



2008 ANNUAL REPORT



MISSION STATEMENT

Our mission is to be our members' preferred source for financial products and services by meeting the growing and changing needs of the membership while maintaining a position of financial strength.

AGENDA

ANNUAL MEETING March 29, 2009

Call Meeting to OrderMatt Logies
IntroductionsMatt Logies
Reading & Approval of
Last Annual Meeting Minutes Doris Yee
Board of Directors' Report Evie Probert
Treasurer's Report Mike Losneck
Loan Officer's Report Debbie Richards
Supervisory Committee Report Denise Gruden

Nominating Committee
Report Nominating Committee
Staff Recognition Mike Losneck
Old Business Matt Logies
New Business Matt Logies
Open Discussion Matt Logies
Adjourn
Door Prizes

MESSAGE FROM THE BOARD OF DIRECTORS

Dear Credit Union Member:

On behalf of your Board of Directors, I would like to welcome you to this year's Eaton Family Credit Union annual meeting.

As you are all very aware, calendar year 2008 presented serious financial challenges across the market. The third and fourth quarters were especially hard on all consumers and our Members. Thankfully, due to the teamwork of the Eaton Family Credit Union Staff, your credit union remained profitable even in these hard times. We are pleased that we can offer the products and services you need, including savings products that are federally insured up to \$500,000.

The most important part of Eaton Family Credit Union is you. The Board of directors and our professional staff are committed to making Eaton Family Credit Union the primary source for all your financial needs.

On behalf of the Board of Directors, Supervisory Committee and Staff, thank you for your continued participation as we grow into an ever-stronger organization.

Sincerely,
Matt Logies
Board of Directors Chairperson

SUPERVISORY REPORT

The Supervisory Committee is responsible for periodic audits of the Credit Union. During the past several years, the Supervisory Committee has also employed CBS Certified Public Accountants, LLC, an outside auditing firm, to complete a more comprehensive audit of the Credit Union's internal accounting and administrative control procedures. In addition, the Credit Union was also audited by State of Ohio examiners.

The result of the committee's audits as well as the outside audits, reflect the overall competence of the Credit Union management and staff, coupled with solid leadership from the Board of Directors. We will continue our work to ensure the health of the Credit Union now and for the future.

Sincerely,
Supervisory Committee

FINANCIAL STATEMENT

INCOME AND EXPENSES

BALANCE SHEET

	<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>
INTEREST INCOME			ASSETS		
Interest Income on Loans	1,407,293	1,560,888	TOTAL LOANS	\$21,582,979	\$22,759,606
Interest Income on Investments	483,410	535,236	Allowances for loan loss	(126,324)	(316,505)
Other Income	769,485	831,995	NET LOANS	21,456,655	22,443,101
TOTAL INCOME	2,660,188	2,928,119	RECEIVABLES	4,496	661
Dividend Expense	618,310	622,706	CASH	792,050	1,149,879
Net Interest Income	2,041,878	2,305,413	INVESTMENTS		
Less provision for loan losses	126,000	131,979	Overnight Investments	3,010,861	1,046,440
Net interest income after provision for loan losses	1,915,878	2,173,434	Certificates of Deposit	2,747,193	5,840,398
OPERATING EXPENSES			Investments Available for Sale	6,077,141	4,735,969
Compensation	652,347	755,536	Corporate One Capitalization	305,728	155,325
Employee Benefits	155,843	192,831	NCUA Share Insurance Fund	336,340	334,100
Travel & Conference	11,479	9,311	NET INVESTMENTS	12,477,263	12,112,232
Association Dues	15,129	17,492	OTHER ASSETS		
Office Occupancy Costs	114,203	123,193	Fixed Assets	365,189	335,591
Office Operation Costs	253,305	279,494	Prepaid Expenses	112,707	131,662
Depreciation	37,938	34,367	Accrued Loan Income	49,750	51,831
ATM Program Costs	74,660	85,797	Accrued Investment Income	121,760	123,509
Checking Program Costs	5,546	5,340	Other Assets	4,786	3,717
Debit Card Program Costs	30,964	22,355	TOTAL OTHER ASSETS	654,192	646,310
IRA Program Costs	3,239	3,274	TOTAL ASSETS	\$35,384,656	\$36,352,183
Training Expense	8,981	6,842	LIABILITIES		
Marketing Expense	63,729	48,432	Accounts Payable	\$87,240	\$122,325
Loan Servicing Expense	81,280	99,121	Accrued Expenses	50,170	48,005
VISA Program Costs	77,936	88,257	TOTAL LIABILITIES	137,410	170,330
Lending Center Costs	24,477	25,670	EQUITY		
Mortgage Services Program	20,556	36,031	MEMBER SHARES		
Outside Service Expense	207,632	228,420	Regular Shares	12,507,512	12,630,798
Exam / Audit Expense	11,954	11,960	Checking Accounts	3,464,811	3,358,062
Cash Over / Short	(508)	1,253	Money Market Savings	4,069,529	4,194,557
Annual Meeting Expense	3,600	1,200	Share Certificates	8,141,449	8,908,582
Miscellaneous Expense	13,443	12,257	IRA Accounts	2,474,227	2,322,301
TOTAL OPERATING EXPENSE	1,867,733	2,088,433	All Other Accounts	272,882	402,181
NON OPERATING INCOME (Expense)	(7,686)	(2,088)	TOTAL MEMBER SHARES	30,930,410	31,816,481
NET PROFIT	40,459	82,913	NET WORTH		
			Regular Reserves	1,432,152	1,432,152
			Undivided Earnings	2,906,125	2,989,039
			Unrealized Value/Loss on Investments	(21,441)	(55,819)
			TOTAL NET WORTH	4,316,836	4,365,372
			TOTAL LIABILITIES AND EQUITY	\$35,384,656	\$36,352,183

SERVICES OF YOUR CREDIT UNION

Savings/Investments Accounts

- Savings Accounts
- Individual Retirement Accounts (IRAs)
- Money Market Accounts
- Holiday Clubs
- Term Share Certificates
- Young Adult Program (for members age 18-25)
- Young Savers (for members under 18)

Financial Planning Services

Convenient Products and Services

- Advantage Checking Accounts
- Overdraft Privilege
- Direct Deposit
- Payroll Deduction
- ATM Access
- MasterMoney Debit Card
- Member Anytime Touch-tone Teller (MATT)
- Free Web Bill Pay/Home Banking
- Shared Branching
- Prepaid Visa Gift Cards

Loan Solutions

- Vehicle Leasing
- Vehicle Loans (New & Used)
- Education/Computer Loans
- Government-Guaranteed Student Loans
- Home Equity Loans
- Line-Of-Credit Loans
- Mortgage Loans
- GAP Protection/Extended Warranty Protection
- Signature Loans
- VISA Credit Cards
- 24/7 Loan Line
- 24/7 Internet Loan Approval
- Stretch Pay Loans



Eaton Family
CREDIT UNION, INC.

Euclid • Searcy • Wickliffe • Willoughby Hills
(216) 920-2000
(800) 845-5446
Fax: (216) 920-2030
www.EatonFamilyCU.com

OFFICIAL FAMILY

BOARD OF DIRECTORS

Matt Logies, Chair

Evie Probert, Vice Chair

Doris Yee, Secretary

Mike Losneck, Treasurer

Barbara Jackson, Director

Marc Manburg, Director

Chris Jochum, Director

Robert Williams, Director

Craig Gruden, Director

SUPERVISORY COMMITTEE

Denise Gruden, Chair

John Dragos

Fred Orenics

EUCLID OFFICE

Connie Bronkall
Alyson Greskowiak
Kenyita Hunt
Maretta Kibler
Robyn Kudley
Michael Losneck
Lisa Myers
Deborah Richards

Belinda Rivera
Terry Shingledecker
Fred Siegel
Kelly Slocum
Dena Steelman
Rich Stetz
Diane Toth
Maria Vendetti

WICKLIFFE OFFICE

Irene Mehalic
Barb Nau
Vivian Yeager

WILLOUGHBY HILLS OFFICE

Michele Greskowiak
Bernice Kelley
Mark Zamiska

SEARCY, ARKANSAS OFFICE

Wilma Sue Bibbs
Sarah Wills

Your savings federally insured to at least \$250,000
And backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency



EQUAL OPPORTUNITY
LENDER