

**UT-MCO**  
**FEDERAL CREDIT UNION**

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**40<sup>TH</sup> ANNIVERSARY**

**2003**  
**Annual Report**

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# A Message from the C

Dear Credit Union Members,

This past year we have once again been challenged with high unemployment and low investment rates. The Board of Directors and Staff of your UT-MCO Federal 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. We would also like to take this time to welcome in our newest group the UT Student Federal Credit Union.

In August of 2003 we merged with the University of Toledo Student Federal Credit Union. As a result of the merger we are able to offer yet another location to conduct Credit Union business. Our new office is located in the Student Union Building (room 3019) at the University of Toledo.

In addition to the merger we established a new website and expanded our Online Banking services. We are excited to bring our members **e-statements** and **online check retrieval**. With these changes we expect online membership to increase by at least 30% next year.

We are also pleased to continue our Scholarship Awards in 2004. For the past two years we have been able to award up to \$5,000 in Scholarships to members who qualify.

In 2002 we introduced Bill Pay, which offers our members the ability to access their accounts and pay bills directly from

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# Chairman of the Board

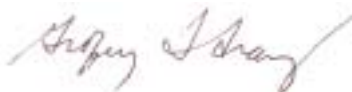
their computers at home or office. This service has been a great success and continues to grow in numbers.

Despite the sluggish economy our loan volume experienced only a slight decrease (1.6%) from 2002. 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 continues to diversify and expand its services to fully satisfy our member's financial needs.

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 better 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 40 years. Remember, you the members are responsible for our success. Together we will meet the upcoming challenges.

Respectfully Submitted,



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

# UT- MCO Federal 2003 Financial

## ASSETS

|                           |               |
|---------------------------|---------------|
| Loans                     | \$ 15,672,085 |
| Visa Loans                | 1,487,143     |
| Allowance for Loan Loss   | (86,589)      |
| Cash and Cash Equivalents | 4,255,244     |
| Investments               | 16,708,205    |
| NCUA Capitalization       | 313,061       |
| Accrued Interest Loans    | 49,540        |
| Fixed Assets              | 620,172       |
| Prepaid Expenses          | 16,590        |
| Accrued Income Investment | 37,397        |
| Other Assets              | 39,625        |

***Total Assets*** **\$ 39,112,473**

## LIABILITIES-EQUITY

|                    |            |
|--------------------|------------|
| Total Liabilities  | \$ 151,003 |
| Shares             | 23,101,658 |
| Share Certificates | 3,996,011  |
| Drafts             | 3,897,074  |
| IRA                | 1,957,947  |
| IRA Certificates   | 1,812,067  |
| Regular Reserves   | 1,051,831  |
| Undivided Earnings | 3,141,437  |
| Investment         |            |
| Valuation Reserve  | 3,445      |

***Total Liabilities-Equity*** **\$ 39,112,473**

## STATISTICAL INFORMATION

|                               |              |
|-------------------------------|--------------|
| Number of Member Accounts     | 7,085        |
| Loans Made in 2003 - 833 for  | \$ 6,337,574 |
| Loan/VISA Charge-Offs YTD     | \$ 48,071    |
| Recoveries on Charge-Offs YTD | \$ 3,574     |

# Credit Union Statement

## INCOME

|                       |              |
|-----------------------|--------------|
| Interest on Loans     | \$ 1,312,177 |
| Income on Investments | 483,084      |
| Miscellaneous Income  | 38,110       |
| Interchange Income    | 74,558       |
| Draft Income          | 111,396      |
| Debit Income          | 48,600       |

## *Gross Income*

***\$ 2,067,925***

## EXPENSES

|                                |            |
|--------------------------------|------------|
| Wages                          | \$ 445,224 |
| Employee Benefits              | 121,881    |
| Building Expense               | 71,624     |
| Education and Promotion        | 29,299     |
| Loan Servicing                 | 116,603    |
| Professional & Outside Service | 110,726    |
| Members' Insurance             | 11,676     |
| Provision for Loan Losses      | 53,625     |
| Federal Supervision            | 8,211      |
| Debit Card Expense             | 92,951     |
| Annual Meeting                 | 4,882      |
| Office Operations              | 216,327    |
| Conferences and Travel         | 1,276      |
| Drafts                         | 8,787      |
| Miscellaneous Expense          | 23,774     |

## *Total Expenses*

***\$ 1,316,866***

## TOTAL NET INCOME

|            |            |
|------------|------------|
| Dividends  | \$ 485,788 |
| Net Income | \$ 265,271 |

# 2003-2004 Board of Directors

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

## Board Members

## Term Expires

## Supervisory Committee

*Geoffrey Tracy - Chairman*

2005

*Pam Beck*

*Robert Bruno - Vice Chairman*

2005

*John Satkowski*

*Kathryn Wagner - Treasurer*

2006

*Shelia Stewart*

*Jean Hilt- Secretary*

2006

*Bryan Pyles*

2004

*Dawn Blausey*

2005

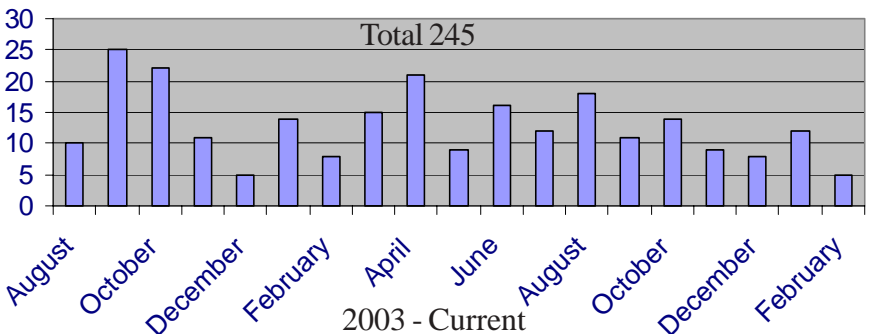
*Thomas Sharkey*

2004

# Statistics

Since 2001 **Online Banking** has grown to a total of **1,712 active members**. Online Banking continues to grow on a daily basis and our members seem to enjoy the convenience of having access to their accounts 24-7.

Along with Online Banking we also offer an **Online Bill Pay** service. Online Bill Pay was introduced in 2002. Since then we have grown to a total of **245 active members**. Provided is a graph showing the increase in Online Bill Pay since 2003.



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# Comparative Statement

|                           | 2003         | 2002         | 2001         |
|---------------------------|--------------|--------------|--------------|
| <b>Member Accounts</b>    | 7,085        | 6,551        | 6,518        |
| <b>Total Assets</b>       | \$39,112,473 | \$35,506,801 | \$32,355,482 |
| <b>Shares &amp; Clubs</b> | \$23,101,658 | \$19,975,602 | \$16,992,246 |
| <b>IRA</b>                | \$3,770,014  | \$ 3,537,823 | \$ 3,357,931 |
| <b>Drafts (Checking)</b>  | \$3,897,074  | \$ 3,638,934 | \$ 3,429,360 |
| <b>Share Certificates</b> | \$3,996,011  | \$ 4,331,774 | \$ 4,813,675 |
| <b>Loans</b>              | \$15,672,085 | \$16,309,059 | \$16,318,748 |
| <b>VISA Loans</b>         | \$1,487,143  | \$ 1,552,543 | \$ 1,672,827 |
| <b>Gross Income</b>       | \$2,067,925  | \$ 2,146,582 | \$ 2,236,259 |
| <b>Expenses</b>           | \$1,316,865  | \$ 1,201,737 | \$ 1,177,232 |
| <b>Dividends</b>          | \$485,788    | \$ 659,632   | \$ 799,120   |
| <b>Net Income</b>         | \$265,271    | \$ 285,213   | \$ 259,907   |
| <b>Regular Reserves</b>   | \$1,051,831  | \$ 1,045,278 | \$ 1,045,278 |
| <b>Undivided Earnings</b> | \$3,141,437  | \$ 2,824,785 | \$ 2,539,573 |

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# 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
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5. Motion to pay all expenses for the annual meeting
  6. Election results – Board Members Thomas Sharkey and Bryan Pyles
  7. Scholarship results
  8. Updates – Merger with UT Student Credit Union, Online Banking
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9. New Business Information
  10. Close of business
  11. Prizes/ Raffle
  12. Dinner
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13. Grand Prize Drawing