



A MESSAGE TO OUR MEMBERS

When Building Trades Credit Union was established in 1957, its mission was to help union workers in the building, construction and finishing trades create a solid financial future for themselves and their families. More than 50 years have passed since that time. And these years have brought fundamental changes to the economy, labor unions, and society in general. But our mission has always remained the same.

At BTCU, we know it's not enough to have a mission in mind. We must constantly strive to fulfill it. So it's fair to ask the question, "Does BTCU still make a difference in our members' lives?" Are we helping you create a solid financial future?

Let's take a look at our accomplishments in 2011:

- > We provided our members with quality banking products and personal service. Unlike so many of our competitors, BTCU's checking accounts are available to members with no minimum balance requirement and no monthly service fee.
- > We supported 60 union locals and related organizations by providing quality banking services, often at little or no cost, including checking accounts, investment certificates, debit and credit card processing and electronic funds transfers.
- > We processed union payroll savings plans and automated dues collection for numerous union locals at no cost to them.
- > We continued our commitment to outreach by bringing basic financial education to union apprentices. We believe that education on the responsible use of credit is essential for union workers who are just starting their careers. In 2011, we again provided this education to hundreds of apprentices.
- > We provided 25 scholarships, totaling \$10,000, to our members pursuing a post-secondary education. Many of these scholarships went to union apprentices to help cover the cost of their training at union JATCs.
- > Members who use BTCU's Visa Credit Card redeemed their CU Rewards points to get more than \$90,000 worth of merchandise and travel rewards at no cost to them.
- > We helped more than 1,000 members acquire cars, boats, and motorcycles as well as purchase or remodel their homes by providing \$35.2 million in loans, with interest rates that saved them money.
- > We modified loans for members who were experiencing financial difficulties caused by the on-going economic recession. As a result, we helped numerous families stay in their homes.
- > We also paid out more than \$450,000 in dividends to our members who hold their savings at BTCU.

Did we make a positive difference in our members' lives in 2011? Thanks to your support, we did. And together, we can do even more!

Just like a labor union, a credit union works best when we stick together and support each other. If you're not using BTCU for all your family's banking needs, you're missing out on the best deal in town.

We'd like to ask each of you to make a commitment to increase your use of our products and services in 2012. Whether you're looking to purchase a new vehicle, buy or refinance your home, get a better credit card, or take advantage of free checking services, we remain committed to helping you and your family achieve a lifetime of financial success.

Sincerely,

Leesa Husak, President & CEO and
Al Gibney, Chairman of the Board



**Building Trades
Credit Union**

FINANCIAL REPORT

STATEMENT OF CONDITION

(Unaudited at December 31)

ASSETS

	2011	2010
Cash & cash equivalents	\$ 4,614,690	\$ 3,672,293
Investments	32,855,647	34,747,275
Loans, net	60,895,831	59,618,211
Other assets	3,141,171	3,169,975
Total assets	\$ 101,507,339	\$ 101,207,754

LIABILITIES & MEMBER'S EQUITY

Members' shares	\$ 87,976,545	\$ 88,627,613
Dividends payable & other liabilities	710,593	419,658
Total equity	12,820,201	12,160,483
Total liabilities & member's equity	\$ 101,507,339	\$ 101,207,754

STATEMENT OF INCOME

(Unaudited for the year ended December 31)

INTEREST INCOME

Interest income on loans	\$ 3,784,915	\$ 4,028,009
Interest income on investments	648,765	779,470
Total interest income	\$ 4,433,680	\$ 4,807,479

Interest Expense

	457,966	682,362
Net interest income	\$ 3,975,714	\$ 4,125,117

Provision for Loan Losses

	573,000	648,000
Net interest income after provision	\$ 3,402,714	\$ 3,477,117

NONINTEREST INCOME

Fee income	\$ 524,939	\$ 525,624
Other income	616,524	517,173
Total noninterest income	\$ 1,141,463	\$ 1,042,797

NONINTEREST EXPENSE

Salaries and benefits	\$ 1,780,786	\$ 1,801,921
Other operating expense	1,894,081	1,945,961
Total noninterest expense	\$ 3,674,867	\$ 3,747,882
Net income before stabilization expense	\$ 869,310	\$ 772,032

STABILIZATION EXPENSE

Share Insurance Fund premium expense	\$ 0	\$ 103,628
Temporary stabilization assessment	209,592	114,643
Total stabilization expense	\$ 209,592	\$ 218,271
Net income	\$ 659,718	\$ 553,761

KEY STATISTICS

	2011	2010
Return on Assets	0.65%	0.53%
Net Capital/Assets	12.63%	12.02%
Net Operating Expense/Avg. Assets	3.30%	3.30%
Loans/Shares	70.25%	68.13%
Net Charge-offs/Avg. Loans	0.70%	0.56%
Loans Delinquent 60+days/Loans	0.95%	0.30%
Allowance/Ending Loans	1.47%	1.25%
Share Growth	-0.73%	-9.17%
Loan Growth	2.37%	-6.96%
Asset Growth	0.30%	-7.56%
Number of Members	14,410	14,125

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is responsible for verifying the accounts of members, meeting the audit requirements specified in regulations, and making recommendations to the Board of Directors for improving operations within the Credit Union.

In that respect, the Committee decided in 2011 to change the audit focus from an annual Opinion Audit - which verifies financial statements are fairly stated as of a specific date - to a Supervisory Committee Guide Audit which is a more in-depth audit that focuses on internal controls and compliance with regulations and board-approved policies.

The Committee engaged the CPA firm Wipfli LLP to conduct an enterprise risk assessment and develop a three-year audit plan based on the assessment results. In accordance with this plan, Wipfli will review areas of higher risk annually and areas of lesser risk on a rotating basis over the three-year period.

Audit procedures are performed quarterly and results are reviewed with the Committee and the Board upon completion. As of December 31, 2011, audit work completed has resulted in no "critical" recommendations, and all "necessary" and "desirable" recommendations have been satisfactorily addressed by management.

The Committee believes controls are adequate, member accounts are accurate, and the Credit Union is being managed in a safe and sound manner.

Jack Hettwer

Chairman, Supervisory Committee

ABOUT BUILDING TRADES FEDERAL CREDIT UNION

VOLUNTEERS & MANAGEMENT

BOARD OF DIRECTORS

Al Gibney
Chairman

Jamie Hermansen
Vice Chairman

Frank Vento
Financial Secretary

Tim Bruhjell
Recording Secretary

Robert Hansen

Russ Scherber

Dan Soltis

Stan Theis

SUPERVISORY COMMITTEE

Jack Hettwer
Chairman

Keith Christopherson

Devin Hall

Tom Reger

MANAGEMENT

Leesa Husak
President & CEO

Maureen Daehn
Vice President – Finance

Bill Daehn
Vice President – Business Development

Andrea Ferkingstad
Vice President – Marketing

Barb Klein
Branch Manager

Brad Benson
Mortgage Lending Manager

It makes financial sense to have your accounts and services at a place where there's strength in numbers.

When you do your banking at Building Trades Credit Union, you're a member of a financial cooperative that serves working people.

That means our members, who are union workers in the building, construction and finishing trades and their families, pool resources to help one another achieve financial goals.

It also means that we exist only to serve our members - not investors or shareholders. At BTCU, profits are returned to members as higher returns on savings and low interest loans.

Put simply, there's strength in numbers. And that translates into financial advantages for you.

For more information about us and all of our products and services, visit us online at www.buildingtradesCU.com or call one of our offices today!



Building Trades Credit Union

LOCATIONS

MAPLE GROVE

12080 73rd Avenue North
Maple Grove, MN 55369
Phone: 763.315.3888

INVER GROVE HEIGHTS

5300 South Robert Trail, Suite 100
Inver Grove Heights, MN 55077
Phone: 651.455.1333

SHOREVIEW

3353 North Rice Street
Shoreview, MN 55126
Phone: 651.486.9075

EDEN PRAIRIE

10340 Viking Drive, Suite 130
Eden Prairie, MN 55344
Phone: 952.746.0990

