

**REPORT FROM THE CHAIR OF THE BOARD
OF DIRECTORS**

I am proud to report to you, the member owners of the White River Credit Union, that the bold decision to open a Randolph branch over a year ago has been a grand success. While other institutions trend toward restricted access to people, WRCU has expanded your ability to reach our staff. With Saturday hours, a two lane drive-through, ATM services as well as full service lending, the Randolph branch has proven to be a prudent investment. Over the last 20 years, our membership has more than doubled to 5,250 members and our assets have more than tripled to over 30 million.

With a conservative fiscal approach, dedicated and knowledgeable management and an ever present commitment to all our members, your credit union continues to receive the highest regulatory rankings and is the lead cooperative financial institution throughout the communities we serve.

Let us know what we can do for you.

Respectfully submitted,

Christi Bollman
Chair, Board of Directors

EDUCATION COMMITTEE REPORT

The White River Credit Union Scholarship Program was established to provide financial assistance each year to one Whitcomb, one Randolph Union and one Rochester High School Senior. This student must be pursuing an undergraduate education.

The Education Committee of the Credit Union and the Guidance Counselors from each school review the candidates. Selection of the recipient is based on character, academic performance, extracurricular activities, community involvement and financial need. The student must also be a member of the White River Credit Union.

The recipients of the scholarship for 2012 were Rhianna Graham-Frock of RHS, Leanne Ketner of WHS and Danielle Gagnon of RUHS. We wish Rhianna, Leanne, Danielle and all the graduates the best in their future endeavors.

Ann Mills, Joan (Java) Hubbard and Lisa Floyd

OFFICERS

Board Of Directors	Term Expires
Christi Bollman, Chairperson	2012
Everett Bettis, Treasurer	2013
Priscilla Baker, Secretary	2014
Richard Harvey	2012
David Hunt	2012
Nancy Merrill	2013
Allen Johnson	2014

COMMITTEE MEMBERS

Supervisory Committee (Appointed by the Board)

Eric Richardson, Chairperson	2012
Shari McLaughlin	2013
Donna McIntyre	2014

Education Committee

Ann Mills	2012
Joan Hubbard	2012
Lisa Floyd	2012

Staff

Wanda Dunham	President/CEO
Susan Griffin	Vice President/CLO
Joanne Mills	Randolph Branch Manager/Loan Officer
Rose Leonard	MSR/Loan Officer
Betty White	Bethel Lead MSR
Martha Brown	Back Office Assoc./Compliance Officer
Susan Fedak	MSR/Collections Officer
Nancy Forrest	MSR
Brenda Downs	MSR/Loan Officer
Carol Kingsbury	MSR/Back Office Assoc.
Joyce Lowe	MSR
Karen Rogers	Rochester MSR Spvr/Loan Officer
Blythe Bates	Exec. Asst. to the CEO/HR Manager
Alycia Holman	MSR
Tia McKenna	MSR
Jennifer Paradis	MSR
Chelsea Rogers	MSR
Desiree Boardman	MSR



**White River Credit Union
2011 Annual Report**

**Notice of 65th
Annual Meeting**

Thursday, October 25, 2012

6:00 pm

Catered Buffet By Maybelle Dumont

Bethel Town Hall

Bethel, VT

Please join us for dinner, the business meeting will immediately follow. We will have special door prizes throughout the evening for those in attendance.

Dinner reservations are required and may be made by contacting any of our WRCU locations no later than Thursday, October 18th. Reservations must be made in advance as dinner seating is limited.

Adult Members: \$11.00

Children, 12 & Under: \$7.00

Non-members: \$21.00

Agenda

**65th Annual Meeting of the
White River Credit Union**

October 25, 2012

1. Call to order
2. Determination of quorum
3. Incorporation in the minutes of proof of notice of the annual meeting
4. Reading of the minutes of the last annual meeting and the approval or correction of same
5. Reports
 - Chair, Board of Directors
 - President/Chief Executive Officer
 - Vice President/Chief Lending Officer
 - Credit Management Team
 - Education Committee
 - Supervisor Committee
 - Treasurer, Stmt of Financial Condition
6. Unfinished business
7. New business
8. Vote to empower the Directors to borrow on behalf of the Credit Union if necessary
9. Report of the nominating committee
10. Election of the Board of Directors and Committee members
11. Announcements
12. Adjournment

CREDIT MANAGEMENT TEAM REPORT

In December 2007, The Vermont Department of Banking, Insurance, Securities and Health Care Administration, now the Department of Financial Regulation, approved our request to amend our by-laws to discontinue the WRCU Credit Committee and replace it with a Credit Management Team. The reasons for discontinuing the Credit Committee included improved customer service through quicker response to loan applications and the change in banking regulations that no longer required its existence.

During 2011, the credit union's Loan Officers approved nearly 1,000 new loans and advances to existing loans, totaling over 8.9 million dollars. As in prior years, attention has been given to offering responsive programs that our members expect. We would encourage you to compare our services and rates on any type of financing you may need.

During the course of the year, the Team evaluated existing Loan Officer lending limits and made adjustments as warranted to ensure a high level of protection for our credit union's assets, and at the same time, provide the best member service possible.

Our Loan Officers are knowledgeable and we continue to build their knowledge and train other staff toward this position.

Respectfully submitted,

Wanda H. Dunham and Susan M. Griffin
WRCU Credit Management Team

SUPERVISORY COMMITTEE REPORT

According to the provisions of Title 8, Vermont Statutes Annotated, Chapter 221, Section 31306, the Supervisory Committee oversaw an extensive audit of the books and affairs of WRCU for the twelve months ended August 31, 2011, performed by New England Credit Union Services, LLS of Marlborough, MA. The Committee is satisfied that the work received from the audit firm is accurate and complete.

Eric Richardson (Chair), Donna McIntyre, Shari McLaughlin

PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT

This, our 65th year, has been another busy and exciting year for our credit union!

A couple of our accomplishments since our last Annual Meeting include:

- The roll out of a Real-time debit card product. Prior to this, we utilized a "batch" system. With the Real-time card, transactions normally post almost immediately to a member's credit union account. We've had very positive feedback from membership regarding this new product.
- We are in the preliminary stages of rolling out mobile banking. We plan to have this product available to membership within just a few months. This will allow members to conduct account transactions on-line using their smart phone.
- Maintained excellent audit results.
- Savings rates continue to be low nationwide; however, we continue to pay some of the highest dividend and certificate interest rates in our area.

Ultimately our credit union's success is measured by how many members rely on our products and services to help them save, borrow or reach their financial goals. As we look ahead to the future of The White River Credit Union, we will continue to provide a strong presence as a primary provider of financial services to the residents of our communities. Our knowledgeable and dedicated staff, committees, and Board of Directors all contribute to the success of our credit union. We welcome and encourage your involvement in the continuing operation of your Credit Union. Remember that we are a member owned and operated institution; your ongoing support is always appreciated.

Respectfully submitted,
Wanda H. Dunham, President/CEO

Rochester Office: (802) 767-3333
Bethel Office: (802) 234-9232
Randolph Office: (802) 728-9228
www.whitercu.com

Your savings is federally insured to \$250,000 and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration—US Government Agency

Statement of Financial Condition			
	December 31, 2011	December 31, 2010	Increase/(Decrease)
ASSETS			
Consumer Loans	11,180,957	10,441,802	739,154
Real Estate Loans	11,087,748	10,410,958	676,790
Total Loans	22,268,705	20,852,760	1,415,944
Less Allowance for Loan Loss	(177,935)	(128,176)	(49,759)
Other Receivables	326	2,841	(2,516)
Cash	1,067,147	592,792	474,354
Net Investments	5,081,154	4,441,703	639,451
Accrued Income	101,024	90,046	10,977
Prepaid Expenses	41,922	60,388	(18,466)
Land and Building	1,179,603	683,060	496,543
Office Furniture and DP Equip	205,206	69,454	135,752
Total Other Assets	227,700	227,700	0
Total Assets	29,994,851	26,892,569	3,102,282
LIABILITIES & EQUITY			
Liabilities	288,376	243,411	44,965
Share Accounts	11,655,921	10,239,563	1,416,358
Club Shares	33,408	33,080	328
Share Draft Accounts	4,603,257	3,283,843	1,319,414
Money Market Accounts	3,695,407	3,314,516	380,891
Term Share Certificate Accounts	4,254,472	4,270,886	(16,414)
Individual Retirement Accounts	2,297,584	2,393,843	(96,259)
Total Reserves	595,280	595,280	0
Total Undivided Earnings	2,573,297	2,521,542	51,755
Total Unrealized Gain/(Loss) on Inv	(2,151)	(3,395)	1,244
Total Liabilities & Equity	29,994,851	26,892,569	3,102,283
2011 INCOME		2011 EXPENSES	
Interest on Consumer Loans	893,885	Salaries and Benefits	762,440
Interest on Real Estate Loans	522,118	Operations and Office	678,759
Investment Income	30,035	Outside Services	82,095
Fee Income	302,412	Provision for Loan Loss	75,200
Miscellaneous Operating Income	31,374	Dividends Paid	129,576
		To Equity Accounts	51,755
Total Income	1,779,825	Total Expenses	1,779,825