THE HUTCHINSON CREDIT UNION

900 E. 23rd Box 1645
Hutchinson, KS 67501
(316) 669-0177

TM

Planning Together For

Financial Fitness Annual Report

AGENDA: Annual Meeting November 14, 1980

Hospitality Hour

Call to Order

Roll Call

Introduction of Guests

Approval of Minutes and Agenda . . . . David Hildebrand

Report of Treasurer . . . . Brooks Simpson

Report of Credit Committee . . . . Dave Babcock

Report of Supervisory Committee . . . . Warren Peterson

Report of Board of Directors . . . . David Hildebrand

Unfinished Old Business

New Business

Election of Officers

Program: "Credit Unions in the 80's"
WILLIAM STERNER, PRESIDENT, KANSAS CREDIT UNION LEAGUE

"Give it Away or Throw it Away"
(Legal Aspects of Probate Law)
ERIC BRUCE, ATTORNEY AT LAW

Drawing for Door Prizes

Report of Election

Adjournment

Minutes of the Annual Meeting of The Hutchinson Credit Union

The annual meeting of the Hutchinson Credit Union was held at the Holidome on November 3, 1979, at 7:30 p.m.

Roll call of members was taken by the signing of tickets. The tickets were also used to draw door prizes at the end of the program. Chairmen Vern Hoglund introduced board members, committee members, staff members, and special guests.

The Minutes of the November 2, 1978 annual meeting were accepted on motion by Carl Boster with second by Warren Peterson. Motion carried.

President Margaret Banker narrated a color slide presentation of the history of our Credit Union. Interspersed into the slide presentation were reports by David Hildebrand, Treasurer; Warren Peterson, Supervisory Committee; Kendall Griggs, Credit Committee; and Vern Hoglund, Board Chairman. A special report was given by architect Pat Hawkins who explained the plans for the building addition.

There was no old business.

Concerning new business, chairman Vern Hoglund, explained the proposed by-law changes which are on the ballot for adoption by the membership.

Chairman of the nominating committee, Carl Boster, introduced the slate of candidates. The chair was assumed by Vice-Chairman Jim Woods for the election. Elected to the Board of Directors were Vern Hoglund and Paul Hinkley. Elected to the Supervisory Committee was Jan Strecker. Elected to the Credit Committee were Dave Babcock and Monte Battershell. The by-law adoption was approved by the membership.

Door prizes were drawn and presented by Brooks Simpson. Prizes consisted of smoke alarms, pocket calculators, fire extinguishers, and a free weekend at the Holidome.

Motion to adjourn was Warren Peterson with second by Will Billingsley. Motion carried.

Respectfully submitted,
David Hildebrand, Secretary

Report of the Chairman of the Board of Directors

This has been a year of moderate growth for your credit union. Assets have increased to $5.6 million in a year that saw the highest borrowing and lending rates in our history. Your credit union remains in sound financial condition and needs your continued support.

Approximately one year ago we began an extensive building expansion program. During this time, you, the member, and especially the staff, encountered the problems and inconveniences that accompany such a project. The project is now completed and we have a building of which we can be proud. It will serve our needs for a long time to come. With the addition of safe deposit boxes, your credit union can better serve your financial needs.

Our thanks go to an excellent office staff led by Margaret Banker. Other staff members are Wanda Hatcher, Garth Strand, Terri Andsager, Debbi Stone, Mary Moore and Mildred Weaver. Their jobs this past year were made more difficult by having to work in the midst of the building expansion.

The Board of Directors spent many additional hours in dealing with the building program this past year. Other members are Vice-Chairman Jim Woods, Secretary Brooks Simpson, Calvin Burns, Paul Hinckley and Vern Hoglund.

The Board wishes to thank the members of the Credit Committee and Supervisory Committee for their many hours of dedicated service.

This has been a year of great change in your credit union with the building program, additional services and expansion of existing services. Your credit union now offers more financial services than ever before. Use it for all it's worth.

Respectfully submitted,
David Hildebrand, Chairman

The Hutchinson Credit Union Financial Statement

(YEAR END CLOSINGS, SEPTEMBER 30, 1979 AND 1980)

Assets	**1979**	**1980**
Cash Accounts	$ 62,973.43	$ 34,354.61
Loan to Members	4,170,337.38	3,598,113.33
Investments	694,690.72	1,623,393.77
Building & Land	82,479.30	327,370.65
Furniture & Fixtures	8,4000.66	10,268.99
Prepaid Insurance	14,769.07	16,788.10
Accounts Receivable	51.38	—
Total Assets	$5,033,701.94	$5,610,289.45

Liabilities		
Shares	$2,680,378.81	$2,744,011.21
Share certificates	1,794,736.36	2,151,035.58
Expendachek	214,958.91	368,238.97
Accounts payable	2,697.75	2,795.17
Reserves	280,018.87	273,953.78
Undivided Earnings	60,911.24	70,254.74
Total Liabilities	$5,033,701.94	$5,610,289.45

Each member account insured to $100,000

NATIONAL CREDIT UNION ADMINISTRATION NCUA

by Administrator,
National Credit Union Administration

Distribution of Income

Income	**1979**	**1980**
Interest on Personal Loans	$431,067.74	$472,992.33
Income from Investments	55,122.68	135,372.84
Total Income	$486,190.42	$608,365.17

Operating Expenses		
Compensation	$ 71,019.79	$ 83,320.67
Employee Benefits	11,002.87	12,766.50
Travel & Conf. Exp.	4,153.90	4,785.19
Association Dues	4,017.54	3,722.16
Office Occupance & Operations	34,745.34	43,683.80
Education & Promotion	5,241.96	5,883.85
Loan Servicing	1,225.82	1,544.77
Professional expense	21,305.79	29,329.84
Provison for Loan Losses	538.52	2,382.57
Members Insurance	19,760.73	22,203.39
Supervisory Expense	1,152.80	2,533.55
Interest on Borrowed Money	4,345.63	1,134.55
Annual Mtg Exp	495.31	1,439.34
Total Expenses	$179,006.00	$214,730.18
Gross Earnings	$486,190.42	$608,365.17
Less Operating Expenses	(179,006.00)	(214,730.18)
Net Earnings	$307,184.42	$393,634.99
Less required reserves	(48,619.04)	(14,344.74)
Less dividends on shares	(149,094.21)	(157,510.20)
Less certificate dividends	(99,713.80)	(209,610.14)
Balance to Undivided Earnings	$ 9,757.37	$ 12,169.91

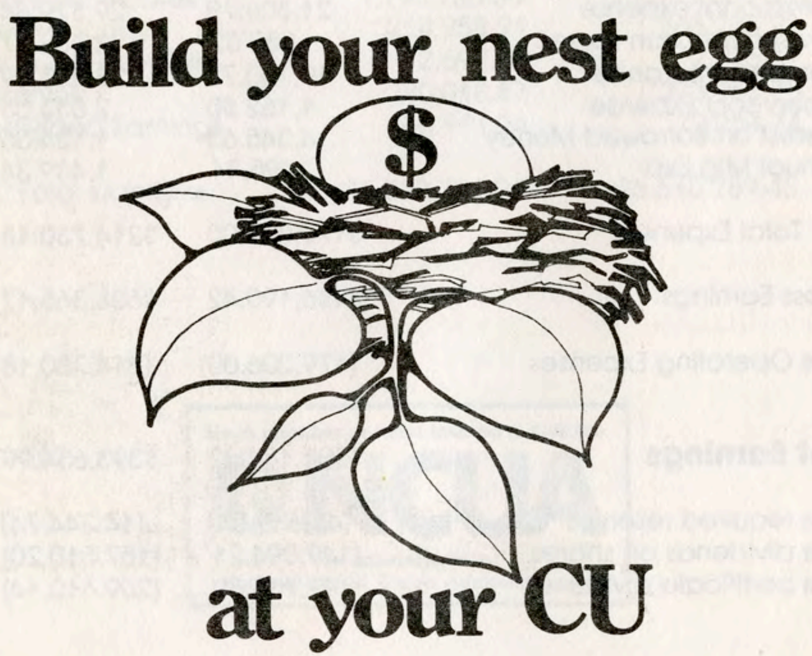
Report of the Supervisory Committee

Again, the Supervisory Committee employed the professional services of a firm of certified public accountants to audit the office records of the Credit Union and to continue the every member account verification. The accounts were found to be accurate. The examination was made in accordance with generally accepted auditing standards, and accordingly, included such tests of accounting records and such other auditing procedures as were considered necessary.

The audit performed by the Kansas Credit Union Administrator's Department concentrated primarily on the loan accounts. The committee met with the auditing firm and reviewed procedures.

According to both audit reports, the Credit Union is in excellent condition.

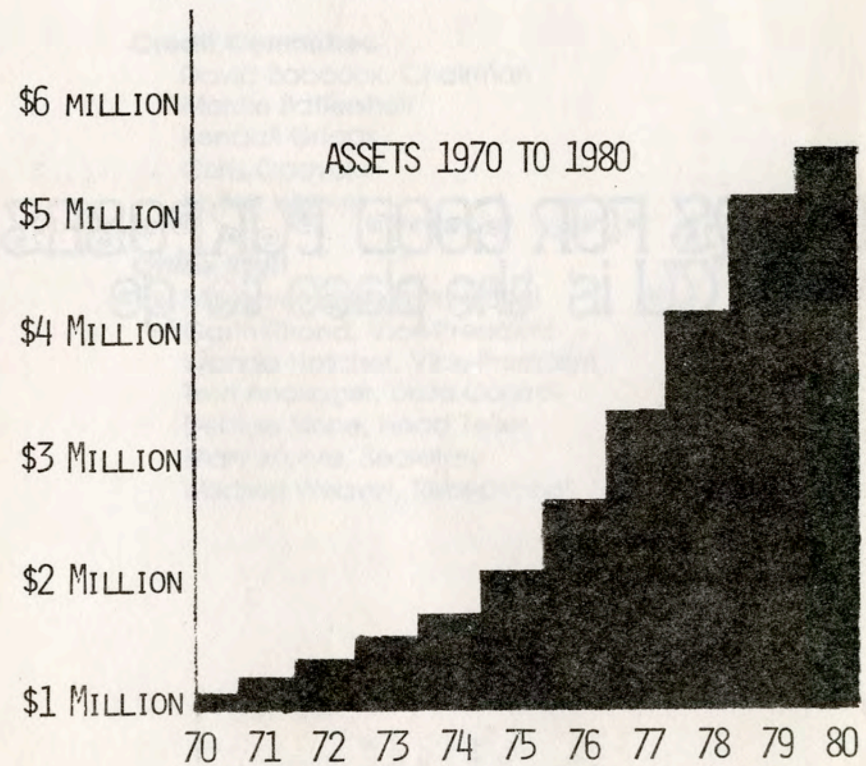
Respectfully submitted,
Warren Peterson, Chairman



Report of the Treasurer

Your Credit Union continues to grow at a healthy rate, even with the unstable economy this year. Assets increased 11% over 1979. A total of $367,120.34 was returned to you, the member, in the form of dividends on shares and interest on certificates. Your continued use of the Credit Union makes this excellent growth possible.

Respectfully submitted,
Brooks Simpson, Treasurer



Report of the Credit Committee

During the 1980 fiscal year, the Credit Committee reviewed loans once per week. Our normal weekly meeting time is every Wednesday at noon. The Committee met 52 times and reviewed 2,009 loans. These loans represented a dollar volume of $1,978,120.22.

Loans made since organization are 20,179, representing a dollar volume of $21,685,291.80.

The Credit Committee is one of the more active volunteer representatives of you, the Credit Union member. We appreciate your interest. I wish to thank each member for the support given us this past year.

Respectfully submitted,
Dave Babcock, Chairman

LOANS FOR GOOD PURPOSES.
your CU is the place to go

Officers and Committee Members

Board of Directors

David Hildebrand, Chairman
Jim Woods, Vice-Chairman
Brooks Simpson, Secretary-Treasurer
Vern Hoglund
Calvin Burns
Paul Hinckley

Supervisory Committee

Warren Peterson, Chairman
Edwin Switzer
Jan Strecker

Credit Committee

David Babcock, Chairman
Montie Battershell
Kendall Griggs
Chris Opdycke
Myron Hermes

Office Staff

Margaret Banker, President
Garth Strand, Vice-President
Wanda Hatcher, Vice-President
Terri Andsager, Data Control
Debbie Stone, Head Teller
Mary Moore, Secretary
Mildred Weaver, Receptionist

Quiz Time!

(Here are some basic questions concerning your credit union. How much do **you** know about its operation?)

True or False

1. If you change jobs you can no longer belong or borrow from the credit union.
2. You must be 18 to join the credit union.
3. It pays to compare loan rates and payments at your credit union before making a loan elsewhere.
4. The credit union does have safe deposit boxes.
5. A request for a loan at the credit union is usually approved the same day.
6. Board and Committee members serve in their positions without any type of salary.
7. Members may have more than one loan at a time.
8. The credit union does accept social security and other types of retirement checks via direct deposit.
9. The credit union is open five days per week and closed on Saturday.
10. There is a night deposit at the credit union.
11. A checking account at the credit union is known as an Expand-a-chek account.
12. Individual retirement accounts (IRA) are available at your credit union.

Multiple Guess

13. Which insurance costs the member extra?
    A. Credit Disability B. Life Savings C. NCUA
14. A checking account at the credit union
    A. Pays you dividends B. Has no service charge
    C. Has no minimum balance D. All of the above.
15. What type of loan does the credit union offer for home improvement?
    A. FHA Title I B. Second Mortgage C. Signature
16. What is the current passbook share dividend rate?
    A. 5.00% B. 5.25% C. 5.75%

SAVE YOUR STEPS at your full service CU

Money Orders

IRA Accounts

Loans by Mail

Direct Deposit

Payroll Deduction

Travelers' Checks

Safe Deposit Boxes

Pre-Approved Loans

Free Notary Service

Drive-up Facilities

Financial Counseling

Savings Certificates

After-hours Depository

Christmas Club Accounts

On-Line Computer Service

New & Used Car Cost Guides

Consumer Information Center

Interest Bearing Checking Accounts with Overdraft Protection

AM-601 PRINTED IN U.S.A. BY UNION LABOR 12161