

MARCH 2015

QUARTERLY UPDATE



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HAPPY 60TH ANNIVERSARY!

District 8 Highway Employees Credit Union will celebrate 60 years in 2015!

Join us May 15th
at the Credit Union
for refreshments!



CERTIFICATE SPECIAL

STARTING MAY 15TH

Limited Quantities Available

0.60% for 6 Months

\$1000 min.-\$6000 max.

\$500 min-\$6000 max. for minors

(limit one per share account)

NCUA Federally Insured:
Your savings at the Credit Union are insured up to \$250,000.

Board of Directors

Vic Shelton, President
Brad Brown, Vice President
Dottie Roush, Secretary
Bill Hayter
Deborah Stuart

Supervisory Committee

Stacy Reese, Chairman
Bob Becker
Kirk Kubicki
Andy Ellsworth
***Comments or concerns?
supervisorycommittee@d8cu.com*

Credit Union Staff

Stacy Yeary, Manager
Emily Fieker, Member Rep.
Tara Moulder, Member Rep.

Credit Union Hours

OPEN:

**Monday - Friday
7:30 am - 4:30 pm***

CLOSED:

Weekends & state holidays

*** Deposits & payments made
after 3:30 pm will be posted on
the next business day**



"Like" us on Facebook
Facebook.com/d8hecu



Follow us on Twitter
@d8cu



BECOME A CREDIT UNION MEMBER TODAY!

**FREE bottle or cup & gift card with any
NEW SHARE ACCOUNT!**

- ◆ \$20.00 minimum deposit
- ◆ Valid ID must be presented (social security card for minors)
 - ◆ While supplies last!

Who can join?

Employees & Retirees from District 8 of MODOT, and Troop D & I of MSHP; their spouses; their children & grandchildren; spouses of their children & grandchildren



HOW IS A CREDIT UNION DIFFERENT THAN A BANK?

Credit unions are **not-for-profit** organizations. They **exist to serve members** rather than maximize corporate profits. Like banks, credit unions accept deposits and make loans. Unlike banks, credit unions **return income to the members** in the form of dividends. Generally, **fees and loan rates are lower** at credit unions than at banks. Federally insured credit unions are **regulated by the National Credit Union Administration (NCUA)** and backed by the full faith and credit of the United States government.

LOAN RATES

Effective January 1, 2015 until further notice

Collateral Type	Rate as low as*	Term	Loan Amount
New Auto (2015-2013)	2.00%*	Up to 60 mths	Up to 100% of NADA Retail
		(72 months available for additional 0.25%)	
Used Auto (2012-2007)	3.00%*	Up to 60 mths	Up to 100% of NADA Retail
Used Auto (2006-2001)	5.00%*	Up to 48 mths	Up to 100% of NADA Retail
(Autos 2000 and older, additional 0.50% will be added to the rate with a max. term of 48 months.)			
New Boats, Farm Equipment, RV, Motorcycle, ATV, other (2015-2013)	2.50%*	Up to 60 mths	Up to 100% of NADA Retail
		(72 months available for additional 0.25%)	
Used Boats, Farm Equipment, RV, Motorcycle, ATV, other (2012-2001)	3.75%*	Up to 48 mths	Up to 100% of NADA Retail
(Collateral 2000 and older, additional 0.50% will be added to the rate with a max. term of 48 months. Farm Equipment, Lawn Mowers, Tractors older than 1985 will not be accepted as collateral.)			
Signature Loan	9.00%*	Up to 48 mths	Up to \$10,000.00
Line of Credit	11.00%*	Draws for 24 mths	Up to \$5,000.00
Discount of 0.25% applied to loans with Automatic or Payroll Payment.			
(Must be in good standing with the Credit Union: no late payments; loans must be current; no force placed insurance. Rate, with discount, cannot be lower than base rate. Discount does not apply to Share Secured or Share Certificate Secured loans.)			
Share Secured	Dividend + 2.00%	Up to 72 mths	
Share Certificate Secured	Cert. Rate + 2.00%	Cert. Term	

SHARE CERTIFICATE RATES

Effective April 1, 2014 until further notice.

6 months	0.30% APR	0.30% APY
12 months	0.40% APR	0.40% APY
18 months	0.50% APR	0.50% APY
24 months	0.75% APR	0.75% APY

* Rates are subject to change.

**1ST QUARTER
DIVIDENDS**

0.20%

* Rates are based on Applicant's Credit Bureau Score:

A Score 700+	Base Rate
B Score 699-640	Base Rate + 1.00% Signature/Line of Credit: Base + 2.00%
C Score 639-600	Base Rate + 2.00% Signature/Line of Credit: Base + 4.00%
D Score 599-550	Base Rate + 4.00% Signature: Base + 6.00%
E Score 549-below	Base Rate + 5.00% Signature: Base + 7.00%

Rates can be adjusted for score increase.

DISTRICT 8 HIGHWAY EMPLOYEES CREDIT UNION
ANNUAL MEETING
MARCH 26, 2015

The annual meeting of the District 8 Highway Employees Credit Union was called to order by Vic Shelton, President of the Board of Directors, at 4:14 P.M. on March 26, 2015.

The minutes of the March 27, 2014 meeting were read. A motion was made by Bill Otradovec to approve the minutes as read. Clifford Boyd seconded. Motion carried. Vic Shelton asked the members if they were in favor of, or opposed to, approving the March 27, 2014 minutes. Members in favor were 34. Members opposed were 0. Members abstaining were 0. The minutes were accepted as read.

Vic Shelton introduced the members of the Board of Directors, Supervisory Committee, and Credit Union Staff.

Vic Shelton introduced the nominating committee: Bob Becker and Kirk Kubicki. He informed the members that the terms of the following Board and Committee members are up:

Board Member - Brad Brown

Board Member - Dottie Roush

Supervisory Committee Member - Mike Hodges

Brad Brown and Dottie Roush will be re-running for their positions. Mike Hodges will be stepping down.

The nominating committee presented two names for consideration for the Supervisory Committee position. Garen McElroy and Andy Ellsworth introduced themselves to the members.

Vic Shelton asked for nominations for each open position from the floor three times. There were no nominations from the floor.

Kenneth Weatherford motioned to re-elect Brad Brown and Dottie Roush to the Board of Directors. Michelle Mullings seconded. Motion carried. Vic Shelton asked the members if they were in favor of, or opposed to, re-electing Brad Brown and Dottie Roush to the Board of Directors. Members in favor were 34. Members opposed were 0. Members abstaining were 0. Brad Brown and Dottie Roush were re-elected to the Board of Directors.

Vic Shelton asked for a show of hands to elect a member for the Supervisory Committee position. Members in favor of Garen McElroy were 10. Members in favor of Andy Ellsworth were 13. Members abstaining were 11. Andy Ellsworth was elected to the Supervisory Committee.

Kirk Kubicki gave the Supervisory Committee Report. The Supervisory Committee, consisting of Stacy Reese, Mike Hodges, Bob Becker, and Kirk Kubicki met monthly throughout 2014. They reviewed the monthly bank statements, CD brokerage account statements, a random sampling of approved loans, loans to officials, new and closed accounts, member verification, ACH reports, inactive accounts, returned member account statements, activity on Credit Union Employee accounts, and Credit Union expenditures and receipts. They conducted three quarterly audits and one comprehensive year-end audit for 2014. They completed the following required reviews throughout 2014: Bank Secrecy Act Internal Review, Bank Secrecy Act/Anti-Money Laundering Risk Assessment, Customer Identification Program (CIP) Risk Assessment, OFAC (Office of Foreign Assets Control) Internal Review, and OFAC Risk Assessment. They, also, completed the account verification audit. Copies of all audits, reviews, and assessments were presented to the President of the Board of Directors and were discussed at applicable monthly meetings. All records were found to be in good order.

Stacy Yeary talked about the loan process since the dissolution of the Credit Committee and gave the Loan Report. In 2013, there were 536 loans approved in the amount of \$4,096,928.59. In 2014, there were 481 loans approved in the amount of \$2,948,409.72. This was a total decrease of 55 loans and a decrease of \$1,148,518.87. The total amount of loans on the books in 2014 decreased \$420,352.81. Auto Loans decreased \$41,905.87. Real Estate Loans decreased \$438,945.23

Vic Shelton gave the President's Report. Credit Union assets as of December 31, 2013 were \$16,780,993.42. The Credit Union was 51.44% loaned out. Capital to Asset Ratio was 13.67%. Credit Union assets as of December 31, 2014 were \$16,468,538.28. The Credit Union was 49.6% loaned out. Capital to Asset Ratio was 14.0%. This is a decrease of \$312,455.14 in assets.

In 2014, there was a total of \$58,438.58 charged off in unsecured loans. This is 0.8% of the Credit Union's total loans. There was a total of \$104,696.28 charged off in secured loans. This is 1.5% of total loans. The total of loans charged off in 2014 was \$163,134.86. This is 2.34% of total loans. The portion of charged off loans that was due to bankruptcy was \$94,815.26. Recoveries totaled \$75,681.03.

The dividend rates for 2014 were:

- 0.20% - 1st Quarter
- 0.20% - 2nd Quarter
- 0.25% - 3rd Quarter
- 0.25% - 4th Quarter

The Credit Union had 2085 members, as of December 31, 2014. There were 79 new members in 2014.

Vic Shelton opened the floor for questions or comments.

Leo Baum asked if the Credit Union will be moving to a new location. Vic Shelton responded that, eventually the Board of Directors would like to move the

Credit Union to a permanent location. They would like to keep the Credit Union close to Highway 65 or a main road, but have not found a suitable location.

Harold Shelton asked how many years are left on the lease of the current location. Stacy Yearly responded that the first 1 year extension will be up in the fall of 2015; and the Credit Union has one more 1 year lease option when that expires.

Deborah Stuart recognized past Board and Committee members and thanked them for their service. Vic Shelton was presented with a plaque and gift card in recognition of 35 years of volunteer service to the Credit Union.

Deborah Stuart announced winners of the door prizes.

\$25 Cabelas - Jim McDiarmid

\$25 Lowes - Grisham Aleshire

\$25 Kohls - Andy Ellsworth

\$25 Home Depot - Brenda Rawlings

\$50 Bass Pro - June Doyle

\$25 Outback Steakhouse - Bert Cunningham

\$25 Barnes & Noble - Pat Hayter

\$25 Amazon - Clifford Boyd

\$25 Applebees - Barbara Childress

Each member in attendance was given a District 8 Highway Employees Credit Union insulated cup, keychain, and pen. Vic Shelton reminded everyone that Financial Reports were available on the back table.

Deborah Stuart made a motion to adjourn. Paul Taylor seconded. Motion carried. Meeting adjourned at 4:47 P.M.