Marketing Committee Report

Healthcare Plus Federal Credit Union continues to strive to provide products and services that meet the needs of our membership and keep up with ever-changing technology. Protecting the security of these services is vitally important.

We continue to market our online and mobile banking app. E-statements continue to be marketed as it is an excellent option for members to receive statements and helps to reduce expenses. Remote Deposit Capture continues to grow as we continue to promote a great option for deposits.

Max Media has helped us in promoting the credit union via social media and other advertising. It continues to be a good partnership.

We are enjoying the new digital signage in the lobby. It has been a pleasant addition to our lobby. Messages are easy to change, and this program gives us more options to communicate with the members.

We continue to add ways to be more present in the community. This year we put a tree up at the Shrine for the Feztival of Trees. We also did a school supply drive in combination with Big Fellas food truck in the CU parking lot.

Marketing to current and potential members of our community is a must. We strive to increase the number of member-owners. All electronic areas are a focus for those members no longer local and those that feel more comfortable banking from a distance.

Thank you for your continued support!

Your Marketing Committee

Slater Stolp | Pam Helling
Gabe Swanson | Denise Auske

Staff Directory

Guy Trenhaile, *President*
Carrie VanOrman, *VP of Operations*
Nicole Crawford, *VP of Lending*
Michelle Clemens, *Loan Officer*
Denise Auske, *Operations Assistant*
Lynn Hegge, *Member Service Supervisor*
Robin Loeschke, *Loan Servicing Analyst*

Member Service Representatives

Kim McComsey
Lisa Friedt
Ashley Olmo
Jacob Moore
Misti Taylor
Gabe Swanson
Slater Stolp

Board Of Directors

Scott Lunzman, *Chair*
Marne Fetherhuff, *Treasurer*
Jon McNutt, *Member*
Joe Black, *Member*
Joy Mammenga, *Vice Chair*
Helen Torrence, *Secretary*
Terra Zahn, *Member*

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2024 Annual Report

Annual Meeting

Tuesday, May 6th, 2025
Location: AmericInn
Doors Open at 6:15
Meeting Starts at 6:30

Healthcare Plus Federal Credit Union

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

People You Trust. **Service You Deserve.**

Board Chair and President's Joint Report

Dear Valued Credit Union Members,

Wow! What can you say about today's world? We have seen a unique roller coaster ride over the last few years and now we work to endure inflation, tariff wars and the multiple changes coming out of Washington. The best message we can give you is our credit union is stable and poised for the next chapter.

So, what does that next chapter look like? I bet we all wish we had that crystal ball to see what we should be personally focused on and plan for. Do we invest in the stock market? Is this the right time to purchase that new car or invest in a new house? The pricing in those markets is unreal and decisions are difficult. We feel the same way as we manage this credit union for tomorrow.

What we do know is the next generation is looking for conveniences to manage their daily lives, so we continue to research and invest in our technology. Members should have secure industry tools to manage their personal needs. The board and staff will also be challenged to work in an era of new technology as AI (Artificial Intelligence) continues its growth all around us. It is moving fast so what might that look like in 1, 3, 10 years? A renewed challenge to all credit unions nationwide is whether the member-owned, cooperative credit unions should be taxed. We have very good support from our Congressional constituents and most of those around the Midwest. However, we know that decisions like these are greatly influenced by the larger states' congressional members and lobbyists. It is exceedingly difficult to compete for those favorable decisions with the money poured in from big businesses.

Stable is the word for the year 2024 and honestly, we did not see any fast-paced growth, but we had a good year considering the instability faced in the economy. We also did see a small decline in our overall balance sheet as we rebalanced some invested funds to pay off borrowed funds. We knew it would take time for loan interest rates to catch up with deposit fund rates. So, we experienced slow and steady.

The board and staff thank you for the continued support of your credit union. Know that we are here, and we know that we work for you.

Respectfully submitted,

Scott Lunzman	Guy Trenhaile
Board Chair	President

HEALTHCARE PLUS FEDERAL CREDIT UNION
2023 Annual Meeting Minutes
April 23, 2024

Time and Place: The annual meeting of the Healthcare Plus Federal Credit Union was held at 6:30 p.m. on Tuesday, April 23, 2024, at AmericInn, located at 301 Centennial St S, Aberdeen, SD 57401.
Presiding: Scott Lunzman, Board Chair, and Guy Trenhaile President. Scott called the meeting to order at 6:35 p.m. Scott announced the winner of the Brown Co Fair early bird registration as Amy Buechler.
Attendance: A quorum was declared by Helen, BOD Secretary.
Minutes: The minutes of the 2022 Annual Meeting were presented. No questions or changes were addressed; therefore, Joy Mammenga moved, Harold Miller seconded, to accept the minutes as presented. Motion carried.
General Message: Scott and Guy shared the Chair and President's Joint Report. The Treasurer's Report was reviewed. Each of these are in the 2023 Annual Report Booklet. Scott shared his confidence that the credit union is poised to address the trends and challenges facing the credit union industry. He asked the members to continue to support the credit union and help support the credit union mission. Staff and volunteers were thanked for their continued commitment to quality member service. Guy then spoke and acknowledged the challenging rate environment. He explained that the balancing act is now a difficult time for all in the financial world. Guy introduced all staff, recognized volunteers and staff for years of service (Marne Fetherhuff and Craig Green – 5 years; Misti Taylor – 5 years, Kim McComsey – 20 years, Michelle Clemens – 25 years), and ended his message with a special "Cheers to 45 Years" toast by all!
Nominated Candidates Presented: The Nominating Committee Report was presented. Scott presented Marne Fetherhuff and Jon McNutt as incumbents running for their current positions on the board. No nominations were presented from the floor. There being none, Scott announced Marne Fetherhuff and Jon McNutt as elected members to the board each for three-year positions.
Supervisory Committee: Amy Buechler spoke on behalf of the supervisory committee. She explained the committee's role and welcomed questions.
Scholarships: Guy reviewed the criteria for each of the scholarship programs. Scholarships winners were Cal Nygaard, Educator Scholarship; Katelyn Mehlhaff, Undergraduate; Garrett Crawford, High School Senior; Lachelle Swanson, Graduate; and Camryn Bain, Brittany Holzer Memorial.
Door Prizes: Members were awarded door prizes through a drawing.
Adjournment: The meeting was adjourned at 7:30 p.m.

Respectfully submitted,

____________________________	________________________
Chairman	Secretary

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Supervisory Committee Report

The primary goals for the Supervisory Committee are to ensure that the management's financial reporting objectives have been met, and that the management's practices and procedures safeguard the members' assets. The Supervisory Committee meets quarterly or more often if needed. We have a work plan from which we review policies, review loan files, and monitor account changes. Performing these activities helps provide confidence that management is following the policies and procedures that have been put in place by the board of directors. The Supervisory Committee also reviews examinations and audit findings and follows up on the findings to ensure corrective action takes place when necessary. Finally, we research any formal member complaints. Our ultimate goal is to ensure the Credit Union's financial statements and filings are accurate.

ELO Associates, LLP, Certified Public Accountants of Mitchell, SD, audited the Healthcare Plus Federal Credit Union's financial statements as of September 30, 2023 and 2024 respectively. They reported no significant issues. As in previous years, the auditors are pleased with the staff for their efforts and success, as well as the dedication of the volunteers. 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,

Amy Buechler, Chair
Pam Helling, Member
Craig Green, Member
Sharon Schnabel, Member
Kristi Kolb, Member

Nominating Committee Report

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

Helen Torrence and Terra Zahn
Two 3-year Positions will be elected

Nominations from the floor may be made with prior approval from the nominee.

Respectfully submitted,

Carrie VanOrman, Joe Black, Marne Fetherhuff

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Balance Sheet: December 31

Liabilities and Assets:	2024	2023	2022
Loans	$ 50,768,086	$ 48,146,012	$ 44,156,987
Allowance for Loan Losses	(271,768)	(202,364)	(193,554)
Cash	759,346	762,591	884,473
Corporate Accounts	1,917,391	2,720,664	1,422,323
Investments	14,004,140	16,875,991	17,175,935
Accrued Income	198,490	179,877	115,411
Prepaids	41,706	59,839	72,498
Land	441,809	441,809	441,809
Building	2,349,919	2,349,919	2,341,617
less Depreciation	(1,312,974)	(1,247,551)	(1,177,166)
Other Fixed Assets	1,596,009	1,554,409	1,453,731
less Depreciation	(1,373,736)	(1,262,547)	(1,119,528)
All Other Assets	608,834	588,783	545,050
Total Assets	**$ 69,727,251**	**$ 70,967,432**	**$ 66,119,586**
Share Deposits	$ 17,635,274	$ 17,911,897	$ 20,449,572
Super Shares (Money Market)	6,376,125	6,701,135	8,394,282
IRA's	2,790,807	2,499,732	2,848,850
Share Drafts	11,578,534	11,261,610	10,924,816
Share Certificates	22,079,016	22,010,550	14,634,718
Non-Member Deposits	2,240,000	2,240,000	250,000
Accounts Payable	181,179	173,577	276,236
Dividends Payable	452,422	382,921	87,745
Loans Payable	1,000,000	2,500,000	3,000,000
Equity			
Regular Reserves	850,154	850,154	850,154
Undivided Earnings	4,543,740	4,435,856	4,403,213
Total Equity	**$ 5,393,894**	**$ 5,286,010**	**$ 5,253,367**
Total Liabilities & Equity	**$ 69,727,251**	**$ 70,967,432**	**$ 66,119,586**
Members	4984	4947	4906

Statement of Financial Condition:

Income:	2024	2023	2022
Interest on Loans	$ 2,898,692	$ 2,314,412	$ 1,762,562
Income from Investments	382,819	354,837	235,125
Other Income	599,899	566,809	596,771
Total Income	**$ 3,881,410**	**$ 3,236,057**	**$ 2,594,458**
Expenses:			
Compensation	751,346	706,936	678,940
Employee Benefits	314,390	304,840	274,186
Travel & Conference	7,976	2,295	4,061
Association Dues	21,493	20,957	19,960
Office Occupancy Expense	156,271	172,979	175,054
Office Operations Expense	638,541	594,086	574,752
Education & Promotion	113,548	101,763	93,988
Loan Servicing Expense	92,208	81,668	73,171
Professional & Outside Services	83,506	70,329	67,041
Provision for Loan Losses	91,611	39,541	(97,250)
Federal Supervision/ Exam Fees	13,018	10,250	9,559
Interest on Borrowed Money	54,650	117,681	43,600
Annual Meeting Expense	3,509	1,900	1,200
Misc. Operating Expense	4,474	7,464	26,914
Operating Expenses	**$ 2,346,541**	**$ 2,232,688**	**$ 1,945,176**
Dividend/Interest Expense	$ 1,426,984	$ 970,251	$ 276,383
Total Expenses	**$ 3,773,525**	**$ 3,202,940**	**$ 2,221,559**
Net Earnings	$ 107,885	$ 33,118	$ 372,899