

UT-MCO Federal Credit Union presents the...

—2001 Annual Report—

UT-MCO Federal Credit Union has served the faculty and staff of The University of Toledo and The Medical College of Ohio since 1964, when ...

IN THE WORLD ...

United States President Lyndon B. Johnson was re-elected in a landslide election over Barry Goldwater

President Johnson declared a war on poverty and introduced a variety of federal welfare programs, including Medicare

Three civil rights workers were murdered in Mississippi during “Freedom Summer” and race riots broke out throughout the nation

The 24th Amendment to the Constitution was adopted, ensuring fair voting practices

The Warren Commission determined that “Oswald acted alone” in killing President John F. Kennedy

The U.S. Military launched attacks on North Vietnam in response to an alleged attack on a U.S. destroyer off the Vietnamese coast

Anchorage, Alaska was hit by a massive earthquake

IN BUSINESS ...

Teamsters leader Jimmy Hoffa was convicted of fraud, conspiracy, and jury tampering

The average hourly wage for blue collar workers increased 50 to 75% since 1949

IN SCIENCE AND TECHNOLOGY ...

The space probe Mariner IV flew by Mars, transmitting pictures of the planet’s surface back to earth

The Verrazano Narrows Bridge in New York opened, becoming the world’s longest suspension bridge

The first lung transplant was performed

IN SPORTS ...

World Series: St. Louis defeated the New York Yankees, 4-3

The Olympic games were held in Tokyo

Cassius Clay, the future Muhammad Ali, defeated Sonny Liston to win the heavyweight boxing title

IN ARTS AND ENTERTAINMENT ...

Box Office Favorites were: Lord of the Flies, A Hard Day’s Night, My Fair Lady, Goldfinger, Zorba the Greek, Mary Poppins

On the radio: I Want to Hold Your Hand, Hello Dolly!, She Loves You, Can’t Buy Me Love, Do Wah Diddy, Oh Pretty Women, Baby Love, My Guy

On television, Americans were watching: The Munsters, The Virginian, Daniel Boone, Outer Limits, Gilligan’s Island, Man From UNCLE, Flipper, Dr. Kildare, Voyage to the Bottom of the Sea

Best Selling books included *A Moveable Feast* by Ernest Hemmingway, *Herzog* by Saul Bellow and *In His Own Write* by John Lennon

2001-2002 Board of Directors

Board Members	Term Expires	Supervisory Committee
<i>Geofrey Tracy - Chairman</i>	2005	<i>Pam Beck</i>
<i>Robert Bruno - Vice Chairman</i>	2005	<i>John Satkowski</i>
<i>Kathryn Wagner - Treasurer</i>	2003	<i>Shelia Stewart</i>
<i>Dawn Blausey</i>	2005	
<i>Jean Hilt</i>	2003	
<i>Bryan Pyles</i>	2004	
<i>Thomas Sharkey</i>	2004	

————— Comparative Statement —————

	2001	2000	1999
Member Accounts	6,518	6,457	6,436
Total Assets	\$32,355,481	\$ 28,252,560	\$ 28,820,924
Shares & Clubs	\$16,992,245	\$15,033,792	\$15,555,529
IRA	\$ 3,357,931	\$ 2,699,759	\$ 2,791,348
Drafts (Checking)	\$ 3,429,360	\$ 3,558,986	\$ 3,426,094
Share Certificates	\$ 4,813,675	\$ 3,672,080	\$ 4,114,853
Loans	\$16,318,748	\$16,793,059	\$14,845,874
VISA Loans	\$ 1,672,827	\$ 1,841,934	\$ 1,671,382
Gross Income	\$ 2,236,259	\$ 2,251,462	\$ 2,093,698
Expenses	\$ 1,177,233	\$ 1,131,504	\$ 1,151,864
Dividends	\$ 799,120	\$ 772,695	\$ 778,537
Net Income	\$ 259,907	\$ 234,691	\$ 146,421
Regular Reserves	\$ 1,045,278	\$ 1,045,278	\$ 932,705
Undivided Earnings	\$ 2,539,573	\$ 2,216,666	\$ 1,981,975

April 2002

Dear Credit Union Members,

The year 2001 was one of remarkable and significant change. The events of September 11, 2001 and a slowing economy placed a temporary hold on many of our nation's operations.

However, the Board of Directors are elated to report that UT-MCO Federal Credit Union has done very well. Nationally, all of our industries, including credit unions, are experiencing a tremendous period of growth. At UT-MCO, our membership continues to grow because of our reputation for offering safe investment programs and practical financial services to members from all walks of life.

For the second consecutive time, we earned a CAMEL 1 rating from the Federal Examiners. This is the highest rating possible. Credit Union members, staff and the Board of Directors should be proud.

Our total loan volume increased \$1.4M or 22% from last year. We also awarded \$3,000 in scholarships this year, which we hope to increase even further next year. Beyond these substantial margins of growth and accomplishment, what is most important is that the UT-MCO Credit Union has continued to diversify and expand its services to fully satisfy our member's financial needs.

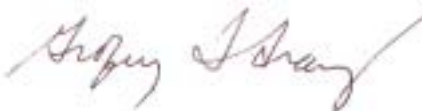
For example, we added auxiliary services such as discount film processing, discount movie passes and stamp purchasing out of our Hill Avenue ATM. We also enhanced our web site to ensure 24-hour convenience.

Early in 2001, UT-MCO contracted with TurboTax so that members could file their taxes electronically from our website. We also added online account access to our list of services by adding Quick Branch. Quick Branch allows members to access accounts, transfer funds, make VISA payments and loan payments online, as well as print statements and see dividends earned. Our members can now apply for loans, reorder checks, and maintain VISA card balances from the comforts of home.

As we work together to ensure that these important gains are not short-lived, we must aggressively monitor and respond to the forces that negatively impact our presence in the financial community. Looking ahead, we anticipate many product and service enhancements that will offer our members account accessibility and expedience 24 hours a day. We are currently expanding our Home Banking Service to include Bill Pay. The Bill Pay unit will offer our members the ability to access their accounts and pay all of their bills from their personal computers. We are also looking forward to the further development of our web site to include more interactive links.

On behalf of your Board of Directors, we thank you for the opportunity to serve you and for your support over the past 38 years. You, our members, are responsible for our success and in turn, we are committed to you. Together we will meet the upcoming challenges.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "Geoffrey Tracy", written in a cursive style.

Geoffrey Tracy, Chairman of the Board
UT-MCO Federal Credit Union

UT- MCO Federal Credit Union

2001 Financial Statement

ASSETS

Loans	\$ 16,318,748
Visa Loans	1,672,827
Allowance for Loan Loss	(45,815)
Cash and Cash Equivalents	5,255,040
Investments	8,117,625
NCUA Capitalization	243,911
Accrued Interest Loans	61,231
Fixed Assets	678,625
Prepaid Expenses	19,132
Accrued Income Investment	25,342
Other Assets	8,815

Total Assets **\$ 32,355,481**

LIABILITIES-EQUITY

Total Liabilities	\$ 179,721
Shares	16,992,245
Share Certificates	4,813,675
Drafts	3,429,360
IRA	1,705,141
IRA Certificates	1,652,790
Regular Reserves	1,045,278
Undivided Earnings	2,539,573
Investment	
Valuation Reserve	(2,302)

Total Liabilities-Equity **\$ 32,355,481**

INCOME

Interest on Loans	\$ 1,547,076
Income on Investments	451,322
Miscellaneous Income	37,959
Interchange Income	72,430
Draft Income	94,494
Debit Income	32,978
Gross Income	\$ 2,236,259

EXPENSES

Wages	\$ 394,193
Employee Benefits	102,003
Building Expense	66,824
Education and Promotion	20,627
Loan Servicing	103,014
Professional & Outside Service	96,392
Members' Insurance	25,513
Provision for Loan Losses	15,800
Federal Supervision	6,319
Debit Card Expense	79,505
Annual Meeting	4,200
Office Operations	172,134
Conferences and Travel	3,115
Drafts	10,652
Miscellaneous Expense	76,942

Total Expenses **\$ 1,177,233**

STATISTICAL INFORMATION

Number of Member Accounts	6,518
Loans Made in 2001 - 1,153 for	\$ 6,903,253
Loan/VISA Charge-Offs YTD	\$ 46,626
Recoveries on Charge-Offs YTD	\$ 3,597

TOTAL NET INCOME

Dividends	\$ 799,120
Net Income	\$ 259,907