

51st Annual Meeting & Luncheon
April 5, 2009
1:30 p.m.
John F. Sptizer Conference Center
Lorain County Community College

Event Schedule

- Welcome
- Invocation
- Luncheon
- Guest Speaker – Pat Leimbach
- 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.

Guest Speaker: Patricia Leimbach

School Employees Lorain County Credit Union is pleased to welcome Pat Leimbach as guest speaker for the 51st Annual Meeting. She is a farm wife from Vermilion, Ohio whose newspaper column, "The Country Wife" appears in farm publications around the nation. A graduate of Case Western Reserve University, she attended graduate school at McGill University in Montreal and is the author of three books: *A Thread of Blue Denim*, *All My Meadows* and *Harvest of Bittersweet*. Leimbach has appeared on Good Morning America, Today Show, Larry King Live and PBS. She has been enshrined in the Ohio Agricultural Hall of Fame.



SCHOOL EMPLOYEES
Lorain County Credit Union, Inc.

51ST
ANNUAL REPORT

2008 IN REVIEW

51ST ANNUAL MEETING
APRIL 5, 2009

Volunteers & Staff

Board of Directors

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

Supervisory Audit Committee

Kathy Horwedel, Chairperson
Karen Stevens
Betty Stock

Management Team

Brent T. Binkley, Chief Executive Officer
Karen Akers, Chief Financial Officer
Shannon Boesel, Executive
Administrator/HR
Ethel Frye, Operations Manager
Kathy Garvey, Loan Portfolio Manager
Monica Heath, Marketing Manager
Mary Ann Remick, Deposit Portfolio
Manager
Becky Ryan, Teller/Hub Manager
Mary Vaughan, Director of Membership
Development

Accounting

Pam Spence

Call Center Representatives

Tosh Cabbil
Sue Sage

Financial Services Representatives

Cherie Argenti
Patti Baker
Jordan Bockmore
Brad Niece
Kelley Scheiferstein

Loan Underwriter

Marianne Jalowiec

Member Services Coordinators

Geri Brauer
Denise Carreon

Member Services, cont.

Shannon Fridrich
Michelle Gonzalez
Kathy Sislowski
Deb Zvara

Operations

Cheryl Fleming
Nona Jackson
Connie Smith
Karla Staylon

Receptionist

Diane Borthwick

Tellers

Kathy Burnett
Sam Dewey
Jan Doyle
Tierney Grayson
Mindy Piskur
Terri Sprouse
Matthew Van Wormer
Carl Vass

Visa Administrator

Jeff Kovacs

Attorney

Weltman, Weinberg & Reis

Statutory Agent

Pam Pickworth

Auditors

Lillie & Company, Inc.



Registered Representatives

from National Planning Corporation
Cheryl Janik
Renee Dietz

Meeting Minutes, cont.

Chairman, Edward Syrowski, officially adjourned the 50th Annual Meeting. The board of directors awarded the traditional door prizes. The door prizes consisted of seventeen \$5, twenty-two \$10, seven \$20, three \$50, and one \$500 drawings. The winner of the \$500 drawing was Virginia Russell.

Respectfully submitted,

Marilyn Tipple

Marilyn Tipple

Secretary, Board of Directors

School Employees Lorain County Credit Union, Inc.

Supervisory Audit Committee Report

The Supervisory Audit Committee is appointed by the board of directors to represent the members. It is charged with the responsibilities of reviewing policies and procedures in terms of their effect on the quality of service to members and safety of the members' funds.

During 2008, committee members 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, 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 Horwedel

Kathy Horwedel
Chairperson
Supervisory Audit Committee

50th Annual Meeting Minutes

The 50th Annual Meeting was held on the 6th day of April 2008 at The Spitzer Conference Center, Lorain County Community College. Brent T. Binkley, President and Chief Executive Officer, 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. Lunch was served at 1:30p.m.

Brent introduced John Bartter, Director Emeritus and Founding Father of SELCCU. Mr. Bartter spoke on the history and making of the Credit Union. A portrait, painted by Steve Ziebarth, of Mr. Bartter was presented to him by the Board of Directors.

Chairman of the Board, Edward Syrowski, called the 50th annual business meeting to order at 2:58p.m. Mr. Syrowski referred to the Chairman's report in the programs and shared his report on the important changes, including the conversion to a new data processing system, Galaxy Plus. Other changes included the resignation of Deborah Humbert and the appointment of Brent Binkley as President and CEO.

Brent Binkley then gave a report of the state of the credit union and recognized staff, volunteers and Ambassadors for all their dedication to ensuring the growth of the credit union. Ed Syrowski convened those assembled to the business portion of the 50th 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.

Marilyn Tipple, Secretary of the Board, referred to the minutes of the 49th Annual Meeting. A motion was made by Barb Sutton and seconded by Karen Stevens to approve the minutes as written. The motion carried. Attention was called to the Supervisory Audit Committee Report and the Credit Committee Report in the program and the committee members were recognized for their work that was done in 2007.

Wanda DiVencenzo, of the Nominating Committee, presented the slate of Paulette Paine and Richard Killen to continue as directors for a 3 year term ending in 2011. A motion was made by John Bartter and seconded by Deborah Humbert to approve the slate as presented. The nominees were unanimously approved.

There was no new business and no unfinished business to discuss. Ed Syrowski announced that if anyone had a sticker on the back of their program, they may feel free to take the centerpieces home with them.

(continued)

Chairman's Report

On behalf of the board of directors, I am pleased to report on 2008, a year when, despite a weakened economy and upheaval at many major financial institutions, *your* credit union and the credit union movement in general remained strong and secure. I am confident our position as a well-capitalized credit union, our adherence to prudent financial practices and our commitment to the "People Helping People" philosophy will continue to serve us well as we weather uncertain economic times.

As to our growth and stability, I am happy to report at the end of 2007, we had more than \$113 million in assets; at the end of 2008, we had increased our assets to more than \$115 million. In October of last year, passage of the Emergency Economic Stabilization Act of 2008 increased share insurance coverage from \$100,000 to \$250,000 until December 31, 2009.

At SELCCU, we go one step further in protecting your hard-earned dollars. We provide up to an additional \$250,000 of savings protection to each qualified account through Excess Share Insurance (ESI). You've worked hard to save money and you can count on SELCCU to take good care of it.

I am proud SELCCU continues to lead through financial literacy programs for teachers and curriculum directors, serving as guest speakers at schools throughout Lorain County, sponsoring Newspapers in Education and increasing our outreach to students with special needs. We also take an active role to help the less fortunate in our community through Care Connection by collecting donated items or cash contributions for social service agencies.

The year 2009 represents the 100th anniversary of America's credit union movement. Be assured your credit union's staff and board of directors will continue to uphold the traditions that will keep SELCCU strong, stable and focused on you.

Respectfully,

Ed Syrowski

Ed Syrowski
Chairman, Board of Directors
School Employees Lorain County Credit Union, Inc.

Comparative Financial Report

	Consolidated <u>12/31/2008</u>	Consolidated <u>12/31/2007</u>
ASSETS		
Home Equity Loans	\$ 13,114,503	\$ 12,410,627
First & Second Mortgages	19,156,579	18,891,409
VISA	11,660,516	12,380,419
Motor Vehicle Loans	23,529,136	24,380,282
Share Secured & Personal Loans	350,418	439,014
Other Unsecured Loans	994,964	997,907
Less Allowance for Loan Loss	<u>(212,150)</u>	<u>(195,413)</u>
Total Loans	68,593,966	69,304,245
Cash	10,419,503	11,128,301
Investments	31,889,110	27,655,987
Share Insurance Deposits	1,046,432	968,064
Accrued Interest Receivable	420,128	566,424
Other Assets	927,545	533,428
Land & Buildings (Net)	1,880,313	1,875,026
Furniture & Fixtures (Net)	215,038	281,434
Total Other Assets	46,798,069	43,008,664

TOTAL ASSETS **\$ 115,392,035** **\$ 112,312,909**

LIABILITIES

	# of accounts		
Shares	12,637	\$ 13,134,797	\$ 12,105,830
IRAs	765	13,442,733	11,509,447
Certificates	2,652	34,739,381	36,037,819
MMIAs	2,441	31,360,780	29,611,902
Share Drafts	4,916	11,012,143	10,187,809
Other Share Accounts	1,759	1,041,530	1,030,975
Other Liabilities		(3,395,598)	(1,830,576)
Net Worth		<u>14,056,269</u>	<u>13,659,703</u>

TOTAL LIABILITIES & NET WORTH **\$ 115,392,035** **\$ 112,312,909**

	Consolidated <u>12/31/2008</u>	Consolidated <u>12/31/2007</u>
INCOME		
Income on Loans	\$ 3,340,431	\$ 3,716,817
Income on Investments	1,652,983	1,737,650
VISA Interest Income	919,554	858,863
Fee & Other Operating Income	<u>876,647</u>	<u>703,589</u>
Total Income	<u>\$ 6,789,615</u>	<u>\$ 7,016,919</u>

EXPENSES

Administration & Operation	\$ 1,844,362	\$ 1,816,764
Occupancy	530,648	494,665
Loan Servicing	513,038	500,095
Professional & Outside Services	419,242	433,063
Provision for Loan Losses	<u>233,662</u>	<u>176,036</u>

TOTAL EXPENSE BEFORE DIVIDENDS **\$ 3,540,952** **\$ 3,420,623**

DISTRIBUTION OF 2008 INCOME

Dividends	\$ 2,852,097
Operating Expenses	3,540,952
Undivided Earnings	<u>396,566</u>

TOTAL **\$ 6,789,615**