



2008 ECCU ANNUAL REPORT TO MEMBERS
TRUST IN THE LORD

{ LETTER TO MEMBERS }

FROM MARK G. HOLBROOK, PRESIDENT/CEO

There is a common notion that banking is boring, but you won't hear anyone around Evangelical Christian Credit Union (ECCU) agreeing with that opinion these days.

In fact, 2008 was the most *unboring* year in our history. When the year began, we expected more ministries to need financing and were well-positioned to meet that demand. By April, though, we couldn't keep up. Still, we funded more loans more quickly than ever before. You might say we had a banner season.

By July it was as if the seasons changed overnight. If the first half of the year was the monsoon season, the second was a severe drought. Funds for loans became increasingly scarce as the economic crisis constricted the nation's financial system.

Against this backdrop, we are especially thankful for our 2008 financial performance. Deposits hit an all-time high. Total assets under management grew to \$3.4 billion. And our 1.23 percent return on assets more than quadrupled our credit union peers' 0.30 percent average. One important reason for this performance is the overwhelmingly faithful involvement of our member ministries. Our members, after all, *are* ECCU—we are a financial cooperative, not just a financial institution.

The overarching reason for this year's performance, though, is clearly the good hand of God. Only He understands how all the scattered pieces of our economy fit together. While from a human perspective we are confident that ECCU is well positioned to weather this financial storm, we are reminded that our only true security is in God's gracious care. He raised up this organization to accomplish His work for His purposes. We continue to seek His wisdom in stewarding what He has entrusted to us.

We could not have planned for today's reality. And while we are doing our best to plan for the future, we've learned to not rely on those plans alone. There is a better way—*Trust in the Lord*. The harder things become, the more we find this to be true.

So *Trust in the Lord* is our theme for 2009. It reminds us who is in control. We don't need to be anxious about the economy or the future, which frees us to pursue our mission. That mission is to provide banking resources that help ministries like yours more effectively pursue your mission. And nothing could be less boring than that.

{ THE POWER OF TRUST }

“The way of trust is a movement into obscurity, into the undefined, into ambiguity, not into some predetermined, clearly delineated plan for the future. The next step discloses itself only out of a discernment of God acting in the desert of the present moment. The reality of naked trust is the life of a pilgrim who leaves what is nailed down, obvious, and secure, and walks into the unknown without any rational explanation to justify the decision or guarantee the future. Why? Because God has signaled the movement and offered it his presence and his promise.”

BRENNAN MANNING

Excerpt from *Ruthless Trust: The Ragamuffin's Path to God*

{ 2008 CONSOLIDATED STATEMENTS }
OF FINANCIAL CONDITION

Reflecting on this year's strong financial performance, the overarching reason is clearly the good hand of God.

A MESSAGE FROM THE SUPERVISORY COMMITTEE

The ECCU Supervisory Committee serves members by reviewing the credit union's financial operations. The Committee monitors ECCU policies and practices as needed to protect member accounts. To do this, the Committee engages appropriate experts to audit accounts, review internal controls, and monitor compliance with applicable laws and regulations. The Committee meets regularly to receive and evaluate the reports of these experts.

It is the Supervisory Committee's opinion that ECCU complies with all credit union requirements and has good internal controls. In addition, its 2008 financial statements fairly present, in all material respects, the credit union's financial position, results of operations, and cash flows. For a free copy of the full audited financial statements, please contact ECCU's Finance and Accounting Department at 800.634.3228.



BALANCE SHEET
as of December 31, 2008

ASSETS	
Loans to Members	\$ 1,114,443,102
Allowance for Loan Losses	\$ (4,266,623)
Cash and Cash Equivalents	\$ 60,407,830
Property and Equipment (Net)	\$ 54,799,538
Accrued Interest Receivable	\$ 8,043,868
Retained Interests in Mortgage Loans Sold	\$ 17,574,710
NCUA Share Insurance Fund Deposit	\$ 1,153,079
Capital Shares in Corporate Credit Unions	\$ 2,458,059
Other Real Estate Owned	\$ 19,513,963
Equity Investments	\$ 3,636,928
Other Assets	\$ 3,401,356
Total Assets	\$ 1,281,165,810
LIABILITIES AND CAPITAL	
Savings Accounts	\$ 24,941,698
Certificate Accounts	\$ 338,561,718
Individual Retirement Accounts (IRAs)	\$ 6,526,744
Money Market Accounts	\$ 295,761,997
Checking Accounts	\$ 155,964,578
Total Member Deposits	\$ 821,756,735
Borrowings	\$ 323,658,354
General Liabilities	\$ 10,417,022
Reserves and Retained Earnings	\$ 125,333,699
Total Liabilities and Capital	\$ 1,281,165,810
Total Members (Individuals and Organizations)	12,141
Total Ministry Loans Under Management	\$ 3,254,100,657
Total Assets Under Management	\$ 3,422,390,540

INCOME STATEMENT
for Twelve Months Ended December 31, 2008

INCOME	
Income from Loans to Members	\$ 81,744,741
Income from Investments	\$ 712,077
Other Operating Income	\$ 25,276,895
Total Income	\$ 107,733,713
EXPENSES	
General Operating Expenses	\$ 66,614,450
Provision for Loan Losses	\$ 3,053,000
Total Expenses	\$ 69,667,450
Net Earnings	\$ 38,066,263
DISTRIBUTION TO MEMBERS	
Dividends on Savings, Certificate, Checking, Money Market, Individual Retirement, and CUSO Accounts	\$ 23,162,713
Earnings After Dividends	\$ 14,903,550

These consolidated statements were derived from ECCU's audited financial statements.



{ MINISTRY STORY }

JOSHUA SPRINGS CALVARY CHAPEL

Understand that a key reason for our strong performance is faithful member involvement.

“...WE CAN FOCUS ON OUR GOALS INSTEAD OF WORRYING ABOUT MONEY.”

“Yucca Valley is just a small town, and with the economy here in the High Desert hurting as much as it is, many of our 1,500 families are barely hanging on.

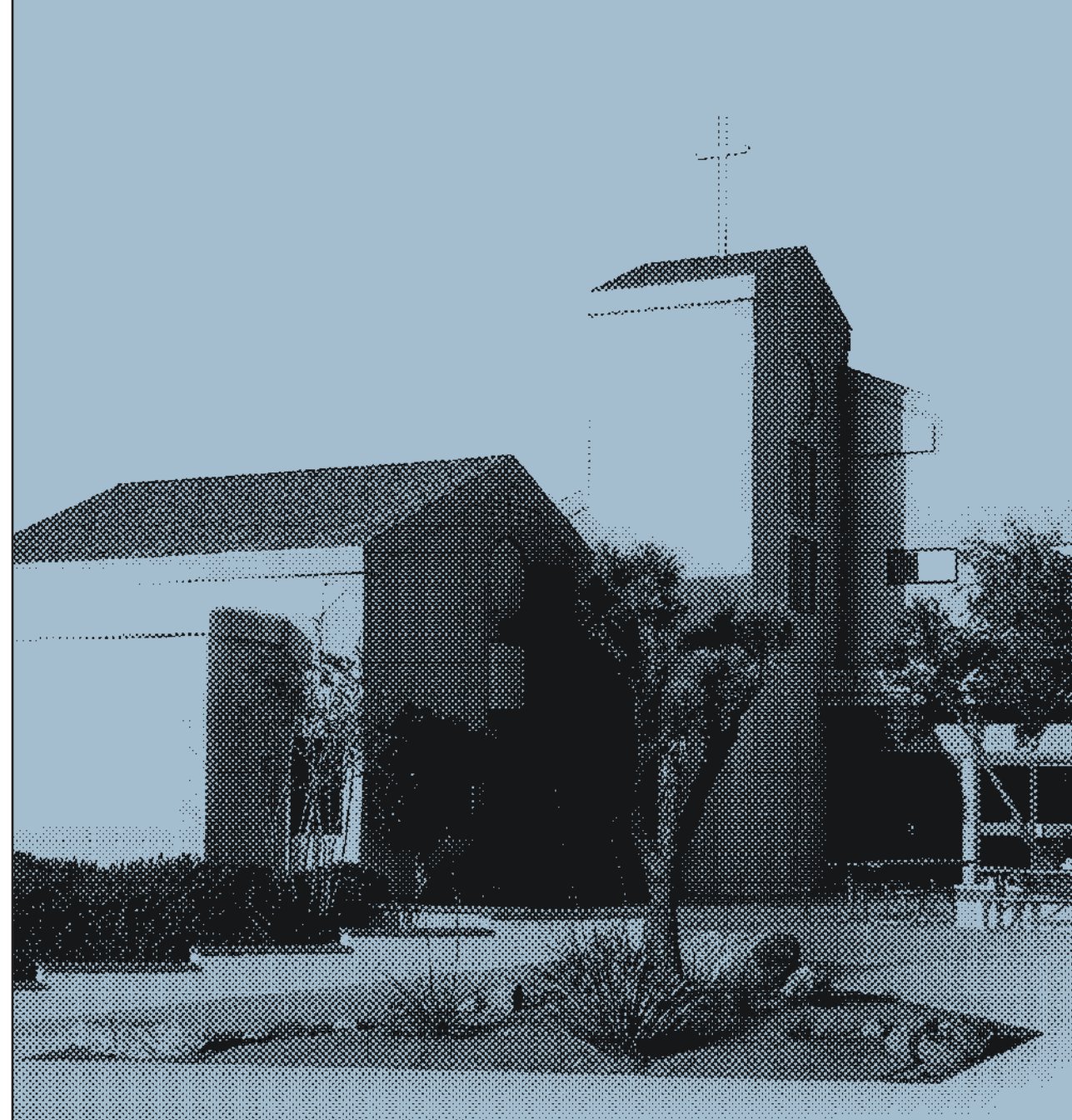
“With all this financial uncertainty, it’s reassuring to know that ECCU is truly willing to work with us.

“After talking with them, it was apparent we needed to be more cautious about our cash management. We also needed more flexibility. Their creativity with our account structure allowed us quicker access to our cash, just in case. So we can stay focused on our core values and goals instead of worrying about money.

“And because we’ve been able to maintain our ministry emphasis, our people have responded. In spite of the hard times, giving has been generous.”

JEREL J. HAGERMAN, SENIOR PASTOR

Joshua Springs Calvary Chapel in Yucca Valley, California



{ STORIES FROM THE FIELD }

Since our members *are* ECCU, we are a financial cooperative, not just a financial institution.

YOUTH FOR CHRIST INTERNATIONAL

“With ministry in more than 100 countries, we needed a financial partner who could help us get ministry funds on the ground as quickly as possible. When we talked with ECCU, they took time to understand our business model and help us save both time and money. But a big reason we continue our relationship with ECCU is because they really want to help us achieve our mission.”

JOHN BASTIAN, CHIEF FINANCIAL OFFICER
Youth for Christ International in Englewood, Colorado



THE ROCK OF ROSEVILLE

“We feel very fortunate to be working with ECCU in this economy. For the first time in our history, we weren’t hitting our income projections. They helped us think through our organizational structure. They gave us reachable goals. And they helped us strengthen our infrastructure and make tough changes. ECCU has been a tremendous partner.”

KENNY WAHLBERG, DIRECTOR OF OPERATIONS
The Rock of Roseville Church in Roseville, California

SHEPHERD OF THE HILLS CHURCH

“God keeps expanding our borders. Today we are 10,000 people who gather at multiple locations from Porter Ranch to South Central Los Angeles to the Bay Area. As our financial picture becomes more complex, I need to stay focused on leadership priorities. Thanks to our relationship with ECCU, I trust that our ministry funds are well managed. For example, using ACH technology, we now process a third of our checks electronically. It’s safe, secure, incredibly fast, and convenient.”

DUDLEY C. RUTHERFORD, SENIOR PASTOR
Shepherd of the Hills Church in Porter Ranch, California



Your ministry banking resource:

ECCU

EXECUTIVE TEAM

Mark G. Holbrook, President/CEO
Scott Vandeventer, COO
Brian Scharkey, CFO
Frank Borst, Executive VP
Terry Donnelly, Executive VP
Mark Johnson, Executive VP

BOARD OF DIRECTORS

Van Elliott, Chairman
Jim LePere, Vice Chairman
Jack Russ, Treasurer
Ken Von Rohr, Secretary
David Beaubien
Cliff Benzel
Elizabeth Ganem
George Hale
Dan Maltby
Sam Wolgemuth

SUPERVISORY COMMITTEE

David Cram, Chairman
Joyce Bennett
C. Richard Ferree

CORPORATE HEADQUARTERS

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Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration (NCUA), a U.S. Government Agency.
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