

2016 MINUTES

March 21, 2016
 The meeting was called to order at 7:00 P.M. There were 270 registered members in attendance. The invocation was given by Zeb Cantley. The minutes of the 2015 Annual Membership Meeting were accepted as printed after first and second motions. The Director's Report, President's Report, Auditor's Report and Statement of Condition were reviewed. There was no new or unfinished business to discuss.

The Nominating Committee had met previously and nominated James Hayden and Wayne Boshears as directors. Nominations from the floor were called for. There were none. A motion was made by Orenthia Mason and seconded by Tommy Caldwell to elect the nominees. The motion carried.

The meeting was adjourned at 7:32 P.M.

Respectfully submitted,

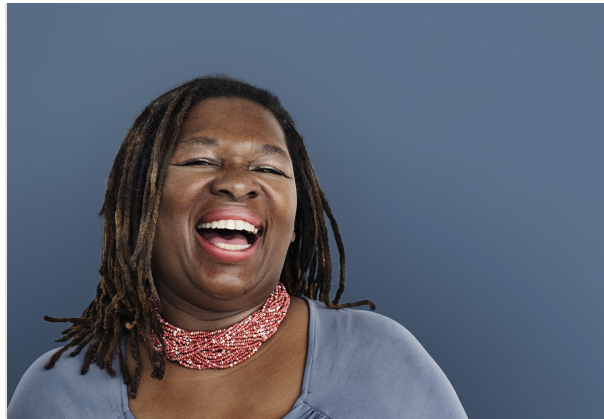
Zeb Cantley
 Zeb Cantley
 Secretary/Treasurer

Wayne Boshears
 Wayne Boshears
 Chairman of the board

NOMINATING COMMITTEE REPORT

The Nominating Committee met and nominated the following for consideration as candidates on the Board of Directors for CTCU:

Gary Howell
 Lynne Stainback



PROGRAM

Registration and Check-In	6 P.M. - 7 P.M.
Call to Order	Wayne Boshears
Ascertain that a quorum is present	
Pledge of Allegiance	Wayne Boshears
Invocation	Zeb Cantley
Minutes of 2016 Meeting	Zeb Cantley
Director's Report	Wayne Boshears
President's Report	Tim Miller
Auditor's Report	As Printed
Unfinished Business	Wayne Boshears
New Business	Wayne Boshears
Election of Directors	Zeb Cantley
CTCU: A Community Cornerstone.....	Suzette Farr
Door Prizes and Giveaways	Suzette Farr
Adjournment	

DIRECTORS & LEADERSHIP

Wayne Boshears
 Chairperson
 Term expires in the year 2019

Lynne Stainback
 Vice-Chairperson
 Term expires in the year 2017

Zeb Cantley
 Treasurer
 Term expires in the year 2018

James Hayden
 Board Member
 Term expires in the year 2019

Gary Howell
 Board Member
 Term expires in the year 2017

Cynthia Johnson
 Board Member
 Term expires in the year 2018

Ora Taylor
 Board Member
 Term expires in the year 2018

Tim Miller
 President/CEO



VISION

To be the Primary Financial Institution for our Field of Membership.

MISSION

Our purpose is to create a thriving cooperative financial institution that will help our members achieve their financial goals by offering comprehensive financial products and services that they can receive in person, online or wherever they may be.

CORE VALUES

CTCU commits to consistently serve our members in an honest manner that will benefit them and the community we live in.

COMMITMENT
 Promise to be here in the future when you need us

CONSISTENCY
 Conduct ourselves in the same quality way, time and again

MEMBERSHIP
 Members are the owners of the credit union

HONESTY
 Fair and straightforward

COMMUNITY
 We are linked together by a common interest of where we live, work and worship



903-651-2603
 www.coopteachers.com
 1424 WSW Loop 323
 Tyler, Texas 75701



2017 ANNUAL MEETING



DIRECTOR'S REPORT

Welcome to the 64th annual meeting of Cooperative Teachers Credit Union. I am honored and humbled by the level of trust you have placed in me and my fellow board members. It gives me great pleasure to stand before you this evening.

As you see in the annual report, CTCU performed well in 2016.

- Membership continues to stand at over 6,100.
- Our members' deposits total \$73,000,000.
- You, the members and owners of this institution, have borrowed more than \$38,500,000 in new loans.
- Whether you were a new homebuyer or a property pro, I'm thrilled that you turned to your credit union for your mortgage needs. In 2016, CTCU wrote 79 home loans, worth more than \$12,400,000.

Your ongoing participation in CTCU means that we will remain in a strong financial position to continue meeting your financial needs.

CTCU is a not-for-profit cooperative, and we are different than banks. Although we have to make a profit to keep the doors open, we don't have shareholders waiting with their hands out—there are no shareholders. When we can, we distribute those profits back to you and in 2016 we paid a bonus dividend of \$92,000 to our members. This is our fourth (4th) consecutive bonus dividend, totaling over \$350,000 given back to our members in bonuses. In closing, let me express my confidence in our credit union and thank you, the members, for your support and loyalty.

Thank you ladies and gentlemen, and all the best for the coming year!

Wayne D. Boshears
Chairman of the Board

Real Life
MADE REAL SIMPLE.

PRESIDENT'S REPORT

On behalf of the staff of Cooperative Teachers Credit Union, I want to say what a pleasure it is to be a part of CTCU and your lives. Because of your trust and involvement, your credit union is able to thrive and provide many important benefits, not only to our members but to our community.

As a financial cooperative, our success is your success. When you participate in the credit union, you are contributing to its growth. And because of our cooperative structure, we are able to return our profits back to you, the owners and members, by offering competitive rates, new products, enhanced services, and additional points of service.

You may have noticed a few extra dollars in your account at the end of 2016. That is because CTCU had such a successful year that our board of directors elected to pay a bonus dividend to our members. This is our way of saying thank you for your support and trust in CTCU.

I am pleased that our loan demand has continued to grow and delinquencies remain low. This tells me that you value the competitive rates we're able to offer and that you have a strong commitment to honoring your financial obligations with your credit union. I'm delighted to point out that CTCU is a well-capitalized financial institution, with a strong capital ratio.

Just as you are committed to your financial institution, we are committed to you. The following updates from 2016 demonstrate our dedication to providing products and services that benefit you and your families:

- A New Free Mobile App with Remote Check Deposit and Person to Person Payment Features
- A New Teen Checking Account and
- A New Blog and E-Newsletter with a wealth of financial education and tips

Our 2016 results illustrate that CTCU is a strong, sustainable, and efficient financial institution. Indeed, we are confident in our ability to meet all of your financial needs. But we are far more than an institution that offers financial products and services. We have a team of talented professionals who report to work every single day with one objective: to help you meet your financial goals.

As we grow, we will keep our focus on doing what's right. We will seek to help more people in our community get on solid ground through financial education and our charitable activities. We will continue to focus on people first. It's what makes your credit union different, and what makes us strong.

Many thanks for being an integral part of our credit union family and on behalf of the entire staff, we look forward to a happy and successful 2017 for us all.

Tim Miller
President

AUDITOR'S REPORT

July 25, 2016

Dear Members of the Board:

We have performed certain procedures in the attached Exhibit as of March 31, 2016 (for the period April 1, 2015, through March 31, 2016), which were agreed to by Cooperative Teachers Credit Union, solely to assist you in connection with your Supervisory Committee Guide Review of Cooperative Teachers Credit Union conducted pursuant to Part 715.7 (c) of the NCUA Rules and Regulations and Section 91.507 of the Texas Rules for Credit Unions. The procedures performed by us and enumerated in the Exhibit are in accordance with the minimum procedures described in Appendix A of the NCUA Supervisory Committee Guide for Federal Credit Unions.

The sufficiency of the procedures is solely the responsibility of Cooperative Teachers Credit Union. Our responsibility is to carry out the procedures and report the observations.

Our observations resulting from the procedures performed are set forth in the accompanying summary of comments and recommendations.

Because the procedures included in the attachment to our engagement letter dated December 31, 2015 (the "Engagement Letter") do not constitute an audit made in accordance with generally accepted auditing standards, and we were not engaged to and did not perform additional procedures or conduct an audit of the financial statements in accordance with generally accepted auditing standards, we will not express an opinion on any of the specific elements, accounts or items referred to in our report or on the financial statements of Cooperative Teachers Credit Union taken as a whole. As such, our Scope of Work, as defined in the Engagement Letter, does not include an evaluation of all areas that generally are of higher risk in the credit union industry, such as securities held or the collectability of loans, the adequacy of collateral thereon, or the reasonableness of the allowance for loan losses (ALL), cash operations, share drafts, ATMs, or record-keeping problems. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. We caution you that you remain responsible for completing the audit work necessary to meet regulatory requirements in these and other areas excluded from our Scope of Work.

This report is intended solely for the use of Cooperative Teachers Credit Union's Board of Directors and management, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Should you have any questions, please do not hesitate to contact Mr. Harold Antao at 214-878-6757 or harold.antao@tx.rr.com.

Sincerely,
Harold Antao & Company LLC

STATEMENT OF CONDITION

As of December 31, 2016

ASSETS

Net Loans.....	\$75,586,061.80
Cash on Hand and in Banks.....	\$2,737,244.55
Investments.....	\$15,913,665.65
Furniture, Fixtures, Building and Land.....	\$853,441.33
All Other Assets.....	\$1,126,015.96
Total	\$96,216,429.29

LIABILITIES

Accounts Payable.....	\$688,837.49
Notes Payable.....	\$4,102,632.84
Accrued Liabilities.....	\$163,534.87
Interest Payable.....	\$4,692.76
Deposit Accounts.....	\$78,455,879.17
Reserves and Undivided Earnings.....	\$12,800,852.16
Total	\$96,216,429.29

STATEMENT OF INCOME

As of December 31, 2016

INCOME

Loan Income.....	\$3,270,598.88
Investment Income.....	\$465,122.67
Non-Operating Income.....	\$103,594.33
Miscellaneous Income.....	\$533,062.42
Total	\$4,372,378.30

EXPENSES

Total Operating Expense.....	\$2,607,937.74
Total Interest Expense.....	\$654,113.46
Provision for Loan Loss.....	\$223,163.69
Total	\$3,485,214.89
Net Income	\$887,163.41

This statement and the related statements are certified as true and correct to the best knowledge and belief of the undersigned, and present fairly the financial position and the results of operations for the periods covered.

Zeb Cantley

Tim Miller