



UT-MCO

Federal Credit Union

**2002
Annual Report**

2002-2003 Board of Directors

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

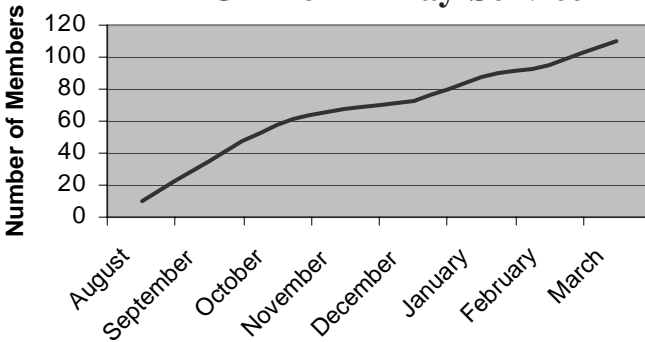
Board Members

Geofrey Tracy - Chairman
Robert Bruno - Vice Chairman
Kathryn Wagner - Treasurer
Jean Hilt - Secretary
Bryan Pyles

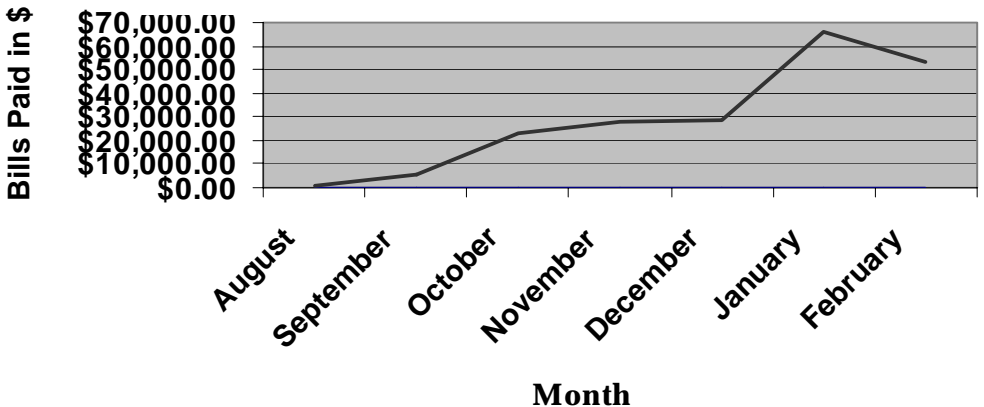
Dawn Blausey
Thomas Sharkey
Supervisory Committee
Pam Beck
John Satkowski
Shelia Stewart

Watch Our New Service Grow

Online Bill Pay Service



Started August 2002



Comparative Statement

	2002	2001	2000
Member Accounts	6,551	6,518	6,457
Total Assets	\$35,506,801	\$32,355,481	\$ 28,252,560
Shares & Clubs	\$19,975,502	\$16,992,245	\$15,033,792
IRA	\$ 3,537,823	\$ 3,357,931	\$ 2,699,759
Drafts (Checking)	\$ 3,638,934	\$ 3,429,360	\$ 3,558,986
Share Certificates	\$ 4,331,774	\$ 4,813,675	\$ 3,672,080
Loans	\$16,307,847	\$16,318,748	\$16,793,059
VISA Loans	\$ 1,553,755	\$ 1,672,827	\$ 1,841,934
Gross Income	\$ 2,146,582	\$ 2,236,259	\$ 2,251,462
Expenses	\$ 1,167,059	\$ 1,177,233	\$ 1,131,504
Dividends	\$ 659,632	\$ 799,120	\$ 772,695
Net Income	\$ 285,213	\$ 259,907	\$ 234,691
Regular Reserves	\$ 1,045,278	\$ 1,045,278	\$ 1,045,278
Undivided Earnings	\$ 2,756,917	\$ 2,539,573	\$ 2,216,666

UT- MCO Federal 2002 Financial

ASSETS

Loans	\$ 17,861,602
Visa Loans	1,553,149
Allowance for Loan Loss	(76,108)
Cash and Cash Equivalents	4,916,649
Investments	11,729,214
NCUA Capitalization	275,745
Accrued Interest Loans	51,426
Fixed Assets	652,775
Prepaid Expenses	35,963
Accrued Income Investment	39,535
Other Assets	8,815

Total Assets **\$ 35,506,801**

LIABILITIES-EQUITY

Total Liabilities	\$ 142,143
Shares	19,975,602
Share Certificates	4,331,774
Drafts	3,638,934
IRA	1,817,810
IRA Certificates	1,720,013
Regular Reserves	1,045,278
Undivided Earnings	2,756,917
Investment	
Valuation Reserve	(10,461)

Total Liabilities-Equity **\$ 35,506,801**

STATISTICAL INFORMATION

Number of Member Accounts	6,471
Loans Made in 2002 - 1,107 for	\$ 7,163,004
Loan/VISA Charge-Offs YTD	\$ 26,637
Recoveries on Charge-Offs YTD	\$ 4,475

Credit Union Statement

INCOME

Interest on Loans	\$ 1,424,850
Income on Investments	478,381
Miscellaneous Income	37,826
Interchange Income	70,499
Draft Income	91,381
Debit Income	43,694

Gross Income **\$ 2,146,582**

EXPENSES

Wages	\$ 400,090
Employee Benefits	107,829
Building Expense	66,520
Education and Promotion	22,253
Loan Servicing	111,258
Professional & Outside Service	102,220
Members' Insurance	6,871
Provision for Loan Losses	52,455
Federal Supervision	7,552
Debit Card Expense	87,672
Annual Meeting	4,532
Office Operations	184,672
Conferences and Travel	1,977
Drafts	8,652
Miscellaneous Expense	37,184

Total Expenses **\$ 1,164,553**

TOTAL NET INCOME

Dividends	\$ 659,632
Net Income	\$ 285,213

A Message from the C

Dear Credit Union Members,

This past year was one of our more challenging years on record. With the nation and state's economic condition still uncertain our Credit Union must continue to find ways to expand our membership as well as providing current and new services at an affordable cost.

The Board of Directors and Staff of your Credit Union are committed to meeting these challenges as we forge ahead. At UT-MCO, our membership continues to grow because of our reputation for offering safe investment programs and practical financial services to our members.

Despite the slump in the economy our loan volume increased slightly (1.5%) from 2001. We also were able to award \$3,500 in scholarships. While we continue to struggle with the economic issues as well as what is happening around the world it is important that our Credit Union continue to diversify and expand its services to fully satisfy our member's financial needs.

This year we have added Online Bill Pay to our list of services. The Bill Pay feature offers our members the ability to access their accounts and pay bills directly from their computers and do it all from the comfort of their home. This service has been a great addition and compliment to our Online Banking system, that we brought on board last year. We also have added services such as Home Equity Visa Cards, discount Stranahan Theatre Tickets, and Toledo Zoo Tickets.

Chairman of the Board

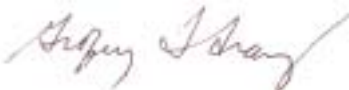
UT-MCO contracted with TurboTax for another year so that members can file their taxes electronically from our website. Members continue to take advantage of this service and successfully complete their taxes online. We also are in the process of changing our website, to better serve our members. With a new clear image on our site we expect to increase online membership by at least 25% for next year. Our members can now apply for loans, reorder checks, and maintain VISA card balances all on line.

As we work together to ensure that these important gains are not short-lived, we must continue to monitor and respond to the forces that impact our presence in the financial community. Looking ahead, we anticipate new product and service enhancements that will offer our members more and easier accessibility to their accounts.

On behalf of your Board of Directors, we thank you for the opportunity to serve you and for your support over the past 39 years. Remember, you the members are responsible for our success.

Together we will meet the upcoming challenges.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "Geoffrey Tracy". The signature is written in a cursive style with a large, sweeping flourish at the end.

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

AGENDA

1. Introduction of board members:

Geof Tracy

Rob Bruno

Jean Hilt

Kate Wagner

Tom Sharkey

Bryan Pyles

Dawn Blausey

2. Introduction of Staff

3. Dispense with reading of last year's minutes

4. Dispense with reading of treasurer's report

5. Motion to pay all expenses for the annual meeting

6. Election results – Secretary & Treasurer Re-Elected Jean Hilt and Kate Wagner

7. Scholarship results

8. Updates – i.e., bill payment, Merger with UT Student Credit Union

9. New Business Information

10. Close of business

11. Prizes/ Raffle

12. Dinner

13. Grand Prize Drawing