



**2020 Annual Meeting**

**Thursday, February 13th &**

**Friday, February 14th**

# MEETING AGENDA



- Thursday, February 13th at 12:00 pm
  - Welcome: Chairman of the Board
  - Presidents Report: President/CEO
  - Ascertain Quorum
  - Distribute Annual Meeting Packets
    - Election Instructions
    - Ballot
    - Minutes from the 2019 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 13th & Friday, February 14th
  - Board Member Elections
  - Snacks & Refreshments Available At All Branches
- Friday, February 14th 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**

Freddie Gibson, Chairman	2021
Edeska Barnes, Vice Chairman	2021
Clara Bryant, Secretary	2021
Pam Pagano, Treasurer	2020
Selita Hoya	2022
Joshua Moore	2022
Joseph Ramirez	2020
Brian Eggebrecht	2020
Anna Middlebrook	Advisory
Chuck French	Advisory

## ABOUT DOCHES CREDIT UNION

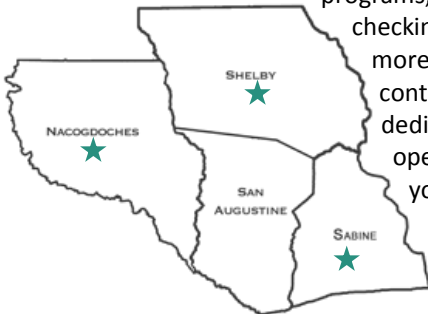
Doches Credit Union is a not-for-profit financial cooperative that provides a full line of affordable financial services to our member-owners. Our four member financial branches provide services to member-owners in Nacogdoches, Shelby, San Augustine, and Sabine counties located in the heart of East Texas' 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. Most importantly we would like to thank you for your membership.



## Membership Makes the Difference!

# 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 75961  
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  
KIMBERLY - HEAD TELLER  
SANTA - TELLER  
KELLY - TELLER  
JENNY - BOARD MINUTES

### **CENTER BRANCH**

AMANDA - BRANCH MANAGER  
DAMARIS - TELLER  
ANDREA - TELLER

### **UNIVERSITY DRIVE BRANCH**

YESSICA - BRANCH MANAGER  
KENSEY - TELLER

### **HEMPHILL BRANCH**

HALEY - NEW ACCOUNTS  
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  
FAX: 409.787.9979  
HOURS: M-F: 8:30 A.M. - 5:00 P.M.



Website: [www.dochescu.com](http://www.dochescu.com)

Email: [info@dochescu.com](mailto:info@dochescu.com)



**2019 Annual Report**

# AUDIT COMMITTEE REPORT 2019

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 our 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 2019 are noted below.

## **ACH (Automated Clearing House) Audit: July 2019 by Credit Union Resources**

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

Recommendations: Reevaluate posting funds prior to settlement date and update Written Statement of Unauthorized Debit Form.

## **ACH Risk Assessment: April 2019 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 processes for reviewing transaction activity outside normal operations and updating policies to address late or delayed posting ACH files.

## **Bank Secrecy Act (BSA): Audit August 2019 by Credit Union Resources**

Objective: Ensure compliance with the Bank Secrecy Act.

Recommendations: Update policies to designate a BSA Compliance Officer.

## **Supervisory Committee Annual Review: March 2019 by Credit Union Resources**

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

Recommendations: Repossessed collateral to be recorded in Non-Operating Gain/Loss on Disposition of Assets.

## **748 Security Risk Assessments August 2019 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 ensure recommendations from the report have been prioritized and are being addressed.

## **Vault Audit: June 2019 by Credit Union Staff Members**

Objective: Verify vault balances at all branches.

Recommendation: No Recommendations.

## **ATM Safety Evaluation: August 2019 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 2019 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 2019 by Axley & Rode LLP**

Objection: File 2018 tax return.

## **Report of Examination December 2019 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.

Recommendations: Collection Policy and Procedures needed to be updated.

MINUTES FOR THE 67TH ANNUAL MEETING OF  
DOCHES CREDIT UNION  
FEBRUARY 14-15, 2019  
920 NW STALLINGS DR, NACOGDOCHES, TEXAS

Board Directors Present: Orren Schmidt, Freddie Gibson, Selita Hoya, Joseph Ramirez, Joshua Moore

Mr. Schmidt, Chairman of the Board, called the meeting to order at 12:06p.m. He determined that there was a quorum, welcomed everyone, and explained the voting procedures.

Mrs. Flores, the credit union's CEO, then welcomed everyone to the meeting. She went over the financials for the year. Loans increased by 13.19%. Assets and Capital both increased by 2.63%. The total number of members was 10,176. Mrs. Flores thanked the staff for the hard work they put into another successful year and thanked everyone for attending the meeting.

As there was no other business to consider, Mr. Schmidt explained how to register for door prizes and that the meeting would continue during normal business hours until the following day, Friday at 5:00 p.m.

The annual meeting closed at 5:00 p.m. on Friday, February 15, 2019.

Total Ballots cast:

Selita Hoya: 126

Joshua Moore: 144

Write Ins: 2

Approved minutes as written: 29

Approved with suggested changes: 0



# STATEMENT OF FINANCIAL CONDITION

Description	2018	2019
Total Loans	\$31,049,747	\$29,734,375
Allowance for Loan Loss	(213,548)	(232,182)
Cash/Deposits	2,065,985	874,078
Total Investments	10,724,328	16,760,841
Other Assets/Receivables	1,295,031	1,410,675
Prepaid Expense/Insurances	124,212	82,848
<b>Total Assets</b>	<b>\$45,049,871</b>	<b>\$48,640,637</b>
Total Liabilities	\$246,449	\$(112,286)
Total Member Deposits	38,693,151	42,231,270
Total Capital	6,110,271	6,521,653
<b>Total Liabilities/Capital</b>	<b>\$45,049,871</b>	<b>\$48,640,637</b>
Total Income	\$2,769,743	\$3,110,246
Total Expense	2,246,308	2,470,113
Total Dividends	166,582	212,810
Non-Operating Income	8,674	(37,185)
<b>Net Income</b>	<b>\$348,179</b>	<b>\$390,137</b>
Loans Outstanding Increased	-4.50%	Total Income was over budget
Deposits Increased	9%	
Assets Increased	8%	
Capital Increased	5%	Total Expense was over budget
Year End Total Members	10,390	
New Loans (Volume)	1987	Net Income was over budget
New Loans (Dollar)	\$13,388,161	