

## KANSAS BLUE CROSS BLUE SHIELD CREDIT UNION 52nd Annual Meeting

Tuesday, April 11, 2006 5:00 p.m.

Blue's Café Dining Room

**Business Meeting - Election of Officers** 

## **AGENDA**

Welcome
Determination of a Quorum
Minutes of the Last Meeting
Manager's Report Lisa Berke
President's Report
Treasurer's Report
Credit Committee Report
Supervisory Committee Report
Service Recognition Awards (for outgoing officers): Lisa Toyne, Board of Directors Angela Wilson, Credit Committee Dan Bervert, Supervisory Committee Mary Hawkins, Supervisory Committee

Election of Officers:
Board of Directors – Mary Beth Chambers, Bebo Lowery-Born
Supervisory Committee – Janet Blakesley, Pete DiDio
Credit Committee – Larry Beam

Drawing for Door Prizes

Adjournment

#### KANSAS BLUE CROSS AND BLUE SHIELD CREDIT UNION ANNUAL MEETING MINUTES **APRIL 12, 2005**

CALL TO ORDER The Annual Credit Union Meeting was called to order by Linda Pracht at 4:45pm. It was confirmed that 12 members were present which constituted a quorum.

**MINUTES** 

Linda 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 reported that 2004 was a great year. The credit union continued to grow at a healthy pace. Some of the highlights were the Home Equity Line of Credit program, IRAs, new risk-based pricing for loans, jumbo certificate program, and beginning the process of purchasing and installing our own ATMs. The ATM installation is an important milestone for the credit union, as they are the first assets to be completely owned by the CU. He expressed his thanks to the board, committees, and staff for all their hard work and dedication over the last 18 years of his time as manager. Steve also introduced Pete DiDio who assumed the position of manager on April 1. Now as a member. Steve will look forward to many good things to come from his credit union in the future.

PRESIDENT'S REPORT

Linda Pracht expressed her sincere appreciation for being allowed to serve on the credit union board and encouraged others to volunteer. She has really enjoyed working with the staff and board.

TREASURER'S REPORT

Bebo Lowery-Born thanked Steve for his many years of service and hard work. She then asked those present to reference the center two pages of the annual report. Assets grew from \$18.3 million to \$18.5 by the end of 2004. All major benchmarks grew - assets, loans, and reserves. Bebo also pointed out the Credit Union returned over 52% of our income back to the members in dividends in 2004.

**CREDIT** COMMITTEE REPORT

Lyn Hutchinson recognized the other members of the Committee, Angela Wilson and Barbara Salyer. She reported that in 2004, 1,039 loans were reviewed and approved, totaling \$5,914,448. Lyn stated it has been a privilege to serve on the committee, and the

last four years of her appointment passed very quickly.

SUPERVISORY COMMITTEE REPORT

Mark Karle informed the members present the duties of the Supervisory Committee are to conduct 2 surprise cash counts and the annual audit. He

reported no significant findings on any of these occasions. Mark then recognized the other members of the committee, Dan Bervert, Bill Davisson, Becky Eigenman, and Mary Hawkins and thanked them for their assistance.

SERVICE **RECOGNITION AWARDS ELECTIONS** 

Ron Revelle recognized the outgoing volunteers and presented them with certificates. He then presented the first-ever Award of Excellence on behalf of

of all the staff to Steve Unruh for his 18 years of service to the Credit Union and it's members. Ron Revelle reviewed the criteria for Board and Committee nominees. The Board of Directors as the nominating committee have submitted Char Richards and Cathy Holmes for the open Board positions, Dean Wilson for the open Credit Committee position, and Connie Thonen for the open Supervisory Committee position. Ron moved the nominations cease and these nominees be elected

by acclamation. The motion was seconded and approved.

DOOR PRIZES

The winning prize tickets were drawn from all entries of members present. Leland Spencer won the stainless steel gas grill and Aaron Mays won the 7" portable DVD player.

ADJOURNMENT

With no further business, the meeting was adjourned at 5:10 p.m.

## **COMPARATIVE BALANCE SHEET**

<u>ASSETS</u>	12/31/04	12/31/05
Loans	\$15,399,835	\$15,182,388
Allowance for Loan Loss	(69,242)	(73,988)
Prepaid Expenses	213,678	234,739
Fixed Assets		26,216
Investments & Cash	3,032,256	3,530,785
Total Assets	\$18,576,526	\$18,900,141
LIABILITIES & EQUITY		
Shares	11,997,488	10,740,149
Share Draft/Checking	692,682	846,986
Share Certificates	2,921,515	4,161,248
Regular Reserve	925,472	952,477
Contingency Reserve	2,027,481	2,181,006
Total Equity	\$18,564,638	\$18,881,867
Accounts Payable	11,889	18,274
Total Liabilities & Equity	\$18,576,526	\$18,900,141

# Assets Increased \$ 323,615 1.74% Loans Decreased \$ (217,446) -1.41% Deposits Increased \$ 136,699 0.88% Membership Increased 1 0.03%

Reserves Increased

## LOAN PORTFOLIO

\$ 180,531

6.11%

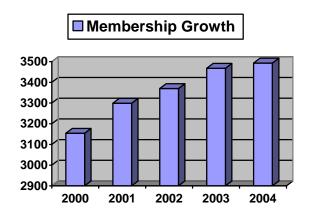
	# Outstanding	\$ Amount
Consumer Loans	1,405	9,815,338
Real Estate Loans	67	4,013,710
VISA Loans	691	1,215,676
Leases	8	137,664
TOTAL	2,171	\$ 15,182,388

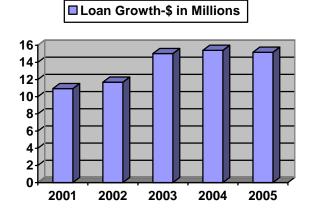
## **OPERATING STATEMENT**

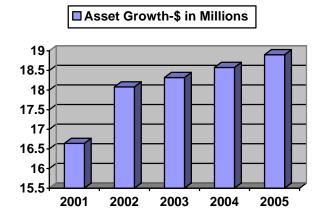
INCOME	2004	2005
Interest on Loans	\$ 899,245	\$ 926,899
Investment Income	77,906	89,992
Fee Income	153,569	134,880
Net Income	\$1,130,719	\$1,151,771
<u>EXPENSES</u>		
Contract Services	346,454	359,088
Marketing & Education	10,928	11,051
Association & Chapter Dues	13,508	15,028
Supplies	20,003	13,853
Bond/Officer & Staff Insurance	12,504	12,158
Bank Service Charges	88,955	83,166
Loan Servicing Expenses	16,228	24,901
Provision for Loan Losses	50,537	99,833
Life Savings Insurance	14,203	12,437
Loan Protection Insurance	19,433	(2,025)
Examination Fees	7,850	7,467
Annual Meeting Expense	7,819	2,516
Professional & Outside Services	40,223	43,671
Miscellaneous	2,551	5,467
Total Operating Expenses	\$651,195	\$688,612
Net Operating Income Before Dividends	\$479,524	\$463,159
Dividends Paid to Members	(249,771)	(282,628)
Net Income After Dividends	\$229,753	\$180,531

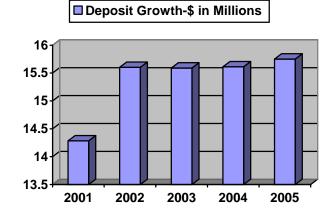
## **MEMBERSHIP STATISTICS**

		<u>12/31/04</u>	<u>12/31/05</u>
Emplo	oyees	1,492	1,436
Emplo	oyees' Spouses	265	258
Emplo	oyees' Children	1,121	1,138
Emplo	oyees' Grandchildren	119	141
Retire	ees	210	240
Forme	er Employees	286	281
Total	Membership	3,493	3,494
Emplo	oyee Membership	1,492	1,436
Total	Employees	1,842	1,841
Perce	entage of Employees	81%	78%









### **CREDIT UNION OFFICIALS AND STAFF**

#### **BOARD OF DIRECTORS**

Brad Moser - President
Barb Leeper - Vice President
Char Richards - Secretary
Beryl B. Lowery-Born - Treasurer
Cathy Holmes - Board Member
Cathy Ryff - Board Member
Lisa Toyne - Board Member

## SUPERVISORY COMMITTEE

Dan Bervert - Chair Bill Davisson Becky Eigenman Mary Hawkins Connie Thonen

#### **CREDIT COMMITTEE**

Angela Wilson - Chair Barbara Salyer Dean Wilson

#### **CREDIT UNION STAFF**

Lisa Berke - Manager
Ron Revelle - Assistant Manager
Stacy Montgomery - Senior Financial Analyst
Jerry Lee - Staff Accountant
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