

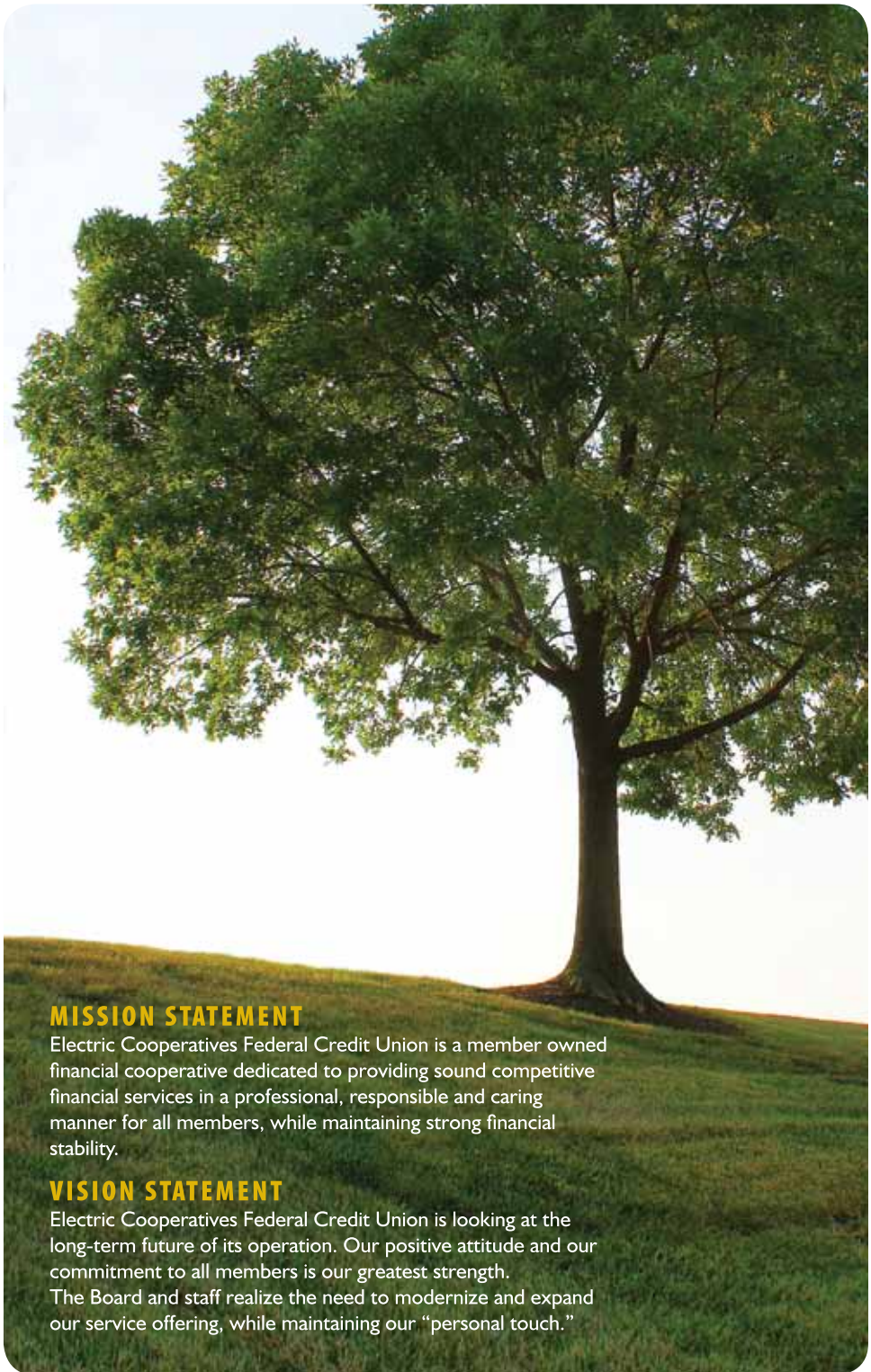
# 52 YEARS AND GROWING STRONG



*Electric Cooperatives*  
Federal Credit Union

**2010**

ELECTRIC COOPERATIVES  
CREDIT UNION  
ANNUAL REPORT



### **MISSION STATEMENT**

Electric Cooperatives Federal Credit Union is a member owned financial cooperative dedicated to providing sound competitive financial services in a professional, responsible and caring manner for all members, while maintaining strong financial stability.

### **VISION STATEMENT**

Electric Cooperatives Federal Credit Union is looking at the long-term future of its operation. Our positive attitude and our commitment to all members is our greatest strength.

The Board and staff realize the need to modernize and expand our service offering, while maintaining our “personal touch.”

# 2010 ANNUAL MEETING BOOK OF REPORTS

## BOARD OF DIRECTORS

Rose Vines, Chairman  
Amy Whitson, Vice Chairman  
Hayley Tibbs, Secretary/Treasurer  
Greg Smith, Director  
Forest Kessinger, Director  
Ronnie Frizzell, Director  
Steve Hall, Director  
William (Bill) Conine, Director

## SUPERVISORY COMMITTEE

Ken Bland, Chairman  
Steve Williams  
Jay Logan

## CREDIT UNION STAFF

Windy Campbell, President/CEO  
Patsy Baldwin, Office Manager/Accounting  
Lauren Rowland, MSR/Loan Officer  
Elizabeth Butler, MSR/Teller

AECC Bailey Power Plant  
AECC Fitzhugh Power Plant  
AECC McClellan Power Plant  
AECC Little Rock  
AECI Little Rock  
Arkansas Valley Electric  
Ashley-Chicot Electric  
C&L Electric  
Carroll Electric  
Clay County Electric  
Craighead Electric  
First Electric  
Mississippi County  
North Arkansas Electric  
Ouachita Electric  
Ozark Electric  
Petit Jean Electric  
Rich Mountain Electric  
South Central Electric  
Woodruff Electric  
ERMCO  
Southwest Power Pool

## MINUTES OF THE MEETING

### CALL TO ORDER

The Membership of the Electric Cooperatives Federal Credit Union met on March 18, 2010. The Annual Meeting convened in the Employee Meeting Room on the Harry L. Oswald Building, 1 Cooperative Way, Little Rock, Arkansas. The meeting was called to order at 3:30 PM by Chairman Frizzell.

### CONFIRMATION OF A QUORUM

After examination of those members on attendance, Secretary Whitson reported to Chairman Frizzell the presence of a quorum.

### MINUTES FROM THE PREVIOUS MEMBER MEETING

On a motion and second by voice vote, the membership voted to adopt the Minutes from the 2009 Annual Meeting. Motion carried.

### REPORTS

Chairman Frizzell reported the Electric Cooperatives Federal Credit Union, as of December 31, 2009, had 2,107 memberships, with \$9,199,466.43 total assets. During the coming year we will continue to provide quality member service and look forward to expanding our services and maintaining a personal touch.

# MINUTES OF THE MEETING

Supervisory Committee Chairman Ken Bland reported that beginning next week, the firm of Sullivan & Company P.A. will perform the audit and expects the credit union will receive an overall good report.

Nominating Committee Member Bill Conine presented the Committee report. The Committee was composed of Chairman Alice Eason, Bill Conine and W.H. Frizzell.

## THE COMMITTEE NOMINATED THE FOLLOWING SLATE OF CANDIDATES:

**Greg Smith** – (3) year term  
**Hayley Tibbs** – (3) year term  
**Ronnie Frizzell** – (3) year term

Following the Committee's Report, Chairman Frizzell made three (3) calls for additional nominations from the floor. There being none, Chairman Frizzell asked for a motion to vote these candidates to the Board, a motion was made and seconded by voice vote. Motion carried.

President Campbell addressed the membership and provided the Treasurer's Report.

The Electric Cooperatives Federal Credit Union 2009 Operating Income was \$669,747 with operating expenses of \$622,975 and dividend expenses of \$73,155. This year we had Non-Operating Income of (\$9,480). This was due to the NCUA Stabilization Plan. Your credit union board closely monitors all expenses to insure that the membership receives the best possible value for the programs being offered.

## DOOR PRIZES

Through a random drawing, token door prizes were awarded to certain membership in attendance.

## ADJOURNMENT

With no additional business to come before the 2009 Annual Meeting, Chairman Frizzell declared the Annual Meeting adjourned at 3:50 P.M.

Respectfully submitted,  
Amy Whitson, Secretary  
Ronnie Frizzell, Chairman

# NOMINATING COMMITTEE

The nominating committee (Don Crabbe, Bill Conine and Alice Eason) offers the following nominations for elections to the board of directors of the Electric Cooperatives Federal Credit Union:

**Rose Vines** – First Electric for three (3) year term

**Bill Conine** – Petit Jean Electric for a three (3) year term

**Forest Kessinger** – Arkansas Electric Cooperatives Corporation for a three (3) year term

For the Committee  
Alice Eason

## CHAIRMAN'S REPORT

Each year Electric Cooperatives Federal Credit Union board of directors works hard to insure the credit union continues to provide dependable, convenient service to its members while maintaining strong financial stability. As many of us have been dealing with these hard financial times, the credit union has been working with the membership to provide lower interest rates on loans, and competitive dividend rates on Shares, Share Certificates as well as Share Draft accounts. In 2010 the credit union introduced a new account type for members who have a high deductible health plan with their employer. This account is the Health Savings Account. We have seen the growing need to offer this account, and our members have responded by opening over 250 new HSA's between 2010 and the first part of 2011.

Another important focus continues to be building a personal relationship with our members. We continue to review products and services to bring the credit union closer to home. We have increased our marketing budget to include an interactive Facebook page to keep members more informed about what is going on at the credit union as well as sharing important financial tips. We will be making more co-op visits and working with the local Rural Electric volunteers to help them share the benefit of being a credit union member with employees.

At this time I am happy to share with the members of Electric Cooperatives Federal Credit Union that as of December 31, 2010 the credit union's total assets were \$9,067,548.06 with a total of 2385 members. That is an increase of 278 members from December 2009 to December 2010.

I want to thank everyone for their continued support and we look forward to the coming 2011 year.

## COMMITTEE REPORT

As required, the Supervisory Committee has scheduled an audit of the credit union's financial records for the calendar year ending December 31, 2010.

The Supervisory Committee had engaged the firm of Sullivan & Company P.A. to perform the audit in accordance with generally accepted auditing standards. The Supervisor Committee expects the credit union will receive an unqualified opinion which means that the credit union's regulatory financial statements present fairly, in all material respects, the financial position of the Electric Cooperatives Federal Credit Union as of December 31, 2009 and 2010, and the results of its operations and its cash flows for the years then ended.

Respectfully submitted,  
Supervisory Committee  
Chairman, Ken Bland

## PRESIDENT'S REPORT

In the beginning of 2010 we faced uncertainty in our economy, rising unemployment, increasing mortgage foreclosures and a low consumer confidence in the financial industry. In the face of financial and regulatory challenges our credit union achieved positive net income without eliminating valuable services or staff. Regardless of what is happening in our regional or national economy, Electric Cooperatives Federal Credit Union has remained a safe harbor for your deposits and loans. Member's shares are insured up to \$250,000 with an additional \$250,000 for IRA's.

The Board of Directors and management of Electric Cooperatives FCU strive to provide you – our member-owners – with the utmost safety and convenience. Over the past several years we have added additional services to insure a more local and convenient credit union. With Home Banking, Bill Pay, E-statements, E-Lending and our Shazam Privilege Status Sur-charge free ATM network, we have brought the credit union closer to you. In the coming years, we are looking to build on these services as well as add new services to insure your credit union is everywhere you are.

As reported by our Board Chairman, Electric Cooperatives FCU maintained assets of \$9,067,548, and invested in our members with over 75% of the credit union's assets in member loans. This was done by offering quality loan rates and terms, as well as 24/7 access to loan applications through E-lending. Because of the members "cooperative spirit," the credit union was able to maintain a delinquency ratio of 1.65% and a loan charge off ratio of .24% of our average loans. Our members are our biggest and best investment and we continue to work hard to provide a safe, trustworthy, friendly, and professional credit union.

Respectfully submitted,  
President/CEO, Windy Campbell

## TREASURER'S REPORT

As of December 31, 2010, Electric Cooperatives Federal Credit Union held total assets of \$9,067,548.06. This is a decrease of \$131,918 from 2009. Of the total assets, loans to members account for \$6,957,873 while investments contributed \$1,017,400. Other smaller asset classifications accounted for the remainder. The credit union holds reserves of \$280,771 and undivided earnings of \$650,957.

Operating income for 2010 was \$719,811 with operating expenses of \$574,584 and dividend expenses of \$83,563. This year we had a non-operating income loss of \$12,826 due to Corporate Stabilization of US Central Corporate by NCUA. These items resulted in a net income gain of \$48,839 in 2010 for Electric Cooperatives Federal Credit Union. Your credit union board closely monitors expenses to insure that the membership receives the best possible value for the programs being offered. The credit union must balance the desire to charge low lending rates with the need to pay competitive returns on share and share certificate deposits, while maintaining a strong financial position.

On behalf of those involved in providing credit union services, I wish to express our appreciation to you, the membership, for your continued loyalty to Electric Cooperatives Federal Credit Union

Respectfully submitted,  
Secretary-Treasurer, Hayley Tibbs

# ELECTRIC COOPERATIVES FEDERAL CREDIT UNION

## FINANCIAL STATEMENT

### DECEMBER 31, 2010

#### ASSETS

Loans	\$6,480,175.48
VISA Loans	477,697.26
Allowance Loan Loss	(23,928.33)
<b>SUBTOTAL</b>	<b>6,933,944.41</b>
Accounts Receivables	62,369.54
Cash Accounts	922,723.7
Investment Accounts	1,017,400
Accrued Interest	22,096.84
Prepaid Expenses	15,990.55
Furniture & Fixture	85,256.45
Depreciation Furn/Fixt	(74,450.7)
NCUA Assets	82,217.27
<b>TOTAL ASSETS</b>	<b>\$9,067,548.06</b>

#### LIABILITIES

Accounts Payable	\$7,978.35
Accrued Div Payable	0.00
Accounts Payable Taxes	278.76
Accrued Payables	43,563.61
NCUA Stabilization	0.00
ACH/Share Draft/Payroll Suspense	(1,369.53)
Shares	2,711,824.98
Money Market	1,655,925.61
Share Draft Accounts	1,319,618.17
Share Certificates	998,306.5
IRA Accounts	1,350,854.28
Reserve	280,770.65
Undivided Earnings	650,957.32
Net Income	(48,839.36)
<b>TOTAL LIABILITIES</b>	<b>\$9,067,548.06</b>

For more information about Electric Cooperatives  
Federal Credit Union  
and the wide variety of financial services available or  
details on how to become  
a member, call during normal business hours.

TELEPHONE

**1-501-570-2396 or toll free  
1-800-442-0186**

FAX

**1-501-570-2393 or toll free  
1-800-323-2415**

24-HOUR TELLER SERVICE

**1-800-448-0498**

ONLINE

**[www.ElectricCoopFCU.org](http://www.ElectricCoopFCU.org)**

Or visit us in person at  
**I Cooperative Way, Little Rock, AR 72209**



*Electric Cooperatives*  
*Federal Credit Union*



We do business in accordance  
with the Federal Fair Housing Law  
and the Equal Opportunity Act.



Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the  
United States Government, National Credit Union  
Administration, an agency of the federal government.