

**69<sup>th</sup>**

**ANNUAL  
MEMBERSHIP  
MEETING**

 **Texell**  
Your Credit Union

[Texell.org](http://Texell.org)

## ● Agenda

- |                           |                           |
|---------------------------|---------------------------|
| I. Welcome and Invocation | VI. Auditor's Report      |
| II. Assertion of a Quorum | VII. Unfinished Business  |
| III. Approval of Minutes  | VIII. New Business        |
| IV. Chairman's Report     | IX. Election of Directors |
| V. Treasurer's Report     | X. Adjournment            |

## ● REPORT OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Texell Credit Union experienced another great year of solid growth. This growth is attributed to you, our members, for taking advantage of our loan, deposit and electronic products. The success reflected in the report this year shows exceptional health and stability of your credit union. Texell ended 2017 with total assets of \$331.7 million, an increase of \$21.4 million. Deposits reached \$289.1 million for an increase of \$18.8 million. Our members continue to make Texell their lender of choice, helping us finish the year with loan balances of \$278.5 million. That total marks a \$30.4 million increase. Our financial activity translated into a net income of \$1.6 million, and a capital ratio of 10.81% – well over the national and state regulators' minimum of 6%.

Texell expanded our branch network in 2017 with the relocation of our Georgetown branch to a larger location. We also opened a 5,500 square foot office in Cedar Park. These branches serve fast-growing communities, and we look forward

to developing new relationships in these areas while continuing to provide financial services to the communities we have long-served. Texell amended its bylaws to allow anyone who lives, works, worships or attends school in Williamson County to join the credit union.

Much of our focus in 2017 was our commitment to enhancing our members' experiences across all delivery channels. We seek to provide robust online and mobile solutions that are secure, easy to use and include the latest functionality offered in the industry. Some of our Mobile Banking enhancements in the past year include: member-to-member payments, person-to-person payments powered by PayPal, card controls and the ability for members to access their credit score within Mobile Banking.

On behalf of the Board of Directors, management and staff, we thank you for your continued trust and confidence in Texell Credit Union.

Sincerely,



Joe Palmer  
Chairman



Tony Hale  
President and Chief  
Executive Officer

# Board of Directors

Joe Palmer – Chairman  
TERM EXPIRES 2018

Dr. Bill Cornelius – Vice Chairman  
TERM EXPIRES 2020

Dan Maresh – Treasurer  
TERM EXPIRES 2019

Dan Bowen  
TERM EXPIRES 2019

Ken Gaby  
TERM EXPIRES 2020

Dr. Van Miller  
TERM EXPIRES 2018

Chris Moore  
TERM EXPIRES 2019

Lynn Eaton-Jones, PH.D. – Advisory Director

Sue McMillin – Advisory Director

Meeting fee: Chair, \$180 per meeting, not to exceed \$2,340 annually. Board Member, \$150 per meeting, not to exceed \$1,950 annually

## Executive Management

Tony Hale  
PRESIDENT/CHIEF EXECUTIVE OFFICER

Amy Merriman  
CHIEF OPERATING OFFICER

George Ferretti, CPA  
CHIEF FINANCIAL OFFICER

Anthony Rodgers  
GENERAL COUNSEL

Mary Ann Nickolai  
VICE PRESIDENT OF MARKETING

“ ★★★★★ ”  
**BAUER FINANCIAL RATING**

2018.605  
**NCUA**  
Federally Insured  
by NCUA

**DoerenMayhew**  
CPAs AND ADVISORS

12060 S.W. 129th Court, Ste. 201  
Miami, Florida 33186-4582  
305.232.8272  
doeren.com

### Independent Auditor's Report

October 11, 2017

To the Board of Directors of  
Texell Credit Union

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Texell Credit Union and its subsidiary, which comprise the consolidated statements of financial condition as of June 30, 2017 and 2016, and the related consolidated statements of income, comprehensive income, members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Texell Credit Union and its subsidiary, as of June 30, 2017 and 2016, and the results of their operations and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

*Doeren Mayhew*

Doeren Mayhew  
Miami, FL

**Insight. Oversight. Foresight.™**

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# Products & Services

At Texell, we make your life simple with savings, investment, checking, loan, insurance and convenience products that meet your financial needs. Take a look!

## LOANS

- New and Pre-Owned Auto Loans
- Car Buying Service, powered by TrueCar® - **NEW**
- Conventional Mortgage Loans
- FHA Mortgage Loans
- VA Mortgage Loans
- Home Equity Loans
- RV Loans
- Boat Loans
- Motorcycle Loans
- Personal Loans

## CHECKING

- Choice Checking Accounts - **FREE**
- Choice Plus Checking Accounts
- Choice Advantage Checking Accounts
- Fresh Start Checking Accounts - **NEW**
- Business Checking Accounts
- Health Savings Accounts

## SAVINGS + INVESTMENTS

- Savings Accounts
- Money Market Accounts
- Term Share Certificates (CD)
- Individual Retirement Accounts
- Dollar Squad Kids' Club
- cha-ching! Teen Club

## CONVENIENCE

- e-Branch Online Banking
- e-Branch Bill Payment
- Mobile Banking
- Text Banking
- e-Statements
- VISA® Bonus Check Cards
- Texell World ATMs
- ANDI – automated telephone system

## ADDITIONAL SERVICES

- Notary Services
- Wire Transfers

## INSURANCE

- Home
- Auto
- Renters'
- Travel
- Pet
- Wedding



**Texell.org**

# Treasurer's Report

DECEMBER 31, 2017

## ASSETS

Total Loans	\$278,473,541
Allowance for Loan Loss	(4,748,136)
Cash/Investments	36,323,960
Fixed Assets	13,167,050
Other Assets	8,497,410
<b>TOTAL ASSETS</b>	<b>\$331,713,825</b>

## LIABILITIES & EQUITY

Accounts Payable	\$4,083,258
Total Deposits	289,089,269
Other Liabilities	2,680,571
Regular Reserves	1,400,922
Undivided Earnings	34,461,497
Unrealized Investment Gains	(1,692)
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$331,713,825</b>

## INCOME STATEMENT

Interest on Loans	\$12,730,487
Income from Investments	282,390
Other Income	10,842,247
<b>TOTAL INCOME</b>	<b>23,855,124</b>

Operating Expenses	20,310,481
Total Dividends	1,899,953
<b>TOTAL EXPENSES</b>	<b>22,210,434</b>

Extraordinary Gains	-
<b>NET EARNINGS</b>	<b>\$1,644,690</b>

## LOANS & DIVIDENDS

Total Loans made in 2017 - 15,233	\$144.6 million
Dividends paid to members since 1948	\$48.1 million
Loans made to members since 1948	\$1.35 billion