



## WHITE CROWN FEDERAL CREDIT UNION FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008

### STATEMENT OF ASSETS & LIABILITIES

ASSETS	2008
Total Loans	\$30,023,296
Less: Allowance for Losses	(528,899)
Cash & Cash Equivalents	5,227,524
Total Investments	10,737,879
Fixed Assets	85,669
Other Assets	1,210,406
<b>TOTAL ASSETS</b>	<b>\$46,755,875</b>

### LIABILITIES

Accrued Dividends Payable on Shares	\$11,308
Accounts Payable & Other Liabilities	373,822
Notes Payable	0

### SHARES & EQUITY

Total Shares and Deposits	\$41,601,891
Regular Reserves	594,256
Undivided Earnings	4,202,285
Investment Gain (Loss) Reserve	(27,687)
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$46,755,875</b>

### STATEMENT OF INCOME

INCOME	2008
Interest on Loans	\$2,555,837
Income from Investments	443,589
Other Operating Income	684,854
<b>TOTAL INCOME</b>	<b>\$3,684,280</b>

### EXPENSE

Employee Compensation & Benefits	\$901,308
Travel & Conference Expense	46,985
Office Occupancy Expense	153,062
Office Operations Expense	220,235
Educational & Promotional Expense	88,785
Loan Servicing Expense	177,167
Professional & Outside Services	474,840
Provision for Loan Loss	309,000
Miscellaneous Operating Expenses	32,155
<b>TOTAL EXPENSE</b>	<b>\$2,403,537</b>

<b>DIVIDENDS PAID TO MEMBERS</b>	<b>\$990,965</b>
Other Non-operating Income (Expense)	0

<b>NET INCOME</b>	<b>\$289,778</b>
-------------------	------------------

## WHITE CROWN FEDERAL CREDIT UNION STATISTICAL REPORT AS OF DECEMBER 31, 2008

DELINQUENT LOANS	NUMBER	AMOUNT	LOANS MADE	NUMBER	AMOUNT
Current and less than two months	3,429	\$29,474,520	This Year - 2008	727	\$10,476,449
Two to less than six months	48	\$440,397	Since Organization	75,055	\$269,731,073
Six to less than twelve months	7	61,400	Loans Charged Off Since Organization		\$4,368,647
Twelve months and over	9	46,979	Recoveries on Loan Charged Off Since Organization		\$633,493
Total	3,493	\$30,023,296	<b>Number of White Crown Members</b>		7,144



# 2008

## ANNUAL REPORT



Trusted Service - Loan Experts - Since 1951

[www.WhiteCrown.org](http://www.WhiteCrown.org) (303) 534-4448

## CHAIRMAN AND PRESIDENT'S REPORT

Two-thousand eight was a year that proved to be one of the most economically challenging years we've seen in a longtime. Your credit union, White Crown, endured and will continue to endure through these tough times. Because we maintain sound lending practices, we remain well-capitalized and financially strong. We want to reassure our members that our board of directors along with our management team make decisions that are best for our members guided by safety and soundness principles.

Like many other financial institutions, some of the challenges we've faced include an increase in loan delinquencies and charges offs as well as a decrease in our loan to assets. Even with these challenges, examiners from our federal regulators as well as independent agencies have consistently awarded White Crown strong ratings for financial stability and management practices.

### Some notable highlights of 2008 were:

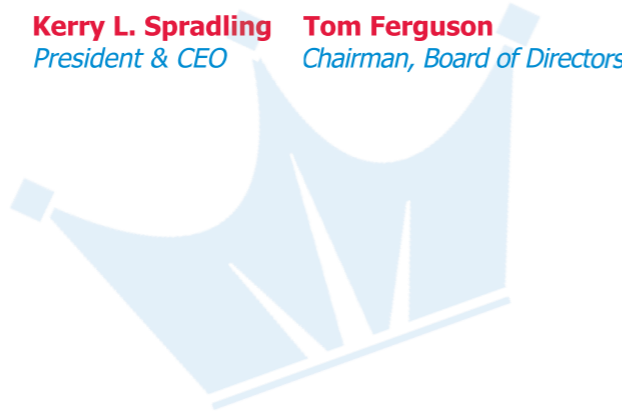
- Welcoming new President and CEO, Kerry L. Spradling
- In October, NCUA moved to increase the federal deposit insurance to \$250,000 per depositor
- Our newly designed, interactive web site launched in August
- A new lease was signed for our downtown Denver office which included some added savings and incentives
- White Crown members through the Skip a Pay program generously donated \$12,500 to the Food Bank of the Rockies

As the Board of Directors and Management Team met to plan for 2009, some of the plans include implementing new technology enhancements that will help us to better serve our members and offer new and exciting products and services. During the strategic planning session there was also discussion about how to expand member relationships, manage expenses and increase our visibility in downtown Denver. As we strive for excellence, members can expect to see some of these exciting improvements throughout 2009.

If you've been to the main branch lately, you may have noticed some new faces in the loan offices and at the teller stations. We are excited to have many new employees who are dedicated to serving the White Crown membership and optimistic about the future of this credit union.

We want to thank the entire staff and volunteers for their hard work and on-going commitment to White Crown. To our members, we truly appreciate your business and loyalty. White Crown exists to serve you and help you achieve the financial success you deserve. Thank you.

**Kerry L. Spradling** **Tom Ferguson**  
President & CEO Chairman, Board of Directors



## SUPERVISORY COMMITTEE REPORT

The Federal Credit Union Act charges the Supervisory Committee with the responsibility of ensuring that the funds and interests of the members and officials of the credit union are adequately protected. The Supervisory Committee engages the services of the certified public accounting firm of Petersen & Associates to perform an independent audit of White Crown Federal Credit Union. Their most recent findings revealed that White Crown was operationally sound and in compliance with federal laws and regulations which govern it. In addition to the annual audit, our CPA firm reviews the records of the credit union on a quarterly basis. These audits help in assuring the Supervisory Committee, Board of Directors, management, and members of White Crown that the credit union is operating with sound internal controls.

In 2008, White Crown was examined by its regulatory agency, the National Credit Union Administration, and received a very favorable report.

The Supervisory Committee commends the Board of Directors, management team and staff for their outstanding efforts in maintaining the records of the credit union for the protection and security of our members.

**Mariëtte van Engelen**, *Chairman*  
Supervisory Committee

## NOMINATING COMMITTEE REPORT

There is one position on the Board of Directors whose term expires in 2009. The Nominating Committee has nominated two individuals for the one open position. The following members have expressed their desire to help guide the credit union in the future and their names were placed on the ballot.

Louisa Coons ■ Mariëtte van Engelen

Both of these nominees have a long standing association with White Crown Federal Credit Union and have agreed to serve if elected.

**Sam Biegelsen**, *Chairman*  
**Robin Peterson**

**Ron Justiss**

## FINANCIAL REPORT

The year 2008 proved to be challenging for your credit union. The economic conditions in Colorado and in Denver followed much of the rest of the nation. White Crown felt the challenges of job layoffs and company closings. Loan delinquency grew to 1.83% and as a result additional funds were expensed for loan loss provision. Our loan staff continues to work diligently with members to help them bring their loans current.

The safety and soundness of your credit union is paramount. Your staff and officials want to emphasize that our conservative investments and lending policies have shielded your credit union from the many challenges you may have been reading about in the papers and listening to on the local and national news. This is the fundamental reason White Crown Federal Credit Union isn't struggling, merging, or closing their doors like other financial institutions.

White Crown is actively lending money to our members; we have priced our deposit products fairly and have recognized increased balances over the year. Our assets grew to over \$46,755,875. The loan portfolio grew to over 30,000,000. Net income exceeded our goals at \$274,014. Prudent financial stewardship by your staff and officials helped our net worth grow and remain healthy. This self-sustaining strategy is conservative and safe and does not create dependencies on the market. It also keeps your credit union strong.

White Crown Federal Credit Union is a member-owned, full service financial cooperative and continues to be your best alternative financial solution when it comes to convenient services, low cost loans and high returns on savings. And, unlike other financial institutions, we exist for you, our member – not for profit, not for charity, but for service.

Your credit union remains a healthy and secure financial institution that has retained a high rating with the National Credit Union Administration (NCUA). We look forward to the coming year's challenges and serving you, our member.

**Richard D. Adamson**  
*Treasurer*