

## From the Supervisory Committee

An independent, objective and comprehensive annual audit is the primary function of the Supervisory Committee. For the year 2008, the services of the CPA firm Cindrich, Mahalak & Co., P.C., were retained to carry out this mandate.

The audit was conducted in accordance with auditing standards generally accepted in the United States of America. The audit included examining, on a test basis, the evidence supporting the amounts and disclosures in the Financial Statements. It also included assessing the accounting principles used and significant estimates made by management, as well as the evaluation of the overall Financial Statement presentation.

The audit report clearly shows that the Financial Statements present fairly, in all material respects, the financial position of Auto Body Credit Union as of December 31, 2008 and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Respectfully submitted,  
Mark Van Epps, chairman

### Board of Directors:

Larry Rademacher, chairman  
Doug Fernsler, vice chairman  
Carl Seestedt, secretary  
Margo Kleinfelt, treasurer  
Harold Brown, membership officer  
Dan Smith, director  
Kevin Mix, director

### Supervisory Committee:

Mark Van Epps, chairman  
Stephen Bramos  
Martha Adams

## LOCATIONS

MAIN OFFICE  
111 S. WAVERLY RD.  
LANSING, MI 48917

WEST OFFICE  
137 S. MARKETPLACE BLVD.  
LANSING, MI 48917

SOUTH OFFICE  
320 E. JOLLY RD.  
LANSING, MI 48910

DEWITT OFFICE  
14049 LINDSEY LANE  
DEWITT, MI 48820

IONIA OFFICE  
428 W. WASHINGTON ST.  
IONIA, MI 48846

517.323.3644  
800.323.0048

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



AUTO BODY CREDIT UNION



# Annual Report 2008

## A Message to Our Members

Turbulent times make us thankful for those things in our lives that offer stability and reliability. ABCU is proud to have been a stable resource in our members' lives for 60 years.

While we remain an enduring institution, our products continue to evolve and serve the ever changing needs of our members. 2008 saw our website updated to include a "Chat Feature"-connecting members with our call center. Our Home Banking site was enhanced to provide additional security for member information, along with an improved Bill Pay product, which made it even easier for members to take control of personal finances.

We opened a new full service branch in DeWitt and, as a result of merger, welcomed members from Auto Body Workers Credit Union to our credit union family. The merger provided members with an additional convenient branch located in Ionia.

With the changes in our regulatory climate, members' insured shares received even greater security with the expansion of federal insurance to \$250,000 per member. This was an increase from the original amount of \$100,000. With the full backing of the federal government, our members can rest assured that their money will be there when they need it.

The past year did not come without some pitfalls. With everything that is happening on Wall Street and the state of our economy, we did incur an investment loss due to a bond we held with Lehman Brothers. As can be seen in our reserves and retained earnings, we still remain well capitalized, financially sound and ready to serve our members.

Larry Rademacher  
Chairman

Margo Kleinfelt  
President/CEO

# 2008 Condensed Financial Statement

## BALANCE SHEET

Assets	
Consumer Loans	\$ 99,551,244.04
Real Estate Loans	\$ 29,675,748.11
Deferred Origination Fees	\$ 1,080,252.72
Allowance for Loan Losses	\$ (1,231,964.09)
Investments	\$ 12,171,294.64
Cash & Equivalents	\$ 1,705,960.55
Fixed Assets	\$ 4,908,601.93
Other Assets	\$ 2,390,318.87
<b>TOTAL ASSETS</b>	<b>\$ 150,251,456.77</b>
Liabilities and Members' Equity	
Member Deposits	\$ 124,461,094.30
Borrowings	\$ 8,999,136.51
Other Liabilities	\$ 426,635.33
<b>TOTAL LIABILITIES</b>	<b>\$ 133,886,866.14</b>
Statutory Reserves	\$ 3,667,267.62
Other Reserves	\$ 10,400,000.00
Retained Earnings	\$ 2,297,323.01
<b>TOTAL EQUITY</b>	<b>\$ 16,364,590.63</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 150,251,456.77</b>

## INCOME STATEMENT

Income	
Loan Interest	\$ 7,959,469.42
Investment Income	\$ 772,381.07
Other Income	\$ 1,897,202.16
<b>TOTAL INCOME</b>	<b>\$ 10,629,052.65</b>
Operating Expenses	
Salaries & Benefits	\$ 3,578,908.57
Operating Expenses	\$ 2,774,839.08
Other Expenses	\$ 123,608.11
Interest on Borrowings	\$ 119,034.07
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 6,596,389.83</b>
Earnings	
Income from Operations	\$ 4,032,662.82
Dividends	\$ (107,732.73)
Interest	\$ (2,785,830.29)
Provisions for Loan Loss	\$ (1,112,472.46)
Gain/(Loss) on Investment	\$ (940,599.40)
<b>NET INCOME</b>	<b>\$ (913,972.06)</b>



AUTO BODY CREDIT UNION

