

HD 2 CU

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

ANNUAL REPORT

DECEMBER 31, 2024

BOARD OF DIRECTORS

		Term Expiration
Chairman	Raymond Buzalsky	April, 2026
Sec./Treasurer	Lisa Stone	April, 2026
Member	Charles Crockett	April, 2027
Member	Tanya Crockett	April, 2026
Member	Scott Hall	April, 2027
Member	Michael Gage	April, 2027
Member	John Tillinghast	April, 2026

STAFF

President/Manager	Dania Pearson
Assistant Manager	Robin Scarberry

Highway District 2 Credit Union
Order of Business
66th Annual Meeting, April 24th, 2025

*Spring Creek Barbecue
Burleson, TX 76028*

Board Member, Lisa Stone, 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 65th Annual meeting.
2. Printed reports from:
 - Board of Directors
 - 2024 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: Charles Crockett, Scott Hall and Michael Gage).
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
April 25th, 2024
Minutes of the 65th Annual Meeting

Spring Creek Barbecue
Burleson, TX 76028

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

The invocation was given by Lisa Stone.

Old Business:

Rebecca Soria made a motion to accept the minutes of the 64th annual meeting as printed. Danny Doggett seconded; motion was approved. Lisa 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. Lisa went over the reports, announcing that the Credit Union had a good year in 2023. The net income increased by \$22,083.28. CD rates increased in 2023 so interest income was much better as compared to 2022. Lisa encouraged everyone present to talk up the credit union so we can attract more members. There were no questions from members regarding the printed reports.

Lisa recognized the nominating committee members, Stephen Brown, chairperson, Paula Meyer and Rebecca Soria. Stephen presented the 4 nominees to serve a two-year term on the Board of Directors of the Highway District 2 Credit Union. They are as follows: Tanya Crockett, John Tillinghast, Zelma Myers and Scott Hall. Zelma has decided to step down from her position as Chairman of the Board. Stephen thanked Zelma for her many years of dedication and service to the CU. Stephen announced that the 4th board member has not yet been determined but that we are working on it. He asked for nominations from the floor; none were received. Motion by Rebecca Soria that the nominees be elected by acclamation. Ray Buzalsky seconded and the motion carried.

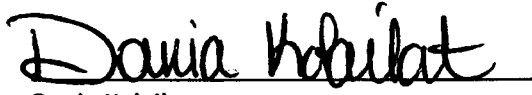
The BSA and Supervisory Committee results were shared with the members. The members did not have any questions regarding either audit.

Lisa 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. James Weaver was the member who traveled the furthest to attend the meeting. He traveled from Mississippi.

Lisa asked if there was other new business and there was none. Charlie Doss made a motion to adjourn and Butch Harris seconded.

The meeting was adjourned.

Dania Kolailat conducted the drawing for door prizes.



Dania Kolailat
Manager



Tanya Crockett
Board Member

HIGHWAY DISTRICT TWO CREDIT UNION

Detailed Balance Sheet Comparison

In USD.

As of: 12/31/2024

Produced: 2/14/2025 3:17:14PM

		MTD Dec-2024	MTD Dec-2023
LOANS & CASH			
701000	LOAN PRINCIPAL GL	1,905,244.80	1,875,906.62
719000	ALLOWANCE FOR LOAN LOSSES	(3,471.35)	(2,447.31)
	Net Loans	<u>1,901,773.45</u>	<u>1,873,459.31</u>
732000	SOUTHWEST BANK	59,681.08	162,160.32
INVESTMENTS			
745100	SIMPLICD	2,586,000.00	2,734,000.00
745200	SOUTHWEST BK - MM	182,213.89	106,626.84
747000	INVESTMENT DEPOSIT NCUIF	36,502.58	41,648.58
	Total Investments	<u>2,804,716.47</u>	<u>2,882,275.42</u>
ACCRUED INCOME & PREPAID EXPENSES			
781000	ACCRUED INTEREST ON LOANS	8,878.29	8,654.37
782000	ACCRUED INCOME ON INVESTMENTS	10,896.49	10,069.59
764000	ASSOCIATION DUES	0.02	0.04
765000	PREPAID WORKMAN'S COMP	192.32	201.96
766000	PREPAID SECURITY SYSTEM	(41.07)	451.89
767000	PREPAID EXAM FEE	508.33	466.31
768000	PREPAID HARDWARE MAINT	0.03	0.01
769000	PREPAID BOND	2,686.63	2,832.67
FIXED ASSETS			
772000	LEASE SECURITY DEPOSIT	951.00	951.00
	Net Land & Building	<u>951.00</u>	<u>951.00</u>
774000	FURNITURE AND EQUIPMENT	19,947.59	19,947.59
775000	ALLOWANCE FOR DEPRECIATION	(19,915.43)	(19,915.43)
	Net Furniture, Fixtures & Equipmen	<u>32.16</u>	<u>32.16</u>
OTHER ASSETS			
	TOTAL ASSETS	<u><u>4,790,275.20</u></u>	<u><u>4,941,555.05</u></u>
Liabilities and Equity			
801900	CREDIT DISABILITY INS PAYABLE	34.84	0.00
801910	CREDIT LIFE INS PAYABLE	37.79	0.00
840000	MEMBER PAID INSURANCE	0.00	122.50
841000	FED WITHHOLD TAXES PAYABLE	580.00	580.00
846000	SOCIAL SECURITY TAXES PAYABLE	1,391.55	1,326.00
855000	ACCRUED ANNUAL MEETING EXPENSE	889.39	941.39
856000	ACCRUED AUDIT EXPENSE	1,564.45	2,687.12
	Total Liabilities	<u>4,498.02</u>	<u>5,657.01</u>
901000	SHARES OF MEMBERS	3,450,224.83	3,650,258.45
	Total Shares	<u>3,450,224.83</u>	<u>3,650,258.45</u>
931000	REGULAR RESERVES	264,500.00	264,500.00
940000	UNDIVIDED EARNINGS	1,071,052.35	1,021,139.59
	Total Equity	<u>4,785,777.18</u>	<u>4,935,898.04</u>
	Total Liabilities and Equity	<u><u>4,790,275.20</u></u>	<u><u>4,941,555.05</u></u>

HIGHWAY DISTRICT TWO CREDIT UNION

Detailed Income Statement Comparison

In USD.

As of: 12/31/2024

Produced: 2/14/2025 3:17:12PM

	MTD	MTD	YTD	YTD
	Dec-2024	Dec-2023	Dec-2024	Dec-2023
Income				
=====				
111000	9,734.97	8,775.06	110,814.30	102,222.05
121200	11,031.54	9,587.97	133,825.24	90,749.22
121205	41.43	21.91	587.05	347.68
131000	34.61	198.10	1,117.27	5,017.32
131010	180.00	480.00	2,850.00	3,420.00
131020	295.00	0.00	2,375.00	0.00
131200	200.00	0.00	630.00	300.00
131300	5.31	10.42	104.40	121.11
132000	(143.59)	507.27	826.90	3,400.67
153000	0.00	0.00	0.00	3,156.59
Total Income	21,379.27	19,580.73	253,130.16	208,734.64

	Expenses			
	=====			
211000	9,100.00	8,666.64	109,700.00	103,999.68
222000	696.00	663.00	8,390.70	7,956.00
223000	0.00	0.00	129.00	125.40
240000	290.07	317.20	3,480.84	3,806.40
251000	1,208.56	1,188.75	14,502.72	14,265.00
261000	286.80	276.34	3,296.12	3,296.12
264000	873.65	919.18	10,565.20	9,665.33
265000	335.83	354.09	4,176.04	4,231.64
266000	0.00	0.00	0.00	239.74
269000	0.00	72.95	1,163.88	971.22
284000	384.68	383.12	5,326.57	5,327.46
285000	254.17	233.17	2,482.98	2,313.66
292000	601.83	285.89	5,010.38	3,430.68
301000	53.99	(125.67)	8,896.86	(1,225.37)
304000	0.00	1,139.23	7,061.03	16,996.57
350000	85.00	85.00	1,020.00	1,020.00
Total Expenses	14,170.58	14,458.89	185,281.23	176,419.53
DIVIDEND EXPENSE	1,438.43	703.50	17,936.17	12,751.35
Net Income	5,770.26	4,418.34	49,912.76	19,563.76

HIGHWAY DISTRICT 2 CREDIT UNION
ANNUAL MEETING APRIL 25th 2024

2024 DOOR PRIZE WINNERS

\$100.00	Bilal Pearson
75.00	Donna Buzalsky
50.00	Lisa Stone
50.00	Stephen Brown
50.00	Dania Koleilat
50.00	Sandra Harris
50.00	Beverly Doggett
35.00	John Purpura
25.00	Ray Buzalsky
25.00	Shiela Doss
25.00	Tanya Crockett
25.00	Danny Doggett
15.00	Butch Harris
15.00	Loyl Bussell
15.00	James Goolsby
15.00	Charlie Doss
15.00	Rebecca Soria
15.00	Robin Scarberry
15.00	James Weaver
15.00	Cissy Reyna
10.00	Rubane Diaz
10.00	Taylor Diaz
100.00	Juan Vasquez
\$800.00	TOTAL DOOR PRIZES

Highway District 2 Credit Union
66th Annual Meeting, April 24th 2025

BOARD OF DIRECTORS REPORT
DECEMBER 31, 2024

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 earned a nice profit in 2024. Steadily increasing Interest rates on investments and loans were the main reason for the profit. A net profit of \$49,912.76 was recorded for the year. Compared to 2023, this was an increase in income of \$30,349.

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 28%.

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 \$1,018,892 in 2023 to \$1,064,680 in 2024. Average yield on loans increased from 5.8388% in 2023 to 6.23% in 2024. The Credit Union continued to be competitive on the pricing of interest rates for new and used vehicles.

Membership decreased from 701 in 2023 to 681 in 2024. Share account balances decreased from \$3,650,258.45 in 2023 to \$3,450,224.83 in 2024.

Earnings on the Credit Union investments increased approximately \$40,741.62 in 2024.

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,

Raymond Buzalsky, Chairman

PLEASE VISIT OUR INFORMATIONAL WEBSITE AT dist2cu.com.