

# 61<sup>st</sup> Annual Meeting

March 21, 2017  
Lamar Senior Activity Center  
6:30 p.m.



TexasHealth  
CREDIT UNION

## 2016 / 2017 Board of Directors

Harold Broadbent *	.....	<i>Chairman</i>
TJ Nissen **	.....	<i>Vice Chairman</i>
Lisa Heino *	.....	<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>
Jeff Taylor **	.....	<i>Assistant Secretary</i>

\*\* Term Expires 2018

\* Term Expires 2017

## Credit Union Management and Staff

Tammy Botkin.....	<i>President</i>
Jan Scott.....	<i>Vice-President</i>
Steve Scott.....	<i>Vice-President</i>
Karen Jackson.....	<i>Loan Supervisor</i>
Jessica Elizalde.....	<i>Loan Officer</i>
Josh Beane.....	<i>Loan Officer</i>
Leslie Harper.....	<i>Accounting Manager</i>
Kati Eldridge.....	<i>Accounting Assistant</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>
Jason Bishop.....	<i>Teller</i>
Denise Knapp.....	<i>Teller</i>
Stephanie Day.....	<i>Teller</i>

# 2016 Annual Meeting Minutes

Mr. Harold Broadbent, Chairman of the Board of Directors, called the 60th Annual Meeting of the Texas Health Credit Union to order at 6:32 p.m. on March 24, 2016 at St. Louis Catholic Church in Austin, Texas. A quorum of approximately 135 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 2016-2017 Board of Directors and the current Credit Union employees, the minutes of the 2015 Annual Meeting, the President's Report, the 2015 year-end Balance Sheet and Income Statement, and information on the six nominees for the Board of Directors.

Mr. Broadbent introduced the current members of the Board of Directors and the nominees for the six Director positions. The nominees were Wendi Bray, Dale Dingley, Lisa Genna, Doug Kennemer, T.J. Nissen, and Jeff Taylor. Mr. Broadbent 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. Broadbent 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 Credit Union's 60 year anniversary and mentioned some of the highlights of THCU's history. Ms. Botkin reported that the accounting firm of RSM McGladrey conducted an Annual Audit as of September 30, 2015. She stated that there were no significant findings during the audit. Ms. Botkin informed the attendees that the cost of the barbecue tickets for the meeting would be refunded to each member purchasing tickets in honor of the Credit Union's 60th anniversary.

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

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

Mr. Broadbent called for approval of the 2015 Annual Meeting Minutes. A motion was made and seconded to approve the Minutes of the 2015 Annual Meeting. The motion carried.

Mr. Steve Scott conducted the drawing for door prizes. Mr. and Mrs. Bobby Davis were awarded a prize for the members with the oldest account number in attendance at the annual meeting.

Mr. Broadbent asked if there was further business. Seeing none, the meeting was adjourned at 7:20.

# President's Report

2016 proved to be a highly successful year for Texas Health Credit Union. We celebrated our 60th anniversary of helping members navigate through their lives by assisting them with their financial needs. I would like to express my earnest thanks to the members, staff, and dedicated volunteer directors both past and present for contributing to the success we have achieved these many years.

We introduced Remote Deposit Capture to our membership the first quarter of 2016. Remote Deposit Capture allows those of you with smart phones and who access I-Branch through Touch Banking to now have the ability to photograph checks for deposit. This has been well received by our members who now can make deposits without leaving their homes or offices.

Mid-year 2016, we began issuing EMV (Europay, MasterCard and VISA) cards to our MasterCard accounts as the credit cards expired. EMV cards or chip cards are smart cards that store their data on integrated circuits in addition to magnetic strips. The EMV cards are designed to improve security to combat fraud and to have better control of offline credit card transaction approvals.

A benchmark of 7 percent net worth is considered well capitalized by our regulators. I am proud to state that your credit union ended 2016 at a very strong capital ratio of 11.33 percent. 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.

We ended 2016 with assets of \$79.3 million, which is up \$3.5 million from December 2015. Our deposit balances rose by \$3 million and our outstanding loans grew by \$1.9 million in 2016. This proves our members value and utilize the competitive rates we are able to offer.

The year ended with heartbreaking news of the death of our beloved Board Chairman, Harold Broadbent. Harold served on the board for 27 years and was Chairman 20 of those years. Harold loved THCU and always kept the membership and our employees in mind while guiding us through both good and trying times. He is deeply missed.

Our 2016 results illustrate that we're a strong, sustainable, and efficient financial institution. I am optimistic about the future because THCU is well positioned to face any challenges and seize any opportunity that presents itself in 2017.

**Tammy Botkin**  
*President*

## Balance Sheet as of December 31, 2016

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>			
Loans	59,229,520	57,314,847	52,375,206
Allowance for Loan Loss	(425,578)	(472,029)	(587,093)
Cash	481,697	471,509	651,768
Catalyst Corp Investments	3,780,955	3,534,498	1,276,622
Investments	14,178,000	12,884,000	16,164,728
Allowance for Overdraft Loss	(1,235)	(1,682)	(2,266)
Land and Building	1,001,149	1,029,601	1,058,052
Other Fixed Assets	98,828	53,087	76,041
Other Real Estate Owned	0	0	0
Prepaid Expenses	128,547	155,325	147,587
Other Assets	719,631	722,753	750,770
Accrued Income	174,179	165,194	160,466
<b>Total Assets</b>	<b>79,365,693</b>	<b>75,857,104</b>	<b>72,071,881</b>
<b>LIABILITIES</b>			
Accounts Payable	556,673	843,012	524,944
Accrued Expenses	257,634	225,893	206,870
Taxes Payable	954	442	410
Other Liabilities	20,915	20,014	19,152
Accrued Interest/Dividends	43,433	40,574	41,066
Certificates of Deposit	9,988,950	11,148,789	12,468,996
Checking Accounts	13,632,952	13,637,394	12,965,164
IRA Accounts	1,719,450	1,866,283	1,916,715
Health Savings Accounts	20,051	14,447	9,927
Regular Share Accounts	25,969,829	24,490,411	21,849,440
Other Savings Accounts	16,740,272	14,019,649	13,632,782
Business Deposit Accounts	1,846,354	1,657,332	1,025,304
Regular Reserves	1,384,759	1,384,759	1,384,759
Undivided Earnings	7,183,468	6,508,105	6,026,352
<b>Total Liabilities</b>	<b>79,365,693</b>	<b>75,857,104</b>	<b>72,071,881</b>

## Income Statement as of December 31, 2016

<b>INCOME</b>			
Income from all Loans	2,835,871	2,733,534	2,678,1830
Investment Income	164,525	135,753	127,162
Total Fee Income	208,148	181,638	169,042
Miscellaneous Operating Income	328,048	330,294	314,419
<b>Total Income</b>	<b>3,536,592</b>	<b>3,381,219</b>	<b>3,288,807</b>
<b>EXPENSE</b>			
Employee Compensation and Benefits	1,337,435	1,275,171	1,204,167
Training and Travel	13,615	7,436	10,085
Office Occupancy	151,729	130,866	136,600
Office Operations	374,972	404,453	390,566
Marketing	22,095	20,706	24,390
Loan Servicing	257,014	267,328	243,781
Professional & Outside Services	175,834	203,657	175,235
Provision for Loan Loss	183,623	213,230	247,713
Provision for Overdraft Loss	(362)	2,190	1,189
Operating Fees	12,803	13,840	11,428
Interest on Borrowed Money	0	137	177
Miscellaneous Operating Expense	68,629	68,836	69,107
<b>Total Expense</b>	<b>2,597,387</b>	<b>2,607,851</b>	<b>2,514,439</b>
Non-Operating Income	0	28,978	12,176
Dividends on All Accounts	263,841	262,638	268,667
<b>Net Income (Loss)</b>	<b>675,363</b>	<b>481,753</b>	<b>493,525</b>
<b>Total Number of Members</b>	<b>5,657</b>	<b>5,718</b>	<b>5,842</b>

## 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](http://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](http://www.freecuatms.org)

*and all MoneyPass ATMs*

[www.moneypass.com/atm-locator.aspx](http://www.moneypass.com/atm-locator.aspx)

