



62nd

ANNUAL MEETING

March 27, 2018 6:00 p.m.
Lamar Senior Activity Center

TexasHealth
CREDIT UNION

2017/2018 Board of Directors

TJ Nissen **	<i>Chairman</i>
Lisa Heino *	<i>Vice Chairman</i>
Jeff Taylor **	<i>Secretary</i>
Wendi Bray **	<i>Treasurer</i>
Dale Dingley *	<i>Assistant Treasurer</i>
Lisa Genna **	<i>Membership Officer</i>
Patty Melchior *	<i>Assistant Membership Officer</i>
Doug Kennemer **	<i>Parliamentarian</i>
Steve Horst *	<i>Assistant Secretary</i>

** Term Expires 2018

* Term Expires 2019

Credit Union Management and Staff

Tammy Botkin.....	<i>President</i>
Steve Scott.....	<i>Vice-President</i>
Karen Jackson	<i>Loan Supervisor</i>
Jessica Elizalde	<i>Loan Officer</i>
Josh Beane.....	<i>Loan Manager</i>
Leslie Harper	<i>Accounting Manager</i>
Makenna Campbell	<i>Accounting Assistant / Compliance</i>
Jose Rodriguez.....	<i>Operations / Plastic Card Coordinator</i>
Shira Herbert	<i>Member Service Supervisor</i>
Martin Motal	<i>Member Service Representative</i>
Codie Roach	<i>Member Service Representative</i>
Cesar Jacobs	<i>Member Service Representative</i>
Sandra Alvarez.....	<i>Teller</i>
Denise Knapp	<i>Teller</i>
Stephanie Day.....	<i>Teller</i>
Sierra Alvarez.....	<i>Teller</i>

2017 Annual Meeting Minutes

Mr. T.J. Nissen, Vice Chairman of the Board of Directors, called the 61st Annual Meeting of the Texas Health Credit Union to order at 6:37 p.m. on March 21, 2017 at the Lamar Senior Activity Center in Austin, Texas. A quorum of approximately 175 members including the Board of Directors and the Credit Union staff was present.

All members were provided with Annual Meeting packets which contained the Annual Meeting Agenda, the names of the 2017-2018 Board of Directors and the current Credit Union employees, the minutes of the 2016 Annual Meeting, the President's Report, the 2016 year-end Balance Sheet and Income Statement, and information on the four nominees for the Board of Directors.

Mr. Nissen introduced the current members of the Board of Directors and the nominees for the four Director positions. The nominees were Dale Dingley, Lisa Heino, Patty Melchior and Steve Horst. Mr. Nissen asked for nominations from the floor. There were no further nominations. A motion was made and seconded to elect the nominees by acclamation. The motion passed without objection.

Mr. Nissen introduced Credit Union President, Ms. Tammy Botkin. Ms. Botkin welcomed the attendees. Ms. Botkin introduced the Credit Union staff. She expressed her gratitude to the members, staff, and volunteers, past and present, for their dedicated service to the Credit Union. Ms. Botkin commented on the highlights of the past year. She stated Remote Deposit Capture and EMV chip cards were introduced in 2016. Ms. Botkin reported the accounting firm of Harold Antao and Company conducted an Annual Audit as of September 30, 2016 with no significant findings. Ms. Botkin informed the attendees of the death of the Chairman of the Board, Harold Broadbent. She said Mr. Broadbent served as a Board Member for 27 years with 20 years as Chairman. Ms. Botkin said he will be deeply missed.

Mr. Nissen asked if there was any old business to be brought before the membership. There was none from the floor.

Mr. Nissen asked if there was any new business to be brought before the membership. There was none from the floor.

Mr. Nissen called for approval of the 2016 Annual Meeting Minutes. A motion was made and seconded to approve the Minutes of the 2016 Annual Meeting. The motion carried.

Mr. Steve Scott conducted the drawing for door prizes.

Mr. Nissen asked if there was further business. Seeing none, the meeting was adjourned at 7:36.

President's Report

I want to recognize our board for their leadership, dedication, and passion for credit unions. Those are integral qualities for long-term sustainability and prosperity. Our many accomplishments would not have been possible without their commitment and wholehearted belief in our principles and philosophies as a cooperative, not-for-profit entity.

We also have an excellent team of professionals who report to work every day with the intention of helping our members meet their financial goals. As a staff, we are responsible for responding to your needs and enhancing your financial life.

Texas Health Credit Union (THCU) performed well in 2017. As our credit union membership grows, so do our assets, which is one of the primary indicators of how well our members are receiving the products and services we offer. At the end of 2017, our assets were \$84,617,864, an increase over 2016 of 6.6 percent.

I'm very pleased to announce that again this year THCU is a well-capitalized financial institution, with a strong net worth ratio of 10.69 percent. To put that in perspective, a net worth position above 7 percent is considered well capitalized by our regulators. Harold Antao & Company, LLC conducted their annual audit as of September 30, 2016, with no significant findings. We continue to operate in a safe and sound manner to ensure our continued success and the ability to serve our members in the future.

In total, our 5,571 members have added more than \$4,368,630 to their deposit accounts. Additionally, our members borrowed more than \$26,445,190, which added more than 1,649 new loans in 2017 and reflects the continued optimism in our economy and trust in your credit union. The increase was 3.7% from 2016.

At year-end, Jan Scott retired. Jan began her employment in July 1987 as a Teller and ended her 30-year career as Vice President of Lending. We wish her well.

As we move into 2018, my commitment is that THCU will continue to grow responsibly while listening and exploring innovative products and service solutions. Our member-owners are integral to our credit union family, and we are sincerely grateful that you've chosen us as your financial partner. We look optimistically into the future because THCU is well positioned to face any challenge and seize any opportunity that presents itself in 2018.

Tammy Botkin

President

Balance Sheet as of December 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
ASSETS			
Loans	61,435,852	59,229,520	57,314,847
Allowance for Loan Loss	(454,866)	(425,578)	(472,029)
Cash	610,175	481,697	471,509
Catalyst Corp Investments	3,591,660	3,780,955	3,534,498
Investments	17,119,000	14,178,000	12,884,000
Allowance for Overdraft Loss	(503)	(1,235)	(1,682)
Land and Building	972,697	1,001,149	1,029,601
Other Fixed Assets	96,170	98,828	53,087
Other Real Estate Owned	0	0	0
Prepaid Expenses	207,989	128,547	155,325
Other Assets	853,163	719,631	722,753
Accrued Income	186,525	174,179	165,194
Total Assets	84,617,864	79,365,693	75,857,104
LIABILITIES			
Accounts Payable	906,531	556,673	843,012
Accrued Expenses	279,791	257,634	225,893
Taxes Payable	1,075	954	442
Other Liabilities	66,938	20,915	20,014
Accrued Interest/Dividends	52,154	43,433	40,574
Certificates of Deposit	7,856,225	9,988,950	11,148,789
Checking Accounts	15,139,408	13,632,952	13,637,394
IRA Accounts	1,747,259	1,719,450	1,866,283
Health Savings Accounts	22,574	20,051	14,447
Regular Share Accounts	29,089,415	25,969,829	24,490,411
Other Savings Accounts	18,619,888	16,740,272	14,019,649
Business Deposit Accounts	1,809,237	1,846,354	1,657,332
Regular Reserves	1,384,759	1,384,759	1,384,759
Undivided Earnings	7,642,611	7,183,468	6,508,105
Total Liabilities	84,617,864	79,365,693	75,857,104

Income Statement as of December 31, 2017

INCOME			
Income from all Loans	2,882,490	2,835,871	2,733,534
Investment Income	256,478	164,525	135,753
Total Fee Income	207,162	208,148	181,638
Miscellaneous Operating Income	333,275	328,048	330,294
Total Income	3,679,405	3,536,592	3,381,219
EXPENSE			
Employee Compensation and Benefits	1,429,095	1,337,435	1,275,171
Training and Travel	14,605	13,615	7,436
Office Occupancy	142,687	151,729	130,866
Office Operations	375,704	374,972	404,453
Marketing	23,968	22,095	20,706
Loan Servicing	272,157	257,014	267,328
Professional & Outside Services	175,693	175,834	203,657
Provision for Loan Loss	358,262	183,623	213,230
Provision for Overdraft Loss	(23)	(362)	2,190
Operating Fees	14,310	12,803	13,840
Interest on Borrowed Money	1	0	137
Miscellaneous Operating Expense	106,718	68,629	68,836
Total Expense	2,913,176	2,597,387	2,607,851
Non-Operating Income	0	0	28,978
Dividends on All Accounts	307,086	263,841	262,638
Net Income (Loss)	459,143	675,363	481,753
Total Number of Members	5,571	5,657	5,718

Services Available

Savings Accounts
Checking Accounts
Business Accounts
CDs/IRAs
Money Market Accounts
Car/Truck Loans
Line of Credit Loans
Vacation/Holiday Loans
Home Equity Loans
Business Loans
MasterCard/MasterCard Gold
ATM/Debit Cards
Over 300 Local No Service Charge ATMs
Free Online and Mobile Banking
Free Online Bill Payer
Remote Check Deposit
Audio Response
Safe Deposit Boxes
Wire Transfers
Saturday Drive-Thru Hours
Member of the Shared Branching Network

Our Mission Statement

The Texas Health Credit Union is dedicated to providing its members a variety of affordable financial products and services in a personal and professional manner. We are committed to meeting the changing needs of our members and are dedicated to the philosophy of **“People Helping People”**.

Adopted by the Board of Directors
November 18, 1993



4800 Grover Avenue
Austin, Texas 78756-3109

Lobby Hours

Mon-Fri: 9 a.m. to 4 p.m.

Drive-Thru Hours

Mon-Fri: 7:30 a.m. to 5:30 p.m.

Sat: 9 a.m. to 12 p.m.

Telephone

Direct Line: (512) 454-4636 (Austin)

Toll Free Line: 1-800-545-1771

Fax Line: (512) 454-2925

CusaTalk Audio Response:

(512) 454-7316 (Austin)

1-800-833-2038

Web Site / Online Banking

www.thcu.org

ATM Locations

Texas Health Credit Union

4800 Grover Avenue

Department of State Health Services

1100 West 49th Street

Austin Alliance of Credit Unions ATMs

www.freecuatms.org

and all MoneyPass ATMs

www.moneypass.com/atm-locator.aspx

