



**Karin**  
Grandmother



**Rufus**  
Grandfather



**Kate**  
Grandmother



**Chad**  
Grandfather



**Emma**  
Mother



**Sebastian**  
Father



**Oliver**  
Brother



**Olivia**  
Sister



**Alfredo**  
Brother



**59<sup>th</sup> Annual Meeting**  
**March 9, 2024**

# KEYSTONE CREDIT UNION BOARD OF DIRECTORS

CARL AUVIL.....CHAIRMAN OF THE BOARD  
SERVING 2018 - 2026

JASON ROMANS.....BOARD MEMBER  
SERVING 2020-2024

MICHAEL PETERSON.....BOARD MEMBER  
SERVING 2014-2024

JOHN PRATER.....BOARD MEMBER  
SERVING 1980-2026

KIMBERLY HALE..... BOARD MEMBER  
SERVING 2021-2025

CATHY PARKER.....BOARD MEMBER  
SERVING 2017-2024

KYLE TROMBLEY.....BOARD MEMBER  
SERVING 2023 -2025

## KEYSTONE CREDIT UNION STAFF

ANGELA POWERS.....PRESIDENT

MINNIE CRAVENS..... VICE PRESIDENT

MARK CHELF..... SENIOR LOAN OFFICER

ETHEL LIVINGSTON..... LOAN OFFICER

EDD CLARK..... REAL ESTATE LENDER

HANNAH NOWLAND.....BOOKKEEPING

YOLANDA DURHAM..... COLLECTION OFFICER

KATRINA FLORA..... TELLER

DENISE HERNADEZ.....TELLER

JESSIE STARR .....TELLER

TERRY NOWLAND.....CONSULTANT

# KEYSTONE CREDIT UNION SERVICES

## SAVINGS ACCOUNTS

ATM CARD

## SPECIAL SAVINGS ACCOUNTS

## SAFE DEPOSIT BOXES

## CHECKING ACCOUNTS

VISA DEBIT CARDS

## INTERNET BANKING

BILL PAY

MOBILE BANKING

## E-STATEMENTS

## DIRECT DEPOSIT SERVICES

## PAYROLL DEDUCTION

## ACH SERVICES

## IRA ACCOUNTS

## PERSONAL LOANS

NEW AND USED AUTOMOBILE

MOTORCYCLE / ATV

BOAT / JET SKI

MOTOR HOME

SIGNATURE LOANS

TERM LOANS

FARM EQUIPMENT LOANS

## VISA CREDIT CARDS

## MORTGAGE LOANS

MOTGAGES

1<sup>ST</sup> LIEN HOME EQUITY

# 59<sup>TH</sup> ANNUAL MEETING

Keystone Credit Union  
Saturday, March 9, 2024

CALL TO ORDER .....CARL AUVIL

ACERTAIN QUORUM..... JOHN PRATER  
6 DRAWINGS @ \$25.00

MINUTES OF LAST MEETING.....CARL AUVIL

## REPORTS TO SHAREHOLDERS

DIRECTORS REPORT.....KYLE TROMBLEY  
6 DRAWINGS @ \$25.00

TREASURER.....MICHAEL PETERSON

AUDIT COMMITTEE..... TERESA NOWLAND  
6 DRAWINGS @ \$25.00

CREDIT COMMITTEE.....KIMBERLY HALE

COMMENTS FROM THE MEMBERSHIP  
6 DRAWINGS @ \$25.00

REPORT FROM NOMINATING COMMITTEE FAYE PETTIGREW  
KEVIN FOWLER  
TERRY NOWLAND

ELECTION OF DIRECTORS  
2 Drawings \$50.00

OTHER BUSINESS  
1 DRAWINGS \$100  
1 DRAWING \$300

**58<sup>th</sup> Annual Meeting Minutes**  
**Keystone Credit Union**  
**April 1 , 2023**

The 58<sup>th</sup> Annual Meeting of Keystone Credit Union was held April 1, 2023 at 10:00 am at the Sharon Shriners Center on Hwy 31 East..

Carl Auvil called on John Prater to ascertain if a quorum was present. John replied that a quorum of the membership was present.

Carl Auvil, Chairman of the Board, presided over the meeting in which there were 107 members and 1 guests attending. The invocation was given. Carl Auvil introduced the Board of Directors and the credit union staff. The minutes of the previous annual meeting were presented in writing in the program and on a motion and second from the floor the minutes were approved as presented.

Carl Auvil called on Michael Peterson for the Directors Report. Michael stated that the Directors report was on pages 7 of the program. The report stated the credit union had paid \$256,366 in dividends on accounts, a increase of \$124,414. Total loans stand at \$30,844,554 a increase of \$ 5,391,328.

Carl Auvil called on Jason Romans for the Treasurer's Report. Jason stated that the Treasurer's Report was on pages 8-9 of the program and it reflected the financial standing for the year. Jason stated that after paying all expenses the credit union still paid average dividends. The credit union was able to add to undivided earnings.

Carl Auvil called on Kyle Trombley for the Audit Committee Report. Kyle stated that the Audit Committee Report was on page 10 of the program. The program stated that the credit union was examined in 2022, by the State Credit Union Department Examiners and by Ferrell and Associates. The independent firm, Ferrell & Associates had been retained to conduct a complete review of the financial records, bank secrecy act program, and patriot act of the credit union for the year ending December 31, 2022. A copy of Mr. Ferrell's report was also presented on page 11. Additionally, each month the audit committee of the credit union reviews the financial statements and the delinquent list. The Audit Committee then presents their report to the Board of Directors.

Carl Auvil called on Cathy Parker for the Credit Committee Report. Cathy stated that the Credit Committee Report was on page 12 of the program. The report stated that the amount of loans outstanding is \$30,844,554. The report also stated that out of approximately \$402 million in loans we have had to write off only \$3,733,437.71 and of this, we have collected \$523,719.64.

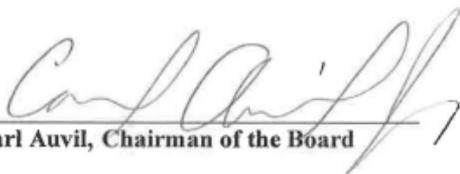
Carl Auvil stated that the Board of Directors consists of seven members, two of who are up for re-election this year for a three-year term and one to fill the unexpired term of Barry Patterson. A nominating committee was appointed to select nominees to serve on the Board. At this point Carl gave the names of the nominating committee: Faye Pettigrew, Kevin Fowler, and Terry Nowland.

Terry Nowland took the floor. Where upon Terry then read the submitted names suggested by the nominating committee, Carl Auvil, John Prater, and Kyle Trombley to fill the unexpired term of Barry Patterson..

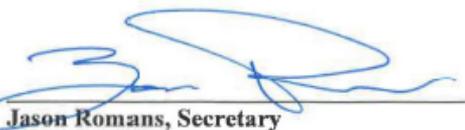
Carl Auvil then opened the nominations to the floor. Hearing no nominations, Carl asked the members to elect the members the nominating committee had suggested by acclamation. There was a first and second. Carl conducted the vote and he stated the eyes have it, Carl Auvil, John Prater, and Kyle Trombley.

Door prizes were given away totaling \$1,200.

There being no further business and on a motion duly made and seconded the meeting was adjourned.



Carl Auvil, Chairman of the Board



Jason Romans, Secretary

# Directors Report

The Board of Directors consists of seven members whose names appear below. Directors meet each month in regular session and, if necessary, call special meetings. The Board of Directors had two special meetings during 2023. The duties of a director are to approve new members, approve expense items, approve loans to officials, directors and credit union employees, set up any special regulations or By-Laws, to set dividend rates and take care of any other business that comes before the board. These duties are performed on a voluntary basis without pay.

Our records indicate that we had an average year in 2023. Interest rates on certificates of deposit began to improve in 2023; therefore, dividend rates began to increase.

The credit union paid \$765,034.80 in dividends on shares, deposit accounts, IRAs, and share draft accounts in 2023. This is an increase of \$508,669.30. The credit union's loans stand at \$31,188,173.64. This indicates that loans have increased by \$343,619.35.

The Board of Directors would like to issue a special thanks to committee members, credit union personnel, and members for their continued support.

Carl Auvil

Cathy Parker

John Prater

Michael Peterson

Jason Romans

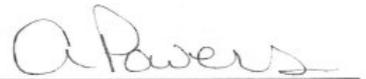
Kimberly Hale

Kyler Trombley

BALANCE SHEET

ACCT. NO.	ASSETS	END OF THIS MONTH	ACCT. NO.	LIABILITIES	END OF THIS MONTH	
	PERSONAL LOANS DELINQUENT					
(A)	2 TO LESS THAN 6 MONTHS	20	160,860.11	801-00	UNPRESENTED CHECKS	13,752.55
(B)	6 TO LESS THAN 12 MONTHS	3	3,821.16	801-01	IRA FEES	0.00
(C)	12 MONTHS AND OVER	1	9,116.75	801-02	IRA FEE 457	2,595.28
	<b>SUBTOTAL</b>	<b>24</b>	<b>173,798.02</b>	801-03	A/P VOL LIFE- EMPLOYEE PAY	(14.14)
(E)	CURRENT AND LESS THAN 2 MONTHS DELINQUENT	863	30,695,132.65	801-04	A/P AFLAC	(134.28)
(F)	<b>TOTAL PERSONAL LOANS</b>	<b>887</b>	<b>30,868,930.67</b>	801-12	A/P CREDIT CARD PAYMENTS	633.00
				801-13	A/P BILL PAY	0.00
				801-19	A/P UNEMP TAX	0.00
701-00	LOANS		8,516,328.65	801-23	A/P MORTGAGE EXPENSE	0.00
701-03	MORTGAGE LOANS		20,165,519.49	803-00	UNDISTRIBUTED PAYROLL	0.00
701-04	CONSTRUCTION LOANS		145,000.00	807-00	A/P CC PAYMENT IN PROCESS	0.00
701-05	HOME EQUITY		2,042,082.53	831-00	CREDIT LIFE PREM - CREDIT CARDS	0.00
702-00	CREDIT CARD LOANS		314,299.35	850-00	ACCRUED EXPENSES	0.00
702-01	CREDIT CARD ADVANCE		4,943.62	817-00	ACH PAYABLE	0.00
	<b>TOTAL LOANS</b>		<b>31,188,173.64</b>	850-01	ACCRUED ANNUAL MEETING	6,249.43
				850-02	ACCRUED AUDIT FEE	14,950.00
				850-03	PROMOTIONAL	0.00
				850-04	TRAV. & CONF.	0.00
719-00	ALLOWANCE FOR LOAN LOSSES		(660,934.00)	850-05	TAXES	0.00
719-11	SHORT-FUND: MISCELLANEOUS		0.00	850-06	SALARIES & BENEFITS	23,735.25
722-01	VOL LIFE INSURANCE-EMPLOYEE PAY		0.00	850-07	INTEREST REFUND	15,588.00
722-02	AIR AFLAC - EMPLOYEE PAY		0.00	850-08	ACCRUED IRA FEES TO CSG	1,650.22
724-01	DISABILITY PREM RECIEVABLE/OPEN EI		(2,039.80)	850-10	ACCURAL MISC	0.00
724-02	GAP, AUTO PROTECTION		0.00	850-11	ACCURAL SUPPLY	0.00
73X-XX	VAULT CASH & TELLER CHECKS		770,436.03	852-00	BENEFITS EMPLOYEES	11,607.04
737-15	SOUTHSIDE		109,105.20	854-00	DIVIDENDS PAYABLE	0.00
738-00	KEYSTONE CU APPLE TEST ACCT		11.06	870-00	UNAPP. DP/SHARE DRAFT EXP	263.72
738-02	FIS CREDIT CARD RES		11,899.00	870-01	DRAFTS PAYABLE	0.00
738-03	FISERV DEPOSIT SETTLEMENT RES		21,000.00			
744-00	SWCCFCU		0.00			
744-01	CORPORATE ONE FCU - SETTLEMENT		661,911.50			
744-02	CORPORATEONE MONEY MARKET		66,742.81	901-00	SHARES	21,129,238.97
745-00	INVESTMENT IN CUSO-1st		3,452.00	904-00	SPECIAL DEP ACCOUNTS	928,255.46
746-00	CERTIFICATES OF DEPOSIT		4,232,000.00	906-00	IRA	3,035,620.41
751-00	MEMBERS CAPITAL (CLF)		375,778.44	902-00	ESCROW	137,979.74
751-01	CORP ONE FCU MEMBERSHIP 1st		5.00	910-09	SHARE DRAFT ACCOUNT	2,100,612.57
751-02	CATALYST CORP FCU PCC ESCROW		600.83	931-00	REGULAR RESERVES	2,088,754.46
766-01	PREPAID SURETY BOND PREMIUM		5,593.58	940-00	UNDIVIDED EARNINGS	8,393,298.98
766-02	PREPAID LEAGUE DUES		11,159.04			
766-03	PREPAID INVESTMENT EXPENSE		12,424.06			
766-04	PREPAID OPERATING FEE		1,487.32			
766-05	PREPAID DATA EQUIP. MAINTENANCE		167,523.69	960-00	GAIN OR LOSS	8,310.67
766-06	PREPAID STAMPS		10,953.76			
766-07	PREPAID OAKTREE LOAN FORMS		1,368.25			
766-08	PREPAID COPIER USAGE		181.76			
766-09	PREPAID SUPPLY		805.00			
766-10	PREPAID ALARM		500.07			
769-01	AUTO		42,805.35			
771-00	LAND		86,495.82		UNDISTRIBUTED INCOME	14,958.43
772-00	BUILDING		367,113.67			
774-00	FURNITURE & FIXTURES		53,909.94			
775-00	IMPROVEMENTS AND REPAIRS		15,393.55			
781-00	ACCRUED INTEREST		70,049.93			
782-00	ACCRUED INVESTMENTS		16,552.94			
798-00	FORECLOSED AND REPOSSESSED ASS		0.00			
790-00	NATIONAL C. U. INS. FUND		285,446.32			
	<b>TOTAL ASSETS</b>		<b>37,927,905.76</b>		<b>TOTAL LIABILITIES</b>	<b>37,927,905.76</b>

CERTIFIED CORRECT



**FINANCIAL AND STATISTICAL REPORT**

**KEYSTONE CREDIT UNION**  
**P. O. BOX 4970, TYLER, TEXAS 75712**

**FOR PERIOD ENDED DECEMBER 31, 2023**  
**CHARTER NO. 567**

**STATEMENT OF INCOME AND EXPENSE**

ACCT. NO.	INCOME	CURRENT MONTH	PERIOD TO DATE	YEAR TO DATE
11100	INTEREST ON PERSONAL LOANS	123,006.93	375,117.20	1,418,980.21
11101	LATE FEE ON MORTGAGE	158.83	1,889.10	3,605.43
11102	LATE CONV. LOAN FEE	1,418.97	4,074.07	18,913.18
11103	SKIP A PAYMENT FEE	0.00	0.00	0.00
11104	APPLICATION FEE, REAL ESTATE & HOME	110.00	110.00	1,235.00
11500	CREDIT CARD INCOME	1,256.82	4,811.19	20,345.22
11900	INTEREST REFUNDS	184.35	(1,315.65)	(14,602.17)
12100	INCOME FROM INVESTMENTS	18,546.93	52,271.36	186,603.95
12200	CORPORATE INCOME	7,247.57	14,810.22	48,014.31
13100	FEES & CHARGES	2,869.00	8,075.00	29,487.64
13102	SHARE DRAFT ABATEMENT	16.65	44.93	286.89
13104	ATM FEE INCOME	3,055.63	9,038.44	36,707.83
13106	CHECK CASHING FEES	0.00	0.00	0.00
13108	SAFE DEPOSIT BOX FEES	1,230.00	1,230.00	1,190.00
13110	SHARE DRAFT FEES	1,666.00	5,020.00	20,636.00
15100	INS. ADM. FEES	397.05	1,389.63	8,717.46
15300	MISCELLANEOUS INCOME	30.00	40.00	4,863.97
	<b>TOTAL INCOME</b>	<b>161,194.73</b>	<b>476,605.49</b>	<b>1,784,984.92</b>
	<b>EXPENSES</b>			
212-00	SALARIES	31,576.76	125,907.88	514,488.64
222-00	FICA - EMPLOYER	3,739.23	9,373.64	39,169.67
223-00	FED/ST UNEMPLOYMENT TAX	43.35	43.35	887.52
224-01	EMPLOYEE BENEFITS - MED INSURANCE	2,519.23	7,829.12	29,029.09
224-02	EMPLOYEE BENEFITS - RETIREMENT	859.00	2,609.77	11,267.42
224-03	VOL. LIFE INS - EMPLOYEE PAY	0.00	0.00	0.00
231-00	TRAVEL & CONFERENCES	(2,012.16)	(6,036.48)	0.00
240-00	ASSOCIATION DUES	1,051.60	3,154.96	12,206.64
252-00	MAINTENANCE	1,755.03	2,574.01	8,816.52
253-00	UTILITIES	3,117.19	10,004.54	44,171.54
254-00	DEPRECIATION OF BUILDING	1,744.03	5,232.09	20,928.36
256-00	REAL ESTATE TAXES	881.09	2,643.25	17,107.78
262-00	POSTAGE	555.30	2,902.47	12,390.28
261-00	COMMUNICATIONS	0.00	0.00	0.00
264-00	SUPPLIES & MISCELLANEOUS	2,077.11	4,098.61	12,602.48
265-00	OTHER INSURANCE	0.00	0.00	0.00
265-01	SURETY BOND PREMIUM	2,796.84	8,458.27	34,225.97
266-00	DEPR. OF FURNITURE, FIXTURES, & EQUIPM	1,746.85	5,227.69	20,720.79
267-00	DEPRECIATION OF AUTO	1,297.11	3,892.33	3,892.33
268-00	IRA FEES	150.88	452.64	1,810.56
269-00	BANK SERVICE CHARGE	1,312.51	4,366.11	19,268.65
269-02	SHARE DRAFT EXPENSES	702.40	2,130.29	8,080.62
269-04	ATM EXPENSE	4,705.56	13,986.11	51,207.04
270-00	PROMOTIONAL	(590.64)	(862.60)	2,155.43
280-00	LOAN SERVICE EXPENSE	1,087.61	2,731.94	12,214.82
280-01	LOAN EXPENSE CREDIT CARDS	442.56	5,224.86	12,639.18
281-00	OPERATING FEE	743.67	2,231.01	7,224.68
292-00	AUDIT FEES	2,000.00	6,000.00	18,750.00
292-01	PROFESSIONAL SERVICES	0.00	0.00	(981.00)
293-00	DATA PROCESSING	6,000.84	18,168.63	76,759.99
294-00	INVESTMENT EXPENSE	303.04	909.12	3,636.48
299-00	OTHER PROFESSIONAL & OUTSIDE SERVICE	225.00	1,009.90	4,949.00
300-00	PROVISION FOR LOAN LOSSES	763.06	763.06	46,500.74
310-00	NCUA FEDERAL INSURANCE	0.00	0.00	0.00
312-00	LIFE SAVING INSURANCE	0.00	0.00	0.00
313-00	LOAN PROTECTION INSURANCE	0.00	0.00	0.00
330-00	CASH OVER & SORT	100.00	64.84	471.81
330-01	SHARE DRAFT OVER/SHORT CLEARING	0.00	0.00	0.00
330-02	NEG ACCTS & NSF	0.00	0.00	(4,089.44)
34000	INT ON BORROWED MONEY	0.00	0.00	0.00
372-00	IMPROVE/RENT/REPAIRS	555.03	1,657.53	7,335.12
350-00	ANNUAL MEETING EXPENSE	319.43	958.29	3,833.16
370-00	MISCELLANEOUS GENERAL EXPENSE	70.93	2,851.87	4,472.85
370-01	ARMOR MOTOR SERVICE	138.26	414.78	1,659.12
373-00	OTHER MEETING EXPENSE	75.05	605.23	2,928.06
371-00	AUTO EXPENSE	(1,003.65)	1,509.43	3,619.58
371-05	AUTO EXP BOARD MEETING	184.83	518.73	2,095.49
380-00	ACCRUED DIVIDENDS	74,432.37	221,746.20	765,034.80
	<b>TOTAL EXPENSES</b>	<b>146,466.30</b>	<b>475,353.47</b>	<b>1,833,481.77</b>
	NET EARNINGS	14,728.43	1,252.02	(48,496.86)
	EXTRA ORDINARY INCOME	30.00	20,030.00	24,048.91
	NON OPERATING INCOME	200.00	1,987.08	1,987.08
	<b>TOTAL NET EARNINGS</b>	<b>14,998.43</b>	<b>23,269.10</b>	<b>(22,460.87)</b>

## **Audit Committee**

Keystone Credit Union is examined by the Texas Credit Union Department examiners, the National Credit Union Administrators (Federal) examiners, and Cornerstone CU League. The credit union is operated according to state rules and regulations. An independent auditing firm, with Cornerstone CU League, has been retained to conduct a complete audit of the financial records of the credit union for the year ending December 31, 2023. Additionally, each month the audit committee reviews the financial statement and delinquency list and presents its report to the Board of Directors. The review process includes a complete review of all delinquent loans, Bank Secrecy Act Program, Patriot Act, balance sheets, related statements of income, member equity, changes in financial position, and results of operation for the credit union for the past year ended December 31, 2023.

Based on the results of examination by the Texas State Credit Union Department, The National Credit Union Administration (NCUA), and Ferrell and Associates, the Audit Committee believes that the financial statements of the credit union present fairly the financial position and results of operation for the year ended December 31, 2023.

Management is to be commended for maintaining a financially sound credit union. The current success can be directly attributed to the dedicated people who serve in their various capacities.

## Credit Committee Report

The Credit Committee consists of five committee members who meet as needed to make decisions about perspective loans. The Credit Committee may consider a member's credit score, employment history, the value of collateral offered, a member's debt ratio, and other factors. The credit union does try to protect our members' money by making sound loans.

During the year 2023, the credit union made 620 loans in the amount of \$13,334,531.35. Based on 52 weeks, the credit union averaged about 12 loans per week. Throughout our history, the credit union has made 146,728 loans for approximately \$415 million. However, we have only had to write off \$3,770,159.96; of this amount we have collected \$535,402.25.

As of December 31, 2023, the credit union has \$30,868,930.67 in outstanding loans.

As the above figures indicate, 2023 was an average year for the credit committee. We appreciate all the committee's efforts in making 2023 a successful year.

Mark Chelf

Angela Powers

Minnie Cravens

Yolanda Durham

Ethel Livingston