Member Services

Look what your full service credit union can do for you:

VISA
Money Orders
IRA Accounts
Low Interest Rate Loans
Loans By Mail
Second Mortgage Loans
Direct Deposit
Payroll Deduction
Travelers' Checks
Safe Deposit Boxes
Pre-Approved Loans
Free Notary Service
Drive-up Facilities
Financial Counseling
Savings Certificates
Hi Yield Accounts
Reduced Loan Rates
Redemption of Bonds
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
CU-Card, for access to Automated Teller Machines (ATM) all over the USA
First Mortgage Loans

NEW:
Home Equity Line of Credit
Discount Brokerage Self-Directed IRA's
EE Savings Bonds

NCUA

EQUAL HOUSING LENDER

THE Hutchinson CREDIT UNION

Sent

Annual Report 1986

THE Hutchinson CREDIT UNION

Agenda

Annual Meeting / March 14, 1987

Hospitality Hour

Call to Order

- Roll Call
- Introduction of Guests
- Approval of Minutes and Agenda . James Woods
- Report of Board of Directors. . . . . James Woods
- Report of Treasurer . . . . . Loretta Fletchall
- Report of Supervisory Committee . . . Ed Switzer
- Report of Credit Committee. . . . . Kendall Griggs

Unfinished Business

New Business

Election of Officers

Program . . . . . ~~Dr. Robert Smith~~ Margaret Banker

The Wichita State University

"And Where Do I Go Now?"

Report of The President

Dr. Smith is equally at home on University campuses or federal offices...on volunteer boards for health, charitable, youth, and community agencies...and advising corporate, public and private interests, which includes serving on the faculty for a national credit union (CUNA) management school at the U. of Houston. Now Associate Dean for WSU's College of Liberal Arts and Sciences, this delightful communicator draws on his wealth of experience to entertain as well as provoke our thinking.

Drawing for Door Prizes

Report of Election

Adjournment

Board of Directors
James E. Woods, *Chairman.*
Pictured are
LeRoy Broxterman; Richard Westphal, *Vice Chairman;* James Hayes; Loretta Fletchall, *Secretary-Treasurer;* Paul Hinckley

Minutes of the Annual Meeting

MARCH 15, 1986

The annual meeting of The Hutchinson Credit Union was held March 15, 1986, at the Hutchinson Holidome. Approximately 500 persons were in attendance.

After the opening social time, which included a buffet and music by the Darrell Drake group, the meeting was called to order by Chairman James Woods.

Following the introduction of guests and early members and organizers of the credit union, the minutes of the 1985 annual meeting were presented. Don Newell moved the minutes be approved as presented. After a second by Duane Anstine, the motion was approved.

The Treasurer's report was given by Loretta Fletchall, Secretary-Treasurer. A motion for approval of her report was made by Loretta Fletchall followed by a second from Lou Carter. The motion passed.

The Report of the Credit Committee was given by Kendall Griggs, who then moved to have his report accepted. After a second by Dan McNeely, the motion was approved.

Ed Switzer, Chairman of the Supervisory Committee, gave the report from his committee concerning the annual audits of the credit union. Mr. Switzer moved his report be accepted. Following a second from Robert Kirby, the motion was approved.

Chairman James Woods commented on the past year's highlights which included the remodeling project, the new Home Equity Line of Credit, and the continued strong financial position of the credit union.

Margaret Banker, President, introduced the credit union staff. In recognition of her 20 years of service, the Board of Directors presented Margaret with a jeweled necklace.

There was no unfinished business from the previous year.

Sam Butterfield, Chairman of the Nominating Committee, presented the slate of nominees for the various openings. They were as follows:

	NOMINEES
Board of Directors:	
Two to be elected - 3 year term	*LeRoy Broxterman*
	Paul Hinckley
Credit Committee:	
One to be elected - 3 year term	*Kendall Griggs*
Supervisory Committee:	
One to be elected - 3 year term	*Warren Peterson*

After calling for nominations from the floor, Mr. Butterfield moved the nominations cease and the Secretary cast a unanimous ballot. After a second by Bill Debes, the motion was passed.

James Woods introduced the speaker for the evening, Sister Ann Cecile, who gave a very lively and entertaining speech on the benefits of laughter and self-esteem.

Garth Strand conducted the drawing for door prizes.

There being no further business, the meeting was adjourned.

Loretta Fletchall — James E. Woods

Loretta Fletchall
Secretary-Treasurer

James E. Woods
Chairman

sent

Report of the Chairman

Welcome to the annual meeting of The Hutchinson Credit Union. This is a special evening of fellowship together, an example of the democratic process of choosing leadership, all with a bit of fun put together for your pleasure.

The year 1986 has been a little different for the directors, staff, and members. The economy of the area has impacted the strategy of management and the variety of services needed by you, the member. A year ago you were told about the recently remodeled building. This year, I want to tell you how important it has been to have the use of the expanded work area.

Perhaps the most significant new service has been the line-of-credit home equity loan package available to you. This is a valuable service for the credit union and for you. It allows the credit union to provide our members tax deductible loans. In using the invested funds, members may improve their quality of life through the use of this service. It takes every member using the credit union as his primary financial institution to be successful in this competitive environment.

Credit unions are unique. They are non-profit, member-owned organizations. Our goal is to provide services at the lowest cost with the greatest return on member investment. Always check first with The Hutchinson Credit Union where you are provided the services you want and need.

James Woods
Chairman,
Board of Directors

Report of the Treasurer

Again, the growth of the credit union has been excellent.

ASSETS:

December 31, 1985 $15,861,156.00
December 31, 1986 $17,628,376.00 ▶ 11% growth

This, compared to 1985, when we had a 22% growth, seems somewhat restricted. Considering the economy of Hutchinson and all of Kansas, the 11% factor is very favorable.

Over $1,000,000.00 were returned to the members in the form of dividends on personal accounts and interest on member investments. Additions were made to reserves to strengthen our capital base, thus continuing to build a strong foundation.

The officers and staff remain dedicated to their commitment to the philosophy of service, safety, and soundness for The Hutchinson Credit Union.

Loretta Fletchall
Secretary-Treasurer

Financial Statement

YEAR-END CLOSINGS

ASSETS	December 31, 1985	December 31, 1986
Cash Accounts	$ 366,204.68	$ 306,674.08
Loans to Members	10,932,886.70	10,964,395.61
Investments	4,036,292.22	5,792,630.11
Building and Land	425,690.85	445,794.76
Furniture and Fixtures	57,616.01	72,998.68
Prepaid Expenses	37,676.84	38,494.47
Accounts Receivable	449.90	390.99
Accrued Income	4,339.51	6,996.77
Total Assets	$15,861,156.71	$17,628,375.47
LIABILITIES		
Total Shares	$ 8,041,712.59	$ 9,234,306.52
(Regular Shares)		
(Christmas Club)		
(Club Shares)		
(High Yield)		
(IRA)		
Share Certificates	5,388,489.52	5,724,235.81
Expandachek	1,500,103.74	1,714,546.28
Accounts Payable	27,078.37	27,517.46
Reserves	619,995.28	751,545.32
Undivided Earnings	117,147.73	49,741.61
Unearned Interest	168,814.60	127,913.64
Interbranch Shares	(2,185.12)	(1,431.17)
Total Liabilities	$15,861,156.71	$17,628,375.47

Sent

Distribution of Income

INCOME	1985	1986
Interest on Loans	$1,390,352.39	$1,507,338.24
Income from Investments	384,706.76	338,886.55
Other Income	151,842.36	160,815.14
Total Income	$1,926,901.51	$2,007,039.93
OPERATING EXPENSES		
Compensation	$ 221,717.46	$ 280,268.61
Employee Benefits	35,518.77	45,258.44
Travel and Conference Expense	9,304.08	7,365.62
Association Dues	13,364.63	15,974.56
Office Occupance and Operations	166,018.97	224,479.50
Education and Promotion	32,107.43	35,508.23
Loan Servicing	7,823.03	13,576.42
Professional Expense	87,337.14	89,924.75
Provision for Loan Losses	81,260.01	79,566.68
Members Insurance	49,734.02	46,046.59
Supervisory Expense	7,508.38	8,124.48
Interest on Borrowed Money	356.17	271.02
Annual Meeting Expense	6,952.58	9,377.74
Miscellaneous Expense	6,845.70	15,364.77
Total Expenses	$ 725,848.37	$ 871,107.41
Gross Earnings	$1,926,901.51	$2,007,039.93
Less Operating Expenses	(725,848.37)	(871,107.41)
NET OPERATING INCOME	$1,201,053.14	$1,135,932.52
Less Reserves	$ (114,479.97)	$ (51,890.95)
Less Dividends on Shares	(497,913.15)	(533,249.10)
Less Certificate Dividends	(588,660.02)	(550,792.47)
Balance to Undivided Earnings	$ - 0 -	$ - 0 -

Sent

Report of the Supervisory Committee

The annual audit of all credit union accounts has been completed by a professional firm of Certified Public Accountants.

This year a 100% verification of accounts was performed in accordance with Kansas State law. The State Audit for 1986 has not been performed. The local audit indicates the records are correct and the operational procedures and policies proper. All documentation has been found to be in good order.

In these days of varying troubled financial institutions it is good to be associated with a corporation which has such a good track record.

Ed Switzer
Chairman

Supervisory Committee
Maggie Mullins;
Ed Switzer, *Chairman;*
Warren Peterson

Report of the Credit Committee

FACTS:

Total number of new loans in 1986	3,697
Dollar volume in new loans	$6,536,656
As compared with 1985	$8,129,663
Since organization, number of loans made	39,815
Dollar volume	$53,520,433
Loans charged off since 1948	$206,257
Recoveries on charged-off loans	$ 22,464

As a result of declining interest rates on investments, loan rates have also declined, thus we continue to provide low cost loans to members.

The line of credit home equity loan is proving to be very helpful to our members. The rates are competitive and the interest paid is tax deductible.

The credit committee does review all loans made. We strive to provide an overview to determine if Board policy is followed as loans are made.

Kendall Griggs
Chairman

Credit Committee
Kendall Griggs,
Chairman;
George Sanders,
Lee Spence

Staff

Wanda Hatcher,
Vice President;
Garth Strand,
Vice President

Office Staff
Seated:
Sherry McCain,
Betty Killingsworth
Standing:
Greg Shelton,
Eric Walsten

Seated:
Stacey Racette,
Janey Emery
Standing:
Lisa Ewing,
Shane Mead,
Carol Ratzlaff

Seated:
Michelle Scott,
Mildred Weaver
Standing:
Sharon Zahorsky,
Jane Rank,
Roger Schmidt
Not pictured:
Helen Moreland

From Margaret

There have been many challenges this year as we have faced a declining community economy, market fluctuations, interest rate variables, and other unusual situations. Along with these areas of uncertainty, we have experienced growth in assets and growth in technology.

Our members are concerned about the future, and we want to provide the services necessary to support the personal needs of each member.

In this changing society, we strive to live up to our commitment of "people helping people." Thirty-nine years ago, seven teachers founded this credit union to provide an economical place to borrow and a safe, secure place to save. We still stand for the same basic principles our founders believed in — strength through unity, service, and safety.

A credit union is member owned, member governed. That makes us different from all other financial institutions.

It is my pleasure to work with the staff and officials and to serve the members of The Hutchinson Credit Union.

Margaret Banker
President