

**Brazos Star Credit Union
President's Report
61st Annual Meeting
April 21, 2022**

Staying the Course

2021 was a challenging year for all of us. Welcome to the first in-person Annual Meeting since 2019. We are glad you're here and it is great to see our credit union members tonight. Thank you to our staff and board for working so hard during this time.

The employees and Board of your credit union are continuously looking for ways to better serve you. Although 2021 brought its own economic and pandemic related challenges, BRAZOS STAR acted to ensure availability of critical financial services throughout our community. On May 3 of 2021 the credit union opened its doors to both full service in the lobby and drive through. We have strived to follow the federal, state, and local guidelines for the COVID Pandemic. We appreciate your confidence in the credit union to provide valuable financial services online and in-person. As you can see from the financial reports included, our credit union continues to grow.

Deposit growth continued to outpace loan demand as members looked to bolster their savings and hold off on larger purchases due to price increases and limited availability. Many members continued working remotely as the impacts of the pandemic wore on. Our membership has been able to use our remote services with confidence during the Pandemic. We have stayed the course and continue to do so as we move forward.

We ended the 2021 with overall increases in Assets, Loans and Shares and were able to make solid contributions to Undivided Earnings. More importantly, we

were able to pay BONUS Dividends once again to member shareholders with both checking and share accounts.

Brazos Star Credit Union has entered into its 62nd year of operation with a new name, new branding, and a new commitment to serve our members. With our new name, we have also added valuable services to meet the needs of our membership. We added Text Messaging to our suite of financial services along with text and email alerts to enable you to view member selected transactions on your account. Our REPAY loan payment portal that we started near the end of 2020 has been a huge success, allowing members to pay anytime, anywhere with the flexibility to set up and control when and how loan payments are posted. We added two new loan programs to make it easier than ever for members to obtain funds needed for emergencies and debt reduction, all in near real-time.

And finally, we have added Home Equity Lending to our lending portfolio. This month, we will complete our first Home Equity Loan! This is a great opportunity to take advantage of continued low rates and no closing costs to take a hedge against future rate increases while you enhance your home or pay down debt.

And, in order to add more value to our growing community, the credit union board of directors has petitioned the credit union department to extend our field of membership to the contiguous counties surrounding Brazos County, our expanded field of membership now includes anyone who resides in Brazos, Burleson, Leon, Madison, Robertson, and Grimes County. So please, tell your friends, family, and coworkers to open an account at Brazos Star Credit Union. It's the brighter place to bank!

Brazos Star Credit Union is once again considered “well capitalized” by the National Credit Union Administration. The insurer of credit union We received another excellent 5 Star rating from Bauer Financial. Bauer Financial has been rating banks and credit unions since 1983 and for over 28 years, our credit union has received a five-star rating.

In 2021, Brazos Star was a generous supporter of the Bryan/College Station community. We supported the Brazos Valley Food Bank, CSID Education Foundation, BISD Project Graduation, 4H Sponsorship, The Pink Alliance, the Burleson County Kolache Fest, The North Bryan Community and local elementary schools.

As member-owners of our unique cooperative, you have a voice in your credit union. Brazos Star Credit Union draws financial strength from its members. When you borrow and save and refer your family and coworkers – we all benefit. Your participation in credit union by establishing us as your primary financial institution contributes to the growth and well-being of all credit union members. We are all invested in the financial well-being of each member of our credit union family.

Brazos Star Credit Union
Chairwoman's Report
April 21, 2022

Good evening and Welcome to the 61st Annual Meeting of Brazos Star Credit Union. As Chairman of your Board, I am pleased to report to you that we have had a challenging but rewarding year of providing service to our members.

On Behalf of the Board of Directors, management and staff, I would like to thank you for your membership and loyalty to the credit union philosophy of "People Helping People."

At this time, I would like to thank my fellow board members for their continued commitment and volunteer service to the credit union movement.

I will introduce the board members at this time:

Jubal Hancock, Vice Chair
Linda Jeffress, Secretary
Ron Weiman, Treasurer
Ted Peabody, Jr., Assistant Treasurer
Fred Bingaman, Member at Large
Johnny Stimson, Member at Large

Our credit union staff works hard to meet our member's needs and to serve them with a helpful and positive attitude.

The credit union staff, and the board of directors are committed to keeping your funds on deposit safe and sound.

Because of your trust and loyalty, our credit union is thriving as we navigate through this post-pandemic financial environment.

This year, we have added new services and processes to streamline the online experience. Key technology enhancement such as text messaging and enhanced online banking provide more opportunities than ever for members to do their banking anytime and anywhere.

As a financial cooperative, our success is your success. When you participate in the credit union, you are contributing to its growth and stability.

Looking ahead to 2022, we realize that everyone in this room may be faced with unique financial challenges and opportunities. Know that the credit union and its staff is here to help.

Our staff and board of directors we work tirelessly to evaluate and consider products and services that meet the needs of our membership while the safety and soundness of the credit union is our primary concern.

On behalf of the entire board of directors, and staff, we thank you for being a part of the credit union family.

Respectfully submitted,

Patricia A. Buck, Board Chairwoman

Brazos Star Credit Union

Treasurer's Report for the year ending 2021

Brazos Star Credit Union remains safe and sound due to a well-capitalized position by the standards set by the National Credit Union Administration (NCUA). Our net worth ratio is 12.21%. This is higher than our PEER group average for credit unions of similar asset size.

2021 was a very productive year for Brazos Star Credit Union. Despite the challenges from the COVID-19 Pandemic, we still had a very successful year.

Controlling delinquencies, monitoring growth, and providing our members with funds needed to meet their financial obligations during COVID were our priorities in 2021.

For the year ending December 31, 2021, total assets increased by nearly 1%. The credit union saw increases in Shares, Loans and declines in delinquencies and charge off loan accounts. Conservative loan policies and prompt collection procedures helped the credit union maintain a low delinquency and charge off ratio.

The credit union originated 282 loans for more than \$ 5.1 million dollars. Investment dollars also increased as loan demand fell due to various external economic factors and members looked for a safe place to deposit funds in an uncertain time.

Undivided earnings increased to \$ 3,777,105 and year-end bonus dividends were deposited once again to member share and club

accounts. Total member equity increased by more than \$2 million dollars.

The credit union continued to reduce funding to the ALLL (Allowance for Loan and Lease Losses) as we overfunded in the last two years in anticipation of higher-than normal loan losses.

According to the Bauer Financial Institution's Rating Website, Brazos Star Credit Union continues to maintain a five-star rating, which is the top rating for any credit union. This exemplary rating has not changed for us in over 20 years. Brazos Star continues to be a safe, financially sound credit union that operates in a well-capitalized manner.

Thank you, to the members who make it possible for us to fulfill the goals of the credit union and to embrace the credit union idea of "People Helping People."

SUMMARY:

Assets: \$ 33,146,749

Loans: \$ 11,657,260

Investments: \$ 19,753,334

Deposits: \$ 28,837,220

Respectfully submitted,

Ron Weiman, Treasurer

**BRAZOS STAR CREDIT UNION
TREASURER'S REPORT**

December 31,2021

December 31, 2020

ASSETS

Loans to Members	\$11,657,260	\$11,508,970
Cash	539,003	411,878
Investments	19,753,334	17,091,794
Land & Building	868,822	881,677
Fixed Assets	16,015	0
Other Assets	336,885	363,301
Allowance For Loan Losses	(24,570)	(52,648)

TOTAL ASSETS

\$33,146,749

\$30,204,972

LIABILITIES AND MEMBER'S
EQUITY

Accounts Payable	\$237,975	\$146,536
all other Liabilities	22,848	18,624

TOTAL LIABILITIES

\$260,823

\$165,160

Member's Shares	\$28,837,220	\$26,266,919
Reserve Funds	271,601	271,601
Undivided Earnings	3,777,105	3,501,292
Other Reserve (Mkt Adj)		

TOTAL MEMBER'S EQUITY

\$32,885,926

\$30,039,812

TOTAL LIABILITIES AND
MEMBER EQUITY

\$33,146,749

\$30,204,972

**BRAZOS STAR CREDIT UNION
TREASURER'S REPORT
INCOME AND EXPENSE 12-31-2021**

	December 31,2021	December 31,2020
INCOME		
Interest on Loans	\$474,017	\$483,141
Interest on Credit Cards	\$72,239	\$75,730
Income from Investments	208,022	273,161
Other Operating Income	240,611	225,288
TOTAL INCOME	\$994,899	\$1,057,320
 EXPENSES		
Employee Compensation & Benefits	\$306,416	\$279,554
Travel and Conference	3,057	1,642
Office Occupancy	63,717	59,117
Office Operations Expense	102,631	115,793
Provisions for Loan Losses	(43,000)	(409)
Annual Operating Fees	5,825	6,782
Loan Servicing Expense	7,424	5,608
Association Dues	11,172	11,279
Professional/Outside Services	108,048	114,848
Member Benefits	5,849	2,698
Miscellaneous Operating Expenses	11,848	3,788
Advertising	6,140	21,103
Credit Card Expense	46,812	51,140
NCUA Stabilization/Member Ins Exp	0	0
TOTAL EXPENSES	\$635,939	\$672,943
NET OPERATING INCOME	\$358,960	\$384,377
NON-OPERATING GAINS/ LOSSES	\$ -	0
ADJUSTED NET INCOME	\$358,960	\$384,377
 DISTRIBUTION OF NET INCOME		
Dividends on Shares	\$83,138	\$110,851
To Reserves & Undivided Earnings	\$275,822	\$273,526

Brazos Star Credit Union
2022 Annual Meeting
April 21, 2022

Chairman's Address to the general membership on the Nominees for Open Board Positions.

This year, we have three board positions to be filled. The Nominating Committee has worked hard to select candidates that can provide prudent governance and lead the credit union into the future.

The Nominating Committee has put forth this slate of nominees. They have presented one nominee for each position:

Tara Jackson	Position 3	Nominee
Ted Peabody, Jr.	Position 4	Incumbent
Ron Weiman	Position 5	Incumbent

There were no petitions for other nominees filed during the open period for nominees.

The Nominating Committee has worked hard to ensure the continuity of the direction of the credit union and their commitment to serving our members. All of these candidates will be great assets to the board of directors and the Credit Union.

Because there is only one nominee for each position being presented, as Chairwoman of the Brazos Star Credit Union Board of Directors,

I declare each nominee elected by acclamation.

Patricia A. Buck
Board Chairwoman

Brazos Star Credit Union
 2022 Report of the Nominating Committee
 April 21, 2022

New Board Elections

The Nominating Committee for 2022 consists of Director Jubal Hancock (Chairman), Credit Union Member Harry Andersson, Credit Union Member Nancy Granovsky and Director Johnny Stimson.

The following positions are up for election in 2022:

- Position #3 The nominating committee has chosen credit union member Tara Jackson to serve in Position #3 for a three-year term that will expire in 2025.
- Position #4 Incumbent Ted Peabody, Jr. has been chosen by the Nominating Committee to serve in Position #4 for a term expiring in 2025.
- Position #5 Incumbent Ron Weiman has been chosen by the Nominating Committee to serve again in Position #5 for a term expiring in 2025.

Board of Directors and Term Expirations (Current)

2022	1	Fred Bingaman	3	2023
	2	Jubal Hancock	3	2023
	3	Pat Buck	2	2022
	4	Ted Peabody	2	2022
	5	Ron Weiman	2	2022
	6	Linda Jeffress	1	2024
	7	Johnny Stimson	1	2024

Board of Directors and Term Expirations (Proposed by Nomination)

2022	1	Fred Bingaman	1	2023
	2	Jubal Hancock	1	2023
	3	Tara Jackson	3	2025
	4	Ted Peabody	3	2025
	5	Ron Weiman	3	2025
	6	Linda Jeffress	2	2024
	7	Johnny Stimson	2	2024

Section 3.06 Elections (summarized from the Standard Texas Bylaws for State Chartered Credit Unions)
 Option 2

(d) Notice. There will be no nominations from the floor and the election will not be conducted by ballot when there is only one nominee for each position to be filled.

(f) Vote. All elections are determined by plurality vote. When only one member is nominated for each position to be filled, the chairman of the board may take a voice vote or declare each nominee elected by general consent or acclamation at the annual meeting.

BRAZOS STAR CREDIT UNION – COLLEGE STATION, TX

Minutes of the 60th Annual Meeting

April 22, 2021

Call to Order and Ascertain a Quorum

The Brazos Star Credit Union Annual Meeting was held via Zoom due to the COVID-19 pandemic. Chairwoman Patricia Buck called the meeting to order at 3:00 p.m. and President Mary Beth Borroni ascertained a quorum.

Approval of the 2020 Annual Meeting Minutes

Director Peabody made a motion to dispense with the reading of the minutes from the May 14, 2020 Annual Meeting and approve them as submitted. Member Jim Mallett seconded the motion and the minutes were approved.

Chairwoman's Report

Chairwoman Buck welcomed attendees to the 60th Annual Meeting and thanked them for participating remotely. She introduced Board of Directors Fred Bingaman, Jubal Hancock, Linda Jeffress, Ted Peabody, Johnny Stimson and Ron Weiman, all of whom were present.

The Chairwoman reported the credit union remains strong financially and highlighted the adjustments made to continue doing business safely during the pandemic, while adding convenience and security for members. She thanked the Board, employees and members for being dedicated and loyal to the credit union during the uncertain times.

President's Report

President Borroni reported the credit union was able to maintain a strong New Worth Ratio during the pandemic. Members received assistance through relief loans, payment deferrals and Back on Track loans and the credit union expanded drive-thru services to ensure social distancing. Enhancements were made to the online banking system and mobile apps, and a remote payment portal was added.

The credit union expanded the field of membership to include surrounding counties for future growth. The credit union was also able to support local charities and individual members through donations and contributions to those in need. She looks forward to continuing to deliver low cost, high value products and services.

Treasurer's Report

Director Weiman reported Brazos Star remained financially strong and delivered a profitable year despite the pandemic. The credit union is considered well-capitalized by regulatory standards.

The annual Supervisory Audit was conducted in December 2020. Based on a thorough review and analysis, the Supervisory Auditors believe adequate internal controls exist to protect member accounts and the financial statements accurately reflect the credit union's performance and condition.

Unfinished Business

Chairwoman Buck stated there was no unfinished business.

New Business

There was no new business.

Nominating Committee's Report

Chairwoman Buck called on Nominating Committee Chairman Jubal Hancock. The other committee members were Director Weiman and credit union members Harry Andersson and Nancy Granovsky.

In accordance with election procedures, the membership was notified of the committee's nominations and advised of the petition procedure to add candidates to the ballot. There were no candidates by petition, therefore, nominees Linda Jeffress and Johnny Stimson were presented and appointed by acclamation. They will fill three-year terms to expire in 2024.

Announcements

There were no announcements.

Adjournment

With all business being complete, Director Weiman made a motion to adjourn the meeting. Director Jeffress seconded and the motion carried. The meeting adjourned at 3:21 p.m.

These minutes were read at the ALMC/Board of Directors meeting and approved by:

Chairman Pat Buck

_____ Date _____

Secretary to the Board, Linda Jeffress

_____ Date _____