

Event Schedule

- Welcome
- Invocation
- Dinner
- Scholarship Presentation
- Special Guest – Bill Boronkay
- 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.

Special Guest: Bill Boronkay

According to his online biography, Bill Boronkay was once one of the country's fastest rising sportscasters. He enjoyed stops in Bridgeport, West Virginia, Evansville, Indiana and Kansas City before landing in Cleveland.

Along the way, Boronkay won five Emmys, one of which is "proudly displayed in his mother's office behind a lamp." After a failed audition with ESPN, he reevaluated his career and took off in pursuit of his dream to perform stand-up comedy.

Boronkay continued to work in Cleveland TV, hosting the "High School Sports Insider" on SportsTime Ohio and the interactive, comedy web show, "Unknown Radio" with Jeff Blanchard. In January 2011, he cut back his media work to increase travel and share his "less than remarkable life experiences."



SCHOOL EMPLOYEES

Lorain County Credit Union, Inc.

Annual Report 2013 in Review

56th Annual Meeting

April 8, 2014

**Spitzer Conference Center
Lorain County Community College**

Volunteers & Staff

Board of Directors

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

Supervisory Audit Committee

Kathy Runser, Chairperson
Karen Norton
Karen Sprague

Management Team

Brent T. Binkley, President & CEO
Karen S. Akers, CPA, CFO
Shannon Boesel, HR Manager
Ethel Frye, Operations Manager
Kathy Garvey, Member Services
Manager
Monica Heath, Marketing Manager
Becky Ryan, Teller/Hub Manager
Mary Vaughan, Director-Membership
Development

Accounting

Pamela Spence

Call Center Representatives

Tosh Cabbil
Sue Sage

Financial Services Representatives

Michelle Gonzalez, FSR Coordinator
Patti Baker
Denise Carreon
Shannon Fridrich
Brad Niece
Mindy Piskur
Ginger Slone

Loan Underwriter

Marianne Jalowiec

HUB Coordinators

Blaine Padgett
Tina Rankin
Kathy Sislowski
Deb Zvara

Operations

Cheryl Fleming
Nona Jackson
Connie Smith
Karla Staylon

Receptionist

Sue Ellen Shepherd

Tellers

Jan Doyle
Tyler Johnston
Becky Karpinski
Kaley Lambert
Lori Morris
Greg Norton
Carl Vass

Visa Administrator

Jeff Kovacs

Attorney

Weltman, Weinberg & Reis

Auditors

Lillie & Company, Inc.



MemberPlus | C.U.S.O. Inc.
Located at School Employees Lorain County Credit Union

Registered Representatives

from LPL Financial
Cheryl Janik
Renee Dietz

seconded by Pat Jackson to approve the slate as presented. The nominees were unanimously approved.

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

Vice Chairman, Andrew Lingler, officially adjourned the 55th Annual Meeting. The board of directors awarded the traditional door prizes. The door prizes consisted of fifteen \$10, five \$20, and five \$50 drawings.

The meeting adjourned at 7:35 p.m.

Respectfully Submitted,
Marilyn Tipple - Secretary, Board of Directors

Supervisory Audit Committee Report

During 2013, members of the Supervisory Audit Committee performed random cash counts of the teller stations and the vault. The accounting firm of Lillie & Company, Inc. reviewed loan files, accounting practices and performed the members' account verification.

Based on our audits and those of Lillie & Company, Inc., 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

55th Annual Meeting Minutes - 2013

The 55th Annual Meeting was held on the 9th day of April (Tuesday), 2013 at The Spitzer Conference Center, Lorain County Community College. Doors opened at 5:30p.m.

Andrew Lingler, Vice Chairman of the Board, 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 6:00 p.m.

Andrew Lingler introduced our guest speaker, Tom Batiuk, creator of Funky Winkerbean.

Ed Syrowski, Chairman of the Board, called the 55th annual business meeting to order at 7:00 p.m. and referred to the 2013 Chairman's report in the program. Some of the highlights touched upon in the report were: SELCCU's assets grew from \$136 million in 2011, to over \$139 million at the end of 2012. One of the challenges that we face are loan growth and membership growth. Ed encouraged the members to take advantage of their membership benefits that are available to them.

Andrew Lingler 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 55th annual meeting. As Vice Chairman of the board of directors, he determined a quorum was present. A roll call of the board of directors was conducted.

Marilyn Tipple, Secretary of the Board, referred to the minutes of the 54th annual meeting. A motion was made by Sandy Lingler and seconded by Dick Sherrod to approve the minutes as written. The motion carried.

Marilyn Tipple, of the Nominating Committee, presented the slate of Carolyn May and Wanda DiVencenzo to continue as directors for a 3 year term ending in 2016. A motion was made by Gary Hinkley and

(Continued)

Chairman's Report

By the end of 2013, the credit union industry, as a whole, experienced loan growth and an increase in total membership worldwide. This is good news for all of us as it demonstrates the stability and power of the credit union movement.

I'm pleased to report at the end of 2012, we had more than \$139 million in assets; at the end of 2013, we had more than \$140 million in assets. Of course, it's not enough to be a well-capitalized credit union with money to lend to its members. And it's not enough for us to provide the products and services you need, such as SELCCU Mobile, the mobile banking product we introduced in 2013.

What is it that makes SELCCU different from other financial institutions in Lorain County? Over the past year, the management team took a hard look at this question and determined the following:

- SELCCU is committed to financial education/financial literacy for members of all ages. Among the ways we accomplish this include classroom guest speakers; free workshops for members of all ages; mini-grants for teachers; and our student branches. In early 2013, SELCCU received the Diamond Award for Financial Education from the Credit Union National Association Marketing & Business Development Council.
- SELCCU is committed to the education community. In addition to providing free educational programs and literature, we support schools throughout Lorain County. For every employee of a qualifying school district in Lorain County who signs up for Direct Deposit or Payroll Deduction, we donate \$2 to a fund that supports school levies.
- SELCCU is committed to Lorain County. One of the cornerstones of the credit union movement is People Helping People. As part of our commitment to this philosophy, our Care Connection program provides support to social service agencies. Several times each year, we invite members and staff to participate by donating items or funds to help local people in need.

As we look to the future, we will continue to uphold these commitments while we ensure we give top priority to our mission of helping you with your financial needs.

Respectfully,
Ed Syrowski - Chairman, Board of Directors

School Employees Lorain County Credit Union, Inc.

Comparative Financial Report

| | Consolidated <u>12/31/2013</u> | Consolidated <u>12/31/2012</u> |
|--|-----------------------------------|-----------------------------------|
| ASSETS | | |
| Home Equity Loans | \$ 14,509,550 | \$ 14,565,574 |
| First & Second Mortgages | 16,870,362 | 17,485,194 |
| VISA | 10,823,379 | 10,919,077 |
| Motor Vehicle Loans | 14,945,313 | 15,786,583 |
| Share Secured & Personal Loans | 223,882 | 321,818 |
| Other Unsecured Loans | 2,129,602 | 2,014,295 |
| Less Allowance for Loan Loss | (308,327) | (436,092) |
| Total Loans | <u>59,193,761</u> | <u>60,656,449</u> |
| Cash | 29,941,195 | 32,143,269 |
| Investments | 47,100,680 | 41,028,989 |
| Share Insurance Deposits | 1,734,021 | 1,704,674 |
| Accrued Interest Receivable | 187,183 | 204,705 |
| Other Assets | 1,129,702 | 1,534,990 |
| Land & Buildings (Net) | 1,533,895 | 1,613,803 |
| Furniture & Fixtures (Net) | 48,741 | 77,177 |
| Total Other Assets | <u>81,675,417</u> | <u>78,307,607</u> |
| TOTAL ASSETS | <u>\$ 140,869,178</u> | <u>\$ 138,964,056</u> |
| LIABILITIES | | |
| | <small># of accounts</small> | |
| Shares | 13,016 | \$ 23,428,329 |
| IRAs | 690 | \$ 20,906,011 |
| Certificates | 1,985 | 12,846,400 |
| MMIAs | 2,381 | 32,115,026 |
| Share Drafts | 46,893,190 | 44,774,142 |
| Other Share Accounts | 5,353 | 15,104,534 |
| | 1,657 | 1,486,265 |
| Total Shares | | <u>127,232,378</u> |
| Other Liabilities | | (3,444,405) |
| Net Worth | | (3,120,227) |
| TOTAL LIABILITIES & NET WORTH | | <u>14,851,905</u> |
| | <u>\$ 140,869,178</u> | <u>\$ 138,964,056</u> |

| | Consolidated <u>12/31/2013</u> | Consolidated <u>12/31/2012</u> |
|---------------------------------|-----------------------------------|-----------------------------------|
| INCOME | | |
| Income on Loans | \$ 2,321,944 | \$ 2,591,180 |
| Income on Investments | 555,037 | 643,076 |
| VISA Interest Income | 871,743 | 910,193 |
| Fee & Other Operating Income | 1,085,671 | 1,073,519 |
| Total Income | <u>4,834,395</u> | <u>5,217,968</u> |
| OPERATING EXPENSES | | |
| Administration & Operations | 2,273,072 | 2,164,950 |
| Occupancy | 486,461 | 497,295 |
| Loan Servicing | 753,394 | 698,536 |
| Professional & Outside Services | 538,711 | 525,662 |
| Provision for Loan Losses | 99,733 | 265,195 |
| Dividends | 450,617 | 670,257 |
| Total Operating Expenses | <u>4,601,988</u> | <u>4,821,895</u> |
| NON-OPERATING ITEMS | | |
| Gain on sale of investments | 0 | 2,842 |
| Loss on disposition of assets | 0 | (31,927) |
| NET INCOME | <u>\$ 232,407</u> | <u>\$ 366,988</u> |