

FINANCIAL CONDITION

ASSETS	2015	2014
Consumer.....	\$557,391,612	\$531,313,650
Credit Cards.....	21,760,416	21,324,852
Real Estate.....	119,878,245	102,542,397
Subtotal.....	699,030,273	655,180,899
Allowance For Loan Loss.....	(-1,375,691)	(-1,132,784)
Total Loans.....	697,654,582	654,048,115
Accounts Receivable.....	83,038	62,562
Cash & Investments.....	89,388,246	72,937,477
Fixed Assets.....	36,464,403	27,202,000
Accrued Income.....	1,661,007	1,552,735
Prepaid and Deferred Expenses .....	700,275	670,506
TOTAL ASSETS.....	825,951,551	756,473,395
LIABILITIES AND EQUITY	2015	2014
Share Accounts .....	321,430,786	283,134,365
Checking Accounts.....	135,449,866	115,559,659
Certificates of Deposit.....	111,099,561	116,625,310
IRAs .....	46,015,428	45,258,236
Money Market Accounts.....	43,879,275	42,206,473
Other Member Deposit Accounts.....	41,283,187	37,255,980
Member Deposit Total .....	699,158,103	640,040,023
Accounts Payable.....	2,117,164	2,301,513
Other Liabilities .....	1,012,553	830,654
Accrued Expenses.....	1,926,237	1,808,708
Dividends Payable.....	1,579,708	2,036,261
Reserve Fund and Retained Earnings.....	120,157,786	109,456,236
Notes Payable.....	0	0
TOTAL LIABILITIES AND EQUITY.....	825,951,551	756,473,395
INCOME	2015	2014
Loans.....	25,368,238	24,032,023
Investments.....	374,690	334,885
Other Income.....	11,248,943	10,910,427
TOTAL INCOME.....	36,991,871	35,277,335
EXPENSES		
Total Operating Expenses.....	21,290,383	21,212,224
Share Dividends .....	1,966,521	2,366,285
Certificates of Deposit (CDs) .....	1,127,634	1,118,199
Individual Retirement Account (IRAs) .....	24,079	20,791
Checking Account Interest .....	26,963	26,015
Money Market Accounts.....	85,182	80,237
Total Dividends and Interest Expenses.....	3,230,379	3,611,527
TOTAL EXPENSES.....	24,520,762	24,823,751
Provision for Loan Losses.....	1,931,878	1,066,070
NET SURPLUS/(DEFICIT)	10,539,231	9,387,514

DATCU LOCATIONS

Denton Downtown  
225 West Mulberry Street  
Denton, TX 76201

North Denton  
906 West University Drive  
Denton, TX 76201

South Denton  
3210 Teasley Lane  
Denton, TX 76210

Aubrey  
919 Highway 377 South  
Aubrey, TX 76227

Decatur  
600 West Ford Street  
Decatur, TX 76234

Flower Mound  
2935 Long Prairie Road  
Flower Mound, TX 75022

Highland Village  
1900 Briarhill Blvd.  
Highland Village, TX 75077

Lewisville  
1001 Edmonds Lane  
Lewisville, TX 75067

Sanger  
618 North 10th St.  
Sanger, TX 76266

The Colony  
4190 Main Street  
The Colony, TX 75056

HOURS

Lobby Hours  
Monday - Friday 9 a.m. - 5 p.m.  
Saturday 9 a.m. - 1 p.m.

Drive-Thru Hours  
Monday - Friday 8 a.m. - 6 p.m.  
Saturday 9 a.m. - 1 p.m.

CONTACT

Toll-free: 866-387-8585  
Online: www.datcu.org

Virtual Branch  
866-387-8585  
Monday - Friday 8 a.m. - 5 p.m.  
Saturday 9 a.m. - 1 p.m.

MAILING

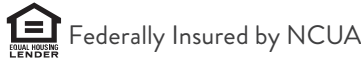
(All Branches)  
DATCU Credit Union  
P.O. Box 827  
Denton, TX 76202-0827

SENIOR MANAGEMENT STAFF

- Dale Kimble – Chief Executive Officer
- Glen McKenzie – President
- Dean Barnes – Executive Vice President
- James Henderson – Executive Vice President, Chief Information Officer
- Jon Madsen – Executive Vice President, Chief Operations Officer
- Melanie Vest – Executive Vice President, Chief Financial Officer
- Janice Sheppard – Senior Vice President of Real Estate
- Karen Curtis – Vice President of Special Accounts
- David Frazier - Vice President Controller
- Robert Hall – Vice President of Information Systems
- Craig Neu – Vice President of Lending
- Susan Passariello – Vice President of Marketing
- Dee Dee Peterson - Vice President of Branch Operations
- Pat Sherman – Vice President of Business Development
- Sonya Thompson - Vice President of Product Development



The New Way to Bank



ANNUAL REPORT 2015

# 80th ANNUAL MEETING

March 22, 2016 5:00 - 6:00 p.m.  
DATCU Administration Building  
215 West Hickory Street, Denton, TX 76201

- I. Welcome
- II. Verification of Quorum
- III. Reading of the 79th Annual Meeting Minutes
- IV. Reports
  - A. Chairman’s Report
  - B. Auditor’s Report
- V. Unfinished Business
- VI. New Business
- VII. Election of Directors
- VIII. Adjournment

## DATCU 2015 BOARD OF DIRECTORS

### TERMS EXPIRE AT ANNUAL MEETING 2016

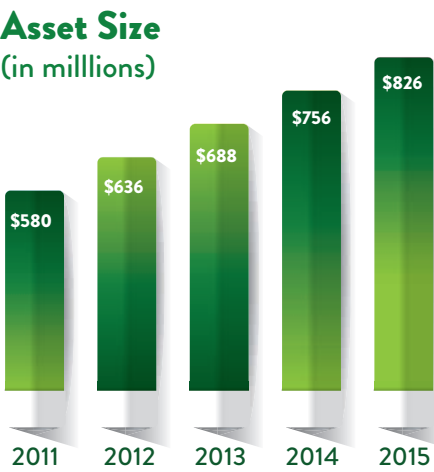
Dr. Derrell Bulls  
Ms. Jill Jester  
Mr. Russ Kerbow  
Ms. Susan Romero

### TERMS EXPIRE AT ANNUAL MEETING 2017

Mr. Bob Crouch  
Dr. Elizabeth Seymour  
Dr. Jamie Wilson

### TERMS EXPIRE AT ANNUAL MEETING 2018

Dr. Ron Aldridge  
Mr. Lee Howell  
Mr. Robert Ramirez  
Mr. James Wells



# CHAIRMAN AND CEO’S REPORT

Dear Members,

It’s going to be an exciting year in 2016 as we open our new administrative headquarters and celebrate our 80th Anniversary!

We are grateful to you and all the communities that we serve. We are proud to share that DATCU has grown to over \$825 million in assets and now has 84,473 members as of 12/31/15.

The financial report from the auditors shows our continued financial strength and stability enabling us to once again, for the seventh consecutive year, return an extra bonus dividend to our member owners as of year-end.

We opened our newest branch in Highland Village in July and it has been performing very well with the opening of 292 new accounts in 2015.

We have been approved for a new branch in Corinth near the intersection of Swisher Road and Parkridge Drive. We anticipate that we will break ground late this year or early 2017. The downtown properties were sold; however, we have the ability to lease the Downtown Denton branch at 225 W. Mulberry for three years with 2 two-year options. We remain committed to the Denton market and are exploring expansion into other areas of the city.

DATCU received numerous accolades during the year including a ranking of #38 out of the “Top 200 Credit Unions” by DepositAccounts.com which evaluates financial health based on loan to reserve ratios, deposit growth, and other financial indicators. DATCU was named the 6th “Best Credit Union to Work For” out of 6,500 credit unions by the *Credit Union Journal*. Big Brothers and Big Sisters of Denton County recognized us as their 2015 Corporate Partner of the Year, while readers of the *Denton Record-Chronicle* for the 4th consecutive year voted us the “Best Financial Institution”. DATCU was also winner of the “Reader’s Choice Award” for Best Credit Union in *Best of Denton County Magazine* which covers Lewisville, Flower Mound, and Highland Village. Readers of the *Flower Mound Leader* also named us “Best Credit Union”.

DATCU’s dedication for giving back to our communities, our schools, and many nonprofits remains a priority. These include the Children’s Advocacy Center for Denton County, Communities in Schools of North Texas, Health Services of North Texas, Heroes of Denton County, Serve Denton, and United Way of Denton County just to name a few.

It has been our honor and privilege to have served you in 2015 and we look forward to helping you with all of your financial needs in this coming year. Thank you for your loyalty and continued support of DATCU.

Respectfully,

Jill E. Jester  
Chairman of the Board

Dale E. Kimble  
Chief Executive Officer

# AUDITOR’S REPORT

We have audited the accompanying consolidated statements of financial condition of DATCU and its subsidiary as of June 30, 2015 and 2014 and the related consolidated statements of income, changes in members’ equity, and cash flows for the years then ended, and the related notes to financial statements.

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of DATCU and its subsidiary as of June 30, 2015 and 2014 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Spillar, Mitcham, Eaton & Bicknell, L.L.P. - Auditors

