

"Your friendly credit union by the park"

2009 marks the 74th year of service for Van Cortlandt Cooperative Federal Credit Union. Chartered in March 1936, VCCFCU has grown to over 65 million in assets and currently serves over 3400 members.

2009
ANNUAL REPORT

ANNUAL REPORT

President's Report

2009 was a year that can be viewed as a glass both half full and half empty for your Credit Union.

First the positive news. Despite a poor national economy mired in the worst recession in the last sixty years, your Credit Union stuck to its sound policies for both lending and expenses. We also continued to pay higher dividends and have lower fees than any bank in the Metropolitan region. You, our members, proved to be more careful with your debts and spending habits and so your Credit Union experienced fewer loan and credit card defaults than our peers.

In addition, we constructed and moved into our new headquarters on Hillman Avenue across from PS 95. We now have more room where you can talk with our staff about your financial needs in a much more private environment. Also, we now have in our lobby a no cost ATM available to you 24 hours a day, 7 days a week. This move and construction was all done with money set aside over many years.

As far as the glass being half empty, we are required by the NCUA to put 1% of our assets aside in an account at our Corporate Credit Union. Our Corporate Credit Union, which has over 2300 Credit Unions as members, provides important functions for its members, most importantly as the clearing house we pass all our checks through. Unfortunately, the Corporate Credit Union invested a great deal in the trash financial instruments Wall Street was offering and took a huge loss in 2008. It took until December 2009 for the auditors of our Corporate Credit Union to finish their 2008 accounting and as all of their members did, we took a large loss to our required contribution. This proved to be a \$400,000 one time impairment charge for 2009 on our financial statement. We still wound up with a profit, but much less than we actually earned.

We have started off 2010 well and can only hope for our nation's economy to continue to improve slowly for the rest of the year. We will always work for your financial betterment. Thank you for your patience.

Andrew Kimerling, President

Independent Auditor's Report

To the Supervisory Committee and Board of Directors of Van Cortlandt Cooperative Federal Credit Union

We have audited the accompanying statements of financial condition of Van Cortlandt Cooperative Federal Credit Union (the "Credit Union") as of September 30, 2009 and 2008, and the related statements of income, changes in members' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Credit Union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Credit Union as of September 30, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Sincerely,
WOJESKI & COMPANY CPAs, P.C.

STATEMENT OF INCOME

DEC. 31, 2009

DEC. 31, 2008

	DEC. 31, 2009	DEC. 31, 2008
INCOME		
Interest on Loans	843,761	677,279
Income from Investments	1,673,252	1,930,984
Income from Credit Cards	105,912	107,097
Fees, ATM, & Miscellaneous Income	114,318	112,818
Rebate on Borrower's Insurance		
Income from Virtual Branch	90	140
TOTAL INCOME	2,737,333	2,828,318
EXPENSES		
Employee Compensation & Benefits	464,597	422,838
Committee & Conference Expense	5,951	9,000
League Dues	16,930	16,608
Rent	28,534	23,631
Office Operations	347,399	311,869
Loan Servicing	30,308	59,281
Professional & Outside Services	48,633	51,274
Share & Loan Insurance	32,964	21,905
Federal Supervision Fees	14,190	12,705
Education & Promotion	12,058	8,721
Virtual Branch Expense	30,858	24,620
Cash Short	(270)	195
Non-Operating Expenses	424,894	(3,242)
TOTAL EXPENSES	1,457,046	959,405
EXCESS OF INCOME OVER EXPENSES	1,280,287	1,868,913
Less: Provision for Loan & Investment Losses	10,000	6,000
NET INCOME BEFORE DISTRIBUTION	1,270,287	1,862,913
Dividends Paid To Members	1,149,703	1,412,915
Transfer to Reserves & Undivided Earnings	120,601	450,386

STATEMENT OF FINANCIAL CONDITION

DEC. 31, 2009

DEC. 31, 2008

	DEC. 31, 2009	DEC. 31, 2008
ASSETS		
Member Loans	16,607,527	12,097,021
Cash	201,259	130,305
Investments	45,408,136	46,104,359
Fixed Assets / Leasehold Improvements	720,500	75,805
Accrued Investment Income	199,264	378,592
Other Accrued Income	50,918	52,651
Other Assets	2,350,732	2,490,013
TOTAL ASSETS	65,538,336	61,328,746
LIABILITIES, SAVINGS & EQUITY		
Dividends Payable	378,665	414,925
Other Liabilities	(27,437)	270,323
Member Savings & Checking	35,289,481	31,433,295
Member Share Certificates	14,033,179	14,108,531
Member IRA Accounts	8,178,832	7,536,658
Reserves & Undivided Earnings	7,685,616	7,565,014
TOTAL LIABILITIES, SAVINGS & EQUITY	65,538,336	61,328,746

ALLOCATION OF INCOME

	DEC. 31, 2009	DEC. 31, 2008
Total Expenses	53.2%	33.9%
Provision for Loan Losses	0.4%	0.2%
Addition to Reserves, Undivided Earnings	4.4%	15.9%
Dividends to Members	42.0%	50.0%
TOTAL	100.0%	100.0%

STATISTICAL INFORMATION

	DEC. 31, 2009	DEC. 31, 2008
Number of Members	3,461	3,503
Number of Loans Granted During the Year	110	114
Dollar Value of Loans Granted During the Year	8,495,378	3,270,365

Board of Directors

Andrew Kimerling - President
Bemece Slotkin - Vice President
Mirela Alexe - Secretary/Treasurer
Thomas Chartier
Saby Chico
Stanley Cohen
Robert Gillman
Abraham Ozer
Mae Pica
Jack Spiegel

Credit Committee

Stanley Cohen - Chairperson
Mae Pica - Secretary
William Kramer, Jack Spiegel, Mirela Alexe

Supervisory Committee

Thomas Chartier - Chairperson
Charlotte Cohen, Beatrice Simpson,
Adele Palley, Glen Fleischman

Office Staff

Mirela Alexe - Manager
Sarita Santiago - Assistant Manager
Andrea Arroyo-Nieves - Financial Assistant
Kate Skrypak - Member Services Coordinator
Wendy Estrella - Office Associate
Mily Garabito - Office Associate
Shana Sullivan - Office Associate
Teresita Kamiel - Teller
Jeannette Nieves - Teller
Alexander Nalpantidis - Security Guard

ANNUAL MEMBERSHIP MEETING

*Join us Sunday, March 21th, 2010 at 11:00am
as we say thank you for supporting your credit union
over the past 74 years.*

Vladeck Hall

74 Van Cortlandt Park South
Bronx, New York

Products & Services

Free Home Banking	Debt Consolidation Loans
Free Bill Payment	Line-of-Credit
Private Line Audio Response System	Loan Overdraft
Automatic Payment Services	Guaranteed Student & Parent Loans
Regular Savings (Share) Accounts	Business Loans
Joint, Trust & Custodial Accounts	Home Mortgages
Individual Retirement Accounts (IRAs)	Home Equity Line of Credit
IRA Certificates	Construction Loans
Share Certificates	Loan Protection Insurance
Teen Accounts	Money Orders
Johnny Appleseed Children's Club	Travelers Checks
Little Ivy Newborn's Club	Amex Gift Cards
Free Checking (Share Draft) Accounts	U.S. Saving Bonds
No-Fee VISA Credit Cards	U.S. Postage Stamps
VISA Debit/ATM Cards	Wire Transfers
Personal Loans	Notary Public Service
Share (Savings) Secured Loans	Direct Deposit
New & Used Car Loans	ATM on Premises
Discounted Auto & Homeowners Insurance	

Van Cortlandt

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TO: