

Comparative Financial Statement

ASSETS	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2009
Loans	\$37,710,280	\$34,620,155	\$37,237,465
Reserve for Losses	(\$89,208)	(\$41,787)	(\$21,904)
Cash	\$7,250,861	\$2,719,247	\$2,777,687
Investments	\$20,295,641	\$18,131,945	\$13,734,144
Furniture & Fixtures	\$214,406	\$87,978	\$115,633
Building	\$2,182,226	\$1,344,936	\$1,396,608
Other Assets	\$939,017	\$1,815,915	\$1,185,075
TOTAL	\$68,503,223	\$58,678,389	\$56,424,708
LIABILITIES			
Deposits	\$60,609,377	\$51,169,729	\$48,994,390
Accounts Payable	\$553,258	\$267,007	\$385,948
Reserves	\$476,763	\$476,763	\$476,763
Other Reserves	\$92,330	\$106,348	\$91,839
Undivided Reserves	\$6,771,495	\$6,658,542	\$6,475,768
TOTAL	\$68,503,223	\$58,678,389	\$56,424,708
# of Members	16,075	15,422	15,324
# of Loans	3356	2696	2994
Loans Yr. to Date	\$20,795,780	\$13,935,953	\$18,887,482
Amount of Charge Offs	\$148,922	\$64,946	\$229,489
Dividends Paid	\$251,812	\$298,342	\$336,305

Audit Committee Report

The verification of accounts was performed by the audit committee in September of 2011. No exceptions have been noted at this time.

Audit Committee Chairman
/s/ Nancy Thompson

 **We'll See You Next Year!** 
April 12, 2013

HATCU Board and Committee Members

BOARD MEMBER

Expiration of Term

Connie Cavazos	2013
Sherilyn Durham	2013
David Jones.....	2013
Emma McCall	2012
Carl Leatherman	2014
Joe Montemayor	2014
David Batot.....	2014
Michael Tamayo.....	2012
Connie Snakenberg	2012

AUDIT COMMITTEE

Elizabeth Martinez ★ Nancy Thompson ★ Art Cavazos

CREDIT COMMITTEE

Sherilyn Goad ★ Cesar Morales ★ Michael Buck

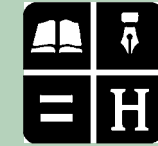
NOMINATING COMMITTEE

Joyce Aguirre ★ Susan Davis ★ Marvin Huckle

SHERILYN GOAD - My name is Sherilyn Harmon Goad and I am the wife of a local farmer, William Goad. We have been married for 18 years and are blessed with two children: Rebecca, 17 and Will, 15. I have a BBA in Finance from the University of Texas Brownsville. I am the Chief Financial Officer for Rhyner Construction Services, Inc. since 2007. I currently serve as the Co-leader for Highland Hustlers 4-H, Treasurer for Cameron County Livestock Show and Treasurer for San Benito - Rangerville Beef Club. I am also serving as a member of the Credit Committee for HATCU.

EMMA McCALL - I am currently employed by the San Benito CISD as the business manager. I have 25 years experience in Texas public school finance, with 21 of those years in San Benito. I began my career working for 2 different CPA firms for 11 years and obtained my CPA license during this time. During the last five years I was employed as an auditor of public entities including public schools. This was my first introduction to Texas public school finance. I am actively involved with my church and have been the treasurer for about 30 years, and am one of the pianists. I have two grown daughters and one granddaughter. My hobbies include traveling, visiting my granddaughter, knitting, crocheting and sewing.

MICHAEL TAMAYO - I am employed by Valley Baptist Health System as the Information Technology & HIPAA Security Officer. I have been an employee of VBHS since 1996. I have a BS from the University of Texas, San Antonio and a Master in Health Care Administrations from Trinity University. I have held key roles in major projects including revamping all employees benefits, the acquisition of Brownsville Medical Center, upgrade of all major clinical and administrative applications, Information Security and Corporate Compliance. My experience in Human Resource, Information Technology and Compliance is an added benefit to the service that I have provided to the Board of Directors for HATCU over the last 7 1/2 years.



HARLINGEN AREA TEACHERS' CREDIT UNION

Welcome



58TH

ANNUAL MEETING



FRIDAY, APRIL 13, 2012

Casa De Amistad - Harlingen

Federally Insured by NCUA

1. Invocation Janie Reyna
2. Call to Order, Introduce Board Members David Jones
3. Minutes of Previous Meeting* David Jones
4. Elections..... Susan Davis
5. Reports- *
 - A. Chairman of the Board David Jones
 - B. President Missy Morrow
 - C. Audit Committee Nancy Thompson
6. New Business
 - A. Financial Planner..... Marc Hernandez
 - B. Special Thanks..... David Jones
7. Drawing for Door Prizes Board Members
8. Adjourn

* These items Printed Herein

Board of Directors' and Management's Annual Report to the Membership

WE DID IT!

2011 was the year that we built a beautiful new branch in San Benito, giving twice as much space to conduct business there and a wonderful new environment to do it in. If you have not taken the time to go by and visit the new branch, stop by there sometime and check it out. You will not be disappointed.

This was a tough year for the credit union. We worked very hard this year to make sure that we were profitable, without making the members pay for it. We cut expenses in every area that we could, we reviewed every contract before renewing to make sure that we got the best deal that we could for our money. Building a branch and dealing with the fall-out from the mortgage market fiasco, created a challenging environment for us, but we succeeded.

We did not have any mortgages that were bad, but in the credit union industry, we help each other out instead of relying on the government to bail us out. That meant that we had to replenish the insurance fund when it became low because of bailing out credit unions that suffered tremendously from falling real estate prices. We are and will continue to be conservative in our real estate lending and this helped us when the real estate market took a turn for the worse. These expenses coupled with the expenses of building and opening a new branch caused our income to take a pretty good hit, but we still ended the year on a positive note.

2012 appears to be the year of Friday the 13ths. There are actually 3 in 2012 and today is the second one. In that spirit, we decided to make our own lucky days for you and we have tied our loan promotion of up to **.75% A.P.R.** off any loan you get with us as our promotion. As you know, there are certain terms and conditions to these loans and you will need to check with a loan officer to make sure that you qualify. Be on the lookout for some really special pricing offered throughout the rest of the year!

We at HATCU believe in doing everything you can to keep your money local. When you finance your loan with us, we use the income to continue to do business, grow, and hire local employees which is good for the economy. If you have your loan financed with GMAC or Ford Motor Credit, who knows where your money goes. We have many community service projects that we support to put donations back out into the community.

We just completed "Pretty At Prom". We collect donations of gently used Prom dresses and monetary donations to purchase tuxedo rentals so that students can afford to attend their Senior Prom. This year they had to complete a 30 minute Financial Literacy course before they could participate. We had students from all over participate and it was a great success. We have done Gifts for Teens for many years. We purchase items that kids 12 and over would appreciate. Everyone does Toys for Tots, but there are many older kids that are left out and we try to cover that area.

For our next community service project, we are very excited. It is called "Join the Sole Train". We are collecting donations of new shoes for children in need so that every child that starts school in August will have at least one pair of new shoes. This is going to be a huge project and we need your help. We will accept monetary donations for this project and we will purchase the shoes. Or you can purchase a new pair of shoes and drop them off at one of our locations.

Let's keep on supporting the credit union and our local community. Please come see us for your lending needs and we will do our best to help you. We have been around for 58 years, serving the community and intend to stay around.

/s/ Chairman of the Board
David Jones

/s/ President
Allyson "Missy" Morrow

Minutes of the 2011 Annual Meeting March 4, 2011

Invocation was given by board member David Jones. After the meal, Sue Bennett called the 57th Annual Meeting of the Harlingen Area Teachers' Credit Union to order at 7:35 pm. The meeting was held at the Casa De Amistad in Harlingen.

INTRODUCTION OF BOARD MEMBERS

The following board members were present: David Batot; Sue Bennett; Sheri Durham; David Jones; Emma McCall; Connie Snakenberg; Joe Montemayor. Connie Cavazos and Michael Tamayo were absent.

MINUTES OF THE 2010 ANNUAL MEETING

The minutes of the 2010 meeting were presented to the members.

ELECTIONS

Marvin Huckle, chairman for the nominating committee explained the election procedure. He explained that only the primary member can vote and that they should have a ballot. Since there was opposition in place one only, he moved to accept the other two nominees by acclamation – Joe Montemayor and David Batot. The second was made by Sam Morrow. Motion carries. The candidates for Place 1 – Sue Bennett and Carl Leatherman were given the chance to speak. The voting members were then instructed to vote and hold up their ballots for the employees to pick up. The nominating committee counted the votes and Mr. Huckle announced the winner – Carl Leatherman.

REPORTS

Sue Bennett encouraged members to read the annual report printed in the brochure. Missy Morrow spoke to the members about the state of the economy and the year 2010. She recognized staff and volunteers and talked about exciting things that are going to happen in 2011. She mentioned that we are in the process of building a new branch in San Benito and how nice it is going to be. She asked that the members over there please excuse the mess and lack of drive thru services for the next four months while this project is taking place. Sue asked members to read the audit committee report in the program.

NEW BUSINESS

Marc Hernandez with Money Concepts, spoke to the members and encouraged members to come by and visit with him regarding financial needs. Sue thanked the DJ – Lupe Guerra for the music and Big John's for the meal. She thanked Leonard Leal for his years of service and asked for a moment of silence in his honor. She also announced that the Credit Union is establishing a \$500 scholarship in his name.

DRAWING FOR DOOR PRIZES

The attached list of members were winners of a \$50.00 bill and miscellaneous door prizes.

ADJOURNMENT

Motion to adjourn was made by David Batot. Second by David Jones. The meeting was adjourned at 8:45 pm.

Drawing for Door Prizes

The attached list of members were the recipients of a \$50.00 bill

1	Antero Trevino	35	Mary Celis	69	Bill Schley
2	Viola Chavez	36	Noah Chavez	70	Christy Delgado
3	Tim Ingram	37	Delia Chavez	71	Martin Reyes II
4	Gloria Irma Martinez	38	Beverly Mason	72	Matthew James Reyes
5	Peggy Huckle	39	Olivia T. Walker	73	Gloria Garza
6	Nati Buitron	40	John Yeupell	74	Criselda Saucedo
7	Cristobal Zavala	41	Mariana Reyes	75	Jessica Mason
8	B. Taylor	42	Matilda Ybarra	76	Orlando Espindola
9	Yvette Salinas	43	Victoria Guajardo	77	Victoria Hill
10	Mary Flores	44	Eloisa Lopez	78	Efrain Garcia
11	Charlotte Smith	45	Beyda Ramirez	79	Jordan Adam Lopez
12	Beatrice Cortez	46	Lillian Ortega	80	Delia Garcia
13	Angel Rodriguez	47	Gloria Rodriguez	81	Ruben Rangel, Jr.
14	Elizabeth Flores	48	Rodney Eckert	82	Humberto Seija
15	Catalina Garcia	49	Dora Montalvo	83	Richard Ross
16	Michelle Buitron	50	Chris Scott	84	Jessica Garza
17	Leonora Ratliff	51	Michael Adams	85	Manuela Reyes
18	Hector de la Garza	52	Amanda Carmona	86	Anna Aleman
19	Diana Berumen	53	Baldemar Saenz	87	David Serna
20	Katherine Taylor	54	Sal Carmona	88	Ashley Atkinson
21	Diana Bates	55	Maribel Ramos	89	Jose Olivarez
22	Joyce Aguirre	56	Obed Gonzales, Jr.	90	Sandra Olivarez
23	Martin Salinas	57	Rosalinda Longes	91	Ernesto Cruz
24	Frank Banda	58	Robert Azua, Jr.	92	Lily Yeupell
25	Mercedes Garza	59	Hermelinda Jaramillo	93	Mary Guevara
26	Gracie Pena	60	Dina Guajardo	94	Eva Trevino
27	Joey Curry	61	Michael Silva	95	Elvira Marroquin
28	Elizabeth Martinez	62	Robert Serrano	96	Nyda Hernandez
29	Gladys Lara	63	Estella Garcia	97	Ernesto Cruz
30	Chris Delgado	64	Jesus Perales	98	Erasmus Barrera
31	Sara Fonseca	65	Norma Garcia	99	Judy Ross
32	Carolina Castillo	66	Ally Morrow	100	Makena Silva
33	Diana Sanchez	67	Rey Melendez		
34	Jose A. Martinez	68	Victor Mora		

ADDITIONAL DOOR PRIZES

Donated by
Marc Hernandez, Money Concepts
\$50.00 Texas Roadhouse Gift Cards

1. Fidela Trevino
2. Raul Gutierrez

