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PERMACULTURE CREDIT UNION NEWSLETTER

JANUARY 2008

Sustainability as Relationship

By Andy and Amanda Bramble

The Permaculture Credit Union has supported the growth of Ampersand Sustainable Learning Center even before Don Sarich showed up to help pitch bales for our first strawbale house. For the past four years we have been developing this Center whose mission is to demonstrate sustainable systems and support skill development and connection around these values.

Our approach to sustainability is about one's relationship to resource. What's our relationship to our water, to our food, to our land, to our shelter? At Ampersand we catch rainwater off our roof, running it through a ceramic filter to drink. All of our greywater feeds the garden, where we grow food.

Swales, filled with organic "yard waste" collected from a landscaper, prevent erosion by slowing the flow of rain water over the land, and help feed the grasses and flowers. The flowers and grasses attract pollinators like bees and butterflies and all this helps to promote the biodiversity of the area. We contribute to restoring and healing the land, the environment, which was decimated by overgrazing and mining. Making use of earth-bermed designs, we can use displaced earth to build energy efficient shelter through the use of adobe bricks, cob, or earthbags.

Inherent in how we are with our resources is our concept of waste. Systems that produce less waste and use resources efficiently sustain us better. Systems that produce lots of waste (like plastic bottles in the beverage industry)

or that produce highly toxic waste (like nuclear power plants) or that produces waste that heavily impacts the environment (like coal plants, cars, and mainstream building practices): these are not so good.

Our "civilization" is filling our world with misplaced materials. We consume an awful amount of energy to mine and produce materials that we end up tossing in a landfill- polluting our earth, air, and water. So we salvage as much building material as we can, including plywood.



Using sunlight to heat anything sustains us better than using fuel that pollutes, both when it's extracted and when it's burned. When it's sunny and kinda warm, we throw some onions and sweet potatoes into some mason jars, pop them into the solar oven (made from scrap plywood), and the sun cooks them while we do whatever else. No other fuel needed.

More used plywood went towards a cold frame, so we can grow veggies in cold weather. We need to start harvesting our "waste-stream" to create real

abundance, not the kind you throw away.

In our house we have barrels filled with water. During the day, they absorb heat from sunlight. At night they release this heat. Less fuel used for heating. Same with our batch heater – a hot water tank in an insulated box with glazing on the side exposed to the sun, all salvaged materials, that's how we heat most of our shower water.

Now, of course, you can buy things like solar ovens and water heaters. And using these products would be more sustainable. Just keep in mind that sustainability is about relationship. It's not a product. We can't buy our way into sustainability. And we won't be able to buy our way out of environmental degradation.

We live in this culture, which is largely directed by corporate capitalism, and we have to deal with it. There is a lot in this culture directly at odds with sustainability and permaculture. But in making our lives and our relationships to resources more sustainable, institutions like the Permaculture Credit Union are not just helpful, they are necessary. What they place value on, what they emphasize, the ethics embodied in their practice and by the people working there, all of this is so important. Having a financial entity that shares and promotes these values is a huge step for us. It is a wonderful thing. It is something to celebrate as we move forward. For more information, go to:

www.ampersandproject.org

Message from the President

As we cross over to a new year, I would like to take a moment to reflect on the past year. In 2007, we were blessed with a significant donation from an anonymous donor of RSF Social Finance and contributions from some generous members of our credit union. The timing of these donations made a noticeable impact on our investment in operations. We were able to upgrade our computer system with a new server, reconfigure our data storage systems and improve ongoing maintenance.

We processed 94 loans (just over \$2 million) this year. It appears that our loan portfolio is still performing at its best over the past five years even though it was this year that the sub prime mortgage market began its meltdown. Our December 31, 2007, year-end delinquency ratio is at .07%, our lowest level since inception. We did, however, suffer from one foreclosure that was due to one of our dear members passing away. This affected us financially as a charge off and demonstrates why we fund our allowance for loan loss account to balance the risk that is inherent in lending.

As we made our way toward the end 2007, we started to see the financial markets react to the greed that resulted in their losses. I am proud of the way our organization

operates according to our values. We do not chase money. We listen and observe, then try to accomplish what is within our means. When we make loans, we look at the whole picture, not just short term results. We look at lending in a holistic way and try to do what is in the best interest of our members.

As the bail out of the financial markets has continued, we have seen the Federal Reserve Bank reduce the Fed Funds rate by 1.75% since September 30, 2007. This will impact our budget in 2008. However, it will also allow us to pause and reassess how we operate. This is why it is important for your credit union to be cautious and continue to build its reserve accounts. Capital reserves, like our allowance for loan loss, allow the credit union to weather economic downturns. We will continue to strengthen all aspects of your credit union over the next year. We also look forward to continuing to allow our members to redirect their surplus savings and loan requests to your credit union. Your courage and loyalty to the Permaculture Credit Union is our inspiration to continue to make change happen.

Sincerely,

Donald J. Sarich

CALL FOR NEW DIRECTORS

DEADLINE FOR APPLICATION IS FEBRUARY 29, 2008

It's that time of year when we begin looking for members who are interested in becoming more actively involved in the growth and direction of our credit union. The terms of three members of the Board of Directors will expire in May, 2008. We are looking for energetic individuals to volunteer for a three year term to help guide our current operations as well as define the future of our institution.

The rewards of serving as a Director include opportunities to become a leader in the credit union movement, to deepen one's understanding of permaculture, to develop new friendships with other board members, and to exercise one's individual creativity. The rewards, of course, are proportional to the member's commitment of time and talent.

Requirements for serving on the Board are that the candidate be a member of the PCU in good standing, be bondable, and miss no more than three monthly meetings per year. Also required is a willingness to become familiar

with the intricate regulations of credit union management, as well as a commitment to the PCU as a unique institution striving to create an alternative financial landscape based on permaculture ethics.

Previous experience with credit unions or other boards is not mandatory but is desirable. Board meetings are held in Santa Fe, usually from 5-7 PM on the third Thursday of each month. Board members from out of state may be able to attend by telephone conference call.

Please send your letter of application together with a bio/resume to: Permaculture Credit Union, Attention: Nominations Committee, P.O. Box 29300, Santa Fe, NM 87592. For additional information please call the credit union at (505)954-3479. Out of area, 1-866-954-3479. E-mail: eileen@pcuonline.org. (put "Nominations Committee" in heading)

Riding High on Vegetable Oil

By Shariko

This summer my partner and I took a few days to convert our diesel pickup to run on recycled vegetable oil. This is the second vehicle we have converted and it is getting easier and better. The main idea is to use less petroleum-based oil. We pick up the used oil from local restaurants that really have nothing better to do with it.

Before putting it into our fuel tank, we filter it through two filters- a 10 mesh bag filter and then a 1 mesh stainless steel filter- rendering it clear and clean and ready to go.

As part of the conversion, we added a second fuel tank, fuel line, oil filters and heaters. An electric switch sits between the



two filters and the injector pump and, once the car warms up, we flip the switch, turning on an electric heater and bringing in vegetable oil already warmed from two in-line radiator coolant lines. The electric heater sits a hair's breadth away from the injector pump and heats to 160 degrees, allowing the oil to slip into the injector pump as thin as diesel fuel.

There is a real difference in the feeling of a car moving on vegetable oil in the same respect that there is a difference in showering with water heated by the sun. The independence from fossil fuels is around the corner for some, but for me, it is even closer.

FACT ACT NOTICE:

This notice applies to all members who borrow funds from the Permaculture Credit Union. **NEGATIVE INFORMATION NOTICE:** We may report information about your loan and deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

New Member Services Hours

For your convenience, we have extended our Santa Fe office hours for member services as follows:

Mon-Wed 10:00 – 5:00

Thurs and Fri 10:00 – 5:30

Loan requests are taken during normal business hours or by appointment for member convenience.

PRINCIPLED PEOPLE

What defines us as a credit union is not where we work or live, but the principles we hold in common. Tell us a story or give us an example of how you have implemented the principles of permaculture in your decisions and your plans. We will print some of your stories in subsequent newsletters. Photos are welcome. Send everything to: eileen@pcuonline.org.

FINANCIALS: (All numbers Year-to-Date totals)	October '07	November '07	December '07	Financial Goals for 4th Quarter 2007
Loans	\$2,750,530	\$2,655,663	\$2,750,638	\$2,894,178
Total Assets	\$3,280,031	\$3,181,693	\$3,216,204	\$3,287,529
Retained Earnings	\$ 138,602	\$ 138,602	\$ 133,344	\$ 110,790
Capital Ratio (Retained Earnings Assets)	4.23%	4.36%	4.15%	3.16% (Required) 3.37% (Goal)
Membership	921	922	927	952
Total Income (Loans, Investments, Fees & Donations)	\$ 244,767	\$ 263,716	\$ 283,245	\$ 282,991
Total Expenses (Operation & Dividend Expenses)	\$ 204,493	\$ 229,334	\$ 248,301	\$ 245,614
Net Income or Loss	\$ 40,274	\$ 34,382	\$ 34,945	\$ 37,377



PERMACULTURE CREDIT UNION

MISSION STATEMENT

The Permaculture Credit Union pools the financial resources of people who believe in the ethics of Permaculture — care of the earth, care of people, and reinvestment of surplus for the betterment of both. We apply those resources to earth-friendly and socially responsible loans and investments.

OFFICE LOCATION

4250 Cerrillos Rd., 2nd Floor,
Santa Fe, NM 87507

MAILING ADDRESS

PO Box 29300,
Santa Fe, NM 87592-9300
Toll Free: 1-866-954-3479
Phone: (505) 954-3479
Fax: (505) 424-1624
Web Site: www.pcuonline.org
Email: perma@pcuonline.org

OFFICE HOURS

Monday–Wednesday 10:00am – 5:00pm
Thursday–Friday 10:00am – 5:30pm

LOAN REQUESTS

During normal business hours
Or by appointment for member
convenience.

MANAGEMENT & STAFF

Donald J. Sarich, President/CEO
Eileen Banashkek, Bookkeeper
Matthew Carrasco-Trujillo,
Loan Processor

BOARD OF DIRECTORS

Hugh Roberts – Chair
John J. McAndrew – Vice Chair
Brendan Miller – Secretary
Barbara Mueller – Treasurer
Wesley Roe – Director
Nora Haskins – Director
Arina Pittman – Director

SUPERVISORY COMMITTEE

Carolyn Agard – Chair
Joseph Ellis – Member
Elizabeth Martin – Member
Phil Vergamini – Member



Holiday Closings 2008

New Year's Day
Tuesday, January 1

Martin Luther King, Jr.
Birthday
Monday, January 21

Presidents' Day
Monday, February 18

Good Friday
Friday, March 21
(Close at 1:00)

Memorial Day
Monday, May 26

USA PATRIOT ACT ANNUAL NOTICE TO MEMBERS

Member Identification Requirements

In accordance with Section 326 of the USA Patriot Act, applicants for new accounts are requested to provide current picture identification that verifies identity including name, address and other identifying information.

In some cases, identification will be requested for current members if original documentation was not obtained with the opening of the account. In all cases, protection of our members' identity and confidentiality is our pledge to you. We support all efforts to protect and maintain the security of our members and our country. This notice is being published as required by law.

PRIVACY POLICY

We do not disclose any nonpublic information about our members and former members to anyone except as permitted by law.

WHAT IS PERMACULTURE?

We all have pondered the meaning of permaculture, whether we are new to the concept or teach others what it means. We've been printing selected definitions in our newsletters to give you food for thought. So tell us how you define permaculture. As space permits in upcoming newsletters, we will print - and ponder - your responses. Please be succinct. Send your thoughts to eileen@pcuonline.org. Subject: Attention Newsletter Editor.

"When we really see and feel the rhythms of the earth, we begin to design/align ourselves and our lives to be in synchronicity with those cycles. I see permaculture design as a reflection of the sacred interface between the earth and the people."

— Kate Cooper is a young woman who is committed to living by the ethics of permaculture in all aspects of her life, and lives to create a more sustainable and socially just world.

MEMBER SERVICES

We are currently financing up to \$100,000.00 in loans per household. All rates are subject to change without notice.

NEW & USED VEHICLE LOANS

MORTGAGE LOANS

(Land & Home Equity)

BICYCLE LOAN DISCOUNT

SIGNATURE LOANS

SHARE & CERTIFICATE SECURED

LOANS

CREDIT CARDS

STUDENT LOANS

SUSTAINABILITY DISCOUNTS

We provide sustainability discounts for projects that are earth-friendly. The usual discount is .75% off our current loan rates. Call our office staff for details.

DIRECT DEPOSIT

Have funds directly deposited into the PCU from your paycheck or other financial institution. Pay your bills by having funds directly transferred from your PCU account. Pay your PCU credit card with ease online.

MEMBER ALERT

DO NOT RESPOND to email scams that ask you for your account number, credit card number, and personal identification numbers. Email messages that ask for this type of information are fraudulent, and should be reported immediately.

This includes seemingly real notification from VISA Security and NCUA (National Credit Union Administration) requesting you to go to a website and log in. We will never contact you and ask for this information.