

ANNUAL MEETING MINUTES

The 66th Annual Meeting for Eastex Credit Union was called to order at 5:34pm on March 16, 2021 by Diane Etue, Vice Chairperson of the Board of Directors in the Eastex Credit Union's Administration Building with members attending via a Zoom meeting. Marlene Lacy, Secretary, declared a quorum for the meeting. Board member Shannon Adams then opened the meeting with an invocation.

Diane Etue presented the minutes from the 2020 Annual Meeting. Shannon Adams made that motion to approve the minutes as presented. The motion was second by Troyce Taylor and approved by all members present.

Diane Etue presented the Chairman/CEO Report. She acknowledged that even with all of the struggles that 2020 presented, Eastex Credit Union's focus was finely tuned to the best way possible to service its members. The online capabilities with mobile deposit, online banking and Billpay, along with the multiple ITMs and ATMs that ECU has to offer gives the member the ability to do business almost anywhere and as safely as possible. The philosophy of "people helping people" was brought to life. She then stated that ECU promises to keep growing responsibly in 2021 and appreciates all of its members and staff.

Troyce Taylor presented the treasurer's report. Eastex had four internal audits and one Supervisory Committee audit performed by Credit Union Resources in 2020. It covered all areas including maintenance reports, samples of member loans and new accounts, corporate credit cards, Bank Secrecy Act, cash counts, and ATM operations to name a few. These audits had very minor exceptions, and overall ECU is doing an exceptional job. The Texas Credit Union Department and American Share Insurance performed their annual examinations, showing that ECU is financially and operationally sound.

James Parsley then called for any unfinished or new business to be addressed. Nothing was presented so he introduced Karen Parsley of the Nominating Committee.

Karen Parsley presented the one Board member up for re-election, James Parsley. She then opened the floor up for nominations. There being no further nominations, the incumbent won by acclamation.

With all the business completed, Diane Etue asked for a motion to adjourn the business meeting. The motion was made by Troyce Taylor, second by Shannon Adams and the business meeting closed.



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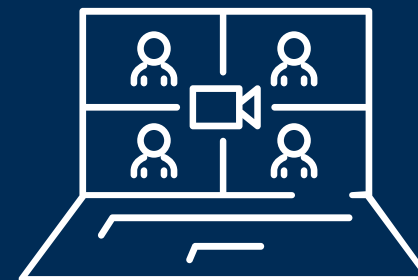
AMERICAN SHARE INSURANCE

By members' choice, this institution is not federally insured. Members' accounts are not insured or guaranteed by any government or government-sponsored agency.



STATEMENT OF FINANCIAL CONDITION

	2021	2020
ASSETS		
Catalyst Corporate FCU	6,303,592	11,872,169
Investments	42,541,940	32,649,340
Total Loans	57,880,536	53,601,671
Allowance for Loan Loss	-209,506	-270,296
Land & Buildings	2,770,834	2,846,660
Furniture & Equipment	666,983	743,956
ASI Share Insurance	1,185,613	998,316
Other Assets	695,042	707,221
TOTAL ASSETS	111,835,033	103,149,037
LIABILITIES & EQUITY		
Accounts Payable	674,722	929,357
Total Shares	99,284,551	91,129,788
Undivided Earnings	10,696,424	9,910,556
Regular Reserves	1,179,336	1,179,336
TOTAL LIABILITIES & EQUITY	111,835,033	103,149,037
INCOME		
Interest on Loans	2,683,961	2,849,019
Income from Investments	326,459	465,072
Other Operating Income	2,231,673	1,896,018
Total Interest Income	5,242,094	5,210,109
EXPENSE		
Employee Compensation	1,752,618	1,517,870
Travel & Conference	62,917	60,000
Office Occupancy	318,150	282,778
Office Operations	1,239,783	1,141,932
Education & Promotion	153,222	131,617
Loan Servicing	218,938	190,768
Professional & Outside Services	173,329	112,856
Provision for Loan Losses	6,912	193,508
Interest on Borrowed Money	0	204
Operating Fees	32,042	34,411
Miscellaneous Operating Expense		163,773
156,331		
Total Operating Expense	4,121,684	3,822,275
Dividend & Interest Expense	334,541	425,150
Net Income	785,869	962,684



2021 ANNUAL REPORT

Commitment
Convenience
Community

MESSAGE FROM OUR CEO

Good evening. I am Loretta Chatagnier, the chief executive officer of Eastex Credit Union. Welcome to our 66th annual meeting and thank you for taking an interest in your credit union.

Every person in America and every financial institution has had to face the challenges of the COVID-19 pandemic for the past two years. Your health and safety, and the health and safety of our staff, are important to us, so in 2020–21 we enacted certain protocols to minimize everyone’s exposure, while ensuring you have access to your money and our full array of services whenever you need them.

Eastex CU has a variety of online capabilities that minimized your need to visit us in branches unless necessary. We are especially concerned for our elder and high-risk staff and members. Hopefully, the technical advancements we have made will help you feel confident about not only the security of your money, but also your ease of access to it.

As your financial first responder, your credit union went to great lengths to help members and our community through the most challenging two years in modern times. Because that is what we are here for: your financial well-being.

Unfortunately, the pandemic is not over. The virus has gone through three or more mutations already. Virologists and doctors warn that Americans will continue to deal with new infections and deaths until we have reached sufficient herd immunity. That will take all of us doing our part. We are optimistic that, thanks to modern medical science, protective equipment, and

a national plan to minimize the exposure of those most vulnerable, we will be able to save millions of lives and resume in-person operations without fear.

We are proud of how far we have come, and I know our accomplishments would not have been possible without the ongoing energy, optimism, commitment, and servant’s hearts of everyone involved in the operation of this credit union. Because of the work we have all done together, this credit union is doing very well, despite the pandemic and certain lingering economic challenges.

From a business perspective, your credit union continues its steady climb forward and upward, with our focus finely tuned to the things that really matter to our members. As such, we were able to bring our “people helping people” philosophy to life in ways that helped not only our members, but our communities.

As we navigate the challenges of 2022, we promise that Eastex Credit Union will continue to grow responsibly while listening and responding to your needs. As our member-owners, you are essential to our credit union family, and we are sincerely grateful that you have chosen Eastex as your financial partner. We wish you a healthy and successful 2022.

Sincerely,
Loretta Chatagnier
Loretta Chatagnier
President/CEO

TREASURER REPORT

The board of directors elected to retain Credit Union Resources, Inc., a division of the Cornerstone Credit Union League to conduct our internal and annual audits. The work was performed in accordance with the requirements set forth in section 95.305 of the Texas Credit Union Department Rules and Regulations and include any additional procedures deemed necessary.

Credit Union Resources, Inc. performed 4 internal audits and 1 supervisory audit in 2021. The 1st internal audit performed reviewed file maintenance reports, corporate credit cards, sample of member loans, loan exception reports, new member loan verifications, and IRA procedures.

The 2nd internal audit performed reviewed collections, repossessions, recoveries and charged off loans. They performed a review of general ledger reconciliations, and a review of negative share accounts and the overdraft privilege program. Performed a review of real estate loans and reviewed payroll reconciliations.

The 3rd internal performed a Bank Secrecy Act (BSA) and Customer Identification Program (CPI) compliance review. Performed an Office of Foreign Assets Control (OFAC) compliance review and performed the annual ACH audit.

The 4th internal audit reviewed EDP system restrictions in relation to employee’s ability to process transactions on their own accounts and accounts of family members. Reviewed safe deposit box procedures. Performed a cash count and operational walk thru at the Evadale, Kirbyville, and Silsbee branch. Reviewed ATM operations, replenishment, and balancing procedures. Performed a cursory website review. Performed a member new credit card review. Reviewed employee, official, and family member share and loan accounts.

The annual supervisory audit was performed by Credit Union Resources. An audit of loans, allowance for loan losses, accounts receivable, cash, investments, prepaid and deferred expenses, fixed assets, other assets, accounts payable, accrued liabilities, shares, reserves and undivided earnings, expenses and general compliance regulations were reviewed. A few exceptions were noted and corrected by staff.

The Texas Credit Union Department and American Share Insurance conducted its annual examination of the Credit Union. Eastex Credit Union is financially and operationally sound. Minor exceptions were noted during the exit interview with the Board of Directors and management made the appropriate corrections.

Thank you.
Troyce Taylor
Troyce Taylor, Board of Director, Treasurer

MISSION STATEMENT
To provide people with the best financial solutions.

VISION STATEMENT
To be the community leader in financial solutions

BOARD OF DIRECTORS		(Term Expiration)
James Parsley	Chairman	(2024)
Marlene Lacy	Secretary	(2022)
Diane Etue	Vice Chairperson	(2022)
Shannon Adams	Director	(2022)
Rusty Minyard	Director	(2023)
Troyce Taylor	Treasurer	(2023)
Francis McDaniels	Director	(2023)

STAFF	
Loretta Chatagnier	President/CEO
Connie Hawthorne	VP of Operations
Mona Duce	VP Silsbee Branch
Cheryl Loftin	VP Kirbyville Branch
Renee Will-Cain	VP of Member Service
Denise Stark	AVP Member Service Kirbyville
Jessica Lee	AVP Member Service Silsbee
Michelle Spears	AVP Consumer/Mortgage Officer
Erin Williams	AVP Member Service Evadale
Melissa Jenkins	AVP Call Center e-Services/BSA Officer/ACH Services
Luke Murray	CIO/CSO
Laurie King	BSA Officer/ACH Services
Kristen LaRue	Accounting/e-Services
Megan McDonald	Consumer/Mortgage Officer
Alysha Smith	Financial Solutions
Hannah Cryer	Financial Solutions
Penny Foxworth	Loan Officer
Samantha Eubanks	Loan Processor
Rebekah Binkley	Full-Service Rep
Jayne Creekmore	Full-Service Rep
KK Hentrich	Member Service Rep
Geraldine Boyett	Member Service Rep
Shannon Daffron	Member Service Rep
Becky Byrum	Member Service Rep
Pamela Yawn	Member Service Rep
Kelby Geisendorff	Member Service Rep
Kristy Giles	Member Service Rep
Amy Nugent	Member Service Rep
Niki Bowman	Member Service Rep
Mikayla Ambrose	Member Service Rep
Erin Keen	Member Service Rep
Amber Lancaster	Member Service Rep
Summer Moore	Member Service Rep
Beth Parker	Member Service Rep

