

# PROGRAM

*Invocation*

*Call to Order*

*Ascertain a Quorum*

*Reading of the Minutes*

*Chairman's Comments*

*President's Report*

*Audit Report*

*Unfinished Business*

*New Business*

*Nominating Committee Report*

*Announcements*

*Adjournment*

*Bingo & Door Prizes*

## Statement of Financial Condition

ASSETS	12/31/2017	12/31/2016
Loans to Members	\$ 12,232,785	\$ 13,004,836
Cash	280,448	239,483
Investments	12,625,404	10,862,947
Land and Building	920,242	933,097
Fixed Assets	796	2,773
Other Assets	292,585	408,793
Allowance for Loan Loss	(122,496)	(100,790)
<b>Total Assets</b>	<b>\$ 26,229,764</b>	<b>\$ 25,351,139</b>

## LIABILITIES AND MEMBER'S EQUITY

Accounts Payable	\$ 35,520	\$ 667,031
All Other Liabilities	31,395	48,619
<b>Total Liabilities</b>	<b>\$ 66,915</b>	<b>\$ 715,650</b>
Member Deposits	\$ 23,217,139	\$ 21,679,606
Reserve Funds	271,601	271,601
Undivided Earnings	2,674,109	2,684,282
Other Reserves(Mkt Adj)	0	0
<b>Total Member's Equity</b>	<b>\$ 26,162,849</b>	<b>\$ 24,635,489</b>
<b>Total Liabilities and Member's Equity</b>	<b>\$ 26,229,764</b>	<b>\$ 25,351,139</b>

## Statement of Income and Expense

INCOME	12/31/2017	12/31/2016
Interest on Loans	\$ 499,788	\$ 531,633
Interest on Credit Cards	87,119	87,034
Income from Investments	153,523	154,062
Other Operating Income	187,846	177,955
<b>Total Income</b>	<b>\$ 928,276</b>	<b>\$ 950,684</b>

## EXPENSES

Employee Wage & Benefits	\$ 275,752	\$ 268,466
Travel and Conference	7,782	5,295
Office Occupancy	61,499	58,319
Office Operations Expense	118,085	108,349
Provision for Loan Loss	193,536	113,036
Annual Operating Fees	5,755	5,489
Loan Servicing Expense	6,015	2,606
Association Dues	10,808	10,621
Professional Services	99,916	93,946
Member Benefits	3,891	4,715
Misc. Operating Expense	4,351	10,715
Advertising	37,750	28,581
Credit Card Expense	48,954	37,864
NCUA Stabilization/ Member Insurance Exp.	0	0
<b>Total Expenses</b>	<b>\$ 874,094</b>	<b>\$ 748,002</b>

<b>Net Operating Income</b>	<b>\$ 54,182</b>	<b>\$ 202,682</b>
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<b>Non-Operating Gains/Losses</b>	<b>\$ 457</b>	<b>\$ 0</b>
<b>Adjusted Net Income</b>	<b>\$ 54,639</b>	<b>\$ 202,682</b>

## DISTRIBUTION OF NET INCOME

Dividends on Shares	\$ 64,811	\$ 48,423
To Reserves and Undivided Earnings	\$ -10,172	\$ 154,259



## Minutes of the FedStar Credit Union Annual Meeting of April 6, 2017

### Invocation by Charlie Ray

#### Call to Order

Chairwoman Buck called the Annual Meeting to order at 7:09 p.m.  
The meeting was held at The Brazos Center in Bryan, Texas

### Ascertain a Quorum

President Mary Beth Borroni certified a quorum of at least 25 credit union members.

### Reading of the Minutes of the last Annual Meeting

A motion was made by: Frank Borroni and seconded by Charlie Ray to dispense with the reading of the minutes from the last annual meeting. The motion was approved unanimously.

President Borroni introduced board members who were present. They were:

Patricia A. Buck, Chairwoman  
Nancy Granovsky, Secretary  
Fred Bingaman, Vice Chairman  
Linda Richardson  
Juan M. Garcia  
Ted Peabody, Jr.

President Borroni introduced Chairwoman Buck who briefly discussed the year in review.

### Chairwoman's Comments

Total loan volume is up by 10.74%  
Total income increased by 2.77%  
Total Equity increased by 6.69%  
The credit union is considered "well capitalized"

The credit Union received a good report by the Supervisory Auditors with no exceptional items.

### President's Report

The economy is on the upswing; jobs are available, and unemployment is down. The credit union has grown in loans, but total assets have declined slightly. Investments have declined to meet loan demand. The credit union has added new products to serve the membership better with the VISA Reward Credit Card, Remote Deposit Capture and Home Banking improvements. New loan products were also added including the Student Loan Program and the Lucky 7 Loan.

She introduced all employees present:

Office Manager: Penny Kornegay  
MSRs: Morgan Leopold, Leigh Schwartz, Debbie Dunlap, Chance Jones  
Loan Officer: Raen Price

### Treasurer's Report

Assistant Treasurer Juan M. Garcia presented the Treasurer's Report  
Highlights included Increases in total income and total expenses, increase in total operating expenses, and a decline in adjusted net income. Dividends were down by 6.00% and undivided earnings increased but at a 25% decrease from last year.

### Unfinished Business and New Business

Chairwoman Buck proceeded on the Agenda.  
She asked if there was any old or unfinished business brought before the membership. She asked if there was any new business to be brought before the membership.

Old Business, which there was none

New Business, which there was none

### Nominating Committee Report

#### Acceptance of Directors by Acclamation

Chairman Patricia A. Buck introduced Nominating Chairman Ted E. Peabody, Jr. He introduced Committee members present. The committee consisted of Harry Andersson and Juan M. Garcia. and read the Nominating Committee's report. The committee proposed the following Nominations:

Position 1 Fred Bingaman Incumbent Three Year term expiring 2020  
Position 2 Jubal Hancock Nominee Three Year term expiring 2020

There were no other nominations presented by the committee or by petition during the period from January 1, through March 15, 2017. The Chairman of the Board of Directors the nominees elected by acclamation.

### Recognition of Service

Chairman Buck introduced board member Nancy Granovsky who acknowledge the service of outgoing board member Linda Richardson.

### News and Announcements

Office Manager Penny Kornegay provided News and Announcements. She included:

Youth Savings Month – 3 Owl Mug Drawings for members  
FedStar Night at the Bombers – June 2, 2017 at Nutribolt Stadium  
CardNav – Free Share draft product that allows members to view, freeze and limit up to the minute transaction information.

### Adjournment

Chairwoman Buck entertained a motion to adjourn

Sigal Rosier moved that the meeting be adjourned, and Ted Peabody, Jr. seconded the motion. The motion carried.

The meeting adjourned at 8:04 p.m. Members proceeded to play BINGO and visit. The following were winners of the BINGO games:

Barbara Peevey, Darliss Peabody, Debra Nicholson, Hugo Hein, Alice Carney, Rick Peevey, Donovan Williams, and Jack Worthington, Kimberly Williams and Petra Rodriguez

Winners of gift card drawings and door prizes included Kate Borroni, OJ Moon, Sigal Rosier, Mary Lou Johnson, Mike Woodward, Jimmy Marucci and Pablo Rodriguez, Sheridan Allen, Cindy Schoeneman, and Sterling Johnson.



## 57th Annual Membership Meeting

Thursday, April 12, 2018

### *2017 – 2018 Board of Directors*

Pat A. Buck	Term expires 2019
Fred Bingaman	Term expires 2020
Juan M. Garcia	Term expires 2018
Nancy L. Granovsky	Term expires 2018
Ted Peabody, Jr.	Term expires 2019
Jubal Hancock	Term expires 2020
Ron Weiman	Term expires 2019

### *Officers and Staff*

Mary Beth Borroni, President/CEO  
Penny Kornegay, Office Manager  
Raen Price, Lending  
Morgan Leopold, MSR  
Leigh Schwartz, MSR  
Erin Diserens, MSR  
Michael Schultz, MSR

