

Board Chair & President's Joint Report

34 years and growing!

Thank you for helping us celebrate thirty-four years at [Healthcare Plus Federal Credit Union](#).

A big thank you goes out to all for 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!

And thank you for helping us exceed 4,000 members which happened early in 2013. We will likely also exceed \$40 million in assets this year too! Both of these are because of the hard work by all of the people in this room – members who tell the credit union story, volunteers who give of their time and the staff who treat members like family.

Be sure to check our website at www.hcpfcu.coop for all of the services we offer. We encourage you to use as many as are possibly feasible for your individual situation. The more members who use our services, the more cost effective the services can become. Our goal is to provide you with great products, great service, great rates and a great deal when you use your credit union! You may also qualify for discounts on your loan rates by using more services.

We have three full years of our new building behind us along with the new products and delivery system it brought. They have been excellent years as we've continued to grow, add members and be profitable. Even though interest rates are near record lows, we do pay above the Aberdeen average on shares and certificates. As many of you have been told, "It's a great time to be a borrower, but not such a great time to be a saver." The fees that we charge are also below average for the Aberdeen area.

We have been into our new data processing system for 1 ½ years now. While there have been some bumps along the way, things are flowing more smoothly all the time. It has allowed us to add bill pay, electronic delivery of statements, real time ATM/Debit card transactions, our credit cards are now integrated with our DP's system and you can access your credit card information with a single sign on application.

Both of us would like to extend our heartfelt thanks to the volunteers and staff for their dedication during 2012. All staff and volunteers continue to educate themselves in this ever changing financial world. This allows them to serve our member-owners in the manner that they deserve to be served! Each and every year has different opportunities and challenges for both the credit union and the credit union member owners. We will be here to tackle those challenges and help our members tackle their challenges as well. We hope that you will come and See What We Can Do...

Guy Trenhaile, President

Truman Henry, Board Chairman

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 on a monthly basis. We have a work plan from which we review policies, do loan reviews, 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 to safeguard your assets. The Supervisory Committee also reviews examinations 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 & Associates, LLP, Certified Public Accountants of Huron, SD audited the [Healthcare Plus Federal Credit Union's](#) financial statements as of September 30, 2012 and 2011. They reported no significant problems. 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

Justin Feickert, Member

Kayla Hoag, Secretary

Natalie Malsam, Member

Carolyn Schaunaman, Member

Staff

Guy Trenhaile, President

Carrie VanOrman, VP of Operations

Nicole Crawford, VP of Lending

CJ Huber, Senior Mortgage Officer

Michelle Clemens, Loan Officer

Denise Auske, Operations Assistant

Pam Helling, Member Services Supervisor

Heidi Zeller-Crawford, Marketing Specialist

Stacey Anliker, Loan Servicing Analyst

Member Services Representatives

Lisa Friedt

LyBeca Schaunaman

Kim McComsey

Shirley Steiner

Nicole Volk

Board of Directors

Truman Henry, Chair

Harold Miller, Vice-Chair

Nancy Clark North, Treasurer

Joy Mammenga, Secretary

Jason Brunson

Joseph Dudley

Rachel Neu McCleary

For a full list of services offered by

[Healthcare Plus Federal Credit Union](#),

please visit our website at www.hcpfcu.coop

and click on *Products & Services* at the top of the page.

Marketing Committee Report

Over the past few years, we've placed a lot of focus on making banking easier. Through that focus, we've launched several convenience services to provide you access to your accounts anywhere, anytime. Every step of the way, our goal has been to bring you the best technology, all while keeping it personal. It's not about the latest and greatest or the next big thing, but rather how these convenience products are making banking easier for you, our members.

Certain technology has become expected in our industry, and HCPFCU is pleased to offer most of what is in the marketplace. HCPFCU has done a great job bringing the most current technologies to our members to really improve your day-to-day banking experience.

While progression of technology started in banking many years ago with ATMs, there's really no telling where it will take us. 1,265 members are registered for Internet Banking. HCPFCU's Internet Banking includes Bill Pay and POP Money, our person-to-person money transfer service. You can easily transfer money to anyone using their email address or cell phone number. The use of Bill Pay continues to grow. Once enrolled in Bill Pay, our members can choose to pay their bills within Online Banking. We strive to provide you, our members, with many products and services to enhance your credit union experience. However, if those services aren't being used it costs the credit union money. So the more members we see using Internet Banking, E-Statements, Bill Pay, and POP Money; the more products and services we can bring you in the future. If you have a suggestion we would love to hear from you, please contact me at heidi@hcpfcu.coop.

And while HCPFCU does embrace technology, we have not lost sight of serving those members who prefer face-to-face or voice-to-voice interaction and advice. Members can walk into either of our offices and instantly receive assistance on any of their financial needs. Members can also call either of our offices and find a real person answering the phone. Whoever thought that would be the exception and not the norm? These are just a few of the innovations and traditions we embrace at HCPFCU; after all, innovation means more than new products or new technologies. The Marketing Committee's focus is about looking at ourselves and finding better ways to serve and meet our member needs. As always, thank you for your continued support as you See What We Can Do...

Respectfully submitted,

Heidi Zeller-Crawford

Harold Miller

Pam Helling

Nancy Clark North

Nominating Committee Report

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

Truman Henry

Harold Miller

James Johnson

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,

C J Huber

Rachel Neu McCleary

Carrie VanOrman

