

2009 ANNUAL REPORT



CELEBRATING COMMUNITY



MISSION

- Since our humble beginnings in 1954 our mission has remained the same--to help our members achieve their financial goals and dreams through

Personal Connections
Simple Solutions
Lifetime Relationships

VISION

- We will provide our members and community with the best personal service, the highest quality financial products, and the best overall value for a lifetime.

POWERTRUST CREDIT UNION SERVICE ORGANIZATION

- PowerTrust Credit Union Service Organization (CUSO) is a partnership between Meridian Trust FCU and Utah Power Credit Union, established to better serve the members of each credit union. PowerTrust branches are located in Rock Springs and Casper. Members of both credit unions may use the services of the PowerTrust locations.

PowerTrust Board of Directors:

Ryan Pollick, Salt Lake City, UT, *Chair*
Kim Withers, Cheyenne, WY, *Vice Chair and Past Chair*
Vess Walker, Rock Springs, WY, *Secretary*
Mike Huston, Casper, WY, *Member*



powerTRUST
CREDIT UNION SERVICE ORGANIZATION

COMMUNITY

- Meridian Trust Federal Credit Union is proud to be part of numerous communities throughout the state. We endeavour to be leaders in each community and an active corporate citizen.

We celebrate our relationships in each community we serve with the member portraits on the cover of this annual report. The members are: (*upper left, clockwise*) **Ashley Arneson & Gus White**, Cheyenne, Perfect Match accountholders, members since 2002 & 2008; **Mel Moody**, Lander, owner Mel's on Main, member since 1981; **Mike & Sharry Arneson**, Cheyenne, members since 1986; **Peggy Gagnon**, Jackson educator, member since 1984; **Chance & Shaz Thompson family**, Rock Springs, members since 2001; **Scott Talbott & Luke**, Casper, State Game & Fish employee, members since 1988; **Tony Adams**, Cheyenne, retired State Records Manager, member since 1967.

REPORT OF THE BOARD OF DIRECTORS

Since 1954, Meridian Trust has been riding on the strength of the members' confidence and loyalty. It is because of this confidence and insight that we have such a strong organization today. The economic fallout was deep as it was wide and there wasn't an industry or individual that was unaffected. Without the insight of the board of directors, committee members, loyal members, and committed employees, Meridian Trust would not be the region's top credit union both in terms of financial viability and member service.

Year of Adjustments

In 2009, we made conservative balance sheet decisions to maintain the integrity of the capital and building our infrastructure.

We started and ended the year making adjustments in order to contain most of the insurance premiums and investment write downs in 2009. Last year, at the annual meeting we spoke about the credit union industry having to heal itself from within. While the specifics had changed, the end result remained the same. NCUA assessed all insured credit unions a higher premium assessment due to the mounting losses in corporate credit unions and natural person credit unions. The higher premium assessment included insurance coverage of the higher deposit limit of \$250,000. The corporate credit unions which most credit unions belonged and held membership capital suffered a loss which rolled down to natural person credit unions. It affected many credit unions, but it did not call on taxpayer money for bailouts or government stimulus money.

Meridian Trust withstood these adjustments and remains highly capitalized and ready to go for 2010. We maintained the integrity of our capital and continue to grow at a sensible pace.

Cheyenne Downtown Branch

With our finances in good shape, we focused on our infrastructure. The Cheyenne downtown branch was remodeled with a new teller line and lobby. The entry was remodeled to give it a fresh appearance.

Administration Building

After years in the making, the Administration is slated to be open officially in April 2010. The building uses a lot of green innovation with natural lighting through the building, recycled drywall, energy saving appliances, and having underground parking so that there is less of a footprint or less asphalt for the building.



Board of Directors

(left to right) Ann Barrett; Brenda Arnold, *Chairman of the Board*
Buck McVeigh; Bill Gentle, *Vice Chair*; Jerry Krois;
Dean Fausset, *Treasurer* Not pictured: Martin Pederson, *Secretary*

New Processing System

Included in our infrastructure improvements is the upcoming data processing system conversion. This project will have a great impact on employees and members alike. As Meridian Trust has evolved and grown it has become imperative to improve our data processing system.

Our new system will complete the major infrastructure projects for Meridian Trust. Added convenience, expanded products and ease of use for employees and members will be gained. At the same time the new system will be sufficient to meet our needs well into the rosy future we envision.

Our Future

We close by again thanking every member for keeping our financial co-operative strong and for the confidence you have in our team and in Meridian Trust.

REPORT OF THE TREASURER

The year 2009 continued to be very volatile for the financial services industry. The economic fallout affected not only every state, but nearly every industry as well.

Meridian Trust had another strong year, growing over 11% in assets to \$214 million. Share balances grew over 12%. Return on assets for Meridian Trust remains consistent at 1.08%, while our peer group has dropped to 0.01%. Meridian Trust is well-capitalized at 10%.

Meridian Trust is continuing our policy of doing the right thing for the right reasons, both for the Credit Union's members and for the balance sheet. You can be confident that Meridian Trust is here for you, and will continue to provide you with competitive loan and savings products to meet your needs.

Dean Fausset
Treasurer

Statement of Financial Condition

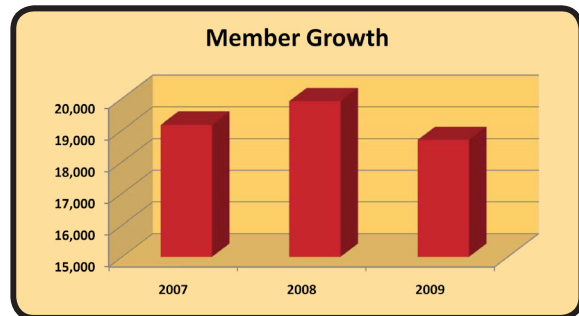
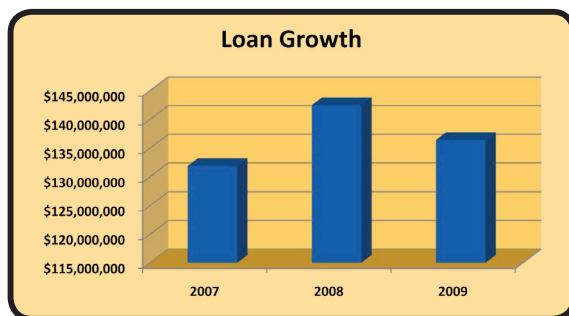
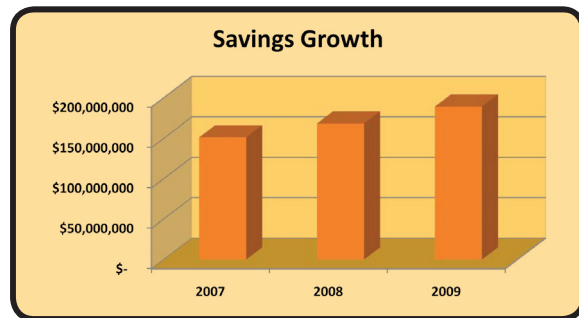
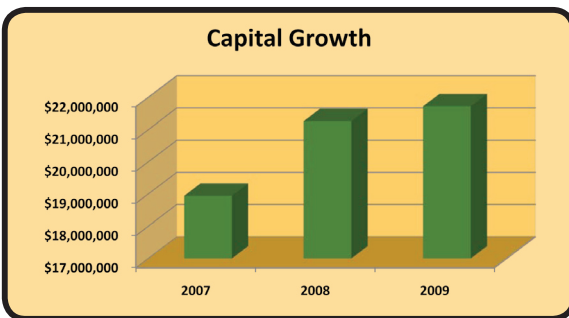
Assets	Years Ended December 31	
	2008	2009
Installment Loans	\$56,393,809	\$49,728,740
VISA Loans	10,814,230	11,508,751
Home Equity Loans	25,034,876	19,598,060
1st Mortgages	50,209,314	55,541,723
Allowance for Loan Loss	(744,539)	(882,939)
Total Loans - Net of Allowance for Loan Loss	141,707,690	135,494,335
Cash and Cash Equivalents	16,155,688	28,843,772
Investments	25,248,838	38,413,633
Land and Building	4,908,566	6,071,575
Furniture, Fixtures and Equipment	459,784	957,405
Insurance Capitalization Deposit	1,542,144	1,814,883
Other Assets	1,576,437	2,143,599
Total Assets	\$191,599,147	\$213,739,202
Liabilities		
Accounts Payable	\$2,057,729	\$2,736,958
Taxes Payable	-	-
Total Liabilities	2,057,729	2,736,958
Members' Shares		
Regular Shares	\$25,108,665	\$24,314,358
Share drafts	24,784,952	27,104,536
Individual Retirement Accounts and HSAs	12,674,525	14,392,481
Money Market Accounts	59,516,097	75,938,818
Certificate Accounts	46,192,248	47,527,335
Total Members' Shares	168,276,487	189,277,529
Equity		
Regular Reserve	\$2,349,218	\$2,349,218
Undivided Earnings	18,915,713	19,375,497
Total Equity	\$21,264,931	\$21,724,715
Total Liabilities and Members' Equity	\$191,599,147	\$213,739,202

The Supervisory Committee engaged Petersen & Associates, an independent public accounting firm, to perform the audit of the financial statements for the calendar year 2009. The audit is performed in accordance with Generally Accepted Auditing Standards and includes a test of accounting records and other auditing procedures considered necessary to enable Petersen & Associates to express an opinion with respect to the credit union's financial statements.

REPORT OF THE TREASURER

Statement of Income

	Years Ended December 31	
	2008	2009
Interest Income		
Interest from Installment Loans	\$4,384,929	\$4,548,426
Interest from VISA Loans	841,409	918,091
Interest from Home Equity Loans	1,591,712	1,331,205
Interest from 1st Mortgages	2,839,503	2,762,325
Interest from Investments	1,155,179	776,757
Total Interest Income	10,812,732	10,336,804
Interest Expense		
Dividends paid to members	\$4,264,756	\$3,282,833
Net Interest Income	6,547,975	7,053,971
Provision for Loan Loss	866,000	1,010,000
Net Interest Income after Provision for Loan Loss	5,681,975	6,043,971
Non Interest Income	1,288,658	2,083,151
Non-Interest Expense		
Compensation and Benefits	\$2,862,188	\$3,041,075
Office Occupancy	52,939	389,301
Office Operations	1,040,500	1,045,946
Marketing and Promotion	135,608	143,375
Loan Servicing	21,507	708,688
Professional and Outside Services	179,997	240,220
(Gain) Loss on Disposal of Fixed Assets	(225,123)	34,057
Other Expenses	285,481	308,174
Total Non-Interest Expenses	4,653,096	5,910,836
Net Income		
<i>(Before NCUSIF & CCU Capital Losses in 2009 only)</i>	\$2,317,537	\$2,216,285
Net Income		
<i>(After NCUSIF & CCU Capital Losses in 2009 only)</i>	\$2,317,537	\$484,164



COMMUNITY

Community Pride

The credit union staff has given time or expertise to numerous organizations as well. Activities sponsored or supported by Meridian Trust during 2009 include:

Heating or Energy Assistance Trust (HEAT) – Since 2005, this Meridian Trust program has assisted members who are challenged to meet the added expense of winter heating. The funds are raised from the modest fee charged for the Skip-a-Payment program. During 2009 the HEAT program used \$4,464 to help 24 members in need.

Casual for a Cause – This credit union program allows team members to pay \$3 monthly to wear jeans one day a month. A team member is randomly chosen each quarter to select the recipient of the collected funds. During 2009 Casual for a Cause earned over \$2,000 which was donated to the Cheyenne Animal Shelter, Prevent Child Abuse of Wyoming, the Shriners Children's Hospital and FOCUS (a shelter for women and children).

Financial Literacy and empowerment is a keystone of the credit union movement. Meridian Trust proudly participates in Jump\$tart, the National Endowment for Financial Education and Junior Achievement, which takes financial education into classrooms across the state. In addition, the credit union continues to sponsor or teach seminars on money, credit, taxes, home buying, and other topics critical to financial success.

Youth Scholarship Program – Each year Meridian Trust awards a \$1,000 scholarship to a student heading to or current attending a Wyoming college or the University of Wyoming to help defray college expenses.



Member Appreciation Day celebrated in Cheyenne. July 2009

Candi Davis, Lander team member, participates in Back Country Horsemen, which worked to clear the Continental Divide Trail. Summer 2009
(photo by Candi Davis)



Meridian Trust team members contribute numerous volunteer hours in the communities where they work and live. The events and causes they support include:

Back to School Bash - Casper
Military Affairs Committee (MAC)

Adopt-a-School

Junior Achievement

Air Force Association

Zonta of Cheyenne

VA Hospital - Cheyenne

Cheyenne Greenway Advisory
Council

Wyoming Latina Youth Conference

Connections Corner

Cheyenne Frontier Days

Rotary

Boys & Girls Club

Vietnam Veterans Association

Back Country Horsemen of America

STRIDE Learning Center

Girl Scouts of America

Habitat for Humanity

Cheyenne Civic League

Mothers Against Drunk Driving

Platte River Clean-up (Casper)

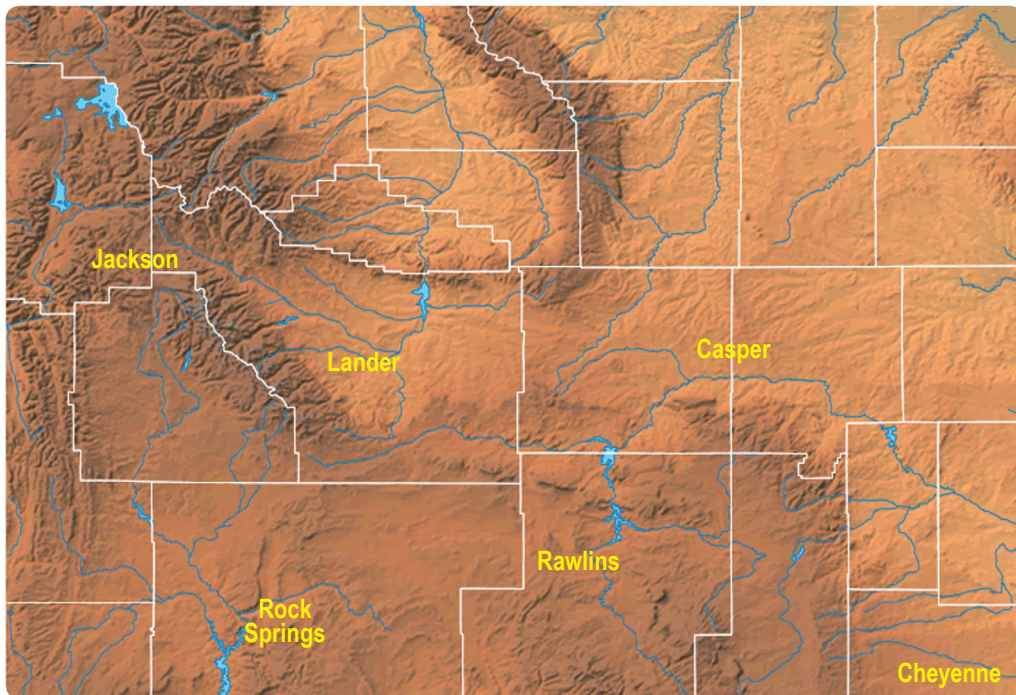
Casper Young Professionals
Network supporting Cystic Fibrosis

The Lander branch supported Light Up Lander activities with the donation of a bicycle.
December 2009



The Cheyenne branches in coordination with Credit Unions Care, collected nearly 7,000 pounds of food for NEEDS, Inc. October 2009

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