THE HUTCHINSON CREDIT UNION

900 East 23rd Street • Hutchinson, Kansas 67501 • 316-663-9661

1973 ANNUAL REPORT

THOUGHTS FROM THE PRESIDENT OF THE BOARD OF DIRECTORS

The twenty-fifth year of The Hutchinson Credit Union has been one of many changes. These changes include:

a. charter expansion to include all professional groups and their employees.
b. a name change to identify more closely with the new membership group.
c. the move into the new building at 900 East 23rd street.
d. implementation of certificate of debenture program.
e. extension of office hours.
f. adoption of the state credit union law by membership.

These changes were made with the intention of giving better and more complete service to our members. It is the function of a credit unit to help those that need to borrow by giving convenient loans and at the same time encourage all to save regularly and systematically.

If you will read the report of the treasurer, you will note the organization that started with $36.75 and seven members twenty-five years ago has grown into a business that is no longer small. We feel the growth was made possible by the concientious members of the past and present in making careful decisions pertaining to saving and borrowing money.

The combined reserves of this credit union are about 12% of the note case, and the expenses for last year were 34% of income. According to the state examiners report, these factors indicate excellent management.

The directors held fourteen meetings during the fiscal year. Some of the many decisions of this group concerned interest rates during these trying times of the credit crunch, dividend rates, certificate of debenture program to give better earnings to members and also to keep interest costs on loans stabilized, projections for future operation, and other regular business items. We have used our best abilities in making decisions for the betterment of the credit union and the membership.

Respectfully submitted,
James Farley, President

FACTS FROM THE TREASURER

The Hutchinson Credit Union closed its fiscal year September 30, 1973 with assets of $1,608,171.22.

Percenage of increase of shares from	1972 to 1973		13.1%
Percentage increase of loans from	1972 to 1973		18.3%
Dividends paid to members	1973	$ 68,680.06	
New loans to members	1973	988,716.00	
Loans made 1948 - 1973		7,581,852.00	

This year for the first time, earnings were paid on savings on a daily basis. This makes the savings deposited here very accessable to the member. No penalty is made if one must withdraw savings before the end of an earning period.

A certificate of debenture program has been launched, and has proven very successful. Over $100,000 in CD's have been sold within the two months the program has been in progress. This reflects the solid confidence the members have in their credit union.

Your credit union has had a very successful year even though it has been a year of crises in the money market. Even with the increased costs that go with a building program, the ratio of expense to income is only 37% as compared with 34% in 1972. It is through the full use of the credit union by the members that it remains healthy.

Respectfully submitted,
Doris Roberts, Secretary-Treasurer

REMARKS FROM THE CREDIT COMMITTEE

This committee meets weekly to review lending policies and approve loans. The majority of the applications are routine and without complications. One purpose of this committee is to evaluate policies that will prove to be guidelines in attesting to the safety of the loans made to members.

The Reno County Credit Reporting Bureau is used extensively in evaluating the reliability of new loan applicants. Credit is a way of life in our world today. It is important that we help our members use credit wisely.

Respectfully submitted,
William Davis

STATEMENTS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee authorized the accounting firm of Pierce, Faris, Cochran and Sutton to perform an annual audit of the books and a semi-annual audit of the individual member accounts.

This audit included a verification of the assets and liabilities at September 30, 1972, and through comprehensive test checks, a verification of income and other cash receipts and expenses paid and other disbursements for the year then ended. Confirmations were performed verifying all bank accounts, investments, and members accounts. This has shown the operations of the credit union to be within accepted accounting principles and in order.

The audit performed by the Kansas Credit Union Administration Department concentrated especially on loan accounts. The comments from their report show the credit union to be in excellent condition.

Respectfully submitted,
Chester Regier

AGENDA: ANNUAL MEETING — THE HUTCHINSON CREDIT UNION — NOVEMBER 8, 1973

Call to order
- Invocation .... Harold Jones
- Roll Call (sign meal tickets, leave by plate)
- Introduction of guests
- Approval of minutes as circulated (corrections or additions if necessary)
- Report of Board of Directors .... James Farley
- Report of Credit Committee .... William Davis
- Report of Supervisory Committee .... Chester Regier
- Report of Treasurer .... Doris Roberts

Unfinished or Old Business

New Business
- Report of nominating committee .... Jack Thompson, Chairman
- Election of Officers and Committeemen

Scholarship Drawing

Reflections from the past .... George Foster

A look to the future .... Dennis Hofts, Kansas Credit Union League

Adjournment

MINUTES OF THE ANNUAL MEETING — OCTOBER 26, 1972

The annual meeting of The Hutchinson Teachers Credit Union was held October 26, 1972 in the high school dining room. After the invocation by Orville Kerr, the cafeteria staff served dinner to 225 members and guests.

Jay Coffey, president, presided at the business meeting. The minutes of the 1971 annual meeting were accepted as printed. The printed reports of the president, committee chairmen and the treasurer were approved.

The nominating committee, Claude Parks, Warren Alpers and Mike Grub, presented a slate of names for the various offices and committees. The following persons were elected by ballot:

Board of Directors: .... George Foster, Harold Jones, Doris Roberts
Credit Committee: .... Dale Howerton
Supervisory Committee: .... Mardell Evans

A recommendation was presented from the Board to extend the membership to other professional groups and their employees. George Foster moved the credit union secure permission from the Kansas Credit Union Administration Department to extend its charter as recommended. The motion carried after a brief discussion concerning advantages of such a plan. The ballots contained 125 votes favoring the motion, 27 opposing. Thus, the necessary three-fourths majority was secured.

Mr. Coffey spoke briefly of the progress of the new building. The architectural firm of Vickers-Hawkins was low bidder and Turney Brothers, Inc. presented the low bid on the construction and will proceed with the building.

The name of Steve Sigler was drawn as the student member to receive the $100.00 scholarship award.

Mr. Coffey expressed the appreciation of the organization for the following four members who were completing terms, Clyde Burk, John Showalter, Orville Kerr and Meryl Billingsley. Thanks were given the committee from Allen School, under the chairmanship of Ruthe Eash, who were responsible for the attractive table decorations.

The speaker of the evening was Mr. Dennis Hofts, Educational Coordinator of The Kansas Credit Union League. He stressed the increasing values of credit unions and the added services which they can provide their members.

The meeting was adjourned.

Submitted by,
Meryl Billingsley, Secretary

THE HUTCHINSON CREDIT UNION
BEFORE CLOSING FINANCIAL STATEMENT

September 30, 1973

ASSETS:

Loans	$1,491,105.72
Cash	31,203.19
Investments	13,393.71
Furniture & Fixtures	11,328.26
Building & Land	61,086.85
Accounts Rec.	53.49
TOTAL ASSETS	$1,608,171.22

LIABILITIES AND NET WORTH:

Certificate of Deb.	$ 61,000.00
Disability Ins.	802.11
Notes Payable	315.99
Shares	1,353,571.77
Regular Reserve	123,950.04
Reserve for Contingencies	33,225.61
Undivided Earnings	8,385.54
Gain or Loss (4th Qtr.)	26,920.16
Net Earnings for Year	(92,914.33)
Div. Paid for Year	(68,680.06)
TOTAL LIABILITIES	$1,608,171.22

EXPENSES:

Staff Salaries	$ 18,602.95
Data Processing	3,314.25
Stationary & Supplies	1,083.78
Telephone & Postage	1,886.68
Cost of Bond & Insurance	517.80
Depreciation of Equipment	715.87
Employees S.S., Ret., Wage Cont.	2,055.53
State and Local Audit	1,938.83
Collection & Legal Expense	135.00
Recording Fees, Credit Bureau Fees	255.30
Machine Maint. & Service Contracts	486.46
Bank Service Charge	194.43
Taxes	373.56
Member Education	2,217.26
Staff & Officer Education	886.76
League & Chapter Dues	2,053.90
Interest on Borrowed Money	1.24
Interest Paid on CD's (one quarter)	246.69
Loan Protection Insurance	6,337.13
Life Savings Insurance	7,315.45
Annual Meeting Expense	310.49
Utilities and Car Expense	1,031.64
Misc. Expense & Care of Grounds	1,168.17
Building & Furniture Insurance	584.00

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Gain or Loss (4th Qtr.)	26,920.16
Net Earnings for Year	(92,914.33)
Div. Paid for Year	(68,680.06)
TOTAL LIABILITIES	$1,608,171.22

INCOME:

Interest on Loans	$ 141,794.80
Income from Investments	6,376.87
TOTAL INCOME	$ 148,171.67

EXPENSES:

Staff Salaries	$ 18,602.95
Data Processing	3,314.25
Stationary & Supplies	1,083.78
Telephone & Postage	1,886.68
Cost of Bond & Insurance	517.80
Depreciation of Equipment	715.87
Employees S.S., Ret., Wage Cont.	2,055 53
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Annual Meeting Expense	310.49
Utilities and Car Expense	1,031.64
Misc. Expense & Care of Grounds	1,168.17
Building & Furniture Insurance	584.00
Rent (Oct., 1972-Jan. 1973)	560.00
Micro-film Processing	984.17
TOTAL EXPENSES FOR YEAR	$ 55,257.34

No. of members	1711	
Loans made year to date	1073	$ 988,716.00
Loans made since organization	12,051	7,581,852.00

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