



**KANSAS BLUE CROSS BLUE SHIELD CREDIT UNION**  
**51st Annual Meeting**  
Tuesday, April 12, 2005  
4:45 p.m.

Polk Auditorium  
**Business Meeting - Election of Officers**

**AGENDA**

- Welcome ..... Linda Pracht
- Determination of a Quorum ..... Linda Pracht
- Minutes of the Last Meeting .....Cathy Ryff
- Manager’s Report ..... Steve Unruh
- President’s Report ..... Linda Pracht
- Treasurer’s Report .....Bebo Lowery-Born
- Credit Committee Report ..... Lyn Hutchinson
- Supervisory Committee Report. ....Mark Karle
  
- Service Recognition Awards (for outgoing officers):
  - Linda Pracht, Board of Directors
  - Lyn Hutchinson, Credit Committee
  - Mark Karle, Supervisory Committee
  
- Election of Officers:
  - Board of Directors – Cathy Holmes, Char Richards
  - Supervisory Committee – Connie Thonen
  - Credit Committee – Dean Wilson
  
- Drawing for Door Prizes
  
- Adjournment

**KANSAS BLUE CROSS AND BLUE SHIELD CREDIT UNION  
ANNUAL MEETING MINUTES  
APRIL 27, 2004**

**CALL TO ORDER** The Annual Credit Union Meeting was called to order by Butch Schroeder at 7:15pm. It was confirmed that 12 members were present which constituted a quorum.

**MINUTES** Manager Steve Unruh referred members to the minutes from last year's meeting in the annual report. A motion was made and seconded to approve the minutes as written. Motion carried.

**MANAGER'S REPORT** Steve Unruh recognized those who helped make our celebration possible – Henry's Grill, Kay's Cakes, Cruise Holidays, and the Planning Committee. Steve also recognized Mary Pasia, one of the first members of the CU when she joined on July 31, 1953. He introduced the staff and recognized their years of service. Steve introduced several guests representing our business partners – Becky Harwick & David Dick - Kansas Credit Union Association, Larry Eisenhower & Judy Kampsula - Kansas Corporate Credit Union, Greg Winkler & Jennifer McCall - Credit Union Mortgage Services. Next, he thanked Blue Cross and Blue Shield of Kansas for allowing the Credit Union to maintain our offices on company property and Don Lynn, VP of Finance for never saying no when we ask for resources to improve service to the members. Steve then provided some historical information on the beginnings of the Credit Union. Francis Woods kept a metal cash box in his desk drawer to make small loans to co-workers, collected on payday, and charged a small amount for interest. This idea started the credit union on it's way. We began in July 1953 with \$451 in shares and made our first loan on August 21, 1953. Today we are an \$18.5 million dollar institution offering a wide variety of services. This would not be possible without quality staff and volunteers on the board and committees. We have been one of the highest rated credit unions in the state for the last several years. Thanks to our members for being loyal to us, making payments on time, bringing your children in to join, and thinking of us when you have a financial need.

**PRESIDENT'S REPORT** Butch Schroeder expressed his sincere appreciation for being allowed to serve on the credit union board and encouraged others to volunteer. He also informed the members of the continuance of our annual college scholarship for incoming freshman.

**TREASURER'S REPORT** Bebo Lowery-Born asked those present to reference the center two pages of the annual report. She pointed out the increases in assets, loans, deposits, and membership over the past year. Bebo also pointed out the Credit Union returned over 52% of our income back to the members in dividends in 2003.

**CREDIT COMMITTEE REPORT** Angela Wilson recognized the other members of the Committee, Lyn Hutchinson, and Diane Flynn. She reported that in 2003, 1,143 loans were reviewed and approved, totaling \$9,004,376. At 12/31/2003, for every dollar deposited, \$.96 was loaned out to fellow members.

**SUPERVISORY COMMITTEE REPORT** Becky Eigenman reported on the 2003 audit performed by the Supervisory Committee. There were no material findings. She thanked the staff for their assistance and cooperation with the audit.

**SERVICE RECOGNITION AWARDS** Ron Revelle asked all former board members, committee members, and staff to stand and be recognized for their part in the success of the Credit Union over the last 50 years. Service awards were presented to Diane Flynn - Credit Committee and Rusty Doty and Butch Schroeder - Board of Directors.

**ELECTIONS** Ron Revelle noted the Board of Directors as the nominating committee have submitted Barb Leeper and Cathy Ryff for the open Board positions, and Barbara Salyer for the open Credit Committee position. Ron moved the nominations cease. The motion was seconded and approved. He then asked for approval by acclamation. Motion seconded and carried.

**DOOR PRIZES** The winning prize tickets were drawn from all entries of members present. The grand prize winner of the \$1,500 travel voucher was Grace Ann Dunn.

**ADJOURNMENT** With no further business, the meeting was adjourned at 7:45 p.m.

## COMPARATIVE BALANCE SHEET

<b>ASSETS</b>	<b>12/31/03</b>	<b>12/31/04</b>
Loans	\$15,024,377	\$15,399,835
Allowance for Loan Loss	(85,148)	(69,242)
Prepaid Expenses	203,990	213,678
Accounts Receivable		
Investments & Cash	3,175,297	3,032,256
Total Assets	<u>\$18,318,516</u>	<u>\$18,576,526</u>
<b>LIABILITIES &amp; EQUITY</b>		
Shares	12,119,170	11,997,488
Share Draft/Checking	627,917	692,682
Share Certificates	2,838,835	2,921,515
Regular Reserve	900,755	925,472
Contingency Reserve	1,822,444	2,027,481
Total Equity	\$18,309,121	\$18,564,638
Accounts Payable	9,395	11,889
Total Liabilities & Equity	<u>\$18,318,516</u>	<u>\$18,576,526</u>

## 2 STATISTICS

Assets Increased	\$ 258,011	1.41%
Loans Increased	\$ 375,457	2.50%
Deposits Increased	\$ 25,764	0.17%
Membership Increased	25	0.72%
Reserves Increased	\$ 229,753	8.44%

## 0 LOAN PORTFOLIO

	<b># Outstanding</b>	<b>\$ Amount</b>
Consumer Loans	1,354	10,107,706
Real Estate Loans	56	3,863,598
VISA Loans	623	1,181,503
Leases	15	247,028
TOTAL	2,048	\$ 15,399,835

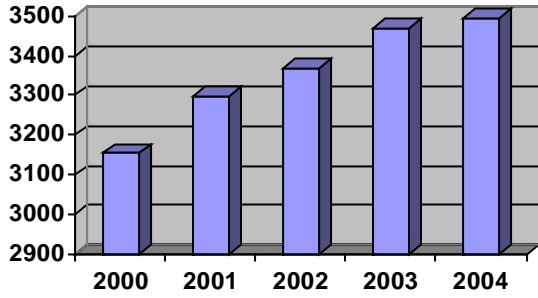
## OPERATING STATEMENT

<b>INCOME</b>	<b>2003</b>	<b>2004</b>
Interest on Loans	\$ 871,550	\$ 899,245
Investment Income	130,425	77,906
Fee Income	146,415	153,569
Net Income	\$1,148,390	\$1,130,719
<b>EXPENSES</b>		
Contract Services	316,357	346,454
Marketing & Education	8,405	10,928
Association & Chapter Dues	12,626	13,508
Supplies	12,591	20,003
Bond/Officer & Staff Insurance	10,503	12,504
Bank Service Charges	96,870	88,955
Loan Servicing Expenses	11,371	16,228
Provision for Loan Losses	67,554	50,537
Life Savings Insurance	12,879	14,203
Loan Protection Insurance	30,896	19,433
Examination Fees	8,114	7,850
Annual Meeting Expense	2,226	7,819
Professional & Outside Services	35,562	40,223
Miscellaneous	1,131	2,551
Total Operating Expenses	<u>\$627,086</u>	<u>\$651,195</u>
Net Operating Income Before Dividends	\$521,304	\$479,524
Dividends Paid to Members	(271,342)	(249,771)
Net Income After Dividends	<u>\$249,962</u>	<u>\$229,753</u>

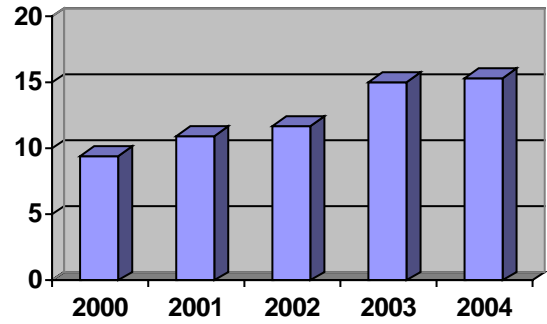
## MEMBERSHIP STATISTICS

	<b>12/31/03</b>	<b>12/31/04</b>
Employees	1,537	1,492
Employees' Spouses	255	265
Employees' Children	1,111	1,121
Employees' Grandchildren	100	119
Retirees	202	210
Former Employees	263	286
Total Membership	<u>3,468</u>	<u>3,493</u>
Employee Membership	1,537	1,492
Total Employees	1,880	1,842
Percentage of Employees	82%	81%

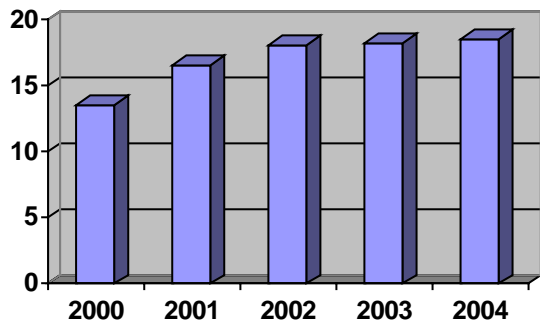
Membership Growth



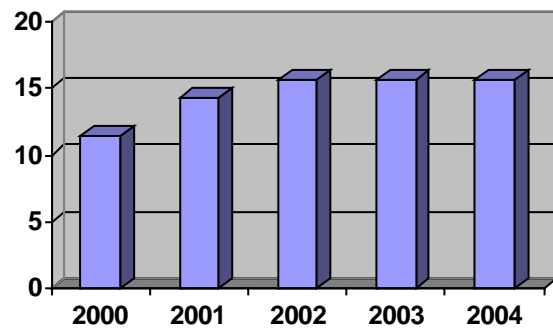
Loan Growth-\$ in Millions



Asset Growth-\$ in Millions



Deposit Growth-\$ in Millions



## **CREDIT UNION OFFICIALS AND STAFF**

### ***BOARD OF DIRECTORS***

Linda Pracht - President  
Brad Moser - Vice President  
Cathy Ryff - Secretary  
Beryl B. Lowery-Born - Treasurer  
Barb Leeper - Board Member  
Mary Shipps - Board Member  
Lisa Toyne - Board Member

### ***SUPERVISORY COMMITTEE***

Mark Karle - Chair  
Dan Bervert  
Bill Davisson  
Becky Eigenman  
Mary Hawkins

### ***CREDIT COMMITTEE***

Lyn Hutchinson - Chair  
Barbara Salyer  
Angela Wilson

### ***CREDIT UNION STAFF***

Pete DiDio - Manager  
Ron Revelle - Assistant Manager  
Stacy Montgomery - Senior Financial Analyst  
Angie Treinen - Loan & Member Service Representative  
Anica Jones - Member Service Representative  
Debbie Morgan - Member Service Representative  
Tammy Pendleton - Member Service Representative  
Amie Woodall - Member Service Representative  
Deb Eamigh - Member Service Representative-Branch  
Peggy Herzog - Temporary Member Service Representative