

INTERNATIONAL UAW FEDERAL CREDIT UNION: ANNUAL REPORT 2013

AGENDA

The order of business at the Annual Meeting of members shall be:

- Call meeting to order
- Reading the approval or correction of the minutes of the last meeting
- Director's Report
- Treasurer's Report
- Credit Committee's Report
- Supervisory Committee's Report
- Unfinished Business
- Elections
- New Business
- Adjournment

DIRECTOR'S REPORT

Since its inception 70 years ago, the Board of Directors of our International UAW Federal Credit Union has been meeting monthly to evaluate the overall stability of our lending practices, income investments, and financial posture within the Banking industry. Most recently, the Board has made adjustments to lending policies and other banking practices that were warranted in order to keep stability.

The Board of Directors have always made those sometimes very difficult decisions with these thoughts in mind; provide the highest interest rates possible on Checking, Savings or CD accounts; offer the lowest rates possible on Loans such as Autos, Boats; offer competitive interest rates on VISA accounts; in addition to offering the lowest rate possible on Home mortgages and related long term loans while those are our primary focus, we continually review new and innovative ways to enhance our shareholders' Credit Union banking experience..

The past year 2013, found our credit union still facing a volatile time. Again we found

ourselves with higher than normal bankruptcies, little or no auto loans due to Auto companies offering 0% down and 0% interest rates, and finally, unforeseen expenses that were forced upon us through legislated Banking laws. Credit Unions across the country were all impacted by this legislation.

Your Board of Directors took quick and decisive action by: 1) fortifying current and initiating new Banking policies; 2) reducing overhead cost where practicable; 3) implementing a secured system that will allow each shareholder easy access to their accounts; and 4) securing a fair and equitable Union labor agreement with the OPEIU 42 Union staff.

I can report that, as of this date in 2014, the steps that have been taken have proven to be the aggressive steps needed not only to fortify our financial position but to place our International UAW Federal Credit Union among the top responsive and stable Credit Unions in our peer group.

As always, thank you for your dedication and trust.

Jack Zahn, President

TREASURER'S REPORT

Financial Statement

ASSETS	12-31-2013
Loans to Members	\$ 7,367,327
Allow. For Loan Losses	\$ (186,578)
Cash on Hand	\$ 286,773
Investments (net)	\$13,484,550
Furn. & Equip. (net)	\$ 1,140
Other Assets	<u>\$ 4,936,401</u>
TOTAL ASSETS	\$25,889,613

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LIABILITIES & EQUITY

Shares & Certificates	\$22,954,800
Accounts & Other Payables	\$ 87,261
Post Retirement Liability	\$ 436,023
Dividends Payable	\$ 4,461
Regular Reserves	\$ 938,974
Undivided Earnings	<u>\$ 1,468,094</u>

TOTAL LIABILITIES & EQUITY **\$25,889,613**

INCOME

Loans	\$ 488,100
Investments	\$ 146,393
Other	\$ 128,356
Non-Operating	<u>\$ _____</u>

TOTAL INCOME **\$ 762,849**

EXPENSES

Salaries	\$ 130,434
Employee Benefits	\$ (474,223)
NCUA Operating Fees	\$ 6,015
Office Operations	\$ 127,022
Educational & Promo.	\$ 475
Annual Meeting Expense	\$ -
Loan Servicing Expense	\$ 65,907
Professional Services	\$ 182,559
Provision for Loan Losses	<u>\$ 82,969</u>

TOTAL EXPENSES **\$ 121,158**

Non-Operating (Gain) Loss	\$ 16,314
Dividends	\$ 36,792
Allocated to Reserves	\$ 588,585

CAPITAL / ASSETS: 9.30%

CREDIT COMMITTEE'S REPORT

During 2013, your Credit Committee approved 768 loans totaling \$1,099,336.

International UAW F.C.U. continues to assist the membership with a variety of loan products. Your Board of Directors has continued to keep loan rates low.

The Credit Committee looks forward to assisting the membership in 2014.

SUPERVISORY COMMITTEE'S REPORT

It is the responsibility of your Supervisory Committee to oversee the credit union's operations and to work to monitor the credit union's records to ensure that they are accurate.

For the 2013 calendar year, a comprehensive audit was performed by Financial Standards Group, Inc. We are pleased to report that all federal requirements are being met and that the credit union is financially sound and adequately capitalized.

Your Supervisory Committee has been very active in the past year and we are devoted to serving the membership in the future. Have a prosperous year!

MANAGEMENT & STAFF

BOARD OF DIRECTORS

Jack Zahn	President
John Rucker	1 st VP
Diana Chavez	Treasurer
Laverne Davis	Secretary
Eugene Hamilton	Director

SUPERVISORY COMMITTEE

Deanne Saffold	Chair
Andrew Comai	
Nancy Dennis	

CREDIT COMMITTEE

John Rucker	Chair
Eugene Hamilton	
Shontel Willis	

STAFF

Fabian A. Ellis	G.M.
Elda Salinas	

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CREDIT UNION SERVICES

- **ONLINE BILL PAYMENT**
- **CO-OP SHARED BRANCHING**
- REGULAR SHARE & SHAREDRAFT ACCOUNTS
- MONEY MARKET SHARE ACCOUNTS
- CHRISTMAS CLUB ACCOUNTS
- IRA ACCOUNTS (TRADITIONAL/ROTH)
- TERM SHARE DEPOSITS (CERTIFICATES)
- IRA CERTIFICATIES
- NEW & USED AUTO LOANS
- MOBILE HOME LOANS
- SHARE & CERTIFICATE PLEDGE LOANS
- VISA (CLASSIC/GOLD)
- 1ST MORTGAGE LOANS (MMS)
- BILL CONSOLIDATION LOANS
- LINE-OF-CREDIT LOANS
- SIGNATURE LOANS
- MASTERMONEY DEBIT CARDS
- VISA GIFT CARDS
- ATMs
- TRAVELERS CHECKS
- CERTIFIED CHECKS
- OFFICIAL CHECKS
- DIRECT DEPOSIT
- VISA PAYMENT
- GAP INSURANCE
- AD & D INSURANCE
- CREDIT LIFE & DISABILITY INSURANCE
- WIRE TRANSFERS
- OVERDRAFT ADVANCE
- NETBRANCH (ONLINE-BANKING)