

2010 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 27, 2011

Call Meeting to Order Chris Jochum
Introductions Chris Jochum
Reading & Approval of
Last Annual Meeting Minutes Doris Yee
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 Chris Jochum
New Business Chris Jochum
Open Discussion Chris Jochum
Adjourn
Door Prizes

MESSAGE FROM THE BOARD OF DIRECTORS

Dear Credit Union Member:

I would like to welcome you to this year's Eaton Family Credit Union annual meeting.

The Board of Directors is pleased to inform you that 2010 has been a profitable year and membership in the credit union continues to grow. With the hard work of the credit union staff, we have been able to achieve impressive results: Gross income increased by 9.54%, or \$274,904; deposits increased by 24%, or \$8,479,514; and loans increased by 19%, or \$4,950,753. Striving to sustain this level of achievement should lead to the continuance of our strong financial position.

It has been a great year but we haven't lost sight of the most important part of Eaton Family Credit Union: You. The Board of Directors and our entire staff are committed to providing the best products and services so that you will make Eaton Family Credit Union your primary source for financial services.

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,
Christopher S. Jochum
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>2009</u>	<u>2010</u>		<u>2009</u>	<u>2010</u>
INTEREST INCOME			ASSETS		
Interest Income on Loans	1,676,922	1,982,551	TOTAL LOANS	\$26,601,724	\$31,552,477
Interest Income on Investments	418,956	433,918	Allowances for loan loss	(190,415)	(345,437)
Other Income	785,948	740,261	NET LOANS	26,411,309	31,207,040
TOTAL INCOME	2,881,826	3,156,730	RECEIVABLES	16,088	1,061
Dividend Expense	532,563	470,527	CASH	1,034,751	1,180,792
Net Interest Income	2,349,263	2,686,203	INVESTMENTS		
Less provision for loan losses	173,500	218,364	Overnight Investments	856,329	1,848,186
Net interest income after provision for loan losses	2,175,763	2,467,839	Certificates of Deposit	5,056,317	4,671,485
OPERATING EXPENSES			Investments Available for Sale	5,053,494	7,965,719
Compensation	749,546	827,419	Corporate One Capitalization	162,057	193,160
Employee Benefits	198,951	212,207	NCUA Share Insurance Fund	338,165	378,848
Travel & Conference	5,690	9,511	NET INVESTMENTS	11,466,362	15,057,398
Association Dues	16,698	19,013	OTHER ASSETS		
Office Occupancy Costs	119,474	114,073	Fixed Assets	327,459	310,510
Office Operation Costs	273,787	230,840	Prepaid Expenses	179,225	213,685
Depreciation	21,028	25,555	Accrued Loan Income	55,599	66,089
ATM Program Costs	86,886	38,100	Accrued Investment Income	85,663	119,138
Checking Program Costs	2,788	6,166	Other Assets	12,092	93,372
Debit Card Program Costs	21,302	79,377	TOTAL OTHER ASSETS	660,038	802,794
IRA Program Costs	3,037	2,996	TOTAL ASSETS	\$39,588,548	\$48,249,085
Training Expense	7,499	4,131			
Marketing Expense	66,472	66,642	LIABILITIES		
Loan Servicing Expense	121,706	112,118	Accounts Payable	\$62,449	\$93,608
VISA Program Costs	92,318	88,272	Accrued Expenses	46,094	35,583
Lending Center Costs	15,350	14,246	TOTAL LIABILITIES	108,543	129,191
Mortgage Services Program	41,403	62,584	EQUITY		
Outside Service Expense	224,177	233,459	MEMBER SHARES		
Member Insurances	(262,161)	154,894	Regular Shares	12,430,599	14,680,747
Exam / Audit Expense	12,476	11,601	Checking Accounts	3,745,076	3,624,870
Cash Over / Short	902	2,465	Money Market Savings	5,878,455	9,333,976
Annual Meeting Expense	6,200	1,200	Share Certificates	9,719,035	11,325,617
Miscellaneous Expense	14,336	18,569	IRA Accounts	3,091,400	4,231,326
TOTAL OPERATING EXPENSE	1,839,865	2,335,508	All Other Accounts	371,011	518,554
NON OPERATING INCOME (Expense)	7,803	(7,835)	TOTAL MEMBER SHARES	35,235,576	43,715,090
NET PROFIT	343,701	124,496	NET WORTH		
			Regular Reserves	1,432,152	1,432,152
			Undivided Earnings	3,017,757	3,142,253
			Unrealized Value/Loss on Investments	(205,480)	(169,601)
			TOTAL NET WORTH	4,244,429	4,404,804
			TOTAL LIABILITIES AND EQUITY	\$39,588,548	\$48,249,085

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/Debit Card
- Member Anytime Touch-tone Teller (MATT)
- Free Web Bill Pay/Home Banking/Mobile
- Shared Branching
- Prepaid Visa Gift Cards
- Identity Theft

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



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OFFICIAL FAMILY

BOARD OF DIRECTORS

Chris Jochum, Chair
Barbara Jackson, Vice Chair
Doris Yee, Secretary
Mike Losneck, Treasurer
Marc Manburg, Director
Evie Probert, Director
Robert Williams, Director
Craig Gruden, Director

SUPERVISORY COMMITTEE

Denise Gruden, Chair
Ralph Dinges
John Dragos
Fred Orenics
Tony Sanders
John Schultz

EUCLID OFFICE

Alyson Greskowiak	Lori Penny
Kenyita Hunt	Deborah Richards
Bernice Kelley	Terry Shingledecker
Maretta Kibler	Fred Siegel
Robyn Kudley	Kelly Slocum
Michael Losneck	Diane Toth
Lisa Myers	Maria Vendetti

WICKLIFFE OFFICE

Irene Mehalic
Barb Nau
Vivian Yeager

WILLOUGHBY HILLS OFFICE

Michele Greskowiak
Dena Steelman
Rich Stetz

SEARCY, ARKANSAS OFFICE

Wilma Sue Bibbs
Sarah Wills

LINCOLN, ILLINOIS OFFICE

Anita Atchison
Pam Hensley

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