

Credit Union Mission Statement

“TO PROVIDE SAFE AND CONVENIENT FINANCIAL SERVICES IN AN ECONOMICALLY SOUND MANNER TO ALL MEMBERS.”

1st University Credit Union is a proud member of the Texas Credit Union League, Better Business Bureau, Baylor Bear Foundation, National Association of Mortgage Brokers, Texas Association of Mortgage Brokers, Southwestern Automated Clearing House Association, Co-Op Network, Credit Union Service Centers, Central Texas Chapter of Credit Unions and the Southwest Lending Council.



1st University Credit Union

605 S. University Parks Dr.
Waco, TX 76706

Phone: 254-752-2797

Fax: 254-752-0552

E-mail: 1stucu@culink.net

Services

Savings / Checking:

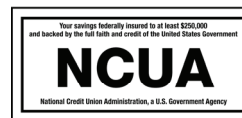
Regular Share Savings
Secondary Savings
Basic Checking
Direct Deposit Checking
Student Checking
Money Market Accounts
Certificates of Deposit
MasterCard ATM/Debit Cards
Individual Retirement Accounts

Loans:

New and Used Automobile Loans
Personal Loans
Mortgage Loans
Texas Home Equity Loans
Christmas Loans
Recreational Vehicle Loans
New and Used Boat Loans
Share/Certificate Secured Loans
Credit Life and Disability Insurance
GAP (Guaranteed Auto Protection)
Extended Warranty

Other Services:

Free ATM Service at 1st UCU owned or Co-Op Network Machines
Drive Thru
Night Deposit Box
Safe Deposit Boxes
Direct Deposit
Wire Transfers
E-Statements
Member Service Center Network
Online Account Access
Audio Response
Debit/Credit Card Cash Advances
Loose Coin Exchange
Notary Service
Money Orders
Travelers Checks
Discount Tickets
Accidental Death & Dismemberment Insurance



1st
UNIVERSITY
CREDIT UNION

**56th Annual Meeting of
the Membership**

*Serving Baylor and
Waco Worldwide*

www.culink.net

2011 Audit

Supervisory Committee Audit Report

The 2011 audit was performed in adherence with the rules and regulations set for by the NCUA and the Credit Union Department of the State of Texas. The Supervisory Committee audit relates only to specific account and items specified within the body of the report and is substantially less in scope than an audit performed on the financial statements taken as a whole. The Supervisory Committee employed the services of Financial and Technology Resources Inc, an independent financial and technology auditing firm, to perform this compliance audit for 2011.

Board of Directors

	Title	Term
Rita Massey	Chairman	2014
Adonna Cook	Vice-Chairman	2012
Stephanie Kilgore	Treasurer	2012
Jerry Johnson	Secretary	2014
James Barcus	Director	2013
Sandra Lene	Director	2013
Diana Kohler	Director	2012

Staff

Gary Parker
President/CEO

Ethel Jennings
Accounting & Operations Manager

Christine Wall
Lending Services & Collections

Kimberly Johnson
Head Cashier & Accounting Assistant

Joy Sowder
Teller & Member Services

Financial Statement

Balance Sheet

Assets	
Cash Equivalent & Investments	\$3,802,212.80
Total Loans to Members	\$7,620,205.69
Allowance for Loan Loss	(\$52,510.31)
Fixed Assets	\$375,795.09
Prepaid Expenses	\$61,878.85
Accrued Income Receivables	\$254,371.33
Other Assets & Receivables	\$37,775.50
Total Assets	\$12,099,728.95
Liabilities and Equity	
Account Payable & Other Liabilities	\$155,308.76
Member Deposits	\$11,097,380.76
Total Equity and Reserves	\$847,039.43
Total Liabilities and Equity	\$12,099,728.95

Income Statement

Income	
Interest Income from Member Loans	\$591,076.19
Income from Investments	\$5,539.04
Service and Product Income	\$351,934.53
Miscellaneous Income	\$2,442.25
Total Income	\$950,992.01
Expenses	
Operational Expenses	\$967,865.29
Interest on Borrowed Funds	\$49.82
Provision for Loan Loss Reserve	\$4,108.65
Total Expenses	\$972,023.76
Income Before Payment of Dividends	(\$21,031.75)
Dividends paid on Shares to Members	\$22,046.74
Transfer from Undivided Earnings	\$43,078.49

2011 Year in Review

Without question, 2011 continued to present the credit union with the unique challenges that began in 2010. Economy concerns continue to be the main issue facing businesses as well as the general populace.

Your credit union ended the year with 2637 members and assets totaling \$12,099,728.95. The ratio of delinquent loans to assets was 0.68%, which is an improvement from previous year. The capital to asset ratio for the end of the year was 7.02%

In 2011 Southwest Corporate Credit Union was reorganized and became Catalyst Corporate Credit Union. 1st UCU wire transfers, ACH transactions and the Check 21 program are all processed through the corporate credit union. We are glad to announce that there were no difficulties during the transition period.

In March of 2011, 1st UCU partnered with the Member Service Center Network which offers the ability for members to access their accounts at over 4500 locations.

In September 2011, the credit union reorganized the account structure for all checking and savings accounts, offering electronic access for members to avoid fees caused by the rising costs of postage and the reduction of interchange income due to changes in the governmental regulations.

As challenging as the last few years have been, 1st UCU is looking forward to the bright promise of the future.