



2015 Annual Report

Celebrating 65 Years of Star Quality Service



Since 1951, Harris County Federal Credit Union has been committed to providing affordable financial solutions to Harris County employees. What started from two people has grown into a family of more than 16,000 members strong.

Thank you for being a member.

1400 Franklin Street
Houston, TX 77002
713-755-5160
www.hcfcu.com

Monday - Friday
Lobby Hours:
7:30 AM - 5:00 PM
Drive-Thru Hours:
7:30 AM - 6:00 PM

There is no short cut to achievement. Life requires thorough preparation – veneer isn't worth anything.
– George Washington Carver

Agenda

Secretary Assertains Quorum

Approval of the Minutes of the Last Annual Meeting on March 25, 2015

Financial Report

Board of Directors Report

Supervisory Committee Report

Old Business

New Business

Drawing for Door Prizes

Adjournment

Supervisory Committee Report

The Supervisory Committee is tasked with ensuring that the Board of Directors and management of the credit union is meeting all regulatory requirements and complying with approved policies and control procedures to safeguard members' assets. The Committee provides oversight related to the establishment of effective internal controls, adherence to board policies and compliance with appropriate laws and regulations.

In order to continue providing effective oversight as the size and complexity of the credit union increases, the Committee is guided by a mission statement and work plan designed to ensure committee members are meeting obligations. Each member is expected to stay current on the responsibilities of the Supervisory Committee as well as the activities of the credit union. Committee members have received appropriate training during the year and they remain committed to expanding their knowledge.

The Supervisory Committee contracts with an independent auditing firm to perform an annual audit of the credit union. Their latest review, conducted in accordance with the National Credit Union Administration (NCUA) Rules and Regulations, effective June 30, 2015, indicated that the overall records and operations of the credit union were found to be in good condition. In addition, the NCUA reviews the credit union annually to confirm compliance with board policies and federal laws and regulations. This review found HCCU to be in excellent financial condition.

Based on thorough analysis, the Supervisory Committee is satisfied that adequate internal controls exist to protect member accounts and that the financial statements accurately reflect the performance and condition of the credit union.

The Supervisory Committee is dedicated to carrying out its responsibilities in the best interest of the credit union membership. The Committee appreciates the assistance and cooperation of staff and management and the continued support of the Board of Directors in the performance of these duties.

Supervisory Committee

Janet Bryant | Crystal Mihner | Carmen Sunmarr | Kevin Maury



Board of Directors Report

As a not-for-profit cooperative, Harris County Federal Credit Union is different than a bank. Yes, profits are necessary to keep the doors open, but beyond that, our earnings are used to enhance the value of your credit union membership. By exercising sound business and service strategies we can help you navigate lifecycle challenges, weather uncertain economic periods and recognize the true benefits of your membership. As we celebrate 65 years of providing affordable financial services, we'd like to thank you for your membership. Your continued participation in the credit union helps us grow and learn and change so we're even better for our next 65.

Your loyalty to HCFCU helps us grow. Through competitive dividend rates, quality products and excellent service we continue to build member loyalty. We appreciate the feedback we receive from you and are encouraged by the number of referrals we receive. Our Gift of Membership and CU@Work programs consistently bring in new members. We achieved strong earnings and continued to provide value to our member-owners. Last year brought record numbers of auto loans which lead to strong loan growth. The number of members choosing HCFCU as their primary financial institution continues to increase. Your ongoing acceptance and use of the products and services offered at HCFCU puts us in a strong financial position to continue meeting your financial needs.

As a financial cooperative, HCFCU recognizes the importance of working together through local, regional and national structures to most effectively serve you and strengthen the credit union movement. We utilize the training, tools, and resources available through our trade associations. We are supportive of advocacy efforts on a state and national level. As federal legislators consider tax reform in 2016, there is a massive banking lobby calling for an end to credit union tax exemption. A federal tax on your credit union is equivalent to a tax on you and we remain vigilant in our advocacy efforts.

Learning helps us to be better prepared when challenges arise. In 2015, staff, management and volunteers completed training on a wide array of important topics in a variety of formats. HCFCU remains committed to ongoing education at all levels of the organization to ensure our team has the expertise needed to exceed your expectations as we lead our credit union forward.

While our financial needs have changed dramatically over the last six and a half decades, our purpose remains the same. Caring for individuals and the desire to help people achieve financial success are at the foundation of a credit union that, to this day, is committed to providing personalized financial solutions that enhance members' lives. Harris County FCU continues to be safe, secure and solid. We thank you for your continued support and look forward to many great years to come.

Board of Directors

Edward F. Gardner, Chairman | Diana Woolley, Vice Chairman |
Pam Speer, Secretary | Peggy Sparks, Treasurer | Mercedes Leal, Director |
Janet Bryant, Director | Darla Goons, Director | Dorothy Dehner, Director |
Rosanne Bosco, Director | John Matthews, Director | Jeremy Ratcliff, Director



Financial Report 2015

As of December 31, 2015

Assets	2014	2015
Loans to Members	\$67,662,017	\$72,661,660
Cash on Hand & in Banks	\$12,642,106	\$15,894,745
Investments	\$52,802,939	\$52,380,415
Fixed Assets	\$927,947	\$812,455
All Other Assets	\$5,749,435	\$5,320,705
Total Assets	\$139,784,443	\$147,069,980

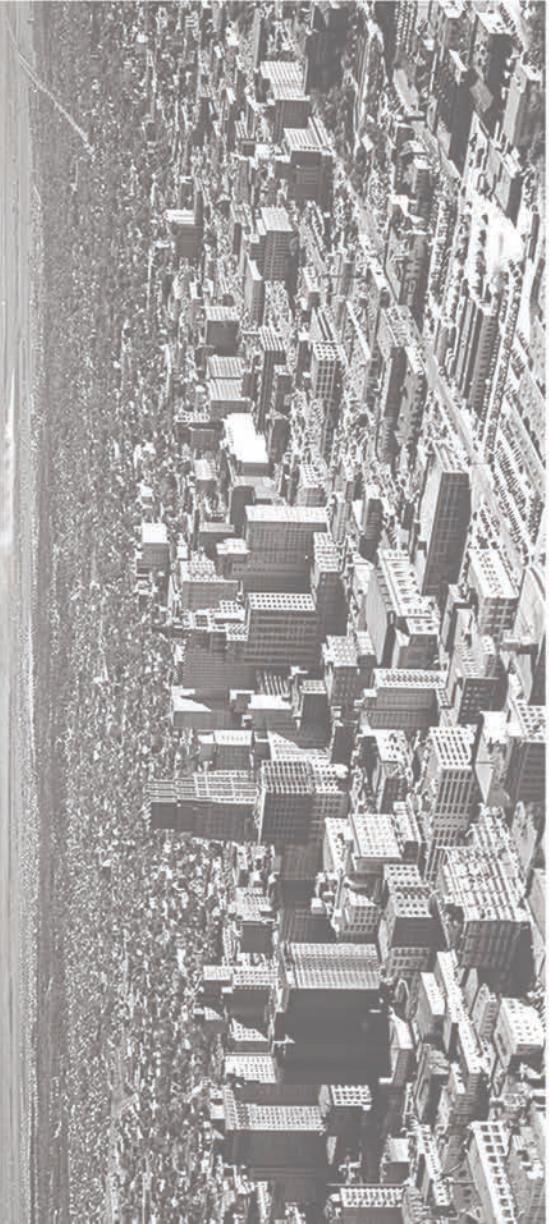
Liabilities & Equity	2014	2015
Accounts Payable	\$1,883,294	\$2,210,847
Dividends Payable	\$0	\$0
Notes Payable	\$0	\$0
All Other Liabilities	\$195,932	\$204,040
Total Liabilities	\$2,079,226	\$2,414,887
Member Deposits	\$120,059,110	\$125,764,190
Reserves	\$1,188,669	\$1,188,669
Retained Earnings	\$16,457,438	\$17,702,234
Total Member Equity	\$137,705,217	\$144,655,093
Total Liabilities & Equity	\$139,784,443	\$147,069,980

Statement of Income & Expenses

Income	2014	2015
Loans	\$4,533,783	\$4,797,156
Investments	\$662,258	\$654,701
Fees & Miscellaneous	\$1,525,234	\$1,659,666
Total Income	\$6,721,274	\$7,111,523

Expenses	2014	2015
Salaries & Benefits	\$1,473,625	\$1,578,656
General Administration	\$2,337,520	\$2,346,867
Depreciation	\$43,074	\$68,314
Dividends Paid	\$606,529	\$575,332
Loan Loss Provisions	\$552,750	\$538,518
Gain/Loss on Disposition of Assets	\$1	\$68
Total Expenses	\$5,013,499	\$5,107,755

Net Income	2014	2015
NCUSIF Stabilization Expense	\$1,707,776	\$2,003,768
Transfer to Undivided Earnings	\$0	\$0
Total	\$1,707,776	\$2,003,768



Products & Services

Full-Family Membership

Share Accounts

Share Draft (Checking)

Premiere Share Draft

Young Adult Accounts

Kid's Treasure Accounts

Share Certificates

IRAs

Home Loans

Auto Loans

Signature Loans

Courtesy Pay

Overdraft Lines of Credit

Extended Warranties

GAP Insurance

Home Equity Loans

Home Equity Lines of Credit

Secure Credit Cards

Platinum MasterCard®

GoToMyCard Online Payment

Payroll Deduction

Direct Deposit

Credit Union Checks

Traveler's Checks

Money Orders

Vehicle Pricing Guides

Member Auto Center

TrustStage Insurance

Credit Life Insurance

Credit Disability Insurance

Free Notary Services

Free Financial Seminars

Savings Bond Redemption

Instant Issue Debit Cards

Metro "Q" Cards

Visa Gift Cards

Shared Branches

Allpoint® Surcharge-Free ATMs

Audio Response

Online Banking

Free Online Bill Pay

Mobile Banking

E-Statements

Text Alerts

The best preparation for tomorrow is doing your best today.

– H. Jackson Brown, Jr.

THE CREDIT UNION TEAM

EXECUTIVE MANAGEMENT

Vicki Squires
President

Gertie Toups
VP, Accounting/Technology

Dawn Daily
VP, Lending/Collections

Mike Wilson
VP, Sales and Service

MARKETING

Pauline Alderete
Marketing Specialist

ACCOUNTING & TECHNOLOGY

Zamoni Bryant
IT System Specialist

Jennifer McDermott
Plastic Card Specialist

Veronica King
Executive Support
Specialist

COLLECTIONS

Rhonda White
Collections Manager

Gricelda Vela
Collection Specialist

Tekyrian Stephens-Persley
Collection Specialist

LENDING

Regina Graves
Sr. Loan Officer

Tamera De La Rosa
Sr. Loan Officer

Rachel Morales
Loan Officer

Roberto Becerril
Loan Officer

Christina Deshotel

Loan Assistant

OPERATIONS

Diana Cromeans
Operations Manager

Connie Myers
Teller Supervisor

MEMBER SERVICES

Larissa Guerra – BSR
Randee Del Bosque – MCS

Marco Hernandez – MSR
Hodari Mitchell – MSR
Jeannette Sharpe – MSR

Lisa Hester – Teller

Angie Martinez-Gomez – Teller
Bryant Pagan – Teller
Dominique White – Teller
Abigail Rodriguez – Teller
Jose Vega – Teller

In the end, it's not the years in your life
that count. It's the life in your years.
– Abraham Lincoln



MISSION
We are committed to providing personalized
financial solutions that enhance the lives
of our member-owners.