

2018 / 2019 Board of Directors

TJ Nissen **	<i>Chairman</i>
Jeff Taylor **	<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>
Steve Horst *	<i>Assistant Secretary</i>

* Term Expires 2019

** Term Expires 2020

Credit Union Management and Staff

Tammy Botkin	.....	<i>President</i>
Steve Scott	.....	<i>Vice-President</i>
Josh Beane	.....	<i>Loan Manager</i>
Karen Jackson	.....	<i>Collection Manager</i>
Jessica Elizalde	.....	<i>Loan Officer</i>
Doyle Nitsche	.....	<i>Loan Officer</i>
Leslie Harper	.....	<i>Accounting Manager</i>
Mariah Santos	.....	<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>
Makenna Campbell	.....	<i>Teller Supervisor / Compliance</i>
Sandra Alvarez	.....	<i>Teller</i>
Denise Knapp	.....	<i>Teller</i>
Stephanie Day	.....	<i>Teller</i>

2018 Annual Meeting Minutes

Texas Health Credit Union's 62nd Annual Meeting was called to order at 6:30 p.m. on March 27, 2018 at the Lamar Senior Activities Center. T. J. Nissen, chairman, noted that a quorum existed.

A motion to accept the minutes from 2017 was made by Charles Murphy and seconded by Beverly Larkin.

The Board of Directors was introduced. Everyone sang Happy Birthday to board member, Dale Dingley, in honor of his 75th birthday. Since there were no contested races and no nominations were made from the floor, it was moved to accept the nominations by acclamation. The motion was made by Pat Streetman and seconded by Charles Murphy.

President, Tammy Botkin, introduced the staff members and noted that the average tenure of the staff was 15.06 years (excluding Diana Chavez, employee of 2 days). Tammy took the members down memory lane by reviewing the Credit Union's history. THCU opened with 10 charter members in 1956 and was manned by volunteers on Monday, Wednesday, & Friday at lunch. The maximum available loan was \$400.00 or a month's salary, whichever was less. The second year the Credit Union offered vehicle loans at 75% of the value. The Credit Union's assets were \$7 million in 1980, \$14 million in 1993 and are currently \$84 million.

A new service being introduced at the Credit Union this past year is the Debit Card App called My Mobile Money. In the near future, THCU will offer Apple Pay, Google Pay, & Samsung pay.

Tammy revealed that out of the 5,815 credit unions that exist today, it is predicted that in 20 years there will be less than half of those still open because of the high costs to provide services. Tammy reviewed the credit union's mission statement & reiterated that THCU's still holds true today.

T.J. asked if there was any unfinished business or any new business, there was none. A motion to adjourn the meeting was made by Mark Fowler. After the business meeting, Steve Scott conducted a drawing for door prizes.

Mr. Nissen asked if there was further business. Seeing none, the meeting was adjourned at 7:24.

President's Report

I'm encouraged to state that credit unions across the country are doing extremely well. Texas has 461 credit unions with more than 8.8 million members and total current assets of \$79 billion. These figures reflect a robust and healthy credit union system, of which Texas Health Credit Union (THCU) is a part.

Since the credit union's founders opened for business in 1956, we've grown from 197 charter members to 5,531, and our assets have grown from \$11,787 to \$87,221,548. We are very proud of how far we've come in 62 years. I know our many accomplishments would not have been possible without the ongoing energy, optimism, commitment, and wholehearted belief that our people and members have in our principles and philosophies as a cooperative, not-for-profit entity.

I'd like to recognize our committed directors for their responsible stewardship of our principles, philosophy, and mission; our outstanding leaders for their insightful strategic planning and organization; our dedicated employees for embracing our values and goals and for delivering best-in-class service; and our loyal members who appreciate the many ways their credit union is a partner in their financial wealth. Because of the work we've all done together, this credit union is thriving.

I'm very pleased to announce that again this year THCU is a well-capitalized financial institution, with a strong net worth ratio of 11.18 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, 2018, 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 2018, we were able to offer several new product features. Our debit cards are now chip-enabled in an effort to reduce fraud losses. Cardholders may now use Apple Pay, Goggle Pay or Samsung Pay with their debit card and smart phone. Online banking users have remote deposit capabilities and may now enroll in Credit Sense. Credit Sense will give the member their credit score as well as credit monitoring and information to improve the credit score. In August, we upgraded our website to make it more user-friendly and relevant.

As we move into 2019, my commitment to you today is that Texas Health Credit Union will continue to grow responsibly while listening and responding to your needs. We will explore innovative product and service solutions to enhance your financial life, and we'll develop our staff and board so they can confidently and wisely serve your interests.

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 forward enthusiastically to a great year.

Tammy Botkin
President

Balance Sheet as of December 31, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>
ASSETS			
Loans	65,650,594	61,435,852	59,229,520
Allowance for Loan Loss	(431,547)	(454,866)	(425,578)
Cash	1,145,978	610,175	481,697
Catalyst Corp Investments	5,421,355	3,591,660	3,780,955
Investments	13,331,000	17,119,000	14,178,000
Allowance for Overdraft Loss	(1,277)	(503)	(1,235)
Land and Building	944,246	972,697	1,001,149
Other Fixed Assets	60,903	96,170	98,828
Other Real Estate Owned	0	0	0
Prepaid Expenses	136,853	207,989	128,547
Other Assets	747,344	853,163	719,631
Accrued Income	216,099	186,525	174,179
Total Assets	87,221,548	84,617,864	79,365,693
LIABILITIES			
Accounts Payable	715,332	906,531	556,673
Accrued Expenses	298,039	279,791	257,634
Taxes Payable	1,292	1,075	954
Other Liabilities	57,839	66,938	20,915
Accrued Interest/Dividends	80,938	52,154	43,433
Certificates of Deposit	7,783,035	7,856,225	9,988,950
Checking Accounts	15,625,799	15,139,408	13,632,952
IRA Accounts	1,942,709	1,747,259	1,719,450
Health Savings Accounts	23,211	22,574	20,051
Regular Share Accounts	30,977,865	29,089,415	25,969,829
Other Savings Accounts	18,420,793	18,619,888	16,740,272
Business Deposit Accounts	1,720,958	1,809,237	1,846,354
Regular Reserves	1,384,759	1,384,759	1,384,759
Undivided Earnings	8,188,978	7,642,611	7,183,468
Total Liabilities	87,221,548	84,617,864	79,365,693

Income Statement as of December 31, 2018

INCOME			
Income from all Loans	3,076,025	2,882,490	2,835,871
Investment Income	301,087	256,478	164,525
Total Fee Income	208,882	207,162	208,148
Miscellaneous Operating Income	339,725	333,275	328,048
Total Income	3,925,718	3,679,405	3,536,592
EXPENSE			
Employee Compensation and Benefits	1,412,721	1,429,095	1,337,435
Training and Travel	7,102	14,605	13,615
Office Occupancy	149,428	142,687	151,729
Office Operations	381,825	375,704	374,972
Marketing	23,751	23,968	22,095
Loan Servicing	282,477	272,157	257,014
Professional & Outside Services	185,444	175,693	175,834
Provision for Loan Loss	521,994	358,262	183,623
Provision for Overdraft Loss	1,013	(23)	(362)
Operating Fees	16,064	14,310	12,803
Interest on Borrowed Money	2	1	0
Miscellaneous Operating Expense	78,856	106,718	68,629
Total Expense	3,060,676	2,913,176	2,597,387
Non-Operating Income	(49,588)	0	0
Dividends on All Accounts	368,263	307,086	263,841
Net Income (Loss)	546,367	459,143	675,363
Total Number of Members	5,531	5,571	5,657

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

