

## Statement of Financial Condition

As of 12/31/09

### LOANS & CASH

Fixed Rate Loans	\$52,377,226.24
Variable Rate Loans	\$5,931,410.41
Credit Card Loans	\$723,607.03
Everhome Mortgage	\$662,492.76
Share Draft Overdraft Loans	\$82,318.30
Loans-Col In Process of LIQ	\$311,286.52
Allowance for Loan Losses	\$(363,625.75)
<b>NET LOANS</b>	<b>\$59,724,715.51</b>

### INVESTMENTS

Accounts Receivable	\$30,373.76
Cash	\$2,623,567.07
Investments	\$32,200,118.14
<b>TOTAL INVESTMENTS</b>	<b>\$34,854,058.97</b>

### ACCRUED INCOME & PREPAID EXPENSES

Accrued Income	\$210,240.10
NCUSIF	\$788,322.08
Prepaid & Deferred Expenses	\$149,294.98

### FIXED ASSETS

Land & Building [net]	\$1,189,964.87
FF&E & Leasehold Improvements [net]	\$916,884.83
All Other Assets	\$85,526.82
<b>TOTAL FIXED/OTHER ASSETS</b>	<b>\$3,340,233.68</b>

**TOTAL ASSETS** **\$ 97,919,008.16**

### LIABILITIES & EQUITY

Accounts Payable	\$219,964.23
Notes & Interest Payable	\$5,000,000.00
Dividend Payable	\$289,627.71
All Other Liabilities	\$(9,403.47)
<b>TOTAL LIABILITIES</b>	<b>\$5,500,188.47</b>

### SHARES

Regular Share	\$26,559,755.69
Share Drafts	\$18,247,395.62
Money Market Share Account	\$13,779,283.87
IRA Share Account	\$10,224,778.17
Certificates	\$13,472,230.02
<b>TOTAL SHARES</b>	<b>\$82,283,443.37</b>
Regular Reserves	\$2,334,143.74
Undivided Earnings	\$7,801,232.58
<b>TOTAL EQUITY</b>	<b>\$92,418,819.69</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$97,919,008.16</b>

## Statement of Income

As of 12/31/09

### INCOME

Loan Income	\$4,510,151.04
Investment Income	\$259,739.99
Fee Income	\$1,487,518.03
Other Income	\$94,991.36
<b>TOTAL INCOME</b>	<b>\$6,352,400.42</b>

### EXPENSES

Compensation	\$1,546,600.21
Employee Benefits	\$470,305.51
Travel & Conference	\$73,885.25
Association Dues	\$18,000.32
Office Occupancy	\$256,255.09
Office Operations	\$471,811.51
Marketing Expense	\$242,692.04
Loan Servicing	\$124,754.61
Professional & Outside Services	\$669,166.11
Provision for Loan Losses	\$437,772.63
Member Insurance	\$118,248.31
Supervisory & Exam Expense	\$23,421.65
Cash Over/Short	\$5,401.50
Annual Meeting	\$6,291.91
Other Operating Expenses	\$82,609.29
Gain/Loss on Investments	\$398,167.00
<b>TOTAL EXPENSES</b>	<b>\$4,945,382.94</b>
<b>TOTAL DIVIDENDS</b>	<b>\$1,350,260.80</b>

**NET INCOME** **\$56,756.68**

## PROGRESS REPORT

YEAR	MEMBERS	ASSETS
1995	12,655	\$24,761,460.44
1996	12,891	\$27,713,698.15
1997	13,376	\$32,748,761.49
1998	14,262	\$37,905,825.33
1999	14,801	\$42,828,864.33
2000	15,280	\$47,519,311.40
2001	15,822	\$54,520,801.18
2002	16,420	\$57,164,966.73
2003	16,519	\$61,446,315.51
2004	16,546	\$63,820,522.26
2005	16,352	\$66,500,063.92
2006	16,974	\$71,909,440.77
2007	17,168	\$72,704,579.33
2008	16,643	\$82,788,371.94
2009	16,077	\$97,919,008.16

## Locations

### ASHEVILLE OFFICE

219 Haywood Street  
Asheville, NC 28801  
828/252-8234

### CHEROKEE OFFICE

375 Sequoyah Trail  
Cherokee, NC 28719  
828/497-6211

### FLETCHER OFFICE

5010 Hendersonville Road  
Fletcher, NC 28732  
828/684-9999

### FRANKLIN OFFICE

746 East Main Street  
Franklin, NC 28734  
828/524-4464

### SYLVA OFFICE

30 Highway 107  
Sylva, NC 28779  
828/586-0425

### WAYNESVILLE OFFICE

721 North Main Street  
Waynesville, NC 28786  
828/452-2216

For your convenience,  
ATMs are located at all Mountain Credit Union locations.

## Staff

Angel, Chris	Holbrooks, Wanda
Ashman, Tammy	Idol, Patty
Bailey, Tonja	Kuykendall, Kila
Bird, Lakoda	McCall, Anna
Blankenship, Keleetah	McConnell, Meranda
Bolick, Courtney	Moore, Lisa
Boone, Jerry	Morris, Jennifer
Bruce, Wendie	Pike, Heath
Cieslak, Aga	Pleasant, Callan
Cole, Vicki	Pless, Jason
Davis, Sarah	Posey, Dorothy
Devore, Brittany	Shook, Suzie
Diez, Isabel	Sluder, Angela
Fox, Beth	Smith, Anna Marie
Garrett, Tara	Smith, Cotina
Gibson, Heather	Stamey, Karen
Given, Sonya	Stanley, Cathy
Hall, Karen	Stroupe, Jessica
Hardesty, Lester	Thompson, Dana
Haskett, Tanya	Wagner, Kim
Head, Tracy	Walker, Kristen
Henson, Rae	Wilson, Dianne
Hoglen, Ashley	Woody, Amy

[www.mountaincu.org](http://www.mountaincu.org)



# Annual Report 2009

## President's Report

Mountain Credit Union's mission remains the same: to improve the lives of the members we serve; to provide an enriching and affordable range of financial solutions; and, most importantly, to help our members live their dreams. We know we have to do more than provide a banking alternative. Our staff and directors strive every day to earn and then maintain our members' loyalty.

2009 was one of the most challenging years we have ever experienced. We have many members who have faced job losses, health issues, and mounting expenses. We have tried to find acceptable solutions to help these members lighten their burden and get back on their feet. We have partnered with the BALANCE Financial Fitness Program to offer free credit counseling services to our members. This program helps members restructure their debt, review & understand their credit report, develop a budget, and make better financial decisions.

Mountain Credit Union will continue to follow our conservative business plan while making every effort to meet the needs of our membership. We continue to market to the community in all 6 counties that we serve and have acquired many new members by reaching out with our CU@Work Program. We visit companies in our area and offer credit union service to their employees. We remain focused on becoming our members' primary financial institution. Our Rewards Checking account has attracted many new members to Mountain Credit Union.

While Mountain Credit Union wasn't as profitable in 2009 as we've been in prior years, we consider it a great achievement that we ended the year with a positive net income given the extreme economic difficulties we have faced. We achieved this while doing our part to stabilize the Credit Union system without any assistance from the Federal Government. Our challenges are not yet over as we continue to face an economy that has not yet stabilized; a Corporate Credit Union System that is still on the mend, and consumers who are still somewhat shell-shocked from the prior year's events.

We will continue to meet these challenges head on in 2010. We have learned to measure our successes differently. We will continue to focus on our purpose and goal – financial stability for our credit union and our members. As always, we are eternally grateful for the trust our membership places in us; we will strive to be worthy of this loyalty.

Patty Idol, President

## Board of Director's Report

Once again I stand before you with pride at the achievements of our credit union. Our management and staff met the many challenges facing Mountain Credit Union and made 2009 another successful year! It is always a great feeling to see the teamwork and cooperation of the staff to continue to provide a high level of service to our members.

As always, our staff remains heavily involved in our communities and our members' lives. They understand the value of deepening the relationships with our members and our members' families. Our employees are a vital and important part of this organization and we are thankful for their commitment and loyalty. The day-to-day operations of the credit union are dependant upon their efforts. We thank each staff member for their contribution.

In May of this upcoming year, our President, Patty Idol, will celebrate her 25th year of service with Mountain Credit Union. Patty has done an exemplary job over the years and we are fortunate to have her leadership. Patty has represented Mountain Credit Union well throughout North Carolina and beyond. She currently serves on multiple Boards of Directors, including the North Carolina Credit Union League Board of Directors, the WNC Chapter of Credit Union's Board of Directors, and the Haywood Regional Medical Center Foundation Board of Directors.

We continue to remain active in Credit Union Governmental Affairs to insure that Mountain Credit Union and NC Credit Union's voices are heard both on the state and national level. We feel this is a necessity for the benefit and preservation of all credit unions.

We will certainly be facing many challenges in the upcoming year, but we are looking forward to a successful 2010 and appreciate the support of you, our members. We thank you for your participation in this important meeting and for your support of this organization and the people who work here. On behalf of the Board of Directors I say THANK YOU!

Bob Cathey, Chairman

## Forty-Seventh Annual Meeting Agenda

### I. Call to Order: Bob Cathey, Chairman:

- A. Invocation
- B. Determination of Quorum

### II. Reading & Approval of Forty-Sixth Annual Meeting Minutes

### III. General Reports:

- A. Report of the Board of Directors  
Bob Cathey, Chairman
- B. Report of the President  
Patty Idol, President
- C. Report of the Supervisory Committee

### IV. Unfinished Business

### V. New Business

### VI. Election of Board of Directors:

- A. Report of the Nominating Committee  
Joe Glover, Nominating Comm. Chairman

### VII. Awarding of Door Prizes

### VIII. Adjournment

## Supervisory Committee Report

The Supervisory Committee is the members' representative and performs its duties to insure that the assets of the credit union and the interests of the members are safeguarded. In 2009, the Committee contracted with Craig Peters & Associates of Knoxville, Tennessee, to conduct an outside audit of the records and financial affairs of the credit union. Examiners from the State of North Carolina Department of Commerce Credit Union Division also conducted an examination of the credit union in 2009 with no major exceptions reported.

Thanks to the membership for allowing us to serve and to the Committee members for a job well done.

LaNeah Dyson, Supervisory Committee Chairperson

### BOARD AND COMMITTEE MEMBERS

Gary Arrington	Allan Oocumma
Bob Cathey	Cindy Ramsey
Noel Cost	LaNeah Dyson
Roy Keithley	Carmen Penland
Gary Nicholson	Angie Rogers