

WEST TEXAS CREDIT UNION

2021

May 24, 2022 - Annual Meeting Agenda

The order of our Annual Meeting Agenda is set by the Board of Directors and our Bylaws. Note: Chairman may rearrange agenda if so authorized by vote of the members present.

- | | | |
|---|---------------------------------|----------------|
| 1. Call to Order | 4. Report of Financials | 8. Adjournment |
| 2. Ascertainment of Quorum (25 members or more) | 5. Supervisory Committee Report | |
| 3. Chairman & CEO Report (As Presented) | 6. Unfinished and Old Business | |
| | 7. Elections | |

Board of Directors and Term Expiration

Chairman: Robert Steve Brown 2022 Ricky Chandler 2023 Patrick Young 2023

Vice Chairman: Donnie Norwood 2022 Charles Carlson 2023

Secretary/Treasurer: Mary Jaramillo 2023 Kathryn Norwood 2023

Administrative Officers

President/CEO Lisa Brooks (Interim)
CFO Dr. Paul Withey (Contract)

Changes

Changes to Articles of Incorporation & Bylaws:	See Attached Document	Services Offered Since Last Annual Meeting:	None
Changes to Financial Condition:	None	Changes in Senior Management:	CEO & CFO

Board Chairman Annual Meeting Address

It is with great pleasure and pride that I welcome you to our Annual Meeting. I am humbled by the trust you've placed in me and my fellow board members. Our success is due in large part because of their efforts.

As you can see in the Annual Report, your credit union performed well in fiscal year 2021, even with all of the COVID-19 challenges. In addition to establishing policies and ensuring that the credit union adheres to pertinent laws, regulations, and sound business practices, we are also charged with making sure new products and services are developed as needed. With the continued success of our credit union, we can offer beneficial savings and loan programs.

I'd like to express my confidence in our Board of Directors and employees, and the support and loyalty of our members. We are extremely optimistic about the future because our credit union is well positioned to face any challenge and seize any opportunity that presents itself in 2022.

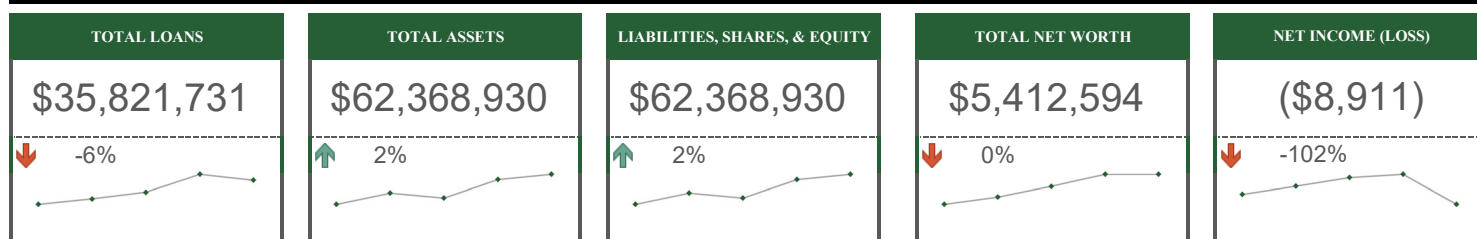
CEO Annual Meeting Address

Welcome to our 2022 Annual Meeting. On behalf of the management and staff of your credit union, let me say how happy I am to report the progress we made in 2021.

Our 2021 results illustrate that we're a strong, sustainable, and efficient financial institution. We have an excellent team of professionals who report to work every day with the intention of helping our members meet their financial goals. This credit union's many accomplishments would not have been possible without their energy, optimism, commitment, and wholehearted belief in our cause. I would like to thank all my co-workers for all we do for our credit union and members.

We are sincerely grateful that you are an integral part of our credit union family. I'm highly optimistic about our future, and on behalf of the entire staff, we look forward to a happy and successful 2022.

Comparative Financial Statement



WEST TEXAS CREDIT UNION

2021

Comparative Financial Statement

Balance Sheet Area	REPORT YEAR (2021)	PREVIOUS YEAR (2020)	% CHANGE	5 YEAR TREND
Assets				
TOTAL CASH & EQUIVALENTS	\$11,964,557	\$4,643,803	↑ 158%	
TOTAL INVESTMENTS	\$8,703,674	\$12,719,280	↓ -32%	
LOANS HELD FOR SALE	\$0	\$0		
TOTAL LOANS	\$35,821,731	\$38,280,455	↓ -6%	
(ALLOWANCE FOR LOAN & LEASE LOSSES)	-\$230,224	-\$133,035	↑ 73%	
TOTAL FORECLOSED and REPOSSESSED ASSETS	\$0	\$0		
Land and Building	\$4,890,844	\$4,631,250	↑ 6%	
Other Fixed Assets	\$507,078	\$165,991	↑ 205%	
NCUA Share Insurance Capitalization Deposit	\$536,279	\$511,744	↑ 5%	
TOTAL INTANGIBLE ASSETS	\$0	\$0		
TOTAL OTHER ASSETS	\$174,991	\$452,615	↓ -61%	
TOTAL ASSETS	\$62,368,930	\$61,272,103	↑ 2%	
Liabilities				
TOTAL LIABILITIES	\$481,169	\$762,788	↓ -37%	
TOTAL SHARES AND DEPOSITS	\$56,475,167	\$55,087,810	↑ 3%	
EQUITY TOTAL	\$5,412,594	\$5,421,505	↓ 0%	
TOTAL SHARES & EQUITY	\$61,887,761	\$60,509,315	↑ 2%	
LIABILITIES, SHARES, & EQUITY	\$62,368,930	\$61,272,103	↑ 2%	
TOTAL NET WORTH	\$5,412,594	\$5,421,505	↓ 0%	
Income and Expense				
TOTAL INTEREST INCOME	\$2,224,732	\$2,244,176	↓ -1%	
TOTAL INTEREST EXPENSE	\$49,538	\$51,975	↓ -5%	
PROVISION FOR LOAN & LEASE LOSSES	\$236,474	\$133,718	↑ 77%	
NET INTEREST INCOME AFTER PLL	\$1,938,720	\$2,058,483	↓ -6%	
TOTAL NON-INTEREST INCOME	\$1,197,123	\$1,124,961	↑ 6%	
TOTAL NON-INTEREST EXPENSE	\$3,144,754	\$2,818,386	↑ 12%	
NET INCOME (LOSS)	-\$8,911	\$365,058	↓ -102%	
Membership				
Number of Members	5066	5184	↓ -2%	

Organizational Changes Since Last Report

Former CEO Jean Nicole Torans-Dominguez was replaced with Interim CEO Lisa Brooks. Former CFO Glenn Tolentino was replaced with Dr. Paul Withey (contract).

Several changes were made to the existing Bylaws. These changes are reflected in the attachment to this report.

Supervisory Committee & Independent Auditor's Report

The Board of Directors is primarily responsible for overseeing the overall safety and sounds of the Credit Union as well as the organization's adherence to operating policies, procedures, and regulations. Each year, the Board reaffirms their commitment to ensure your credit union is financially stable and maintains the highest member service standards possible. The Board oversees the annual audit performed by an independent auditing firm, Cornerstone Resources, Inc. Cornerstone Resources did not provide an Opinion Audit, but did perform the required independent review of financial records, policies, and procedures. The audit concluded that the consolidated financial statements present fairly, in all material aspects, the financial position of the credit union as of February 2021. Additionally, the Board oversees a number of internal audits and review of member account records to verify their accuracy.

As a result of these combined efforts, I am proud to report that the Credit Union and its assets remain financially sound and secure.

Nominating Committee Report

This year there are two positions open for election on the Board of Directors. After careful review, the Nominating Committee, appointed by the Chairman of the Board of Directors, has nominated Robert Steve Brown and Donnie Norwood for re-election. Since no applications were received to serve on the board of directors, these individuals are elected by acclamation.

**WEST TEXAS CREDIT UNION
ANNUAL MEETING
FEBRUARY 24, 2020**

Monday, February 24, 2020, at 6:00 pm Board Chairman Dr. Steve Brown welcomed members to the 66TH West Texas Credit Union Annual Meeting which was held at the Odessa College Saulsbury Conference Center. After a pray of thanks led by our Member Thomas Harrison; dinner was served to CU members by Odessa college.

Chairman Brown introduced CEO Nicole Torans Dominguez. Mrs. Dominguez presented the agenda and reviewed the Mission, Vision and Core Values of WTCU. She discussed the goals that had been accomplished in 2019 and the goals and events for 2020. The staff has reached out to the schools and community businesses with an invitation to become members and receive credit counseling which has been a plus for the CU and contributed to loan growth. Mrs. Dominguez discussed the Dorado Project and plans for the grand opening taking place June 2020.

It was noted that WTCU is also involved with many activities for the schools and community as well as helping those in need. Mrs. Dominguez emphasized that the members and their needs always come first. The WTCU purpose is to meet membership requests and provide excellent services. There has been a positive, steady and conservative growth to make our CU stronger. The CU staff has grown to 28 employees in order to assist our customers and expedite business.

Mrs. Dominguez introduced CFO, Glenn Tolentino and he discussed in detail the 2019 Consolidated Balance Sheet and Income & Expenses Statement The financials were reviewed and compared with the prior year 2018. Mr. Tolentino went into more detail to show the capital to asset ratio over the past 10 years to demonstrate the healthy growth West Texas Credit Union has shown within the past years.

Mr. Tolentino introduced our Chairman, Dr. Steve Brown for him to introduce the other Credit Union Board members. Which also

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ANNUAL MEETING
FEBRUARY 24, 2020**

includes our Vice-Chair, Dr. Donnie Norwood who discussed our Board members up for re-election.

Dr. Donnie Norwood welcomed CU members to Odessa College and conducted the election for three board positions. The following nominees were presented to continue serving on the WTCU Board:

- Position #1 Mary Jaramillo - Secretary
- Position #4 Ricky Chandler
- Position #6 Dr. Don Wood

Since there were no nominations from the floor the three positions were elected by acclamation.

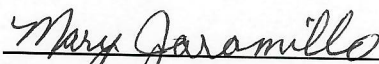
Dr. Donnie Norwood had Mrs. Dominguez come back up to introduce staff and close out the meeting. Coins, pens and hand sanitizers were given to each member. Drawings were held for cash prizes. There was a total of \$1,450 in the cash prize drawings.

The meeting was adjourned at 7:36 pm.

Respectfully submitted,



Dr. Steve Brown, Chairman



Mary Jaramillo, Secretary

	PREVIOUS BYLAWS	PROPOSED BYLAWS
Chapter I		
1.01.	West Texas Credit Union	In the Articles of Incorporation
1.02.		No Change
1.03.		No Change
Chapter II		
2.01.	1001 N Lee Street, Odessa, TX	In the Articles of Incorporation
2.02.		No Change
Chapter III		
3.01.		No Change
3.02.(a)		No Change
3.02.(b)		No Change
3.02.(c)	Age Requirement to become a Director - 21	Age Requirement to become a Director - 18
3.03.		No Change
3.04.(a-e)		No Change
3.05.(a-g)		No Change
3.05.(h)		Emergency Meeting Exception - Virtual Meetings
3.06.(a-b)		No Change
3.06.(c)	45 Days Before Annual Meeting	120 Days Before Annual Meeting
		File Nominations 90 Days Prior to Annual Meeting
		Notify Members at Least 75 days Prior to Annual Meeting
3.06.(d)	Nominations From the Floor	No Nominations From the Floor
3.06.(e)		Nomination by Petition
3.06.(f)		Vote by Plurality Vote
Chapter IV		
4.01.(a-c)		No Change
4.02.		No Change
4.03.		No Change
4.04.		No Change
Chapter V		
5.01.(a)	9 Directors	7 Directors (not less than 5)
5.01.(b)		No Change
5.01.(c)		Director Term Not More Than 3 Years
5.01.(d,e)		No Change
5.01.(f)	Not More Than 3 Honorary or Advisory Directors	Not More Than 6 Honorary or Advisory Directors
5.02.		No Change
5.03.		No Change
5.04.(a)		No Change

5.04.(b)	"except where a director has participated by telephone conference call or other electronic means more than four times during a calendar year. In such a case where a person exceeds the four-meeting limit, the director is not eligible to be counted as present for quorum or voting	"except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened".
5.04.(c,d)		No Change
5.05.		No Change
5.06.		No Change
5.07.(a-d)		No Change
5.08.(a,b)		No Change
5.09.(a-r)		No Change
5.10.(a-c)		No Change
5.11.(a-e)		No Change
5.12.		No Change
5.13.		No Change
5.14.		No Change
Chapter VI		
6.01.(a-c)		No Change
6.02.(a,b)		No Change
Chapter VII		
7.01.		No Change
7.02.		No Change
7.03.(a-c)		No Change
Chapter VIII		
8.01.(a-c)		No Change