

2010
Annual Report
March 9, 2011



AGENDA

**Annual Meeting of Shareholders
ENERGY PLUS CREDIT UNION
Wednesday, March 9, 2011
IPL, Morris Street, Safety Room
5:30 P.M.**

- 1. Attendance (Determination of Quorum)**
- 2. Minutes of the 2010 Annual Shareholders Meeting (attached)**
- 3. Report of the Board of Directors (attached)**
- 4. Report of the Treasurer (attached)**
- 5. Report of the Supervisory Committee (attached)**
- 6. Unfinished Business**
- 7. New Business**
- 8. Elections (Approve Slate of Candidates)**
- 9. Door Prizes**
- 10. Adjournment**

MISSION STATEMENT:

Helping members achieve their goals through excellent service and high quality products.

OUR VISION:

Member Focused-Member Driven

**Annual Meeting Minutes
Energy Plus Credit Union
March 10, 2010**

The 4th Annual Meeting of the Energy Plus Credit Union was held March 10, 2010 at 5:30 p.m. at RPS Building - 2960 N. Meridian St.

Cookies and drinks were served.

Meeting called to order at 5:35pm.

Everyone received an EPCU pen.

Vicki Garrett, Vice Chairwoman of the Board of Directors, welcomed the 32 members in attendance. Vicki introduced the Supervisory Committee and the Board Members.

Brenda Wade presented the minutes and asked for a motion to approve the minutes from the EPCU 2009 Annual Meeting. A motion was made to approve the minutes as submitted; seconded. Motion passed.

Vicki Garret gave the Chairman's report (on behalf of Jim Davis) of the Board of Directors.

Marsha Johnson presented the Treasury Report.

Barb Hudson presented the Supervisory Report.

Terri Wildrick introduced the staff from all locations of EPCU.

Request to discuss any Unfinished Business: None

Request to discuss any New Business: Member Bill of Rights was introduced to the members in attendance.

Door prizes: 2 umbrellas and 2 EPCU lawn chairs were presented.

Election of officers:

Five board positions available, seven members ran for the positions.
Two supervisory positions available, two members ran for the positions (unopposed).

BOARD

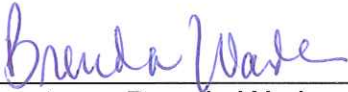
John Hopwood
Randy Jones
Howard Knight
Thomas O'Leary
Brenda Wade

SUPERVISORY COMMITTEE

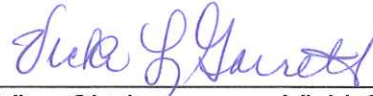
Corey Haggard
Mark Vogler

Vicki Garrett thanked all those in attendance.

No further business was presented from the floor, the meeting adjourned at 6:10 p.m.



Secretary - Brenda Wade



Vice Chairwoman – Vicki Garrett

CHAIRMAN'S REPORT

Welcome to the **FIFTH** Annual Meeting of the Energy Plus Credit Union.

In 2010, we promised competitive loan rates and held several loan promotions throughout the year with decreased loan rates. We ended the year making almost \$ 900 million in net new loans to our membership. We introduced our VISA card program in 2009 and with the competitive rates it has been a very successful program with over \$1.7 million in balances ending 12/31/10.

The Shared Branching network continues to grow in serving our membership. Shared branching allows members to conveniently access their EPCU accounts at many locations throughout the area. Also, we belong to the Alliance One and CO-OP ATM networks, which give our ATM/Debit card holders **free** ATM access coast to coast. There is a link on our website to help you find locations close to your work or home or you may contact a credit union representative to help you find a location.

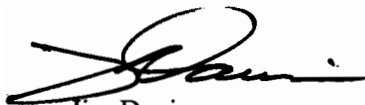
As all of you well know, 2010 was another financially difficult year for most. The credit union ended the year again with a negative income. However, we went to great lengths to cut expenses from all angles, which not only cut our losses in 2010 but we are beginning to show a positive net income trend. The reason for the loss in 2010 is the continued setback suffered as a result of our corporate credit union losses. The 2010 losses we incurred from Members United Corporate FCU were a total of \$83,295.78. Also, the National Credit Union Share Insurance Fund, which operates much like the FDIC but for Credit Unions, has stepped in to cover some of the losses of the corporate credit unions. Unfortunately, this action means that all federally insured credit unions were charged a premium to bring the insurance fund back to its required funding amount. The government has approved to allow this funding over a seven year period. The 2010 cost to the credit union was \$57,420.95. If it had not been for these extraordinary expenses we would have ended the year with a positive income.

EPCU is a well capitalized credit union at 13.80% in net capital. A high capital position allows the credit union to sustain this type of loss. The Board of Directors is very aware of the necessity of making changes to continue to decrease expenses and increase income. We approved an aggressive and attainable strategic plan, which aligns us to achieve positive income in 2011.

We continue to offer competitive loan rates. Our goals are all centered on continuing to provide convenient, affordable, personal and professional products and services to each and every one of our current and future members.

You, the members, elect the Board of Directors and Supervisory Committee and along with the Management team entrust us with protecting the assets of the EPCU. We take our jobs very seriously and you can rest assured that we review the financial performance of the credit union monthly and take action if and when deemed necessary.

Thank you for your business and your continued support of your Energy Plus Credit Union.



Jim Davis
Board Chairman

ENERGY PLUS CREDIT UNION
MONTHLY STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2010

	DECEMBER 2010	DECEMBER 2009
ASSETS		
Loans To Members	\$ 19,447,243.90	\$ 18,569,328.83
Allowance for Loan Loss	(212,147.62)	(231,334.69)
Receivables	6,681.37	11,730.95
Cash	453,650.50	377,393.32
Investments	6,740,651.67	6,379,870.45
Prepaid Expenses & Deferred Charges	40,353.43	30,034.00
Fixed Assets	190,494.26	277,881.85
Accrued Income	27,387.62	31,073.09
Deposit in NCUSIF	213,989.88	209,138.73
Other Assets	526.43	3,670.01
TOTAL ASSETS	\$ 26,908,831.44	\$ 25,658,786.54
LIABILITIES & EQUITY		
Accounts Payable	\$ (2,186.79)	\$ 10,498.32
Notes Payable	.00	.00
Dividends Payable	474.48	671.84
Taxes Payable	20.18	516.28
Accrued Expenses	7,724.97	22,085.34
Other Liabilities	5,465.25	6,207.16
TOTAL LIABILITIES	\$ 11,498.09	\$ 39,978.94
MEMBER EQUITY		
Regular Shares	\$ 10,230,101.88	\$ 10,207,358.47
Share Drafts	3,029,072.35	2,444,477.99
I.R.A.'s	.00	.00
Certificates	5,743,544.65	5,710,044.25
Other Deposits	3,967,851.33	3,231,516.40
TOTAL MEMBER EQUITY	\$ 22,970,570.21	\$ 21,593,397.11
RESERVES AND UNDIVIDED EARNINGS		
Regular & Legal Reserves	\$ 1,871,681.84	\$ 1,871,681.84
Other Reserves	.00	.00
Undivided Earnings	2,153,728.65	2,591,962.84
Current Period Net Income	(98,647.35)	(438,234.19)
TOTAL CAPITAL	\$ 3,926,763.14	\$ 4,025,410.49
TOTAL LIABILITIES & EQUITY	\$ 26,908,831.44	\$ 25,658,786.54

We certify to the best of our knowledge and belief, this statement and related statements are true and correct and present fairly the financial position and results of operations for the periods covered.

TREASURER Muska Johnson

OFFICER Scott F. Armstrong

ENERGY PLUS CREDIT UNION
MONTHLY STATEMENT OF INCOME AND EXPENSES
FOR THE PERIOD ENDING DECEMBER 31, 2010

	DECEMBER 2010	PERIOD-TO-DATE	YEAR-TO-DATE
INCOME:			
Income From Loans	\$ 100,189.55	\$ 297,956.43	\$ 1,160,196.10
Investment Income	8,149.37	27,773.40	146,660.50
Fees & Charges	20,680.17	59,733.15	263,668.02
Miscellaneous Income	4,329.09	8,940.92	41,546.59
Total Income	\$ 133,348.18	\$ 394,403.90	\$ 1,612,071.21
COST OF FUNDS:			
Dividends on Accounts	\$ 12,831.78	\$ 38,529.35	\$ 169,662.44
Cost of Borrowed Money	113.03	238.27	238.27
Total Cost of Funds	\$ 12,944.81	\$ 38,767.62	\$ 169,900.71
EXPENSES:			
Employee Compensation	\$ 48,650.60	\$ 154,935.72	\$ 596,617.61
Employee Benefits	11,489.58	37,263.08	168,119.60
Travel and Conferences	1,196.66	2,855.16	9,133.23
Association Dues	1,335.58	2,181.75	10,643.62
Office Occupancy	7,891.43	27,442.91	111,911.94
Office Operations	13,212.29	35,311.03	143,745.42
Educational & Promotional	1,462.14	3,173.18	13,971.71
Loan Servicing	5,859.63	21,817.45	81,379.00
Professional & Outside Services	22,654.60	57,182.13	202,827.90
Provision for Loan Losses	.00	.00	51,914.88
Member Insurances	.00	.00	.00
Miscellaneous Expenses	469.13	2,479.66	66,820.14
Total Operating Expense	\$ 114,221.64	\$ 344,642.07	\$ 1,457,085.05
NET OPERATING INCOME (LOSS)	\$ 6,181.73	\$ 10,994.21	\$ (14,914.55)
NON-OPERATING GAINS/(LOSSES):			
Gain/(Loss) on Sale of Investments	\$.00	\$.00	\$ (83,295.78)
Gain/(Loss) on Sale of Fixed Assets	.00	.00	(437.02)
Other Non-Operating Gains or (Losses)	.00	.00	.00
Total Non-Operating Expenses	\$.00	\$.00	\$ (83,732.80)
NET INCOME	\$ 6,181.73	\$ 10,994.21	\$ (98,647.35)

**ENERGY PLUS CREDIT UNION
LOAN REPORT
FOR THE YEAR ENDING DECEMBER 31, 2010**

	<u>Number</u>	<u>Amount</u>
New Loans	638	6,611,325
New Vehicle	307	3,929,337
Used Vehicle	610	5,355,000
Heloc	270	4,431,603
Manequity	18	167,227
Fixed Rate HE	17	289,385
Unsecured Credit Card Loans	450	1,780,635
All Other Unsecured Lines of Credit	367	1,470,113
ODCP Loans	31	6,793
Closed End Personal Loans	145	470,320
Other Collateral Loans	146	909,382
Heloc in Repayment	21	635,743
Classic Card in Repayment	1	1,706
TOTAL LOANS	<u>2383</u>	<u>19,447,244</u>
Charged Off Loans	24	112,583
Recoveries on Charged Off Loans		41,933

*HELOC is an acronym standing for Home Equity Line Of Credit

**SUPERVISORY COMMITTEE
2010 ANNUAL REPORT**


The 2010 Supervisory Committee had 5 members; they were: Laura Anderson, Brenda Owens, and Corey Haggard from IPALCO/AES; and Tracye George and Mark Vogler from Citizens Energy Group.

An Annual Supervisory Committee Examination of Energy Plus Credit Union's operation was performed through an independent audit by Tim L. Lewis, CPA, Inc. for the twelve months ending March 31, 2010. There were NO findings as result of the 2010 audit, and EPCU management and staff should be commended for achieving such status.

An examination by the Department of Financial Institutions (DFI) was performed for the twelve months ending June 30, 2010. Several EPCU staff members and two Supervisory Committee members were interviewed as part of the examination. Only minor comments and recommendations were made, and all findings were addressed in an appropriate and timely manner.

Various activities at each of EPCU's three branches were reviewed routinely by Supervisory Committee members throughout the past year. Reports of each review are provided to EPCU management and Board members, and copies of the reports are maintained at the EPCU Morris Street location.

Based on results of the above audits and reviews, the Supervisory Committee believes the records of the Energy Plus Credit Union to be accurate and in compliance with applicable state and federal regulations.



3/2/11

Mark Vogler
Supervisory Committee Chairman

ENERGY PLUS CREDIT UNION
2011 SLATE OF CANDIDATES

Board of Directors:

James Davis

Nicholas Grimmer

Shannon Stahley

Supervisory Committee:

Darlene Reckelhoff

Energy Plus Credit Union Member Bill of Rights

Est. January 28, 2010

Our Vision ...

Member Focused – Member Driven

Our Mission...

“Helping members achieve their goals through excellent service and high quality products.”

At Energy Plus we promise our members that we will...

**Be efficient,
Show compassion,
Be honest and courteous,
Listen to your ideas and concerns,
Provide unbiased personal service,
Treat all with respect and professionalism,
Guide you in your search for financial success,
Maintain a safe and sound financial institution,
Keep information safe, secure, and confidential,
Provide educational opportunities on financial products & services.**

At Energy Plus all members have the right to...

**The best products & services available,
Receive an explanation for our decisions,
Receive communications in a timely manner,
Be treated like the owner of your Credit Union,
Competitive, market driven rates and incentives,
Ask questions and express concerns and receive a response,
Vote on Board candidates and action items at the Annual Meeting,
Express an interest in serving as a Board or Supervisory Committee member.**