



Annual Report 2019







2020 Agenda

Welcome/Invocation

Verification of Quorum

Approval of Minutes

Report of Board of Directors

Report of Credit Committee

Report of Treasurer

Unfinished Business/New Business

Election of Directors

Drawing for Cash Prizes/Adjournment



BOARD OF DIRECTORS

Jean Thorp Chairperson March 2020

Roy Wohleb Vice Chair March 2021

Lyn Dukatnik Secretary March 2022

Ray Baker Jr. Treasurer March 2021

Lynda Allmer Director March 2020

Linda Brook Director March 2020

Ted Maxfield Director March 2022

STAFF

Celeste Kaylor, President/CEO

Rick Lewis, EVP – CLO

Carol Lisenbe, VP – Controller

Candice Pearson, VP – Operations

Retha Schulz, Loan Officer

Teresa Chaney, Operations Admin/Internal Auditor

Holly Olsen, Member Services Specialist, Teller Supervisor

Kelli McDonald, Member Services Specialist, Loan Admin

Ginger Holland, Member Services Representative

Lynn Chaney, PT Member Services Representatives



Chairman's Report

Scott & White Employees Credit Union Celebrated 57 years of dedicated service this past year. We are pleased to report positive results from operations during 2019. Assets as of December 31, 2019, were \$51,201,870 representing a 7.06% increase from the previous year. Deposits were \$47,440,553 reflecting an increase of 6.44% for the year. Member Loans were \$20,179,637 reflecting a 1.88% increase. Total Reserves at year-end were \$4,429,504 reflecting a capital to asset ratio of 8.65%.

The Board of Directors conducted an annual audit of the operations. Credit Union Resources Inc performed the audit and found no material weaknesses or deficiencies. The Texas Credit Union department examined the operations of the credit union noting a positive net worth and asset quality. No material weaknesses or deficiencies were noted. Your Board of Directors strives to maintain a strong financial position while controlling cost of operations and enhancing services to meet your financial needs. On behalf of the Board, I would like to express our appreciation to the Membership for your continued confidence and support.

Sincerely,

Jean Thorp

Board Chair

Credit Committee Report

The Credit Committee approved 495 loans for a dollar volume of \$6,677,111.08 in 2019. The Credit Union continues to expand its loan services to members by continually adding new loan products as well as adding the newest and most innovative loan processing software to enhance turnaround time for funding of loans. Our Web Signature Platform provides enhanced loan delivery and closing within a matter of minutes from time of loan approval.

We offer several loan products to protect you and your investment at a significantly reduced cost from those available at auto dealers. Always contact your credit union to discuss your loan needs as it could save you thousands on your next major purchase. Loan applications may be obtained at our Web Site: www.swecu.org. We look forward to assisting you with all your lending needs!

Sincerely,

Rick R. Lewis

Rick R. Lewis, Chairman



Financial Report

Year-end December 31, 2019

ASSETS

LOANS	20,179,637
CASH	772,755
INVESTMENTS	28,747,387
FIXED ASSETS	1,323,160
OTHER ASSETS	178,931

TOTAL ASSETS	51,201,870
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LIABILITIES & EQUITY

ACCOUNTS PAYABLE	12,148
SHARES	25,617,477
SHARE DRAFTS	19,560,747
DEPOSIT ACCOUNTS	2,262,299
REGULAR RESERVE	1,755,810
UNDIVIDED EARNINGS	2,673,694
OTHER RESERVES	0
OTHER LIABILITIES	-680,305

TOTAL LIABILITIES	51,201,870
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INCOME

INCOME FROM LOANS	918,299
INCOME FROM INVESTMENTS	550,293
OTHER INCOME	629,006

TOTAL INCOME	2,097,598
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EXPENSES

EMPLOYEE COMPENSATION & BENEFITS	585,748
OFFICE OPERATIONS EXPENSE	427,061
ASSOCIATION DUES	2,690
LOAN SERVICING	118,562
PROFESSIONAL & OUTSIDE EXPENSE	255,314

TOTAL OPERATING EXPENSE	1,389,375
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<u>DIVIDENDS AND INTERST PAID IN 2019</u>	23,931
TOTAL EXPENSES	1,413,306

NET EARNINGS/LOSS 2019	684,292
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Total Capital	4,429,504
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Meeting Minutes

The Fifty Seventh Annual Meeting of the Scott & White Employees Credit Union was held on March 21, 2019 at 5:30 PM at the Credit Union Building. Board of Directors present were Jean Thorp, Chair, Roy Wohleb Vice Chair, Lyn Dukatnik, Secretary, Ray Baker Jr., Treasurer, Directors, Lynda Allmer, Linda Brook and Ted Maxfield. Jean Thorp, Board Chair called the meeting to order at 6:00 PM and welcomed the members and guests. A quorum of 44 members and 4 guests were in attendance. Rick Lewis gave the invocation. Jean Thorp indicated that the minutes of the 56 th Annual Meeting were included in the Annual Meeting Report and asked if any corrections were noted. There being none the minutes were approved as presented.

Ms. Thorp introduced the Board of Directors and thanked them for their service. Jean presented Dr. Robert Kuhnhein with a gift and thanked him for his many years of service. She then presented the Report of the Board of Directors indicating that SWECU ended the year with positive results from operations with adequate capital to sustain safety and soundness of operations. Ms. Thorp reported that all required audits and examinations had been completed reflecting no material deficiencies. The Board of Directors Report was received as presented.

Ray Baker presented the Treasurers Report reflecting \$47,826,067 in Assets as of year-end 2018. Mr. Baker reported a strong liquidity position with \$534,312 in cash and \$25,416,189 in overnight and short-term investments. Fixed and other assets totaled \$2,099,088. The Liability and Equity portion of the balance sheet reflected accounts payable of \$12,163, \$44,571,590 in deposits with Reserves and Undivided Earnings of \$3,742,464 reflecting a net worth position of 7.83%. Total Liabilities and Equity were \$47,826,067. Operating income was \$2,010,608. Operating Expenses were \$1,314,824 reflecting net earnings from operations of \$671,404. The Credit Union paid \$24,379 in dividends reflecting total expenses of \$1,339,204.

Ms. Thorp presented the Credit Committee Report. The Credit Committee approved 713 loans during 2017 for a total of \$9,512,691.10. The report was received as presented.

Celeste Kaylor presented the Report of the President/CEO. She thanked the staff and board of directors. Ms. Kaylor announced 2019 system enhancements. As we move forward to 2019 SWECU is committed to grow responsibly while listening to the needs and exploring innovative products and services to enhance the financial lives of our membership.

Ms. Thorp then asked if there was any Unfinished Business or New Business to come before the membership. There being none, Ms. Thorp called on Roy Wohleb to present the Nominating Committee Report.

Roy Wohleb Chairman of the Nominating Committee filed the report of the Nominating Committee. The Nominating Committee consisting of Roy Wohleb, Chair, Lynda Allmer, and Ray Baker Jr. as members held a meeting on February 26, 2018 to review two applications received from members for consideration for three-year terms. The applicants were interviewed and approved by the committee. Mr. Wohleb placed the names of Lyn Dukatnik and Ted Maxfield in nomination for 3-year term. Ms. Thorp asked if there were any other nominations from the floor and there were none. A motion to approve the directors by acclamation was made by Dale Toner with a second by Roy Wohleb.



Jean Thorp and Celeste Kaylor conducted a drawing for \$300 in cash and a Starbucks basket. Prizes awarded were as follows: Charles Sebesta, Kathy Sebesta, Tyler Van Beber, Gloria Holle, Tim Kidder, Michael Huffman, Teresa Lynch, David Guthrie, and Ian Myer.

There being no further business to come before the members, the meeting adjourned.

