

## Member Services

Share Accounts	Financial Consulting
Share Certificates	Vehicle Pricing Guides
Individual Retirement Accounts (IRAs)	Loan Protection Insurance
Loans	Credit Disability Insurance
Overdraft Lines of Credit	Free Notary Services
Extended Warranties/GAP Insurance	Audio Response
PC Banking	Home Improvement Loans
Savings Bond Redemption	Home Equity Loans
Kids Treasure Accounts	Visa® & MasterCard®
Home Equity Lines of Credit	Gold Visa & MasterCard
Visa Debit Cards	Platinum Mastercard
Metro "Q" Cards	Share Draft (Checking) Accounts
Visa Gift Cards	Payroll Deduction/Direct Deposit
Free Bill Payer	Courtesy Pay
Shared Branches	Full-Family Membership
Allpoint Surcharge-Free ATMs	Traveler's Checks
Money Orders	Mortgage Loans

**Harris County**  
FEDERAL CREDIT UNION

1400 Franklin Street  
Houston, Texas 77002  
(713) 755-5160  
(713) 755-8982 Fax  
[www.hcfcu.com](http://www.hcfcu.com)



*A Tradition  
of Service*

**Harris County**  
FEDERAL CREDIT UNION  
Annual Report 2009



## AGENDA

Secretary Ascertain Quorum  
Approval of the Minutes of the  
Last Annual Meeting on May 27, 2009  
Financial Report  
Board of Directors Report  
Supervisory Committee Report  
Old Business  
New Business  
Drawing for Door Prizes  
Adjournment

## Supervisory Committee Report

The HCFCU Supervisory Committee is made up of a group of dedicated volunteers – selected by the Board of Directors. The member's interests, protection of assets and integrity of the credit union are the primary responsibility of this group. It is the commitment to ensuring sound operations and compliance with laws and regulations that make the role of the members of the Supervisory Committee such a vital asset to the credit union and its membership.

Each year, the National Credit Union Administration (NCUA) reviews the credit union to confirm compliance with Board policies and federal laws and regulations. In addition to the NCUA review, an independent auditor conducts an audit of the credit union each quarter as an added security measure for our members. Both reviews found HCFCU to be in excellent financial condition.

Based on extensive reviews, the Supervisory Committee is pleased to announce the financial statements in this report are a fair and accurate assessment of the financial position of HCFCU as of December 31, 2009. HCFCU is in excellent financial condition and is operating within the appropriate laws and regulations.

On behalf of the Supervisory Committee, a special thank you is extended to the members, staff and elected officials whose dedication to Harris County Federal Credit Union plays an integral role in the continued success of the credit union.

Steve Jennings  
Tom Rackley  
Pam Speer

## Board of Directors Report

2009 was a year of economic challenges and uncertainties. News of bank failures, rising unemployment and the credit crisis left consumers concerned for their financial future. During these tough economic times, it was more important than ever to partner with a trusted financial institution for quality financial solutions. Harris County Federal Credit Union continued to be safe, secure and solid. In fact, our credit union achieved a major milestone in 2009 growing to over \$100 million in assets. This is a testament to the value we provide for our member-owners.

In the face of financial and regulatory challenges our credit union achieved positive net income without eliminating valuable services or staff. We even began offering free member financial education. Member shares continued to be insured up to \$250,000. Membership growth remained strong as more and more consumers chose HCFCU as their primary financial institution. While others were forced to lower dividend rates substantially, HCFCU consistently maintained competitive dividend rates in keeping with our philosophy of people helping people. As other institutions restricted lending, our loan portfolio grew. Many lenders had to tighten up their lending standards in order to control delinquency. Our standards remained virtually unchanged and delinquent loans were well below that of our peers. We have taken a proactive approach to managing growth and are committed to maintaining a safe, trustworthy, accessible and reliable credit union for years to come. On behalf of the Board of Directors, we want to thank you for your continued support.

## Board of Directors

Larry T. Dehnert – Chairman  
Edward Gardner – Vice Chairman  
Diana Woodley – Secretary  
Peggy Sparks – Treasurer  
Darla Coons – Director  
Mercedes Leal – Director  
John Matthews – Director  
Jimmy Ray – Director  
Kenny Rodgers – Director  
Pam Speer – Director  
Janet Stubbs – Director

## Staff

Susan Roberts – President  
Vicki Squires – Executive Vice President  
Accounting & Technology Department  
Gertie Toups – Vice President  
Veronica King – Accounting Specialist  
Carlos Perez – IT Specialist  
Loan Department  
Dawn Daily – Loan Supervisor  
Regina Graves – Sr Loan Officer  
Tamera Lopez – Sr Loan Officer  
Rachel Morales – Loan Officer  
Roberto Becerril – Loan Assistant  
Christina Deshotel – Loan Assistant  
Collection Department  
Hazel Thompson – Vice President  
Rhonda White – Assistant  
Gricelda Vela – Assistant  
Operations Department  
Luanne Bray – Vice President  
Diana Cromeans – Supervisor  
Connie Myers – Teller Supervisor  
Tekyrian Stephens – Vault Teller  
Cheryl Radford – Teller  
Alice Hardy – Assistant Vault Teller  
Victoria Abrego – Teller/Member Services  
Joseph Stelly – Teller/Member Services  
Jennifer McDermott – Teller/Member Services  
Stevie Williamson – Teller/Member Services  
Diana Howse – Member Services  
Jeannette Sharpe – Member Services  
Kitty Durkin – Member Services

## FINANCIAL REPORT 2009

As of December 31, 2009

ASSETS	2008	2009
Loans to Members	\$48,472,876	\$53,163,971
Cash on Hand and in Banks	\$7,924,950	\$10,626,113
Investments	\$22,372,976	\$31,071,091
Fixed Assets	\$1,799,655	\$1,839,408
All Other Assets	\$5,342,371	\$4,626,998
<b>Total Assets</b>	<b>\$85,912,828</b>	<b>\$101,327,581</b>

LIABILITIES & EQUITY	2008	2009
Accounts Payable	\$3,488,918	\$836,390
Dividends Payable	\$0	\$0
Notes Payable	\$0	\$0
All Other Liabilities	\$465,443	\$619,490
<b>Total Liabilities</b>	<b>\$3,954,361</b>	<b>\$1,455,880</b>
Member Deposits	\$69,762,068	\$88,225,494
Reserves	\$1,188,669	\$1,188,669
Retained Earnings	\$11,007,730	\$10,457,538
<b>Total Member Equity</b>	<b>\$81,958,467</b>	<b>\$99,871,701</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$85,912,828</b>	<b>\$101,327,581</b>

## STATEMENT OF INCOME AND EXPENSES

INCOME	2008	2009
From Loans	\$3,973,816	\$4,357,271
From Investments	\$841,164	\$746,729
From Fees & Miscellaneous	\$1,045,838	\$1,161,871
<b>Total Income</b>	<b>\$5,860,818</b>	<b>\$6,265,871</b>
EXPENSES	2008	2009
Salaries & Benefits	\$1,526,534	\$1,698,588
General Administration	\$1,570,957	\$1,674,507
Depreciation	\$128,661	\$139,504
Dividends on Member Deposits	\$1,538,772	\$1,561,143
Provisions for Loan Losses	\$285,000	\$412,500
<b>Total Expenses</b>	<b>\$5,049,924</b>	<b>\$5,486,242</b>
<b>Net Income</b>	<b>\$810,894</b>	<b>\$779,629</b>