



55th
Annual Meeting
Saturday, February 26, 2011
Horizons Conference Center
6200 State St., Saginaw, MI

Schedule of Events

5:00 PM BUSINESS MEETING

- Chairman's Welcome
- Memorial Prayer
- Pledge of Allegiance
- Mission Statement
- Introduction of Officers
- Chairman's Report
- C.E.O. Report
- Board Election
- Treasurer's Report
- Minutes of Last Meeting
- Supervisory Committee Report
- Volunteer of the Year
- Msgr. Forbes Scholarship Fund Election & Report
- Old Business
- New Business
- Prize Drawings

6:00 PM BUFFET DINNER

7:30 - 11:00 PM MUSIC & DANCING

Mission Statement

Catholic Federal exists to be the number one financial institution for all members, in an atmosphere that maintains the dignity of, and sensitivity to, all of our members.

Minutes of the 54th Annual Meeting

Saturday, March 20, 2010 • 5:00 PM | Horizons Conference Center • 6200 State Street, Saginaw, MI 48603

CHAIRMAN'S WELCOME

The meeting came to order with Catholic Federal Credit Union's Chairman of the Board, Robert J. Looby, welcoming all members, staff and guests to the 54th Annual Meeting. He noted that he firmly believes that the credit union is for the members and the community.

MEMORIAL PRAYER

Bridget Looby

PLEDGE OF ALLEGIANCE

Robert J. Looby

MISSION STATEMENT

Robert J. Looby led the attendees in the reading of the CFCU mission statement.

INTRODUCTION OF OFFICERS

Robert J. Looby introduced the Board members, Kathleen McGraw who was out of town on business, C. Patrick Kaltenbach, Jerd A. Clayton, Donald L. Gallant, Catherine Ryan, and Darwin Shreve. He also introduced the Supervisory Committee members, Honorable Joseph DeFrancesco, Lee R. Schieb, Carl Jaenicke, Janet Lichon and José Salinas.

PRESIDENT'S REPORT

Robert R. Adams welcomed all attendees and noted that there was a composite display of all board and committee volunteers, from 1956 through current. Those who served in the armed forces were noted by an American flag.

Adams stated that in 4th quarter of 2007, the economy in the Saginaw-area as well as throughout the nation was beginning to turn sour. There were some instances where members walked away from their homes because of job loss or out-of-state job opportunities; by the first quarter of 2008 the Management team instituted substantial programs in the areas of cost-reduction and increased income. Management was very successful in meeting their goals. In 2009, the economy was getting worse and management used the same approach of reducing costs and increasing income to make the credit union more efficient in operations and came through with an outstanding financial statement. Adams added that the bottom line for 2009 was the best in several years, and added emphasis to a time of such poor economy. He noted that the same programs were currently in place and goals had been set for 2010 by the management staff and board of directors.

Adams noted that the NCUA gave CFCU the highest rating in 2009 that a Federal credit union can receive and they were astounded to see that CFCU had survived so well during the economically-stressed time. Compared to industry peers, CFCU performed above the peer group nationally and in Michigan; in addition to being substantially above the peer group within the Tri-City area. Adams added that CFCU continues to be a very sound, stable, and conservative institution.

Adams reported on the Essexville branch which just celebrated its first anniversary. Very soon after the office opened construction crews tore apart Center Avenue for approximately six months, which did affect some business at CFCU. Since the roads reopened the Marketing and Business Development staff has been promoting the office and service is picking up.

Adams finished by giving recognition to the staff members and pointing out the longevity that exists and knowledge that they hold.

MINUTES OF THE 52ND ANNUAL MEETING

Robert J. Looby brought the attendees' attention to the 53rd Annual Meeting Minutes inside their program. R. Frisch made a motion from the floor to approve the minutes from the last annual meeting and D. Demand seconded the motion. The motion passed.

TREASURER'S REPORT

Jerd Clayton presented the 2009 Treasurer's Report and recognized Chief Financial Officer, Alan Watson, for providing the tools necessary to make decisions each month. CFCU experienced tremendous asset growth in 2009. Total member deposits were up \$31 million, driving assets up 14%; \$18 million of these deposits were used to fund our loan growth of 10% - the national average loan growth was 1%. Equity Reserves grew to over \$29 million giving CFCU a Net Worth ratio of 11.26%; NCUA Peer Group Net Worth was 10.18%. Operating Net Income before Insurance Fund adjustments was much improved over the prior year - \$1,169,077 in 2009 vs. \$177,562 in 2008. Net Income improvement was a result of the falling rate environment and management cost cutting efforts. CFCU remains of great value to our members, per Raddon Financial Group, our annual rate giveback is approximately \$950,000; Finally, CFCU recovered Insurance Fund deposits of \$1.5 million as direct result of NCUA creating the Temporary Corporate Credit Union Stabilization Fund. This fund will allow credit unions to no longer bear significant, one-time burdens for stabilizing the Insurance Fund.

Barb Luczak made a motion from the floor to accept the Treasurer's Report and Marilyn Nevarez-Deisler seconded the motion. The motion passed.

SUPERVISORY COMMITTEE REPORT

Robert J. Looby presented the Supervisory Committee Report. The report was accepted as presented.

MONSIGNOR FORBES SCHOLARSHIP FUND COMMITTEE

Clayton acknowledged fellow trustees, Genevieve Mendoza and José Salinas for their commitment of time and expertise in reviewing all of the scholarship applications.

He also recognized CFCU's Administrative Assistant, Jamie Maxwell, for her help in preparing the applications for review.

The Msgr. Forbes Scholarship Fund was formed in 1982 and was named for the late Msgr. Eugene A. Forbes, who believed that all children and young people should have the opportunity to receive a secondary education. The fund is sustained by private donations and a portion of the Board's annual budget. Trustees review the applicant's financial need, educational and occupational goals, GPA, as well as many other criterions before the awards are made. In 2009, there were 242 scholarships awarded to members totaling \$118,400. He stated that in 2010, the Scholarship Fund will exceed \$1 million in awards since its inception in 1982. He added that the deadline for the scholarship application is March 27, 2010 and members who have children and grandchildren are urged to apply.

Robert J. Looby stated that Incumbent, José Salinas was up for re-election as a Trustee on the Monsignor Forbes Scholarship Committee. The re-election period is three years. M. Nevarez-Deisler made a motion from the floor to re-elect Genevieve Mendoza as a Trustee and B. Luczak seconded it. The motion passed unanimously.

OLD BUSINESS

No old business came before the board.

NEW BUSINESS

No new business came before the board.

The 54th Catholic Federal Credit Union Annual Meeting adjourned at 5:30 p.m. after a motion by Louis Nevarez and a second by B. Luczak. The motion passed.


Robert J. Looby, Chairman


C. Patrick Kaltenbach, Secretary

Growth in Reserves & Undivided Earnings

(in millions)

\$27,345	\$28,202	\$26,685	\$29,372	\$31,030
2006	2007	2008	2009	2010

Assets

(in millions)

\$204,168	\$211,377	\$227,958	\$260,926	\$286,500
2006	2007	2008	2009	2010

Loans

(in millions)

\$151,039	\$167,590	\$172,238	\$190,163	\$191,436
2006	2007	2008	2009	2010


REPORT FROM THE Supervisory Committee


The Supervisory Committee finished a busy and productive 2010. This volunteer committee meets monthly to complete a variety of audit and review functions.

The committee reviewed 4,208 approved loans totaling \$70,656,520.55, and 706 denied loans totaling \$5,519,062.42. The committee also carefully reviewed charged-off loans; accounting reports, teller cash count reports and loan delinquency reports.

A representative from the committee is in attendance at the monthly board meeting which periodically includes audit reviews, presented by Catholic Federal's external auditor, Rehmann Robson. The auditor discusses their findings of operational procedures regarding CFCU services, such as checking and savings accounts, and loan applications. These audits continue to improve our operation results.

The members of the Supervisory Committee include, Carl Jaenicke, Lee R. Scheib, Joseph DeFrancesco, Janet Lichon and José Salinas. The committee members also periodically attend educational seminars to help fulfill their duty of staying educated on the basic functions of the Supervisory Committee as it relates to the credit union.


Lee R. Scheib, Co-Chairman


Joseph G. DeFrancesco, Co-Chairman

Save the Date!
**2012 Annual Meeting
& Dinner/Dance**
Saturday, February 25, 2012
Doubletree Hotel, Bay City

Report from the Treasurer

FINANCIAL STATISTICS | For Years Ending December 31

ASSETS	2010	2009
Cash	\$19,821,834	\$8,806,744
Investments	63,243,617	49,875,188
Loans, Net of Allowance for Loan Losses	191,435,931	190,162,716
NCUSIF Deposit	2,428,308	2,178,855
Total Other Assets	9,570,472	9,902,043
TOTAL ASSETS	\$286,500,162	\$260,925,546

LIABILITIES	2010	2009
Accrued Dividends & Other Liabilities	\$1,043,636	\$1,077,005
Total Shares & Deposits	254,426,398	230,476,741
TOTAL LIABILITIES	\$255,470,034	\$231,553,746

EQUITY	2010	2009
Undivided Earnings & Other Reserves	\$25,609,979	\$23,951,651
Regular Reserves	5,420,149	5,420,149
TOTAL EQUITY	\$31,030,128	29,371,800
TOTAL LIABILITIES, SHARES & EQUITY	\$286,500,162	\$260,925,546

INTEREST INCOME	2010	2009
Interest on Loans	\$10,513,656	\$10,542,470
Income from Investments	1,394,688	1,383,700
TOTAL INTEREST INCOME	\$11,908,344	\$11,926,170

INTEREST EXPENSE	2010	2009
Dividends on Shares	\$2,835,336	\$3,679,216
Interest on Borrowed Money	0	0
TOTAL DIVIDEND/INTEREST EXPENSE	\$2,835,336	\$3,679,216

NET INTEREST INCOME	2010	2009
Provision for Loan Loss	946,771	990,119
NET INTEREST INCOME AFTER PROVISION	\$8,126,237	\$7,256,835
TOTAL NON-INTEREST INCOME	\$1,688,387	\$1,560,145

NON-INTEREST EXPENSE	2010	2009
Employee Compensation & Benefits	\$3,534,932	\$3,366,462
Office Occupancy Expense	759,130	569,468
Office Operations Expense	1,740,214	1,783,407
Educational & Promotional Expense	726,311	984,549
Miscellaneous Operating Expenses	930,194	944,017
TOTAL NON-INTEREST EXPENSES	\$7,690,781	\$7,647,903

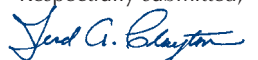
NET INCOME BEFORE NCUSIF STABILIZATION EXPENSE	\$2,123,843	\$1,169,077
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NCUSIF STABILIZATION (EXPENSE) RECOVERY	(\$620,917)	\$1,559,715
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NET INCOME (LOSS)	\$1,502,926	\$2,728,792
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STATISTICS	2010	2009
Number of Members at Year End	26,487	25,664
Number of Borrowers	10,578	10,438
Dollars Loaned to Members During the Year	\$61,241,000	\$76,874,000
Dollars Loaned to Members Since Organization	\$1,139,361,000	\$1,078,120,000

Respectfully submitted,


Jerd A. Clayton, Treasurer

Board of Directors



Robert J. Looby
CHAIRMAN



Kathleen McGraw
VICE-CHAIR



C. Patrick Kaltenbach
SECRETARY



Jerd A. Clayton
TREASURER



Donald L. Gallant
DIRECTOR



Catherine B. Ryan
DIRECTOR



Darwin Shreve
DIRECTOR

Catholic Federal Credit Union Employees

MANAGEMENT



Alan Watson
ACTING
PRESIDENT / C.E.O.



Thomas Zirkle
CHIEF OPERATING
OFFICER



Bridget Looby
VP DEVELOPMENT &
COMMUNITY RELATIONS



Bethany Dutcher
VP MARKETING



Marilyn Nevarez-Deisler
VP MEMBER REP.
OPERATIONS



Amy Mikolaiczik
VP SYSTEMS &
DEVELOPMENT



Mindy Wolpert
ASST. VP LOANS /
MEMBER SERVICE

BRANCH MANAGERS & SUPERVISORS

Pat Backus
EUCLID AVE.
BRANCH MGR.

Leslie Fall
VASSAR BRANCH MGR.

Kristy Fila
ESSEXVILLE
BRANCH MGR.

Kelly Prast
MORTGAGE SUPERVISOR

Wendy Gleason
LOAN SYSTEMS
COORDINATOR

Jeanne Lawrence
COLLECTION SUPERVISOR

Katie Knippel
CALL CENTER
SUPERVISOR

Victoria Hill
CASS AVE. BRANCH MGR.

Yvonne Metiva
WILLIAMSON RD.
BRANCH MGR.

Susan Hackenberg
CONTROLLER /
ACCOUNTING

Enid Engel
TELLER SUPERVISOR

Tiffany DeGarmo
COMPLIANCE / TRAINING
SUPERVISOR

Marcia Flores
INFORMATION SYSTEMS
MANAGER

Regina Barajas
SALES & SERVICE TRAINER

STAFF

Kelly Abbott
Kimberly Batcke
Amy Benkert
Shannon Bogardus
Stefan Book
Karena Burns
Bonnie Call
Monica Corriveau
Sherry Crofoot
Kathy Cronk
Mary DeGroat

Lindsay Devos
Brad Doran
Barbara Dwyer
Jordan Early
Sarah Falkenberg
Jodi Fleming
Kathi Fortier
Marsha Frank
Susan Hale
Stephanie Harns
Tristine Hileman

Karen Holden
Rachel Kennedy
Karen Knippel
Laura Kosiaro
Peggy LaDouce
Ann Lagalo
Jennifer Larson
Pam Lovay
Sandy McGuire
Misty McQuaid
Kiersten Miller

Penny Mitchell
Kristina Morse
Mitzi Murphy
Mary Myczkowiak
Jeff Nellet
Yvette Nevarez
Elena Neyman
Joan Nickel
Rachael Odenbach
Patti O'Neil
Elizabeth Orange

Alicia Petricevic
Lindsay Pittwood
Sandra Quinnan
Joan Sampson
Julie Schwind
Frana Sommer
Susan Sova
Pam Stark
Adam Stasinski
Delina Stiger
Rebecca Swanson

Julie Thornton
Lisa Ulicki
Lindsay Waryas
Byron Weber
Debbie Weisenberger
Virginia Whelton
Justine Woodman

COMMITTEE VOLUNTEERS

ASSET & LIABILITY
David Beyerlein

BUILDING & GROUNDS
Michael Green

MSGR FORBES SCHOLARSHIP
Genevieve Mendoza
José Salinas

COMMUNITY RELATIONS

Marie Bieri
Ann Blazejewski
Janet Gallant
Joan Kruske
Dan McKune
Stanley Sobol

SUPERVISORY

Joseph DeFrancesco
Carl Jaenicke
Janet Lichon
José Salinas
Lee R. Scheib

T.A.T.

Rosemary Borchers
Nathalie Dixon
Marge Harris
Joan Kish
Theresa May

T.A.T.

Patrick McCartney
Frank Snyder
Kay Voelker
Thomas Westhoff



Catholic Federal

A Federally Chartered Credit Union



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