

# 2014 Annual Meeting Minutes

Tuesday, March 11, 2014 5:30 pm

The Annual Meeting of the Education First Credit Union, Inc. was held on March 11, 2014 at 5:30 pm at the Corporate Office, 501 W. Schrock Road, Westerville Ohio.

Attending the meeting were Vice-chairperson Jeff Woodson, Teri Ault, Henry Bland III, Lou Ann Carman, Norm Landry, Geno Moro, Ezetta Murray, Bob Secrest, and Barb Overholser (via conference call).

Also present were President/CEO Tara Neiswonger, Connie Michalec, Jerry Hawkins, Deb Olbrys, Jared Elsass, and Gary Weaver.

Vice-chairperson Woodson called the business meeting to order and asked Secretary/Treasurer Geno Moro to declare a quorum, and a quorum was declared.

Vice-chairperson Woodson requested that the members approve the agenda as printed in the 2014 Annual Meeting Agenda. Ezetta Murray made a motion to this effect, which was seconded by Geno Moro and was carried by a voice vote of the members present at the meeting.

Vice-chairperson Woodson requested that the minutes of the 2013 Annual Meeting be approved as printed without reading. Norm Landry made a motion to this effect, which was seconded by Bob Secrest and was carried by a voice vote of the members present at the meeting.

Bob Secrest, of the Nominating Committee, reported the results of the election of board members and introduced Ezetta Murray as re-elected board members and Teri Ault and Henry Bland III as newly elected board members to hold three year term seats.

Vice-chairperson Woodson requested that the reports of the Officers, CEO and the Committee reports be accepted as printed without reading. Geno Moro made a motion to this effect, which was seconded by Lou Ann Carman and was carried by a voice vote of the members present at the meeting.

No new business or old business was presented.

Lou Ann Carman announced the scholarship recipients:  
Travis Arnold, Liberty Union  
Shane Cornell, CCAD  
Roberta Gregory-Davis, Eastmoore Academy  
Charity Harrison, Centennial HS  
Jonathon Zins, St. Charles Prep

Vice-chairperson Woodson recognized and awarded a certificate to milestone years of employment:  
Angie Freeman – 15 years

President/CEO Neiswonger recognized board members service:  
Paul Smith - 18 years  
Jeff Woodson - 3 years

The meeting was adjourned by acclamation of the members present at 5:38 pm.

Recorded and Transcribed by Connie Michalec, Executive Assistant.

## A Message From Our President & Chairperson of the Board

Education First member-owners saw significant changes to their Credit Union in 2014 that will position it to serve them well into the future. In August, a new President/CEO embarked on, and with direction from the Board of Directors, a transformation to a more member-centric environment.

Beginning with the removal of the personal teller machines, we are committed to providing personal service to each and every member, while being equally cognizant of the efficiencies technology can do for our members. More members use our website and mobile app than ever, and we are proud to report that almost 1,000 new members joined your credit union in 2014.

Assistance to the Reynoldsburg teachers during their conflict in September 2014 was simply part of our mission to serve. Moreover, providing financial literacy programs to schools, colleges, and universities, will continue to be at the forefront of our actions to educate members and potential members.

Our free home buying seminar provides an interactive and no pressure avenue for members to learn about the American Dream. Education First was ranked in the Top 25 Real Estate lenders in 2014 by Columbus Business First Magazine; indicating a robust mortgage program with member service being key to its success. Our members' trust is so very important to us, in what is for many, the largest single purchase of their life and led to an increase in mortgage lending of nearly 7% in 2014.

We congratulate our five scholarship winners and are pleased to play a part in their journey of higher education. They join the 81 previous scholarship recipients which received over \$130,000 since we began awarding them. In 2014, our private student loan program grew almost \$1,000,000 or 25%, which further demonstrates our commitment to education.

The Board of Directors and Staff are honored and privileged to serve our members. You are the very reason the Education First Credit Union exists. We will continue to provide the most modern and personalized service and hope you consider us for all of your financial needs.

Sincerely

Michael Wettrich  
President/ CEO

Norman Landry  
Chairman of the Board

## Board Of Directors

Norman Landry, Chairperson

Robert Secrest, Vice-chairperson

Geno Moro, Treasurer

Barbara Overholser, Secretary

Henry Bland

Lou Ann Carman

Julie Didlick

Ezetta Murray

Irma Turner

## How to Contact Us!



### Westerville

501 W. Schrock Rd., Suite 100  
Westerville, Ohio 43081



### German Village

399 E. Livingston Ave.  
Columbus, Ohio 43215



### Gahanna

380 Granville St.  
(inside Clark Hall)  
Gahanna, Ohio 43230

### Phone:

614-221-9376

1-866-628-6446

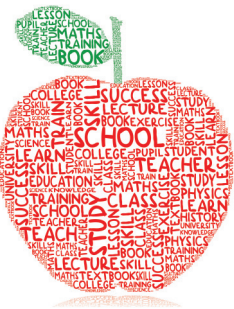
### Website:

www.educu.org

### CU Access – 24 hour audio banking system

614-221-1136

1-800-342-3643



## 2014 Annual Report



# Audit Report

To the Board of Directors  
Education First Credit Union, Inc.  
Westerville, Ohio

We have performed an audit of the financial statements of Education First Credit Union, Inc. as of December 31, 2014 and have issued our report thereon. Our report on these financial statements reads as follows:

### Independent Auditor's Report

We have audited the accompanying financial statements of Education First Credit Union, Inc., which comprises the statement of financial condition as of December 31, 2014, and the related statements of operations, comprehensive loss, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Education First Credit Union, Inc. as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The audited financial statements and report of Independent Certified Public Accountants may be viewed at the main office located at 501 W. Schrock Rd. Suite 100, Westerville, Ohio.

# Loan Review Panel

Education First Credit Union's Loan Officers and Loan Review Panel made a total of 1,793 loans in 2014 including Visa credit card loans. These loans totaled approximately \$11,525,249 bringing the total loans made since the organization of the credit union in 1936 to \$545,386,199.

The Loan Review Panel recognizes the cooperation and attention of the entire credit union staff, and extends a special thanks to them for their help and assistance throughout the year.

Respectfully Submitted,  
Gary Weaver  
Chief Sales and Service Officer

# Treasurer's Report

As Treasurer of the Board of Directors of Education First Credit Union, I am proud to report that 2014 was another successful year for the credit union. Assets ended the year at \$85.9 million. The credit union originated approximately \$11.5 million in loans in 2014, including \$1,755,355 million in first mortgage loans. Net loss was \$-891,484.

I, along with the Board of Directors, appreciate the ongoing support and financial responsibility that the executive management team and staff have exercised this past year. Through their dedication, your credit union continues to maintain financial safety and stability.

Respectfully Submitted,  
Geno Moro  
Treasurer

# Financial Statement

Balance Sheet		31-Dec-14
<b>Assets</b>		
Loans.....	\$	55,178,154
(Less) Allowance for Loan Loss.....		(611,747)
Accounts Receivable .....		58,098
Banks.....		1,183,676
Corporate One Credit Union .....		1,668,496
Other Investments .....		25,142,489
Prepaid & Deferred Expenses .....		645,012
Furniture & Equipment (Net).....		821,058
Land & Building (Net) .....		1,236,876
Other Assets.....		626,952
<b>Total Assets.....</b>	<b>\$</b>	<b>85,949,064</b>
<b>Liabilities</b>		
Accounts Payable .....	\$	\$60,131
Accrued Expenses .....		211,830
Other Liabilities.....		78,785
<b>Total Liabilities .....</b>		<b>350,746</b>
<b>Shares</b>		
Regular Shares .....		23,304,690
Money Management .....		23,588,600
Share Certificates .....		17,873,656
IRAs.....		3,363,901
Health Savings Accounts.....		1,338,677
All Other Savings .....		404,511
Checking Accounts .....		8,672,241
<b>Total Shares .....</b>		<b>78,546,276</b>
<b>Equity</b>		
Regular Reserves .....		1,839,147
Undivided Earnings .....		6,794,684
Sub Total.....		8,633,831
Other Comprehensive Gain (Loss)*		(1,581,788)
<b>Total Equity.....</b>		<b>7,052,043</b>
<b>Total Liabilities, Shares &amp; Equity.....</b>	<b>\$</b>	<b>85,949,064</b>

\*Represents Defined Benefit Plan FAS 158 Transition

Income Statement		31-Dec-14
<b>Income</b>		
Interest from Loans.....	\$	3,456,171
Interest from Investments.....		303,578
Other Income.....		1,719,055
<b>Total Operating Income.....</b>		<b>5,478,804</b>
<b>Expenses</b>		
Compensation .....		1,958,183
Employee Benefits .....		226,293
Travel & Conference .....		8,647
Office Occupancy Expense.....		350,221
Office Operations Expense .....		1,940,665
Education .....		5,958
Advertising .....		118,931
Scholarships.....		5,000
Loan Servicing Expense .....		614,353
Professional Services.....		206,130
Provision for Loan Loss.....		596,738
State Supervisory Fee .....		16,483
Annual Meeting Expense.....		2,917
Misc. Operating Expense.....		18,520
<b>Total Operating Expenses .....</b>		<b>6,069,040</b>
<b>Net Income from Operations.....</b>		<b>(590,236)</b>
Gain (or Loss) on Disposition of Assets .....		(22,660)
<b>Net Income Before Dividends .....</b>		<b>(612,896)</b>
Dividends .....		278,587
<b>Net Income After Dividends .....</b>		<b>(891,484)</b>
<b>NCUSIF Stabilization Plan Expense .....</b>		<b>-</b>
<b>Net Income after NCUSIF Stabilization Plan Expense .....</b>		<b>(891,484)</b>
<b>Changes in Undivided Earnings for the Year.....</b>	<b>\$</b>	<b>\$(891,484)</b>
<b>Statistical Information</b>		
Number of Accounts.....		15,582
Loans Made in Current Year .....	\$	\$11,525,249
Number Made in Current Year .....		1,793
Loans Made Since Organization .....	\$	\$545,386,199
Number Made Since Organization.....		244,372