THE HUTCHINSON CREDIT UNION

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

1975 ANNUAL REPORT

REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The year 1974-75 has been a year of growth, both in assets of the credit union and in services offered to the members. Perhaps the most complicated and time consuming area of service has been the investment program. Certificate rates have fluctuated so rapidly it is difficult for the staff to remain abreast of the trends. The Directors have authorized the staff to remain competitive, and to offer the best savings program possible.

Two new members have joined our staff. Rod Sutton, Vice President; and Denise Kraft, Receptionist. They join with Wanda Hatcher, Data Controller, and Margaret Banker, President, to form an efficient group.

I am pleased to announce an increase in the dividend rate for the fourth quarter period of 1975. This rate will be 5¾% annually, with dividends paid daily, compounded quarterly for an effective rate of 5.88%. This interest raise was made possible because you, the member, have used the services of your credit union. I urge you to continue to support your credit union. It's where you belong.

Respectfully submitted,
Harold Jones, Chairman

REPORT OF THE TREASURER

Thanks to the support of its members, the credit union has enoyed another successful year. Assets have grown by $487,986.17 during the past year. The increased patronage of the credit union has made possible the addition of several new services and an increase in dividend rates. The annual dividend rate is now 5¾%. This very competitive rate combined with life insurance coverage on eligible accounts makes saving and investing in the credit union most beneficial to its members. This year members received $78,630.23 in dividends.

The share certificate investment program has been expanded to meet the varying needs of the members. Certificates from six months to four years are now available. Currently over $500,000.00 in member savings are invested in share certificates.

In spite of constantly rising costs the board and management of the credit union have been able to maintain a very favorable expense ratio. With the support of the members, the credit union is looking forward to even greater service and growth in the coming year.

Respectfully submitted,
Doris Roberts, Treasurer

REPORT OF THE CREDIT COMMITTEE

A rapidly increasing demand for loans has kept the credit committee quite busy this past year. The committee is meeting twice a month to review loans and to service special applications.

The national trend toward increased bankruptcies is having some effect on our credit union and has definitely made the work of the committee more difficult.

During the year there were 1125 loans made, a total of $1,300,826.45. Since the beginning of the credit union in 1948 there have been over 14,000 individual loans made for a total loan value of $9,802,194.10.

Respectfully submitted,
Claude Parks, Chairman

REPORT OF THE SUPERVISORY COMMITTEE

The growing complexity of the credit union forces the supervisory committee to rely quite heavily on the professional auditing services of Pierce, Faris, Cochran and Sutton. All records of the credit union are audited annually and a biennial audit is made of the individual member accounts.

All assets and liabilities are verified along with comprehensive checks of income, expenses and other disbursements made during the year. The supervisory committee also makes test checks throughout the course of the year. No discrepancies were found by committee members or by the auditors named above.

The Kansas Credit Union Administration Department also conducted their annual audit. This audit concentrates on the loan accounts and found the credit union to be in fine condition.

Respectfully submitted,
Don Newell, Chairman

BOARD OF DIRECTORS

James Farley — George Foster
Ron Schrag — Harold Jones
Doris Roberts — Dan Robison

CREDIT COMMITTEE

Dale Howerton
Donna Showalter
Claude Parks

SUPERVISORY COMMITTEE

Don Newell
Mardell Evans
Warren Peterson

AGENDA: ANNUAL MEETING — THE HUTCHINSON CREDIT UNION — OCTOBER 16, 1975

Call to order
- Invocation ....
- 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 .... Harold Jones
- Report of Credit Committee .... Dale Howerton
- Report of Supervisory Committee .... Don Newell
- Report of Treasurer .... Doris Roberts

Unfinished or Old Business

New Business
- Report of Nominating Committee .... Vern Hoglund, Chairman
  Chester Peckover
  Doris Roberts

Scholarship Drawing

Program — Provided by Sweet Adelines and the Marksmen Quartet

MINUTES OF THE ANNUAL MEETING — NOVEMBER 7, 1974

The annual meeting of The Hutchinson Credit Union was held November 7, 1974 in the high school cafeteria. After the invocation by Lee Miller, roll call was taken by the members signing of their tickets and placing them by their plates for later tabulation. The cafeteria staff served dinner to 275 members and guests.

President James Farley presided at the business meeting. The minutes of the 1973 annual meeting and the printed reports of the president, committee chairmen and treasurer were approved as presented.

The Nominating Committee, Ardon Brandyberry, Chairman and members Betty Sickmon and Dan McNeely, presented a slate of names for the various offices and committees. The following persons were elected by ballot: Board of Directors, Ron Schrag, who is with Data Processing Department of FAR MAR CO as their Marketing Manager; Credit Committee, Mrs. Donna Showalter, teacher of Home Economics and Personal Finance at Liberty Junior High; Supervisory Committee, Warren Peterson, Business teacher at Buhler High School.

President Farley quipped to Galen Switzer, son of Mr. and Mrs. Edwin Switzer, "Come draw a name for the scholarship award, Galen—in fact— why don't you draw your own name?" Galen Switzer did as he was told and did draw his own name which was greeted by a loud round of approving applause from the members. Galen will receive a $100 scholarship award. His father, Edwin, teaches Science at Liberty Junior High.

W. E. Thorne of Wichita, the guest speaker for the evening, kept the members attention with his highly entertaining talk, "Wake Up, Make Up and Go."

Carl Wanasek moved we adjourn which was seconded by Harold Jones and the motion carried. The meeting was adjourned at 9:00 p.m.

Harold Jones, President

Doris Roberts, Secretary-Treasurer

THE HUTCHINSON CREDIT UNION FINANCIAL STATEMENT

Year end closing, September 30, 1975, with 1974 comparison

ASSETS	1974	1975
Loans	$1,600,016.00	$1,831,582.42
Cash	22,131.25	−19,718.56
Investments	149,236.17	446,300.45
Furniture and Fixtures	10,586.84	12,490.40
Building and Land	59,088.91	56,511.06
Accounts Receivable		
Pre-paid Insurance	259.38	2,020.76
Bank of Lancaster	78.95	197.14
TOTAL ASSETS	$1,841,397.50	$2,329.383.67

LIABILITIES AND NET WORTH:		
Certificate of Debenture and Share Certificates	$ 268,700.00	$ 590,642.75
Disability Insurance	1,021.32	930.96
Notes Payable	499.95	1,235.12
Shares	1,352,338.80	1,522,074.23
Regular Reserve	133,928.67	153,957.35
Reserve for Contingency	36,441.22	36,441.22
Undivided Earnings	15,121.78	24,102.04
Gain or Loss (4th Quarter)	28,637.74	(26,069.20)
Net Earnings for Year	(103,696.48)	(127,286.84)
Dividends Paid for Year	(72,132.20)	(78,630.23)
Special Reserve	4,708.02	
TOTAL LIABILITIES	$1,841,397.50	$2,329.383.67

INCOME:	1974	1975
Interest on Loans	$ 165,918.96	$ 184,933.52
Income from Investments	15,327.68	31,156.51
TOTAL INCOME	$ 181,246.64	$ 216,090.03

EXPENSES:				
Staff Salaries and Benefits	$ 23,603.05		$ 35,281.73	
Data Processing	3,658.22		4,555.28	
Stationery and Supplies	1,440.60		2,068.49	
Telephone and Postage	1,983.74		3,179.64	
Cost of Insurance and Bond	561.90		811.95	
'74 inc. Liability Insurance Depreciation of Equipment	2,037.40		2,481.82	
State and Local Audit	2,085.01		2,977.19	
Collection and Legal Expense	114.33		288.11	
Credit Bureau Fees	292.75		344.00	
Machine Maintenance and Service	558.27		995.76	
Bank Service Charge	265.54		296.76	
Taxes	1,146.72		2,638.98	
Member Education	2,719.13		4,058.48	
Staff and Officer Education	1,682.15		2,231.80	
League and Chapter Dues	2,030.25		2,212.36	
Interest on Borrowed Money	64.50		107.52	
Interest Paid on Certificates	15,029.99		4,113.58	
Loan Protection Insurance	5,181.48		5,610.23	
Life Savings Insurance	4,970.01		6,131.31	
Annual Meeting Expense	548.21		1,018.74	
Utilities and Car Expense	1,624.59		1,761.59	
Miscellaneous Expense and Grounds Expense	2,184.51		1,318.30	
Building and Furniture Insurance	606.44		662.20	
Title I Insurance			336.89	
Micro Film Processing	360.11		365.27	
Share Insurance One-Half Year	568.38		1,094.49	
Depreciation of Building	2,232.88		1,860.72	
Total Expenses	$ 77,550.16		$ 88,803.19	
NET GAIN		$103,696.48		$127,286.84