



UT-MCO

FEDERAL CREDIT UNION

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41ST

ANNUAL MEETING

2004
Annual Report

A Message from the C

Dear Credit Union Members,

This past year we have once again been challenged with a struggling economy. 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. At UT-MCO our membership is the backbone to our success. The more active our members are with our services and benefits, the more successful we are as a credit union.

During the year we continued to market our Loan Specials, and we were able to keep pace with our loan volume from previous years. As a result, we were able to distribute a “loan rebate” back to the members as our way of thanking you for all your continued support.

In an effort to offer a safe and secure environment to our membership and staff we have installed a new entrance at the main office on Hill. Please feel free to stop by and take a look at the new doors and let us know what you think.

This year we introduced Courtesy Pay, which is a program that protects your checking account from overdrafts. Courtesy Pay was brought to our members to allow them more freedom with their checking accounts by not relying on the high cost of the cash advance stores.

We are continuing to develop new programs to help our members with their financial needs and their financial planning.

Chairman of the Board

We are also pleased to continue our Scholarship Awards. For the past three years we have been able to award up to \$5,000 in Scholarships to members who qualify. Our Scholarship committee has found a significant increase in applicants each year.

In 2002 we introduced Bill Pay, which offers our members the ability to access their accounts and pay bills directly from their computers at home or office. This service has been a great success and continues to grow in numbers. In addition to our Bill Pay service, Online Banking continues to grow as well. We are expecting a 25% increase for next year. We are also working on a single sign on for all online banking and bill pay members to help eliminate two different passwords and sign on names.

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 41 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 2004 Financial

ASSETS

Loans	\$ 15,620,175
Visa Loans	\$1,564,331
Allowance for Loan & Lease Loss	(\$85,615)
Cash and Cash Equivalents	\$3,011,585
Investments	\$18,584,974
NCUA Capitalization	\$333,572
Accrued Interest Loans	\$49,434
Fixed Assets	\$605,556
Prepaid Expenses	\$34,439
Accrued Income Investment	\$36,075
Other Assets	\$20,347

Total Assets **\$ 39,774,873**

LIABILITIES-EQUITY

Total Liabilities	\$132,984
Shares & Clubs	\$24,326,413
Share Certificates	\$3,587,521
Drafts	\$3,703,071
IRA	\$1,943,066
IRA Certificates	\$1,651,399
Regular Reserves	\$1,051,831
Undivided Earnings	\$3,391,655
Investment	
Valuation Reserve	(\$13,067)

Total Liabilities-Equity **\$ 39,774,873**

STATISTICAL INFORMATION

Number of Member Accounts	6,919
Loans Made in 2004 - 826 for	\$5,762,837
Loan/VISA Charge-Offs YTD	\$116,411
Recoveries on Charge-Offs YTD	\$11,780

Credit Union Statement

INCOME

Interest on Loans	\$ 1,167,167
Income on Investments	\$488,640
Miscellaneous Income	\$37,474
Interchange Income	\$81,716
Draft Income	\$125,055
Debit Income	\$49,251

Gross Income

\$ 1,949,303

EXPENSES

Wages	\$ 419,485
Employee Benefits	\$133,459
Building Expense	\$73,210
Education and Promotion	\$32,163
Loan Servicing	\$117,294
Professional & Outside Service	\$109,225
Members' Insurance	\$10,730
Provision for Loan & Lease Losses	\$103,656
Federal Supervision	\$7,071
Debit Card Expense	\$94,237
Annual Meeting	\$5,340
Office Operations	\$191,159
Conferences and Travel	\$1,342
Drafts	\$9,260
Miscellaneous Expense	\$18,018

Total Expenses

\$ 1,328,849

TOTAL NET INCOME

Dividends	\$370,236
Net Income	\$250,218

2004-2005 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

Geofrey Tracy - Chairman

2005

Pam Beck

Robert Bruno - Vice Chairman

2005

John Satkowski

Kathryn Wagner - Treasurer

2006

Shelia Stewart

Jean Hilt- Secretary

2006

Bryan Pyles

2007

Dawn Blausey

2005

Thomas Sharkey

2007

Statistics

Since 2001 **Online Banking** has grown to a total of **1,972 active members**. Last year we had 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 **322 active members**. Last year we had a total of 245 active members.

In addition to the Online Services we just introduced **E-Statements** in March of 2005. Since the release we have had **immediate response** and sign ups for this new service are increasing everyday. E-Statements allow members to view their statements online, eliminating paper statements in their mailboxes. You can sign up for E-statements online and start enjoying the convenience immediately.

Comparative Statement

	2004	2003	2002
Member Accounts	6,919	7,085	6,551
Total Assets	\$39,774,873	\$39,112,473	\$35,506,801
Shares & Clubs	\$24,326,413	\$23,101,658	\$19,975,602
IRA	\$3,594,465	\$3,770,014	\$3,537,823
Drafts (Checking)	\$3,703,071	\$3,897,074	\$3,638,934
Share Certificates	\$3,587,521	\$3,996,011	\$4,331,774
Loans	\$15,620,175	\$15,672,085	\$16,309,059
VISA Loans	\$1,564,331	\$1,487,143	\$1,552,543
Gross Income	\$1,949,303	\$2,067,925	\$2,146,582
Expenses	\$1,328,849	\$1,316,865	\$1,201,737
Dividends	\$370,236	\$485,788	\$659,632
Net Income	\$250,218	\$265,271	\$285,213
Regular Reserves	\$1,051,831	\$1,051,831	\$1,045,278
Undivided Earnings	\$3,391,655	\$3,141,437	\$2,824,785

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. Last year's minutes

4. Treasurer's report

5. Motion to pay all expenses for the annual meeting

6. Election results – Board Members Geoffrey Tracy,
Robert Bruno and Dawn Blausey

7. Updates – Courtesy Pay, E-Statements, 3%
interest rebate

8. Scholarship Results

9. New Business Information/ Hospice Presentation

10. Close of business

11. Dinner

12. Prizes/ Raffles

13. Grand Prize Drawing