



***Pearce Industries  
Employees Credit Union***

**47<sup>th</sup> Annual Meeting  
2017 Annual Report  
March 15, 2018**

## P.I.E. Credit Union 47<sup>th</sup> Annual Meeting

**March 15, 2018**

4:30 p.m.

Refreshments

5:15 p.m.

Business Meeting

**Waukesha-Pearce Industries, Inc.**

Cafeteria

12320 So. Main

Houston, TX 77035

## Agenda

- I. Call meeting to order and ascertain a quorum present
- II. Minutes of 2017 Annual Meeting
- III. Chairman's Message
- IV. Election Results
- V. Director's Report
- VI. Auditor Report
- VII. Old Business
- VIII. New Business
- IX. Door Prizes
- X. Adjournment

## Officials and Staff

### **-Board of Directors-**

#### ***Chairman***

Hal Hazen

#### ***Vice-Chairman***

Terry Howard

#### ***Treasurer***

Beverly Sandel

#### ***Secretary***

Patricia Hatridge

#### ***Directors***

Leah Kalmus • Douglas Kimbrough • Ken Sutera

### **-Office Staff-**

#### ***President/Manager***

Jessica Inman

#### ***Assistant Manager***

Orelia Clay

#### ***Member Service Representative***

Sandy Urban

## Minutes of 2017 Annual Meeting

### MINUTES OF THE 46<sup>th</sup> ANNUAL MEETING OF P.I.E. CREDIT UNION

MARCH 16, 2017

Chairman of the Board, Ken Sutera called the meeting to order and announced that according to registration a quorum was established.

Chairman Sutera called for the reading of last year's minutes. Beverly Sandel moved, Hal Hazen seconded and the motion was unanimously passed to dispense with the reading of last year's minutes.

Chairman Sutera thanked the nominees that ran for a position on the board: Kathy Curry, Leah Kalmus, Doug Kimbrough, Beverly Sandel, Ken Sutera and Annette Washburn. He announced that all incumbents were re-elected. He then introduced the 2017 Board of Directors: Beverly Sandel, Ken Sutera, Hal Hazen, Terry Howard, Leah Kalmus, Laurie Whetzel and Patricia Hatridge. The remaining term for each Director is listed in the annual report.

Chairman Sutera presented the 2016 Annual Report for attendees to review. He read the auditor's report to attendees. The annual report contains the credit union's current membership and asset size and the financial reports as of 12/31/16. (See Attachment "A")

Then Chairman Sutera introduced Manager of the credit union, Becky Rogers.

Ms. Rogers thanked attendees for their continued support and interest in the credit union. She also thanked them for attending the meeting. Ms. Rogers informed attendees that the loss in income notated in the annual report was due to layoffs sustained by our sponsor company Pearce Industries and the recent sale of TIW. She explained that the sale caused employees to close their accounts and the layoffs have caused members to default on their loans, leading to increased charge offs for the credit union. Ms. Rogers informed attendees that the credit union continues to be well capitalized despite the rise in charged off loans. The Board of Directors and staff were thanked for their hard work and praised for the fine job they do.

Ms. Rogers asked if there was any old business. There was none.

Ms. Rogers asked if there was any new business. There being none, the meeting was adjourned.

Ken Sutera  
Chairman

Leah Kalmus  
Secretary

## Election Results

### Current Board of Directors and Term Expiration Dates:

	Term Expires		Term Expires
• Hal Hazen, Chairman	2018	• Leah Kalmus	2019
• Terry Howard, Vice Chairman	2018	• Ken Sutera	2019
• Beverly Sandel, Treasurer	2019	• Douglas Kimbrough	2018
• Patricia Hatridge, Secretary	2018		

### Board of Director Nominees:

Charlotte Moore	Roger Koepke
Elvis Wilkerson	Patricia Hatridge (Incumbent)
Kathy Curry	Hal Hazen (Incumbent)
Annette Washburn	

### As a result of the 2018 election, present Board of Directors are:

Hal Hazen (Incumbent)	Patricia Hatridge (Incumbent)
Kathy Curry	Annette Washburn

We thank all of our Board of Directors for their dedication and commitment to the job of administering the affairs and activities of the credit union. Your support and participation in credit union activities is always greatly appreciated.

## Director's Report

	<b>2017</b>	<b>2016</b>
Membership	1,274	1,312
Loans Made	91	114

P.I.E. Credit Union is a full-service financial institution that offers a broad range of benefits and friendly and convenient service. Our field of membership includes all employees of Pearce Industries, Waukesha-Pearce, or any entity owned by Pearce Industries. Family members of those employees are also eligible to join. P.I.E. Credit Union is owned and controlled by the membership and dedicated to the financial benefit of its members. Our mission is to provide member education and develop leadership to meet our needs and to raise the standards in a progressive, sound manner for the changing financial future. We offer the following services:

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| <ul style="list-style-type: none"> <li>• Savings and Checking Accounts</li> <li>• Certificate of Deposit Accounts</li> <li>• New and Used Boat Loans</li> <li>• New Lawn Mowers &amp; Related Equipment</li> <li>• Personal Loans</li> <li>• Share and Certificate Secured Loans</li> <li>• Texas Hunting &amp; Fishing Licenses, Stamps &amp; Guides</li> </ul> | <ul style="list-style-type: none"> <li>• Individual Retirement Accounts</li> <li>• New and Used Auto Loans</li> <li>• New and Used Motorcycle Loans</li> <li>• Tractors &amp; Related Attachments</li> <li>• MasterCard Credit Cards</li> <li>• Home Equity Loans</li> </ul> |
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## Auditor Report

The credit union is regulated by the Texas Credit Union Department (TCUD). Examiners of the TCUD make periodic examinations to ensure the proper operation of the credit union. The credit union's Board of Directors has selected John Weaver & Associates as responsible for safeguarding the credit union's assets and protecting the interests of the members. The financial condition of the credit union was as follows:

### Comparative Financial Statements

#### P.I.E. CREDIT UNION STATEMENT OF FINANCIAL CONDITION

	<i>2017</i>	<i>2016</i>
<b>LOANS AND CASH</b>		
Total Loans	\$ 4,522,539.89	\$ 4,695,427.33
(less) Allowance for Loan Loss	\$ (21,318.02)	\$ (26,360.84)
<b>NET LOANS OUTSTANDING</b>	<b>\$ 4,501,221.87</b>	<b>\$ 4,669,066.49</b>
Cash	\$ 195,947.21	\$ 274,461.67
Investments	\$ 9,099,431.79	\$ 9,732,313.36
Fixed assets – net of depreciation	\$ 1,482.35	\$ 2,128.31
All other assets	\$ 27,193.97	\$ 24,105.87
<b>TOTAL ASSETS</b>	<b>\$13,825,277.19</b>	<b>\$14,702,075.70</b>
 <b>LIABILITIES &amp; EQUITY</b>		
Liabilities	\$ 148,343.95	\$ 102,401.27
 <b>SHARES</b>		
Share certificates	\$ 650,982.61	\$ 921,452.83
Share draft accounts	\$ 971,050.00	\$ 996,201.80
Member's deposits	\$ 9,429,018.62	\$ 9,656,509.36
IRA deposits	\$ 687,918.14	\$ 1,062,387.21
<b>TOTAL SAVINGS/DEPOSITS</b>	<b>\$11,738,969.37</b>	<b>\$12,636,551.20</b>
Regular/statutory reserves	\$ 353,812.68	\$ 353,812.68
Undivided earnings	\$ 1,584,151.19	\$ 1,609,310.55
Net Income (loss)		
<b>TOTAL LIABILITIES/EQUITY</b>	<b>\$13,825,277.19</b>	<b>\$14,702,075.70</b>

## P.I.E. CREDIT UNION STATEMENT OF INCOME

	<b>2017</b>	<b>2016</b>
<b>INCOME</b>		
Interest Income	\$ 334,799.48	\$ 343,592.22
Operating Income	\$ 25,757.95	\$ 24,991.77
Non-operating Income (Expense)	\$ -	\$ -
<b>TOTAL INCOME</b>	<b>\$ 360,557.43</b>	<b>\$ 368,583.99</b>
<b>EXPENSE</b>		
Dividends	\$ 60,786.82	\$ 61,011.96
Provision for Loan Loss	\$ 15,737.41	\$ 32,822.19
Operating Expense	\$ 309,192.56	\$ 279,529.99
<b>TOTAL EXPENSE</b>	<b>\$ 385,716.79</b>	<b>\$ 373,364.14</b>
<b>NET INCOME</b>	<b>\$ (25,159.36)</b>	<b>\$ (4,780.15)</b>

### Consolidated Summary

Net income for 2017 reached \$(25,159.36), a decrease of \$20,379.21 from 2016. Total assets reached \$13,825,277.19 by year end 2017, a decrease of \$876,798.51 from 2016. Share deposits reached \$11,738,969.37, a decrease of \$897,581.83 from 2016. Member loans, net of allowance for losses, totaled \$4,501,221.87, a decrease of \$167,844.62 from 2016.

We attribute our loss in income due to the reduction in workforce at Waukesha-Pearce Industries and TIW which caused an increase in charged off loans. Your credit union continues to be financially sound and is operated and managed in the best interest of its members.

## Contact Information

P.I.E. Credit Union  
12320 South Main St.  
Houston, TX 77035-6206

or

P.O. Box 35068  
Houston, TX 77235-5068

Phone: (713)551-0491  
Fax: (713)551-0431

Website: [www.piecu.org](http://www.piecu.org)  
E-mail: [help@piecu.org](mailto:help@piecu.org)

Office Hours:  
Monday – Friday  
8:00 a.m. – 4:00 p.m.  
(check cashing until 4:30 p.m.)