

Event Schedule

WELCOME

INVOCATION

DINNER

SCHOLARSHIP PRESENTATION

SPECIAL GUEST – TONY GALLO OF THE LORAIN
COUNTY CHAMBER OF COMMERCE

Annual Business Meeting

DETERMINATION OF QUORUM

ROLL CALL OF DIRECTORS
& COMMITTEE MEMBERS

CHAIRMAN'S REPORT

SUPERVISORY AUDIT COMMITTEE REPORT

TREASURER'S REPORT

RESULTS OF THE NOMINATION AND ELECTION
OF THE BOARD OF DIRECTORS

UNFINISHED BUSINESS

NEW BUSINESS

MEETING ADJOURNMENT

AWARDING OF DOOR PRIZES
(MUST BE PRESENT TO WIN)



SCHOOL EMPLOYEES
LORAIN COUNTY CREDIT UNION, INC.



2016 YEAR IN REVIEW

ANNUAL REPORT



59th ANNUAL MEETING



April 18, 2017
Spitzer Conference Center
Lorain County Community College



BOARD OF DIRECTORS

Andrew Lingler, Chairman
Richard Killen, Vice Chairman
Marilyn Tipple, Secretary
Wanda DiVencenzo, Director
Edward Syrowski, Director
Henry "Hank" Harsar, Director
Carolyn May, Director
Paulette Paine, Director
John Bartter, Director Emeritus

SUPERVISORY AUDIT COMMITTEE

Kathy Runser, Chairperson
Karen Sprague
Leo Citro

MANAGEMENT TEAM

Neil R. Sommers, CEO
Karen S. Akers, CPA, CFO
Shannon Boesel, HR Manager
Ethel Frye, Operations Manager
Kathy Garvey,
Member Services Manager
Michelle Gonzalez,
Lorain Branch Manager
Becky Ryan-Monschein,
Tellers/HUB Manager

ACCOUNTING

Pamela Spence

FINANCIAL SERVICES REPRESENTATIVES

Brad Niece, FSR Coordinator
Ginger Fitch
Shannon Fridrich
Ashley Henderson
Tyler Johnston
Amy Kinsley (Lorain Branch)
Blaine Padgett
Mindy Piskur
Tina Rankin
Carl Vass (Lorain Branch)

CALL CENTER REPRESENTATIVES

Tosh Cabbil
Sue Sage
Sue Ellen Shepherd

OPERATIONS SPECIALISTS

Cheryl Fleming
Nona Jackson
Connie Smith
Karla Staylon

HUB COORDINATORS

Veronica Johnson
Kathy Sislowksi
Penny Thompson
Deb Zvara

MARKETING

Tiphaney Grossestreuer
Kelsey David

TELLERS

Becky Karpinski, Head Teller
Tyler Buga, Assistant Head Teller
Sandra Bennett
Donna Garcia
Carla Harris
Kaye Kotasek
Sarah Rambo (Seasonal)
Morgan Stoll
Emily Underwood (Lorain Branch)

VISA ADMINISTRATOR

Jeff Kovacs

ATTORNEY

Weltman, Weinberg & Reis Co. LPA

AUDITORS

Lillie & Company, LLC

REGISTERED REPRESENTATIVES

From LPL Financial:
Cheryl Janik
Renee Dietz

Paulette Paine, filling in for Marilyn Tipple, Secretary of the Board, referred to the minutes of the 58th annual meeting. A motion was made by Bob Balog and seconded by Richard Sharrock to approve the minutes as written. The motion carried.

Attention was called to the Supervisory Audit Committee Report in the program and the committee members were recognized for their work that was done in 2016.

Paulette Paine, filling in for Marilyn Tipple, of the Nominating Committee, presented the slate of nominees. Carolyn May and Wanda DiVencenzo will continue as directors for a 3 year term ending in 2019. A motion was made by Sandra Lingler and seconded by Jim Paine to approve the slate as presented. The nominees were unanimously approved.

There was no unfinished business and no new business to discuss.

Andrew Lingler, Chairman, officially adjourned the 58th Annual Meeting. The board of directors awarded the traditional door prizes consisting of one grand prize drawing for \$100. The meeting adjourned at 7:30p.m.

Respectfully Submitted,

Marilyn Tipple

Secretary, Board of Directors

Supervisory Audit Committee

KATHY RUNSER, CHAIRPERSON

During 2016, members of the Supervisory Audit Committee performed random cash counts of the teller stations and the vault. The accounting firm of Lillie & Company, LLC. reviewed loan files, accounting practices and performed the members' account verification.

Based on our audits and those of Lillie & Company, LLC, it is the opinion of the Supervisory Audit Committee that the financial condition of School Employees Lorain County Credit Union, Inc. is strong and its policies and procedures are effective.

Respectfully,

Kathy Runser-Chairperson, Supervisory Audit Committee

MARILYN TIPPLE, SECRETARY - BOARD OF DIRECTORS

The 58th Annual Meeting was held on the 14th day of April (Thursday), 2016 at The Spitzer Conference Center, Lorain County Community College. Neil R. Sommers welcomed the credit union members and their guests. He asked everyone to stand for the Pledge of Allegiance. Paulette Paine, Board Director, gave the invocation. Dinner was served at 6:00p.m.

The scholarship committee was introduced (Wanda DiVencenzo, Hank Harsar, and Marilyn Tipple). Wanda DiVencenzo presented the scholarship recipients with their certificates. The scholarship recipients were Moriah Garcia (Warren Wallace Education Major Scholarship), Simeon Lawrence, Hannah Sedlak and Kathryn Iwanek.

Neil R. Sommers introduced our guest speaker, Grant Thompson, Chief Naturalist of Lorain County Metro Parks.

Andrew Lingler, Chairman of the Board, called the 58th annual business meeting to order at 7:15 p.m. and referred to the 2016 Chairman's report in the program. Some of the highlights touched upon in the report were:

- Our outreach providing Financial Literacy programs to schools has continued. In 2015, we participated in over 720 financial education opportunities at more than 17 educational facilities.
- Financial Service Representatives (FSRs) have participated in programs leading to their obtaining Financial Counseling Certificates. The training which led to the certification will allow them to help members reach their financial goals by providing information concerning spending and saving habits and repaying debt which will benefit our members.
- In 2015, we saw three longtime employees retire: Mary Vaughan with 11 years of service in Membership Development, Marianne Jalowiec with 32 years of service in Member Service and Patty Baker with 29 years of service as a Financial Service Representative & IRA Consultant. We wish them the best in their retirement.

Neil R. Sommers then gave the report of the state of the credit union and referred to the Comparative Financial Report and emphasized the importance of the credit union making loans.

Andrew Lingler convened those assembled to the business portion of the 58th annual meeting. As Chairman of the Board of Directors, he determined a quorum was present. A roll call of the board of directors was conducted.

ANDREW LINGLER, CHAIRMAN - BOARD OF DIRECTORS

School Employees Lorain County Credit Union
Chairman's Report

Last year marked a significant change for School Employees Lorain County Credit Union. At the October 2016 Strategic Planning Meeting the Management Team outlined the benefits to SELCCU of us changing from an education based to a community based field of membership where anyone living or working in Lorain, Medina, Erie or Cuyahoga counties could apply for membership. With this change we won't lose our focus on education, we will just bring more people into the fold. Based on the Management Team's presentation and recommendation the Board approved the change to a community charter. We are currently awaiting approval of this change from the state regulatory board.

A second change which the Management Team requested was the introduction of a new checking account (the Secure Checking Account) which offers many benefits not included in previous checking accounts. Take a look at these features to see if they meet your needs. If they do be sure to sign up for the benefits you want. If you still prefer a checking account with no monthly fee consider the Basic Checking Account (don't worry, just because the word "Secure" isn't in the name, the Basic Checking Account is secure - it just doesn't include the extra features).

As our name suggests we are very strongly education oriented. In 2016 School Employees Lorain County Credit Union:

- (1) donated over 300 backpacks containing school supplies to schools throughout Lorain County;
- (2) awarded four \$250 mini-grants to area teachers;
- (3) awarded four \$1,000 Scholarships to students attending college; and
- (4) worked with LCCC and LCJVS on financial literacy programs.

We have also aided community organizations. Over \$2,500 was raised in cash and non-monetary donations through bake sales, shoe vouchers and Toy & Food Drives. The organizations which we helped were: Second Harvest, The Salvation Army, The Children's Developmental Center, The Animal Protective League and Breast Cancer Research.

The Board wishes to recognize Jan Doyle who retired in 2016 after 20 years of service to our members.

As always we want to thank our outstanding employees who are anxious to help you meet your financial goals. They truly make a difference.

Andrew Lingler CCUV

Andrew Lingler
Chairman of the Board

Consolidated
12/31/2016

Consolidated
12/31/2015

Consolidated
12/31/2016

Consolidated
12/31/2015

ASSETS

Home Equity Loans	\$ 14,810,417	\$ 14,315,921
First & Second Mortgages	11,490,813	13,553,509
VISA	9,527,271	9,436,527
Motor Vehicle Loans	16,195,007	16,843,807
Share Secured & Personal Loans	276,146	265,045
Other Unsecured Loans	2,552,455	2,769,897
Less Allowance for Loan Loss	(206,112)	(216,579)
Total Loans	<u>54,645,997</u>	<u>56,968,127</u>

Cash	\$ 8,409,109	\$ 20,807,952
Investments	85,319,557	72,020,973
Share Insurance Deposits	1,880,819	1,931,724
Accrued Interest Receivable	252,628	249,926
Other Assets	1,944,776	1,572,717
Land & Buildings (Net)	1,578,575	1,657,166
Furniture & Fixtures (Net)	235,799	327,762
Total Other Assets	<u>99,621,263</u>	<u>98,568,220</u>

TOTAL ASSETS **\$ 154,267,260** **\$ 155,536,347**

LIABILITIES

of accounts

Shares	13,328	\$ 35,479,918	\$ 33,095,609
IRAs	607	10,224,510	10,989,470
Certificates	1,643	24,348,364	28,209,445
MMIAs	2,115	47,612,699	46,571,914
Share Drafts	5,561	17,797,823	17,566,158
Other Share Accounts	1,693	2,386,308	2,091,924
Total Shares		<u>137,849,622</u>	<u>138,524,520</u>

Other Liabilities	586,073	536,026
Net Worth	<u>15,831,565</u>	<u>16,475,801</u>

**TOTAL LIABILITIES &
NET WORTH** **\$ 154,267,260** **\$ 155,536,347**

INCOME

Income on Loans	\$ 2,026,027	\$ 2,167,128
Income on Investments	1,078,288	839,667
VISA Interest Income	744,072	788,059
Fee & Other Operating Income	1,134,611	1,157,370
Total Income	<u>4,982,998</u>	<u>4,952,224</u>

OPERATING EXPENSES

Administration & Operation	\$ 2,383,333	\$ 2,490,478
Occupancy	605,033	641,917
Loan Servicing	723,610	725,189
Professional & Outside Services	559,097	602,159
Provision for Loan Losses	244,473	198,988
Dividends	263,832	228,719
Total Operating Expenses	<u>\$ 4,779,378</u>	<u>\$ 4,887,450</u>

NET INCOME **\$ 203,620** **\$ 64,774**