

Membership Makes the Difference!

DCU Main Office

920 NW Stallings Drive
Nacogdoches, TX 75964

Tel: 936.569.7700

Toll: 1.800.424.2786

Fax: 936.560.5701

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

Fax: 936.205.5929

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

Doches Credit Union Staff

Main Office

Jamie - President/CEO

Cody - Vice President

Kristi - Loan Officer

Zoila - Loan Officer

Laura - Collections

Priscila - Accounting

Wendy - Accounting

Shyanne - New Accounts

Haley - New Accounts

Santa - Teller

Kelly - Teller

Araceli - Teller

Kayla - Teller

Center Branch

Amanda - Branch Manager

Damaris - Teller

Albertini - Teller

Brianna - Teller

Micah - Teller

University Drive Branch

Yessica - Branch Manager

Kensey - Teller

Hemphill Branch

Heather - Branch Manager

Kaylee - Teller

Center Branch

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

Email: info@dochescu.com



2019 ANNUAL MEETING



WELCOME

THE DIFFERENCE IS ILLUMINATING



THURSDAY, FEBRUARY 14TH &
FRIDAY, FEBRUARY 15TH

Meeting Agenda

- Thursday, February 14th at 12:00 pm
 - Welcome: Chairman of the Board
 - Ascertain Quorum
 - Distribute Annual Meeting Packets
 - Election Instructions
 - Ballot
 - Minutes from the 2018 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 14th & Friday, February 15th
 - Board Member Elections
 - Snacks & refreshments available at all branches
- Friday, February 15th at 5:00 pm
 - Ballot Collection at all branches
 - Annual Meeting Door Prizes Drawing (need not be present to win)
- Adjourn

Board of Directors

Term

Orren Schmidt, Chairman	2021
Freddie Gibson, Vice Chairman	2021
Edeska Barnes	2021
Clara Bryant	2021
Pam Pagano	2020
Joseph Ramirez	2020
Joshua Moore	2019
Selita Hoya	2019
Brian Eggebrecht	Advisory

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 four member financial branches provide services to member-owners in Nacogdoches, Shelby, San Augustine, and Sabine counties located in the heart of East Texas' piney woods. Our member-owners include individuals who live, work, or worship in these four 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 10,000 members and more than \$45 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.



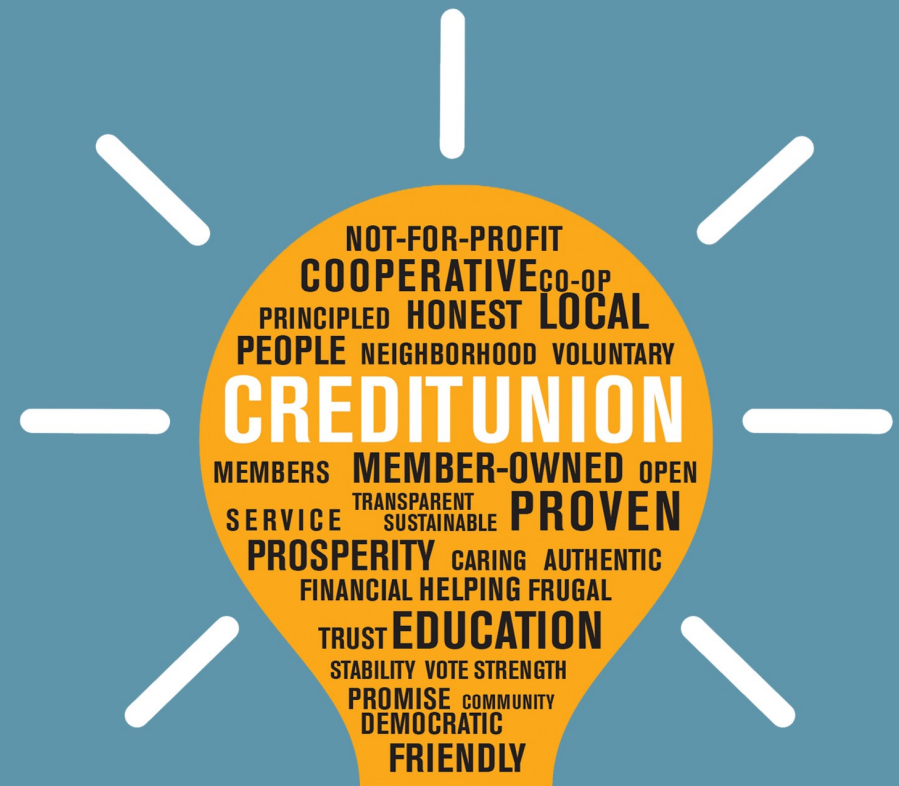
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Statement of Financial Condition

Description	2017	2018
Total Loans	\$27,430,319	\$31,049,747
Allowance for Loan Loss	(135,375)	(213,548)
Cash/Deposits	2,236,463	2,065,985
Total Investments	12,906,065	10,724,328
Other Assets/Receivables	1,367,846	1,295,031
Prepaid Expense/Insurances	113,026	124,212
Total Assets	\$43,893,061	\$45,049,871
Total Liabilities	\$90,824	\$246,449
Total Member Deposits	38,040,145	38,693,151
Total Capital	5,762,092	6,110,271
Total Liabilities/Capital	\$43,893,061	\$45,049,871
Total Income	\$2,281,582	\$2,769,743
Total Expense	1,869,085	2,246,308
Total Dividends	165,709	166,582
Non-Operating Income	0	8,674
Net Income	\$240,852	\$348,179

Loans Outstanding Increased	13.19%	Total Income was over budget
Deposits Increased	1.71%	
Assets Increased	2.63%	
Capital Increased	2.63%	Total Expense was over budget
Year End Total Members	10,176	
New Loans (Volume)	2,389	Net Income was over budget
New Loans (Dollar)	\$18,248,798	

2019 ANNUAL REPORT



WELCOME

DCU
DOCHES CREDIT UNION

MINUTES FOR THE 66TH ANNUAL MEETING OF DOCHES CREDIT UNION
FEBRUARY 22-23, 2018
920 NW STALLINGS, NACOGDOCHES, TEXAS

BOARD OF DIRECTORS PRESENT: Orren Schmidt, Pam Pagano, Joshua Moore, Selita Hoya, Edeska Barnes.

Mr. Schmidt, Chairman of the Board, called the meeting to order at 12:20 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 financials for the year. Loans increased 13%, Deposits increased 3.67%, and Assets increased 3.72%. Total members are now at 8,198. She went over the new products being introduced this year which is the Kasasa accounts, and the new rewards MasterCard. She thanked the staff for all their hard work and dedication to DCU. Mrs. Flores then thanked everyone for coming and asks if anyone had any questions and invited everyone to refreshments.

As there was no other business to consider, the procedures for registering for door prizes were explained by Mr. Schmidt, and it was explained that the meeting would continue until Friday at 5 PM.

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

Total Ballots cast = 154

Edeska Barnes = 98

Clara Bryant = 104

Orren Schmidt = 92

Freddie Gibson = 107

Write In = 2

Approved minutes as written = 57

Approved with suggested changes = 0

Audit Committee Report 2018

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 2018 are noted below

ACH (Automated Clearing House) Audit July 2018 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, July 2018 by Credit Union Resources

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

Recommendations: Update procedures; and provide additional process for reviewing transaction activity outside normal operations

Bank Secrecy Act (BSA) Audit July 2018 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 May 2018 by Credit Union Resources

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

Recommendations: Loans not be paid 90 days in advance, planning procedures to comply with HMDA

748 Security Risk Assessments August 2018 by Credit Union Resources

Objective: Review DCU'S E-Commerce 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 2018 by Credit Union Staff Members

Objective: Verify vault balances at all branches.

Recommendation: No Recommendations

ATM Safety Evaluation August 2018 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 2018 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 2018 by Axlev & Rode LLP

Objection: File 2017 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.