

Membership Makes the Difference!

DCU Main Office

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Hours: M-F: 8:30 a.m. - 5:00 p.m.

Sat: 8:00 a.m. - 12:00 p.m.

(Drive-thru Only)

University Drive Branch

823 South University Drive
Nacogdoches, TX 75964

Tel: 936.205.5925

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Hours: M-F: 8:30 a.m. - 5:00 p.m.

Doches Credit Union Staff

Main Office

Jamie Flores

Cody Derouen

Kristi Spencer

Zoila Pacheco

Laura Daniels

Amanda Gallegos

Kelly McClure

Priscila Chalco

Shelby Dykes

Wendy Tejada

Shyanne Stone

Santa Castillo

Center Branch

Emily Price

Damaris Balderas

Andrea Martinez

Requanah Patton

University Drive Branch

Yessica Holliman

Traniecia Ballard

Rafael Castillo

Hemphill Branch

Heather Snow

Haley Snodgrass

Brittany Easley

County Credit Union

792 Hurst Street

Center, TX 75935

Tel: 936.598.2330

Fax: 936.598.9362

Hours: M-F: 8:30 a.m. - 5:00 p.m.

Hemphill Branch

498 Worth Street

Mailing: P.O. Box 217

Hemphill, TX 75948

Hours: M-F: 8:30 a.m. - 5:00 p.m.

Website: www.dochescu.com

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THURSDAY, FEBRUARY 22ND &
FRIDAY, FEBRUARY 23RD

2018
ANNUAL
MEETING

Meeting Agenda

- Thursday, February 22nd at 12:00 pm
 - Welcome: Chairman of the Board
 - Ascertain Quorum
 - Distribute Annual Meeting Packets
 - Election Instructions
 - Ballot
 - Minutes from the 2016 Annual Meeting
 - Performance Reports
 - Audit Committee Report
 - Member Comments/ Suggestions/ Questions
 - Door Prizes - Attendance award at opening of meeting
(Must be present to win)
- Thursday, February 22nd & Friday, February, 23rd
 - Board Member Elections
 - Snacks & refreshments available at all branches
- Friday, February 24th at 5:00 pm
 - Ballot Collection at all branches
 - Annual Meeting Door Prizes Drawing (need not be present to win)
- Adjourn

Board of Directors

	<u>Term</u>
Orren Schmidt, Chairman	2018
Freddie Gibson, Vice Chairman	2018
Joshua Moore	2019
Edeska Barnes	2018
Selita Hoya	2019
Pam Pagano	2020
Joseph Ramirez	2020
Clara Bryant	2018

About Doches Credit Union

Doches Credit Union is a not-for-profit financial cooperative that provides a full line of affordable financial services to our member-owners. Our three member financial branches provide services to member-owners in Nacogdoches, Shelby, and San Augustine counties located in the heart of East Texas' piney woods. Our member-owners include individuals who live, work, or worship in these three counties, as well as their families.

Founded on November 7th, 1951 in the oldest town in Texas, Doches Credit Union has grown to serve over 7,000 members and more than \$40 million in assets. The original field of membership was for employees of Southwestern Bell and Lufkin Conroe Telephone Exchange. This field of membership has since grown to include all community members that live, work, or that worship in Nacogdoches, Shelby, Sabine and San Augustine counties.

Doches Credit Union's overall mission is to create a quality, life-long financial relationship with our members by providing valuable financial products and services that meet their financial needs. Our vision is to advocate the credit union philosophy of "People Helping People" by providing exceptional financial services to all qualified members within our field of membership.

DCU's philosophy begins and ends with understanding and meeting member needs. Member-owners are at the forefront of all decisions made. As a result, DCU offers a full array of financial services including low-rate consumer loans, high-yield savings programs, systematic savings and investments, free checking and debit options, and online services. For more than 60 years, DCU has been an important contributor to the local economy. We remain dedicated to serving the communities in which we operate. We would like to thank you for your membership.



Membership Makes the Difference!

Statement of Financial Condition

Description	2016	2017
Total Loans	\$24,100,740	\$27,430,319
Allowance for Loan Loss	(124,154)	(135,375)
Cash/Deposits	2,305,036	2,236,463
Total Investments	14,600,302	12,906,065
Other Assets/Receivables	1,427,356	1,367,846
Prepaid Expense/Insurances	169,614	113,026
Total Assets	\$42,478,896	\$43,893,061
Total Liabilities	\$40,795	\$90,824
Total Member Deposits	36,916,761	38,040,145
Total Capital	5,521,340	5,762,092
Total Liabilities/Capital	\$42,478,896	\$43,893,061
Total Income	\$2,038,395	\$2,281,582
Total Expense	1,416,804	1,869,085
Total Dividends	,143,783	165,709
Non-Operating Income	0	0
Net Income	\$177,803	\$240,852

Loans Outstanding Increased	13%
Deposits Increased	3.67%
Assets Increased	3.72%
Capital Increased	3.34%
Year End 2017 Total Members	8,198

Total Income
was over budget

Total Expense
was over budget

Net Income
was over budget

Coming 2018
Kasasa Reward Checking and Savings Accounts
New Credit Card with Rewards and Incentives

2018 ANNUAL REPORT

DCU
DOCHES CREDIT UNION

MINUTES FOR THE 65th ANNUAL MEETING OF DOCHES CREDIT UNION
FEBRUARY 23-24, 2017
920 NW STALLINGS, NACOGDOCHES, TEXAS

BOARD OF DIRECTORS PRESENT: Orren Schmidt, Freddie Gibson,
Pam Pagano, Joshua Moore, Joyce Strickland, Selita Hoya

Mr. Schmidt, Chairman of the Board, called the meeting to order at 12:05 p.m.. He determined that there was a quorum, and welcomed everyone to the meeting and explained the ballot and voting procedures. He introduced CEO, Jamie Flores.

Mrs. Flores welcomed everyone. She went through the highlights of the year, and went through the financial successes of the credit union this year. She mentioned some of the up-coming plans for the credit union this next year, among them the start of a mobile app. She thanked everyone for coming and asked if there were comments from those attending. One gentleman thanked the staff for always taking care of his needs and being so nice. Mrs. Flores then handed out fleece jackets to those attending. Everyone was invited to partake of the refreshments provided.

The annual meeting closed at 5:00 p.m. on Friday.

Total Ballots cast= 177

Joseph Ramirez= 132

Selita Hoya=125

Pam Pagano=136

Joyce Strickland=133

Approved minutes as written=51

Approved with suggested changes=1

X_____ CHAIRMAN Date _____

X_____ SECRETARY Date _____

Audit Committee Report 2017

Doches Credit Union is a state chartered credit union regulated by the Texas Credit Union Department (TCUD Austin, Texas) and by the National Credit Union Administration (NCUA Washington, DC) and is subject to their rules and regulations. In addition, the deposits of are member-owners are insured by the National Share Insurance Fund, a Federal Government entity under the direction of the NCUA. Exams and audits performed for 2017 are noted below

ACH (Automated Clearing House) Audit June 2017 by Credit Union Recourses

Objective: Audit ACH transactions in accordance with the ACH rules and regulations.

Recommendations: Update written policies and forms to address various ACH notifications and retain audit reports

ACH Risk Assessment, June 2017 by Credit Union Resources

Objective: Determine if ACH related systems, processes, control, and compliance are sufficient to adequately mitigate risk

Recommendations: Update procedures, provide additional Training

Bank Secrecy Act (BSA) Audit June 2017 by Credit Union Resources

Objective: Ensure compliance with the Bank Secrecy Act

Recommendations: Training and obtaining more specific information on cash transaction reports

Supervisory Committee Annual Review March 2017 by Credit Union Resources

Objective: Audit accounting procedures, general ledger balances, lending procedures and documentation, and compliance with Rules and Regulations

Recommendations: improve charge off procedures; implement a process to monitor override authority

748 Security Risk Assessments August 2017 by Credit Union Resources

Objective: Review DCU'S E-Commence policies, evaluate its information Security Policies and Program, Information Systems and Technology Compliance, and Network Topology and Facilities

Recommendation: Provide more training and recommendations from the report have been prioritized and are being addressed

Vault Audit June 2017 by Credit Union Staff Members

Objective: Verify vault balances at all branches.

Recommendation: Implement a process to handle mutilated money

ATM Safety Evaluation August 2017 by Credit Union Resources

Objective: Evaluate the adequacy of lighting, obstructions near the ATM, safety instructions provided to members, and proper notifications.

Recommendations: Develop procedures to periodically check lighting.

Disaster Recovery Test September 2017 by Fiserv/CUSA Service Center

Objective: Verify proper configurations of firewalls, verify software/hardware infrastructure is ready to support actual disaster event, verify procedures and documentation are accurate, and verify back office processes are functional.

Recommendations: None, successful test.

990T Tax Return October 2017 by Axley & Rode LLP

Objection: File 2016 tax return

Report of Examination December 2017 by Texas Credit Union Department Examiners/NCUA

Objective: Assess adequacy of the financial condition and operating performance, determine compliance with codes, rules, board policies, sound business practices, and other laws and regulations.