29,129.33
131000	665.24	590.19	5,946.61	5,701.46
131010	510.00	850.00	3,105.00	3,550.00
131200	100.00	0.00	200.00	600.00
131300	13.31	16.79	178.50	199.20
132000	(122.43)	(94.39)	(2,137.12)	(2,828.60)
153000	0.00	0.00	39,474.83	1,747.00
	Total Income	16,574.86	195,321.01	228,465.56
Expenses				
211000	8,666.64	8,000.00	99,999.84	104,728.50
222000	663.00	612.00	7,650.00	8,011.74
223000	0.00	0.00	139.80	209.70
240000	302.15	331.27	3,625.80	3,975.24
251000	1,188.75	1,109.50	15,048.53	13,843.54
261000	233.28	206.80	2,691.37	2,614.25
264000	1,107.36	752.46	9,493.14	9,786.81
265000	357.59	367.91	4,373.64	4,394.28
266000	120.41	120.41	1,444.92	3,219.95
269000	181.33	54.90	1,216.42	508.60
284000	384.44	303.51	4,630.70	4,515.84
285000	252.16	245.33	2,309.36	2,903.94
292000	460.00	460.00	5,520.00	5,520.00
301000	113.27	317.10	(12,908.41)	2,431.29
304000	1,011.46	972.55	15,253.27	16,276.90
350000	85.00	85.00	1,020.00	1,020.00
	Total Expenses	13,938.74	161,508.38	183,960.58
	Dividends	850.41	894.60	10,466.94
	Net Income	(3,124.37)	1,741.52	12,328.30
			23,345.69	32,176.68

HIGHWAY DISTRICT 2 CREDIT UNION
ANNUAL MEETING SEPTEMBER 16TH 2021

2021 DOOR PRIZE WINNERS

\$100.00	Lisa Stone
75.00	Ahmad Pearson
50.00	Tanya Crockett
50.00	Diana Asfaw
50.00	Sandra Harris
50.00	James Weaver
50.00	Kysha Holland
35.00	Robby Goolsby
25.00	Angel Soria
25.00	Stephen Brown
25.00	Bilal Pearson
25.00	Adrian Truly
15.00	Stanley Gomer
15.00	Rubane Diaz
15.00	Charlie Doss
15.00	Ana Leal
15.00	Natnael Asfaw
15.00	Loyl Bussell
15.00	Shelly Reed
15.00	Jeanne McEndree
10.00	Juan Leal
10.00	Mark McEndree
100.00	Richard Wright
\$800.00	TOTAL DOOR PRIZES

Highway District 2 Credit Union
63rd Annual Meeting, April 21st 2022

BOARD OF DIRECTORS REPORT
DECEMBER 31, 2021

To the Highway District 2 Credit Union Members:

We, the Board of Directors, are elected by the membership to establish goals and give direction to the operation of our credit union in a sound business manner and in compliance with State and Federal laws and regulations. The daily operation is placed in the hands of the staff that serve you.

The Highway District 2 Credit Union experienced a good year in 2021 (even though interest rates were down significantly the entire year). A net income of \$23,345.69 was recorded for the year. Compared to 2020, this was a decrease in income of \$8,830.99.

The Highway District 2 Credit Union is well capitalized in accordance with the regulations set forth by the National Credit Union Administration (NCUA). A minimum net worth ratio of 7% is considered to be well capitalized. The Highway District 2 Credit Union net worth ratio is 23.2%.

The Highway District 2 Credit Union paid dividend rates competitive with on-demand accounts (funds available without early withdrawal penalty) in other financial institutions. Dividends are declared and paid quarterly.

Loan demand increased from \$1,039,303 in 2020 to \$1,283,520 in 2021. Average yield on loans decreased from 6.2933% to 5.9844%. The Credit Union continued to be competitive on the pricing of interest rates for new and used vehicles.

Membership decreased from 765 in 2020 to 742 in 2021. Share account balances decreased from \$4,305,279.89 in 2020 to \$4,182,155.08 in 2021.

Earnings on the Credit Union investments decreased approximately \$32,564.24 in 2021.

Finally, let me say thanks to the staff, Dania Pearson and Robin Scarberry, who handle the daily business of our credit union.

Your comments are always welcomed. It is our goal to give you the best service possible.

Submitted by,

Zelma Myers, Chairman

PLEASE VISIT OUR INFORMATIONAL WEBSITE AT dist2cu.com.