

*TexasHealth*  
CREDIT UNION



*55<sup>th</sup>* Annual Member Report

*March 8, 2011*

## **2010/2011 Board of Directors**

Harold Broadbent *	.....	<i>Chairman</i>
Patrick Hight *	.....	<i>Vice Chairman</i>
Jeff Taylor **	.....	<i>Secretary</i>
Wendi Bray **	.....	<i>Treasurer</i>
TJ Nissen **	.....	<i>Parliamentarian</i>
Lisa Genna **	.....	<i>Assistant Treasurer</i>
Joe Serrano *	.....	<i>Assistant Membership Officer</i>
Nan Updike *	.....	<i>Membership Officer</i>
Lisa Heino *	.....	<i>Assistant Secretary</i>

\* Term Expires 2011      \*\* Term Expires 2012

## **Credit Union Management and Staff**

Tammy Botkin	.....	<i>President</i>
Jan Scott	.....	<i>Vice-President</i>
Steve Scott	.....	<i>Vice-President</i>
Karen Jackson	.....	<i>Loan Supervisor</i>
Jessica Elizalde	.....	<i>Loan Officer</i>
Josh Beane	.....	<i>Loan Officer</i>
Leslie Harper	.....	<i>Accounting Manager</i>
Kati Eldridge	.....	<i>Accounting Assistant / Compliance Officer</i>
Jose Rodriguez	.....	<i>Operations Support Specialist</i>
Christie Chavez	.....	<i>Lead Member Service Representative</i>
Tangie Lockeby	.....	<i>Member Service Representative</i>
Allie Scheer-Gregory	.....	<i>Member Service Representative</i>
Shira Herbert	.....	<i>Administrative Assistant / Special Project Coordinator</i>
Louisa Parker	.....	<i>Teller Supervisor</i>
Sandre Gonzales	.....	<i>Teller</i>
Merrit McKelvy	.....	<i>Teller</i>
Martin Motal	.....	<i>Teller</i>

## 2010 Annual Meeting Minutes

Mr. Harold Broadbent, Chairman of the Board of Directors, called the 53rd Annual Meeting of the Texas Health Credit Union to order at 6:40 p.m. on March 30, 2010 at St. Louis Catholic Church in Austin, Texas. A quorum of approximately 150 members including the Board of Directors and the Credit Union staff was present.

All members were provided with Annual Meeting packets which contained the Annual Meeting Agenda, the names of the 2009-2010 Board of Directors and the current Credit Union employees, the minutes of the 2009 Annual Meeting, the President's Report, the 2007, 2008 and 2009 year-end Balance Sheet and Income Statements, and information on the five nominees for the Board of Directors.

Mr. Broadbent introduced the current members of the Board of Directors and the nominees for the five Director positions. The nominees were Wendi Bray, Lisa Genna, John Murphy, T. J. Nissen and Jeff Taylor. Mr. Broadbent asked for nominations from the floor. There were no further nominations. A motion was made and seconded from the floor to elect the nominees by acclamation. The motion passed without objection. Mr. Broadbent introduced Jeff Taylor and welcomed him as a new member to the Board of Directors.

Mr. Broadbent introduced Ms. Tammy Botkin, President of Texas Health Credit Union. Ms. Botkin welcomed the attendees. She recognized the charter members in attendance, Ms. Louise Kyle and Ms. Eva Wortham, and thanked them for their many years of support. Ms. Botkin introduced former Board members in attendance. Ms. Botkin introduced the Credit Union staff. As she introduced the staff members, she recognized each employees years of service at the Credit Union. Ms. Botkin expressed her appreciation to Mr. Steve Scott for his organization of the Annual Meeting. Ms. Botkin thanked the Board members for their dedicated service to the Credit Union. Ms. Botkin discussed the financial challenges of last year and how they have affected the Credit Union going forward. She told the membership that the Credit Union continues to remain financially stable and well capitalized. Ms. Botkin informed the membership of new services added over the last year and of what was planned for 2010. Ms. Botkin reported that the accounting firm of RSM McGladrey conducted an Annual Audit as of July 31, 2009 with no significant findings during the audit.

Mr. Broadbent asked if there was any old business to be brought before the membership. There was none from the floor. Mr. Broadbent asked if there was any new business to be brought before the membership. There was none from the floor. Mr. Broadbent called for approval of the 2009 Annual Meeting Minutes. A motion was made and seconded from the floor to approve the Minutes of the 2009 Annual Meeting. The motion carried.

Mr. Steve Scott conducted the drawing for door prizes.

Mr. Broadbent asked if there was further business. Seeing none, the meeting was adjourned at 7:19 p.m.

## President's Report

2010 was another trying year for Americans working to manage personal finances in a difficult economy. The economic instability put financial stress on governments and industries across the nation. Fortunately, the credit union movement was not impacted as negatively as many other industries. We are also blessed to live in a part of the country where the economic downturn has not affected our neighbors as drastically as in some other areas.

In 2010, other financial institutions struggled to maintain benchmark capital adequacy ratings of at least 7 percent. More than 94 percent of Texas credit unions closed the year with a net worth greater than 7 percent. I am proud to say your credit union is at 8.75 percent. What this means to you is that your credit union is operating in a safe and sound manner. It means when other financial institutions pulled back on making loans, assessed more fees or compromised service in order to improve their bottom line, Texas Health Credit Union did not have to resort to any of those measures.

Our deposit balances rose by \$3.8 million and our outstanding loans grew by \$577,500. I believe this indicates the trust members have placed in us. RSM McGladrey, a national CPA firm, conducted their annual audit as of July 31 with no significant findings. Additionally, we were able to roll out two new critical services to our members. Both services are offered service charge free. In May, we launched i-Branch. I-Branch brought our online banking product to a live, real-time format. You no longer have to wait for your balances to refresh or transactions to post. In December, we became members of the credit union Shared Branching network. This meant that in one day, our credit union grew to 16 branches in the Austin area and 4,214 across the nation. If you have not tried Shared Branching, you can find a location near you at [www.cuservicecenter.com](http://www.cuservicecenter.com).

As in 2009, the National Credit Union Administration (NCUA), the regulatory agency for federally insured credit unions, moved to bolster its insurance fund by assessing a premium. Like most credit unions, Texas Health Credit Union is federally insured and was assessed a premium based on our insured shares. Our assessment in 2010 was \$91,162.93, as compared to \$395,219.91 in 2009. While many banks want to combine the FDIC and NCUA insurance funds, we will continue to urge Congress to keep our credit union insurance fund strong and separate.

Credit unions are not like other financial institutions. We are more than just a place for people to conduct their financial business. We truly are "people helping people". When you walk through the doors of Texas Health Credit Union, you aren't just a customer, you are part of a member-owned financial cooperative. You are part of our credit union family and we are committed to serving your financial needs now and in the future.

Submitted by:  
**Tammy Botkin**, *President*

## Balance Sheet as of December 31, 2010

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>			
Loans	43,139,917	42,562,478	29,322,060
Allowance for Loan Loss	-575,139	-541,495	-290,244
Cash	605,396	570,929	839,281
Securities	238,372	564,714	1,215,210
Investments	14,081,443	9,976,541	18,525,430
Allowance for Overdraft Loss	-3,629	-1,695	-3,091
Land and Building	1,171,859	1,200,310	1,228,762
Other Fixed Assets	165,296	179,492	121,036
Other Real Estate Owned	0	0	0
Prepaid Expenses	87,004	91,130	89,947
Other Assets	593,103	554,038	585,301
Accrued Income	177,247	191,146	182,338
<b>Total Assets</b>	<b>59,680,869</b>	<b>55,347,589</b>	<b>51,816,031</b>
<b>LIABILITIES</b>			
Accounts Payable	184,195	-39,316	49,133
Accrued Expenses	139,502	122,585	154,172
Taxes Payable	55	98	947
Other Liabilities	16,060	59,293	14,707
Accrued Interest/Dividends	59,842	91,168	146,955
Certificates of Deposit	14,171,542	13,294,629	13,608,702
Checking Accounts	9,998,327	9,370,120	8,542,447
IRA Accounts	1,570,565	1,480,581	1,373,282
Health Savings Accounts	521	1,592	0
Regular Share Accounts	15,091,213	14,599,179	12,694,962
Other Savings Accounts	12,798,090	10,984,507	9,631,815
Business Deposit Accounts	565,506	637,784	820,397
Regular Reserves	1,384,759	1,384,759	1,384,759
Undivided Earnings	3,700,692	3,360,609	3,393,752
<b>Total Liabilities</b>	<b>59,680,869</b>	<b>55,347,589</b>	<b>51,816,031</b>

## Income Statement as of December 31, 2010

<b>INCOME</b>			
Income from all Loans	2,860,742	2,635,146	2,108,100
Investment Income	190,055	459,779	682,891
Total Fee Income	184,953	194,948	239,377
Miscellaneous Operating Income	268,458	247,308	256,581
<b>Total Income</b>	<b>3,504,209</b>	<b>3,537,181</b>	<b>3,286,948</b>
<b>EXPENSE</b>			
Employee Compensation and Benefits	1,017,261	950,296	919,583
Training and Travel	15,604	8,329	13,479
Office Occupancy	125,744	114,047	121,932
Office Operations	366,362	340,168	355,374
Marketing	24,991	22,316	26,902
Loan Servicing	177,318	164,250	115,398
Professional & Outside Services	106,422	124,964	107,701
Provision for Loan Loss	432,356	833,954	338,917
Provision for Overdraft Loss	3,358	1,023	962
Provision for Investment Loss	0	177,665	0
Operating Fees	102,915	-60,950	7,895
Interest on Borrowed Money	26	2,968	62
Miscellaneous Operating Expense	60,140	44,089	57,560
<b>Total Expense</b>	<b>2,432,496</b>	<b>2,723,120</b>	<b>2,065,766</b>
Non-Operating Income	275,684	-233,711	-10,128
Dividends on All Accounts	455,946	685,694	834,766
<b>Net Income (Loss)</b>	<b>340,083</b>	<b>362,077</b>	<b>396,545</b>
<b>Total Number of Members</b>	<b>5,707</b>	<b>5,726</b>	<b>5,703</b>

## Services Available

Savings Accounts  
Checking Accounts  
Business Accounts  
CDs/IRAs  
Money Market Accounts  
Car/Truck Loans  
Line of Credit Loans  
Vacation/Holiday Loans  
Home Equity Loans  
Business Loans  
MasterCard/MasterCard Gold  
ATM/Debit Cards  
Over 300 Local No Service Charge ATMs  
Free Online Banking  
Free Online Bill Payer  
Audio Response  
Safe Deposit Boxes  
Wire Transfer  
Saturday Drive-Thru Hours  
Member of the Shared Branching Network

## Mission Statement

*The Texas Health Credit Union is dedicated to providing its members a variety of affordable financial products and services in a personal and professional manner. We are committed to meeting the changing needs of our members and are dedicated to the philosophy of “People Helping People”.*

Adopted by the Board of Directors – 11/18/93





Street Address: 4800 Grover Ave.

Mailing Address: P.O. Box 4003

Austin, Texas 78765-4003

### **Lobby Hours**

Mon-Fri: 9 a.m. to 4 p.m.

### **Drive-Thru Hours**

Mon-Fri: 7:30 a.m. to 5:30 p.m.

Sat: 9 a.m. to 12 p.m.

### **Telephone**

Direct Line: 454-4636 (Austin)

Toll Free Line: 1-800-545-1771

Fax Line: (512) 454-2925

QuickChek Audio Response:

454-7316 (Austin)

1-800-833-2038

### **Web Site / Online Banking**

[www.thcu.org](http://www.thcu.org)

### **ATM Locations**

*Texas Health Credit Union*

4800 Grover Avenue

*Whole Foods Market*

9607 Research Blvd.

*Department of State Health Services*

1100 W. 49th Street

*All Austin Alliance of Credit Unions ATMs*

*and Select ATMs*

