



## Board of Director Chairperson's Report

Since our last Annual Meeting, **Health Care Plus Federal Credit Union**, YOUR Credit Union, has accomplished several significant goals. The second drive-up lane and the employee parking area are completed, as most of you know. This allows us to provide better and faster service when you use the Dakota Street office. In continuance of the service theme, the E\*Teller system has been upgraded, our website has been redesigned and, as YOU requested, Saturday morning hours have been added. It has been, is and will be the mission of **Health Care Plus Federal Credit Union** to provide our members with the best possible level of service.

The most significant event is the change to Community Charter from Select Employee Groups. Simply put, this means that if someone lives, works or worships in Brown County, they can be a member of **Health Care Plus Federal Credit Union**. This greatly widens our field of membership and will ultimately allow us to provide YOU with even better and increased services.

For those of us who like to see numbers, probably most of us, the assets of **Health Care Plus Federal Credit Union** have grown from \$17,340,000.00 to \$18,339,000.00 and our net worth has increased from 8.25% to 8.92%.

None of this would have occurred without the efforts of the staff and volunteers of **Health Care Plus Federal Credit Union**. Guy, the officers, and ALL the staff, Board members, Supervisory Committee and ALL other volunteers deserve your appreciation and congratulations for all that has been accomplished in the past year, as well as your encouragement in their efforts to provide YOU with continually improving service and assistance.

**Thank you all for your support and we appreciate your presence at this Annual Meeting.**

Respectfully submitted,  
*Truman O. Henry, Board Chair*  
Harold Miller, Vice-Chair  
Rodney Schoen, Treasurer  
Carla VanDyke, Secretary  
Joel Frink, Member  
Carolyn Gallup, Member  
Pam Lindner, Member

Our Mission Statement:

To promote quality financial products and services to best meet the needs of our current and future members.

## President's Report

Enhancing Member Value

It has been a positive year for **Health Care Plus Federal Credit Union**, in which we have further strengthened our financial soundness. We also continued to expand our range of members by applying for and being approved for our Community Charter. This allows anyone who lives, works, worships or attends school in Brown County to utilize us as their financial institution. We also continued to enhance our range of benefits we offer to you, our members, including: expanding our drive thru lanes from one to two, adding an employee parking lot allowing members more parking choices and upgrading our E\*Teller program. Two changes that became effective in early 2007 are offering Saturday hours from 9 a.m. to 12 noon and a totally redesigned website. In keeping with our tradition of being a responsible and sustainable organization, the 2006 Annual Report is available online.

In 2006 we have taken an approach that embraces technological advances and strengthens our commitment to sustainability by providing you, our members with even greater value in your credit union.

A big thank you goes out to all attending the Annual Meeting and/or reading this booklet. Please ask any of the staff or volunteers about any questions that you may have. As you know, we are a member-owned financial cooperative and we hope we are your primary financial institution of choice!

Be sure and take a look at this booklet as it does list all of the services we offer and use as many as are feasible for your individual situation. We are always looking for more members to use our services because the more that use us, the more cost effective the services can become. With more service usage normally comes more profitability and that allows us to add products and/or services. 2006 was another financially successful year and we hope to continue that. Our goal is to provide you with great products, great service, great rates and a great deal!

Thank you to Truman and the rest of the board for their guidance during 2006. I would also like to thank the rest of the volunteers for their continued commitment and hard work. Last, but certainly not least, I would like to thank the staff for allowing me to work with great people and they make it a joy to come to work every day!

Respectfully submitted,  
*Guy Trenhaile, President*

Staff  
Carrie VanOrman, VP Operations  
Nicole Crawford, Loan Manager  
Michelle Clemens, Loan Officer  
Denise Auske, Member Service Representative  
Pam Helling, Member Service Representative  
April Husby, Member Service Representative  
Kim McComsey, Member Service Representative  
LyBecca Schaunaman, Member Service Representative  
Heidi Zeller-Crawford, Marketing Specialist

## Supervisory Committee Report

The Supervisory Committee meets on a monthly basis to execute our Annual Work Plan. This plan is evaluated yearly, and includes monitoring activities such as review of policies, loan files, transaction edits and account changes. Performing these activities helps provide confidence that management is following the policies and procedures put in place by the Board of Directors to safeguard your assets. The Supervisory Committee also reviews examination and audit findings and follows up on the findings to ensure corrective action takes place. Finally, we research any formal member complaints. Our ultimate goal is to ensure the Credit Union's financial statements and filings are accurate.

Harrington Hein, LLP, Certified Public Accountants of Huron, SD audited the **Health Care Plus Federal Credit Union's** financial statements as of September 30, 2006 and 2005. They reported no significant problems and once again commended the staff for their efforts and success. The audited financial statements and compliance reports are available upon request from the Credit Union for anyone who is interested.

Please accept our thanks for the opportunity to serve the Credit Union and its members.

Respectfully submitted,  
*Jim Kuch, Chair*  
Belle Rae Sieber, Secretary  
Amy Beuchler, Member  
Natalie Malsam, Member  
Carolyn Schaunaman, Member

## Marketing Committee Report

Hardworking South Dakotans know that not all financial institutions can offer the same thing. Banks and credit unions each have a distinct set of priorities. At **Health Care Plus Federal Credit Union**, our priority is not only to improve the economic well-being of the communities we serve, but to also improve the well-being of the communities we serve. One of the key ways that we accomplish that is by continuing to grow. Each year brings different challenges and success to all of us. 2006 held many successes for **Health Care Plus Federal Credit Union**.

In 2006 we achieved another milestone; we applied for and were approved for our Community Charter. For nearly 30 years we have served our Select Employee Groups and their families. We now have opened our doors to a wider market. Our membership now spans all of Brown County and 30 select businesses.

I am also pleased to announce our participation and support of Aberdeen's Junior Achievement Program earned **Health Care Plus Federal Credit Union** the Dora Maxwell award for the second year in a row. The Dora Maxwell award is in recognition of outstanding achievement in social responsibility. The Junior Achievement program is a great program for the credit union to spotlight our philosophy of people helping people. Through the efforts of the Marketing Committee we strive to continue offering you a variety of financial services so we can be your partner for a strong future.

Respectfully submitted,  
*Heidi Zeller-Crawford, Marketing Specialist*  
April Husby  
Harold Miller

## Balance Sheet

December 31

<b>Liabilities and Assets:</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
Loans	\$ 16,209,150	\$ 15,843,956	\$ 14,415,053
Allowance for Loan Losses	(196,474)	(295,967)	(372,789)
Cash	561,455	340,465	386,510
Corporate Accounts	632,411	688,889	640,801
Investments	315,000	-	-
Accrued Income	65,376	62,588	58,497
Prepays	22,017	18,833	19,076
Land	116,809	125,000	125,000
Building	492,474	438,358	386,942
Less Depreciation	(129,546)	(106,180)	(86,694)
Other Fixed Assets	374,229	298,518	276,845
Less Depreciation	(259,683)	(198,563)	(167,900)
All Other Assets	135,657	133,106	123,657
<b>Total Assets</b>	<b>\$18,338,876</b>	<b>\$17,349,003</b>	<b>\$15,805,998</b>

Share Deposits	\$ 2,707,020	\$ 2,504,520	\$ 2,483,549
Super Shares (Money Market)	2,432,091	2,853,141	3,311,141
IRAs	1,452,190	806,705	1,108,623
Share Drafts	1,429,200	1,276,615	1,612,565
Share Certificates	7,232,364	6,393,108	4,936,602
Non-Member Deposits	200,000	300,000	500,000
Accounts Payable	92,732	90,211	61,851
Dividends Payable	156,496	102,357	68,543
Loans Payable	1,101,484	1,591,043	500,000
Regular Reserves	643,853	591,218	525,570
Undivided Earnings	991,446	840,086	697,554
<b>Total Liabilities &amp; Equity</b>	<b>\$18,338,876</b>	<b>\$17,349,003</b>	<b>\$ 15,805,998</b>

Members	2,698	2,632	2,624
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## Statement of Financial Condition:

<b>Income:</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
Interest on Loans	\$ 1,118,172	\$ 1,030,226	\$ 963,999
Income from Investments	29,027	7,575	10,058
Other Income	270,898	244,009	238,221
<b>Total Income</b>	<b>\$ 1,418,097</b>	<b>\$ 1,281,810</b>	<b>\$ 1,212,278</b>

<b>Expenses:</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
Compensation	280,559	274,901	255,239
Employee Benefits	75,856	72,429	59,586
Travel & Conference	12,175	16,658	10,427
Association Dues	11,634	11,054	10,853
Office Occupancy Expense	63,036	57,739	46,240
Office Operations Expense	191,702	160,633	146,935
Education and Promotion	18,680	15,341	14,636
Loan Servicing Expense	4,983	4,944	6,545
Professional & Outside Services	9,367	11,439	10,730
Provision for Loan Losses	41,878	110,000	231,958
Federal Supervision/Exam Fees	3,577	3,323	2,620
Interest on Borrowed Money	38,130	38,895	8,357
Annual Meeting Expense	3,600	4,110	4,000
Misc. Operating Expenses	1,037	584	1,363
<b>Operating Expenses</b>	<b>\$ 756,214</b>	<b>\$ 782,05</b>	<b>\$ 809,488</b>
Dividend/Interest Expense	\$ 457,888	\$ 291,580	\$ 238,249
<b>Total Expenses</b>	<b>\$ 1,214,102</b>	<b>\$ 1,073,630</b>	<b>\$ 1,047,737</b>
<b>Net Earnings</b>	<b>\$ 203,995</b>	<b>\$ 208,180</b>	<b>\$ 164,542</b>

## HealthCare Plus Offers the Following Services:

- ◆ 2 Locations
- ◆ Drive-up Window/2<sup>nd</sup> drive-up lane
- ◆ Online Banking (e\*teller)
- ◆ Voice Teller
- ◆ Shares (Savings)
- ◆ ATM Cards
- ◆ Super Shares (Money Market)
- ◆ Christmas Club
- ◆ Share Certificates
- ◆ Share Drafts (Checking)
- ◆ Funeral Trust Accounts
- ◆ ATM/Debit Cards
- ◆ Overdraft Protection Line of Credit
- ◆ IRAs (Traditional and Roth)
- ◆ Educational Savings Accounts
- ◆ NCUA Federally Insured Savings (up to at least \$100,000)
- ◆ New and Used Auto Loans
- ◆ New and Used Auto Leasing
- ◆ Recreational Vehicle Loans
- ◆ First Mortgage Loans
- ◆ Home Equity Loans
- ◆ Unsecured Loans
- ◆ Guaranteed Student Loans (Subsidized Stafford, Unsubsidized Stafford, Parent Plus)
- ◆ Credit Cards (Classic and Platinum)
- ◆ Credit Disability Insurance
- ◆ Credit Life Insurance
- ◆ Payroll Deductions (set up with individual employee groups or from another Financial Institution)
- ◆ Automatic Loan Deductions (payroll deduction or from another FI)
- ◆ Direct Deposit
- ◆ ACH Deposits and Payments
- ◆ NADA Used Car Guides
- ◆ NADA Motorcycle/RV/Personal Watercraft/Snowmobile Guides
- ◆ GAP Insurance
- ◆ Vehicle Service Contracts
- ◆ HOTLINE®
- ◆ Carfax®
- ◆ Money Orders
- ◆ Cashier's Checks
- ◆ Travelers Cheques
- ◆ Wire Transfers
- ◆ Stamp Sales
- ◆ Notary Public
- ◆ Night Deposit Box
- ◆ ATM Machine (2 locations)
- ◆ Copies (5¢ each) at Dakota Street Building
- ◆ Coin Counter
- ◆ U.S. Savings Bonds
- ◆ Diploma CD (must be under age 17)

## 2006 Annual Report

Growing



to serve you better.



[www.hcpfcu.coop](http://www.hcpfcu.coop)

Annual Meeting

April 27, 2007

## Annual Meeting Minutes for Year End 2005

Time and Place: The annual meeting of the **Health Care Plus Federal Credit Union** was held at 7 p.m. on Friday, April 28, 2006 at the Ramada Inn, Aberdeen, South Dakota.

Presiding: Truman Henry, Board Chair and Guy Trenhaile, President.

Attendance: A quorum was declared.

Entertainment: The ACT/Improv Group provided entertainment for this year's meeting.

Minutes: The minutes of the April 28<sup>th</sup>, 2005 Annual Meeting were presented. Being no questions, additions or deletions. Donn Kuhfeld moved to approve the minutes. Lil Weigel seconded the motion. Motion carried.

Reports: The Treasurer's Report and the Supervisory Committee Report were presented as written in the annual report booklet. There were no questions or comments. A motion was made by Rodney Schoen and seconded by Molly Miller to accept the Treasurer's Report. Motion carried.

Award: Guy presented Tammy Greer, Member Service Representative with a 5 year service award.

Truman Henry presented Guy Trenhaile, President with a 15 year service award.

President's Report: Guy thanked all the volunteers on the Board of Directors, Supervisory Committee and Marketing Committee for their time and efforts in 2005. Thanks also to the great staff at HealthCare Plus Federal Credit Union for their hard work in planning our 27<sup>th</sup> Annual Meeting.

As the credit union grows, we are able to give back to the community. Over the past year, some of those ways include a payroll deduction for charity, credit union youth week and our two annual \$500 scholarships. Your help in getting us to this point is appreciated.

Special thanks to our most important asset – OUR MEMBERS! Please continue to use our products and services. Our dedicated and professional staff is eager to help you in all your financial needs. By working together we both grow – that's the credit union way.

Thanks to Kathy Franz and Gary Heier from Avera St. Luke's for their continued support and their help with the annual meeting booklet. Special thanks to our main sponsor, Avera St. Luke's and to all of our Select Employee Groups (SEG's) for their support. I would also like to thank those SEG's who donated door prizes for tonight's banquet.

Scholarships: Harold Miller presented the two \$500 HealthCare Plus Federal Credit Union scholarships to Robyn Krage, a high school senior and to Lea Lewis a post secondary student. Robyn Krage and Lea Lewis were present at the meeting to read their essays. The essay topic this year was "What responsibilities do today's youth have for contributing to increased financial stability for their future?"

Old Business: None

New Business: None

Nominating Committee Report: Carla Van Dyke presented the slate of nominees. See the Nominating Committee Report included in the Annual Report Booklet. A vote was held and two were duly elected to three-year Board of Directors terms:  
Rodney Schoen  
Pam Lindner

The winners of the three major door prizes were: Jim Kuch, Free Night Stay at Ramada Inn; David North, Portable DVD Player and Case and Sharon Weigel, \$100 Discover Gift Card.

Adjournment: A motion was made by Donn Kuhfeld and seconded by Harold Miller to adjourn the meeting. Motion carried. The meeting was adjourned.

Mike Schulte, Secretary

Truman Henry, Board Chair

## Nominating Committee Report

We, the Nominating Committee, place the following names in nomination for the **Health Care Plus Federal Credit Union** Board of Directors:

Barry Coughlin  
Truman Henry  
James Johnson  
Harold Miller

Two positions will be elected, each for three year terms. Nominations from the floor may be made with prior approval from the nominee.

Respectfully submitted by the Nominating Committee,

*Carla VanDyke and Nicole Crawford*