

2021 Annual Meeting Minutes

The Annual Meeting of the Education First Credit Union, Inc. was held on March 16, 2021, at 5:30 pm at the Corporate Office, 510 E. Mound St., Columbus, Ohio.

Attending the meeting were Chairperson Barbara Overholser via conference call, Vice-Chairperson Robert Secrest, Secretary Julie Didlick, Directors: Henry Bland, Irma Turner, and Jeffery Woodson. A live stream was provided on Facebook.

Absent – Treasurer Ezetta Murray

Present were President/CEO Michael Wettrich, Chief Membership and Marketing Officer Deb Olbrys, Chief Financial Officer Jared Elsass, Chief Operations Officer Jason Thomas, Melissa Simmons, and Angie Freeman.

Chairperson Barbara Overholser called the business meeting to order at 5:30 pm and asked Secretary Julie Didlick to declare a quorum, and a quorum was declared.

Chairperson Barbara Overholser introduced the Education First Credit Union board members.

Chairperson Barbara Overholser requested that the members approve the agenda as printed in the 2021 Annual Meeting Agenda. Julie Didlick made a motion to this effect, which was seconded by Henry Bland and was carried by a voice vote of the members present at the meeting.

Chairperson Barbara Overholser requested the minutes of the 2020 Annual Meeting be approved as printed without reading. Robert Secrest made a motion to this effect, which was seconded by Henry Bland and was carried by a voice vote of the members present at the meeting.

Henry Bland, Chairperson of the Nominating Committee, introduced nominating committee members, Ezetta Murray and Robert Secrest. Henry Bland reported Lillie and Company was retained to conduct secure balloting on behalf of Education First Credit Union. Education First Credit Union received certified results, and Julie Didlick, Irma Turner, and Jeffery Woodson were re-elected to three-year terms.

Chairperson Barbara Overholser requested the Officers, CEO, and Committee reports to be accepted as printed without reading. Henry Bland made a motion to this effect, which was seconded by Robert Secrest and was carried by a voice vote of the members present at the meeting.

No new business or old business was presented.

Chairperson Barbara Overholser recognized Education First Credit Union employees for milestone years of employment: Spenser Fonner 5 years, Miki Hartman 20 years, Cindy Hunt 10 years, Laura Laird 5 years, Jim Lansing 5 years, Jason Leonard 5 years, Lindsey Mayer 5 years, April Monterotti 15 years, and Vicki Williams 5 years.

Motion: A motion to adjourn at 5:50 pm was made by Michael Wettrich, seconded by Robert Secrest, and passed unanimously.

Recorded and Transcribed by:

Angie Freeman, Recording Secretary

A Message From Our President & Chairperson of the Board

To our Valued Member/Owners,

2021 was one of the most challenging years in our over 85-year history! A worldwide pandemic continued to ravage every corner of the world, and returning to a “new normal” is what we all hope for. At Education First Credit Union, our role in providing quality financial services at a cooperative value will always be *first* in our mission and solely for your benefit.

We were proud of our operations during this difficult time and remain incredibly grateful to our staff for their commitment to our member/owners. Many elements that were beyond our control, including labor market challenges and supply chain concerns, were overcome by our team, and, in the end, we continued to provide you with great service and competitively priced products. We closed 2021 with over \$140 million in assets, almost \$89 million in loans, and over \$121 million in shares. And after paying dividends, we were able to positively contribute to our capital account.

As we forge on and the pandemic shows signs of subsiding, our investments in our staff and our delivery channels will continue. One of the major highlights of 2021 was opening our first standalone branch, built from the ground up. The new Carnaby Way location is a testament to our focus and commitment always to provide the best member service and facility resources we can. For instance, member/owners can use the drive-thru services that did not exist at our prior facility for an added layer of distancing. Of course, a full complement of services are available on our mobile app and home banking website, all with the latest security protocols to keep you and your money safe.

Education First Credit Union will celebrate 86-years of serving our members in 2022, and we look forward to even more exciting changes designed to serve you better, faster, safer and securely at any time, day or night! Thank you for being a member/owner and for your patronage. We look forward to serving you in the future and invite you to visit us in person, by phone, or online for financial services that keep you *first*.

Sincerely Yours,

Michael Wettrich
President/CEO

Julie Didlick
Chairperson

How to Contact Us!



Westerville

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



Downtown

510 E. Mound St.
Columbus, Ohio 43215



Reynoldsburg

59' " 5th St I Sk
Columbus, Ohio 43213

Mobile App: EDUCU Access

Website: www.educu.org

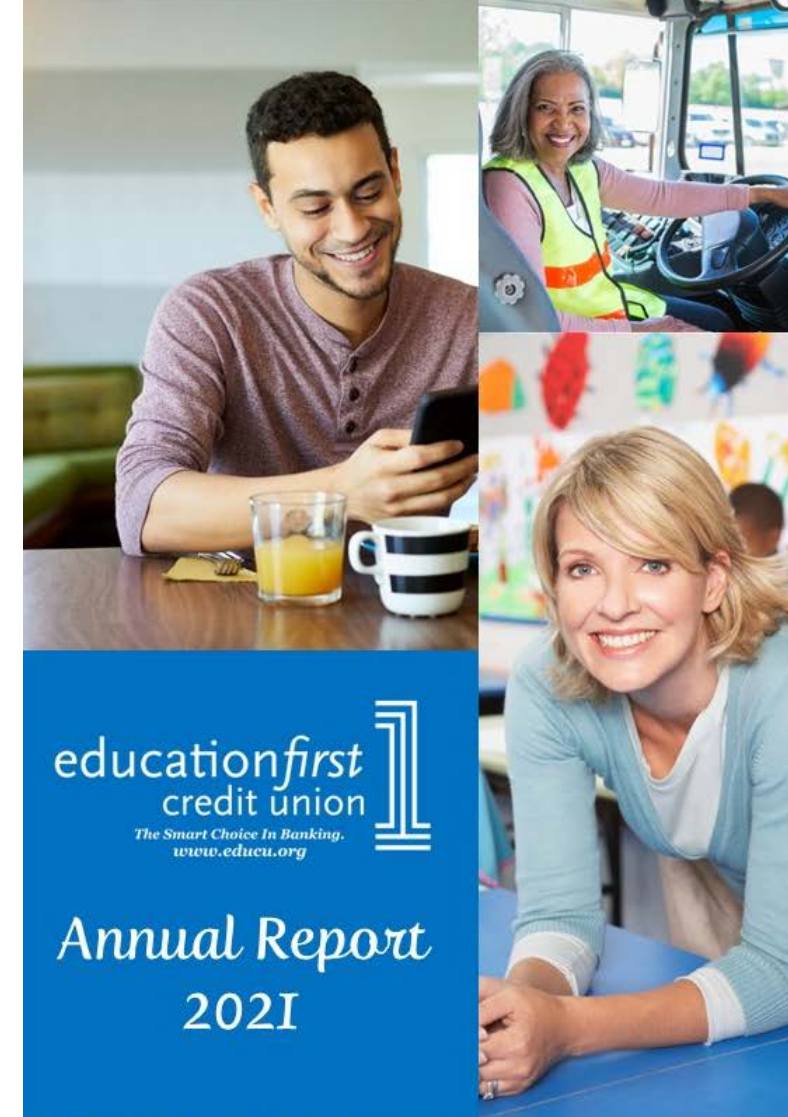
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Annual Report
2021



Audit Report

Independent Auditor's Report

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

Opinion

We have audited the financial statements of Education First Credit Union, Inc., which comprise the statements of financial condition as of December 31, 2021 and 2020, and the related statements of income and comprehensive income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Education First Credit Union, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits.

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Education First Credit Union, Inc.'s ability to continue as a going concern for 12 months beyond the issuance of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Credit Union's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Education First Credit Union, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A full copy of the audited financials, including the accompanying notes, is available upon request.

Lillie & Company LLC

Sunbury, Ohio

February 22, 2022

Treasurer's Report

As Treasurer of the Board of Directors of Education First Credit Union, I am proud to report that 2021 was another successful year for the credit union.

We ended 2021 with total assets of approximately \$140.6 million and net income of \$635,819.

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,

Henry Bland
Treasurer

Board Of Directors

Julie Didlick - Chairperson

Jeffery Woodson - Vice Chairperson

Henry Bland - Treasurer

Irma Turner - Secretary

Ezetta Murray - Director

Barbara Overholser - Director

Robert Secrest - Director

Management Staff

Michael Wettrich – President / CEO

Jared Elsass – Chief Financial Officer

Jason Thomas - Chief Operations Officer

Brianna Sharp – Branch Manager Westerville

April Monterotti – Branch Manager Reynoldsburg

Ophelia Kyeremateng - Branch Manager Downtown

Statement of Financial Condition

Statement of Financial Condition

12/31/2021

ASSETS

Cash and Cash Equivalents \$ 6,981,082

Investments 29,537,049

Loans to Members and Loan Participations 90,604,909
(less allowance for loan losses)

Property and Equipment, net 5,125,234

Other Assets

Accrued Interest Receivable on Investments 17,903

Accrued Interest Receivable on Loans 411,990

Prepaid Expenses 355,567

Other Real Estate Owned 6,940

Surrender Value of Life Insurance 2,374,570

Net Pension Asset 2,609,267

Share Insurance Deposits 1,228,148

Other Assets 1,392,021

Total Other Assets 8,396,406

TOTAL ASSETS \$ 140,644,680

LIABILITIES AND MEMBERS' EQUITY

Members' Share Accounts \$ 121,722,212

Notes Payable 6,000,000

Accounts Payable and Accrued Liabilities 662,205

Total Liabilities 128,384,417

Members' Equity, substantially restricted

Regular Reserves 1,839,147

Undivided Earnings 10,707,628

Other Comprehensive Gain (Loss) (286,512)

Total Members' Equity 12,260,263

TOTAL LIABILITIES AND MEMBERS' EQUITY \$ 140,644,680

Statement of Income and Comprehensive Income

Statement of Income and Comprehensive Income

12/31/2021

Interest Income

Interest on Loans \$ 5,049,983

Interest on Investments 263,407

Total Interest Income 5,313,390

Dividend and Interest Expense

Dividends on Share Accounts 426,563

Interest on Borrowings 202,200

Total Dividend and Interest Expense 628,763

Net Interest Income 4,684,627

Provision for Loan Loss 603,762

Net Interest Income after Provision for Loan Losses 4,080,865

Non-Interest Income

Fees and Charges 1,309,564

Credit and Debit Card Interchange 750,541

Miscellaneous Income 293,328

Gain on the Sale of Mortgage Loans 31,615

Gain on the Sale of Assets -

Total Non-Interest Income 2,385,048

Non-Interest Expense

Compensation and Benefits 2,708,377

Office Operations 933,852

Card Processing and Bank Charges 732,086

Professional Fees 608,849

Occupancy 296,615

Promotional 149,953

Loan Servicing 144,699

Other 136,277

Insurance Expense 87,575

Travel and Education 19,423

Director Expenses 12,388

Total Non-Interest Expense 5,830,094

Net Income 635,819

Change in Unrealized Loss on Post-Retirement Benefit Plans 725,828

Comprehensive Income \$ 1,361,647

Statistical Information

Number of Accounts 12,670