# THE HUTCHINSON CREDIT UNION

900 East 23rd Street • Hutchinson, Kansas 67501 • 316-669-0177

# 1976 ANNUAL REPORT

| BOARD OF DIRECTORS | | CREDIT COMMITTEE | SUPERVISORY COMMITTEE |
|---|---|---|---|
| James Farley | George Foster | Dave Hildebrand | Don Newell |
| Ron Schrag | Calvin Burns | Vinita Hoffman | Ed Switzer |
| Donna Showalter | Dan Robison | Claude Parks | Warren Peterson |

# 1976 ANNUAL REPORT

## REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Your Credit Union Year 1975-1976 has been characterized by strong growth in all areas. With rising inflation evident in our economy signaled by growth in our own income from loans and investments, the important key to the operation of your Credit Union has been a decline in the ratio of expenses to this income. Total assets, for instance, grew 18%, loans have risen 30%, but of equal significance the expense to income ratio dropped 3% to 38%. Every consideration has been given to keeping loan rates competitive, investments return high, your dividend attractive, our expenses reasonable, and residual profits nominal in the best interest of our members. These factors certainly make outgoing Chairman Harold Jones' statement "your Credit Union is where you belong" truly credible.

Of major importance is our heart felt applause to Margaret Banker who continues to lead in a most exemplary fashion as President and Chief Administrative Officer. Rod Sutton, Vice President, after joining our staff in 1975 has brought immense potential and dimension to the organization. Wanda Hatcher and Denise Kraft continue to add great strength to an efficient business operation. We applaud all of the efforts of these dedicated employees.

The future of your Credit Union is exciting in every way. Within the next six months the total assets of the Union will surpass $3,000,000.00. The building facility is positioned in the fastest growing quadrant of the city of Hutchinson. Your directors are constantly striving to enhance our growth and more fully use the facility we have. The payroll deduction program is generating almost $50,000.00 monthly to the credit of our members employed by the public schools in Hutchinson, Nickerson, Haven, Buhler, Burrton, Hutchinson Community Junior College and the Dental Center P.A. Other professional groups are carefully considering the adoption of the program in their own organizations.

Finally—It truly has been an honor to serve on your Board with such very capable Directors as George Foster, Jim Farley, Donna Showalter, Calvin Burns, and Ron Schrag all of whom have exercised prudent judgment in the challenge you accorded them in their appointment.

Your Credit Union is determined to serve your needs and stands ready to do so. It values your support extended to other prospective members in Hutchinson and neighboring communities.

Respectfully submitted,
Dan Robison, Chairman

## REPORT OF THE TREASURER

The figures show another successful year for The Hutchinson Credit Union. Assets have grown almost one-half million dollars and by March, 1977, we will probably reach a total of $3,000,000 in assets.

Last year the credit union paid $78,630.23 in dividends to members, compared with $95,051.12 paid this year. Interest on certificates paid to members was over $35,000.00. A total of over $130,000.00 was returned to members in 1976.

Assets this year have increased 18% over last year and the total amount loaned has increased 30% this year. This steady growth of assets and loans has resulted in a decrease in the percentage of income used for expenses.

All of these things are possible when members use their credit union and it continues to grow. We find our best advertisement is members telling others of the advantages of using their credit union for all of their financial needs.

Respectfully submitted,
Donna Showalter, Treasurer

## REPORT OF THE CREDIT COMMITTEE

The task of the credit committee is to review all loan applications made to The Hutchinson Credit Union. This is accomplished by weekly meetings and numerous telephone conversations. The ever increasing restrictive laws make the careful consideration of all applications very necessary.

There were a total of 1341 new loans amounting to $1,677,945.00 granted during the 1975-76 fiscal year. A total of 15,509 loans amounting to $11,633,499.00 have been granted since 1948, when the credit union was organized.

Respectfully submitted,
Claude Parks, Chairman

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Respectfully submitted,
Claude Parks, Chairman

## REPORT OF THE SUPERVISORY COMMITTEE

Because of the size and complexity of your credit union, it is no longer feasible for the supervisory committee to conduct a complete audit; therefore, this committee relies primarily upon the professional auditing services of Pierce, Faris, Cochran, and Sutton. All individual accounts are verified every two years with various accounts being checked semi-annually. After the audit for the last fiscal year, the supervisory committee met with two representatives of this firm to review the recommendations of the audit report.

All assets, liabilities, income, and expense accounts were examined in accordance with generally accepted auditing standards. The supervisory committee has made a few test checks on various records throughout the year. No discrepancies were found by committee members or by the auditors.

The Kansas Credit Union Administration Department also conducted their customary annual audit. This audit concentrates primarily on loan accounts. Your credit union was found to be in excellent financial condition.

Respectfully submitted,
Warren Peterson, Chairman


THE HUTCHINSON CREDIT UNION

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## AGENDA: ANNUAL MEETING — THE HUTCHINSON CREDIT UNION — NOVEMBER 4, 1976

Call to order

- Invocation ........ Orville Kerr
- Roll Call
- Introduction of guests
- Approval of minutes and agenda ........ Dan Robison, Chairman
- Founder's Report ........ Clyde Burke
- Report of Treasurer ........ Donna Showalter
- Report of Credit Committee ........ Claude Parks
- Report of Supervisory Committee ........ Warren Peterson
- Report of Board of Directors ........ Dan Robison

Unfinished or Old Business

New Business

Election of Officers

- Report of Nominating Committee ........ Christing Opdycke, Chairperson
  Lloyd Coon
  Ken Mendenhall
  Vern Warner

Scholarship Drawing
Report of Election
Adjournment

## MINUTES OF THE ANNUAL MEETING — OCTOBER 16, 1975

The annual meeting of The Hutchinson Credit Union was held at the high school cafeteria at 6:30 p.m., October 16, 1975.

After the Invocation by Alfred Gerdel, roll call was taken by members signing their dinner tickets and leaving them by their plates for later tabulation. The cafeteria staff served dinner to 250 members and guests. Special guests were introduced to the members by chairman, Harold Jones.

Chairman of the Board of Directors, Harold Jones, presided at the business meeting. He announced the latest increase in the amount of interest which members now earn on their shares, to be 5¾% annually. The printed reports of the Chairman of the Board, the Treasurer, the Credit Committee, and the Supervisory Committee were presented. A motion by George Foster to accept the reports as written was seconded by Don Newell and was passed by the members.

The nominating committee, Vern Hoglund, chairman, Chester Peckover, and Doris Roberts presented a slate of officers for the various offices and committees. The following persons were elected by ballot: George Foster, two year term, Board of Directors; Donna Showalter and Calvin Burns, each for a three year term, Board of Directors; Vinita Hoffman, credit committee; Ed Switzer, supervisory committee.

Member Vetra Mulvany drew the name of Ernest Martinez as the winner of the credit union's scholarship of $100.

The members were entertained with a most delightful program which was presented by two talented singing groups —The Sweet Adelines and The Marksmen Quartet.

Respectfully submitted,
Doris Roberts, Secretary

## THE HUTCHINSON CREDIT UNION FINANCIAL STATEMENT

**Year end closing, September 30, 1976, with 1975 comparison**

| ASSETS | 1975 | 1976 |
|---|---|---|
| Loans | $1,831,582.42 | $2,366,737.36 |
| Cash | –19,718.56 | 6,377.00 |
| Investments | 446,300.45 | 304,359.40 |
| Furniture and Fixtures | 12,490.40 | 11,721.43 |
| Building and Land | 56,511.05 | 55,824.12 |
| Accounts Receivable | | |
| Pre-paid Insurance | 2,020.76 | 1,639.07 |
| Bank of Lancaster | 197.14 | 1,081.28 |
| TOTAL ASSETS | $2,329,383.67 | $2,747,739.66 |
| LIABILITIES AND NET WORTH: | | |
| Certificate of Debenture and Share Certificates | $ 590,642.75 | $ 705,565.33 |
| Disability Insurance | 930.96 | 804.76 |
| Notes Payable | 1,235.12 | 776.72 |
| Shares | 1,522,074.23 | 1,798,705.06 |
| Regular Reserve | 153,957.35 | 162,213.46 |
| Reserve for Contingency | 36,441.22 | 36,441.22 |
| Undivided Earnings | 24,102.04 | 43,233.11 |
| Gain or Loss (4th Quarter) | (26,069.20) | (47,946.83) |
| Net Earnings for Year | (127,286.84) | (164,646.19) |
| Dividends Paid for Year | (78,630.23) | (95,051.12) |
| Special Reserve | | |
| TOTAL LIABILITIES | $2,329,383.67 | $2,747,739.66 |
| INCOME: | 1975 | 1976 |
| Interest on Loans | $ 184,933.52 | $ 235,843.96 |
| Income from Investments | 31,156.51 | 29,552.22 |

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| INCOME: | 1975 | 1976 |
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| Interest on Loans | $ 184,933.52 | $ 235,843.96 |
| Income from Investments | 31,156.51 | 29,552.22 |
| TOTAL INCOME | $ 216,090.03 | $ 265,396.18 |
| **EXPENSES:** | | |
| Staff Salaries, Benefits and Workmen's Comp. | $ 35,281.73 | $ 48,258.94 |
| Data Processing | 4,555.28 | 5,816.19 |
| Stationery and Supplies | 2,068.49 | 2,434.32 |
| Telephone and Postage | 3,179.64 | 3,504.78 |
| Cost of Insurance and Bond | 811.95 | 1,260.84 |
| Officers Liability Insurance, Depreciation of Equip. | 2,481.82 | 3,385.13 |
| State and Local Audit | 2,977.19 | 3,208.50 |
| Collection and Legal Expense | 288.11 | 964.75 |
| Credit Bureau Fees | 344.00 | 298.50 |
| Machine Maintenance and Service | 995.76 | 1,180.22 |
| Bank Service Charge | 296.76 | 670.16 |
| Taxes | 2,638.98 | 1,377.44 |
| Member Education | 4,058.48 | 3,215.76 |
| Staff and Officer Education | 2,231.80 | 1,854.32 |
| League and Chapter Dues | 2,212.36 | 2,383.70 |
| Interest on Borrowed Money | 107.52 | 236.74 |
| Interest Paid on Certificates | 4,113.58 | 329.99 |
| Loan Protection Insurance | 5,610.23 | 4,119.70 |
| Life Savings Insurance | 6,131.31 | 7,272.52 |
| Annual Meeting Expense | 1,018.74 | 876.68 |
| Utilities and Car Expense | 1,761.59 | 2,209.19 |
| Miscellaneous Expense and Grounds Expense | 1,318.30 | 1,258.68 |
| Building and Furniture Insurance | 662.20 | 639.84 |
| Title I Insurance | 336.89 | 410.46 |
| Micro Film Processing | 365.27 | |
| Share Insurance | 1,094.49 | 1,647.54 |
| Depreciation of Building | 1,860.72 | 1,935.10 |
| Total Expenses | $ 88,803.19 | $ 100,749.99 |
| NET GAIN | $127,286.84 | $164,646.19 |