



# PERMACULTURE CREDIT UNION NEWSLETTER

ESTABLISHED MAY 18, 2000

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## Elven Tea Parties at Rivendell

By Julia Rosa Emslie



A counterpoint to the surrounding landscape, Blair's home offers a place of refuge and rejuvenation.

Right outside Pecos, on an old silver mine road, is a wonderful house, a dream house. The owner of this house, Blair Grey, built this house with a vision in mind: To build a home that is off the grid, and completely self sustaining, but most of all ready for tea parties. As Blair puts it, "Elven Tea Parties at Rivendell."

Upon entering Blair's home, one can see that she took great care in ordering all the materials for her house while

ensuring that the materials were top quality. The solar panels, the inverter, the on-demand water heater, the double insulated windows; each of these items was purchased to guarantee that the house stays warm in the winter and cool in the summer while using the minimum amount of energy.

The home is a one bedroom, one bath, parapet-roof home built into a hill. The back wall, a berm wall, is very well insulated. On this back wall there

*"Grand things can happen with perseverance and the help of good people."*

*-Blair Grey*

are only two windows, minimizing the loss of heat and energy. The roof is also an energy saving mechanism. It funnels water into an underground water catchment. Blair has ensured that there are three filters for the water: UV, carbon, and micron.

Special details reflecting Blair's personality include a seven-inch windowsill in the kitchen, built especially for a teapot and a beautiful portal built onto the side of the house nearest the road, the perfect place to sit and enjoy a cup of tea. Blair is also looking for stucco that has a certain earthiness, but still speaks to the modernity of the design of the home: Glass, metal, and sharp clean angles.

The day that I visited Blair, she was on one of her weekly visits to the building site. She was busy working on cleaning up. She calls herself "the clean-up crew". She is saving most scraps, especially the scrap wood for kindling. She is constantly thinking of recycling, reusing, and helping erase her carbon print on our earth. She

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# Elven Tea Parties at Rivendell

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credits Permaculture Credit Union and Donald Sarich with helping her become not only a homeowner, but an eco-friendly homeowner. She says she isn't sure she could have done it without this help.

Just down a bit from the house is a horse barn with two water catchment tanks, totaling 55 hundred gallons, that will sustain the horses. This barn will be the home of two horses and a mule. Blair has dreams not only of tea parties, but also of hanging out with the trees and her beasts.

Blair is a healer, an acupuncturist. She works at a trauma resolution center helping people feel better and live better. Her home reflects this way of life. It is inviting, calm, and peaceful. It is a place where people can come together, drink tea, enjoy the earth, and return back to their homes feeling happy and rejuvenated. "When the world is going mad, it is great to tune into peace and appreciation," says Blair. And with one look at her dream house, you can't help but agree. Blair is a community-oriented person; her home is welcoming, it is full of light, and she is dreaming of her housewarming party. Tea will definitely be served.



Site of future tea parties and other porch sitting rituals.

## Permaculture Credit Union Members:

We thought you might want to know the following about your accounts being insured.

- The National Credit Union Administration insures all federal and most state-chartered credit unions
- NCUA is backed by the full faith and credit of the U.S. Government, just like the FDIC
- NCUA insures accounts up to at least \$250,000
- IRA and KEOGH accounts are insured separately up to \$250,000

Go to <http://www.ncua.gov> for more information

Alexandria, Va., October 3, 2008 – Today's passage of the Emergency Economic Stabilization Act of 2008 will require NCUA to immediately increase share insurance protection to \$250,000 on all types of accounts until December 31, 2009.

The National Credit Union Administration is the independent federal agency that regulates, charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of nearly 89 million accounts in all federal credit unions and the overwhelming majority of state-chartered credit unions.

# Message from the President

Even though our nation's financial system is facing one of its greatest challenges, your Permaculture Credit Union is performing at its best since it opened its doors. I would add that many other credit unions and community oriented banks are also performing well. Why is this? I believe the answer is because these institutions have not strayed from the basic fundamentals of lending and investing.

On the issue of the sub prime market, there are four basic underwriting guidelines, commonly referred to as the four C's - Credit, Collateral, Capacity and Character. Disregard of these basic fundamentals, I believe, is one of the causes of our current market collapse. The other causes, in my perception, are growth for the sake of growth and greed.

This brings us back to the reason your Permaculture Credit Union is able to prosper in these tough economic times. First, it is because of you, our members. Your beliefs and values make you stand for something different. Your beliefs and values have you preparing for disruptions in advance of the crisis happening. This preparedness helps the Permaculture community weather whatever storm is upon it. For this I commend you. I believe this is the underlying reason why our organization has continued to strengthen over the past eight years of our existence. In addition, my observations and interactions with members have helped me formulate innovative plans and solutions for the scenarios we are faced with as a financial institution.

Before we entered 2008, we were already feeling the effects of what the Federal Reserve was trying to stop. Our income was decreasing on our mortgage portfolio because a portion of it is tied to the prime rate. This is a decrease in income for the credit union, but a benefit for our members who have these mortgages. We started the year with an approved budget of \$244,000 to operate, pay dividends and accrue for our allowance of loan loss account. By April it was apparent this was not going to work. In order to accommodate the decrease in income, we began monitoring our income monthly and have made cuts in order to offset the reduced income. We are now operating with a budget of approximately \$212,000. This cutback was enabled by the attrition of an employee. We made a choice to hold our growth and provide the best service we could without hiring anyone for that position. We were able to do this mainly because of the investment a year ago of some time and money to automate our share certificate and loan programs.

We have already surpassed our gross dollars lent last year in the first nine months completed this year. Our Assets are also at the highest level of our credit unions eight-year history. We ended the third quarter at just under 3.5 million dollars in assets. Our Capital Reserves continue to strengthen. In December of 2002, our capital account was around \$40,000. Our capital reserves are now over \$210,000. This is mainly a result of donations received from our generous members, who believe in sharing their

surplus and, most recently, from a donor advised fund of RSF Social Finance.

It is evident that we are challenging the current financial system and that people believe in what we stand for. When we look at setting growth targets, it's a forecast of what we estimate our members may need and what we can afford to provide. When we originally set our dividends, we made it a goal to pay back 20% of our income on loans and investments. Following these types of fundamentals should make us a strong leader, not a follower of the status quo of the financial world. Over the next year we will focus on the following: evaluating our dividend payment model to our members, ensuring that we continue to get closer and closer to the 20 percent payback model; looking at ways to automate our consumer loans, which may help streamline the borrowing process for members; and finally, a revamp of our website. What we are looking for in this enhancement is a way for our members to become more self-sufficient in the way you interact with your credit union.

We are committed to the continued strengthening of all aspects of your credit union over the next year. We also look forward to having our members continue to redirect their surplus savings and loan requests to their credit union. Your courage and loyalty to the Permaculture Credit Union is our inspiration to continue to make change happen.

Sincerely,  
Donald J. Sarich  
President / CEO

| Financials:                                         | Sept '08    | 2008 Year End Budget |                   |
|-----------------------------------------------------|-------------|----------------------|-------------------|
| (All numbers are Year-to-Date totals)               |             | Financial Goals      |                   |
| Loans                                               | \$3,148,639 | \$3,089,649          |                   |
| Total Assets                                        | \$3,499,761 | \$3,269,159          |                   |
| Retained Earnings                                   | \$210,229   | \$230,026            |                   |
| Capital Ratio (Retained Earnings/Assets)            | 6.01%       | 7.04%                | Maintain above 6% |
| Membership                                          | 949         | 1002                 |                   |
| Total Income (Loans, Investments, Fees & Donations) | \$246,126   | \$308,429            |                   |
| Total Expenses (Operation & Dividend Expenses)      | \$169,242   | \$211,738            |                   |
| Net Income or Loss                                  | \$76,884    | \$96,691             |                   |



# 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](http://www.pcuonline.org)  
Email: [pcustaff@pcuonline.org](mailto:pcustaff@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

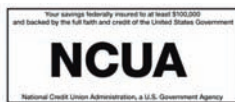
Donald J. Sarich, President/CEO  
Eileen Banashek, Bookkeeper

## BOARD OF DIRECTORS

Donal Kinney – Chair  
Hugh Roberts – Vice Chair  
Mary Lynn Collins – Secretary  
Brendan Miller – Treasurer  
Wesley Roe – Director  
John McAndrew – Director  
Arina Pittman – Director

## SUPERVISORY COMMITTEE

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



## Holiday Closings 2008

Columbus Day  
Monday, October 13

Veteran's Day  
Tuesday, November 11

Thanksgiving  
Thursday, November 27  
Friday, November 28

Christmas  
Thursday, December 25

## 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.

## 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.

## 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.

## 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.