

2022 Annual Meeting Minutes

The Annual Meeting of the Education First Credit Union, Inc. was held on March 15, 2022, at 5:30 pm at the Corporate Office, 510 E. Mound St., Columbus, Ohio.

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

Absent – None

Present were President/CEO Michael Wettrich, Chief Financial Officer Jared Elsass, Chief Operations Officer Jason Thomas, and Angie Freeman.

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

Chairperson Julie Didlick introduced the Education First Credit Union board members.

Chairperson Julie Didlick requested the members approve the agenda as printed in the 2022 Annual Meeting Agenda. Jeffery Woodson made a motion to this effect, which was seconded by Irma Turner and was carried by a voice vote of the members present at the meeting.

Chairperson Julie Didlick requested the minutes of the 2021 Annual Meeting be approved as printed without reading. Robert Secrest made a motion to this effect, which was seconded by Irma Turner and was carried by a voice vote of the members present at the meeting.

Ezetta Murray, Chairperson of the Nominating Committee, introduced nominating committee members, Henry Bland and Irma Turner. Ezetta Murray 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 Barbara Overholser and Robert Secrest were re-elected to three-year terms.

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

No new business or old business was presented.

Chairperson Julie Didlick recognized Education First Credit Union employees for milestone years of employment: Chuck Copley, five years, Karen Glover, five years, DeShawn Goodwin, five years, Dorothy Hines, five years, Jared Elsass, ten years, Dan Walraven, fifteen years, Andrea Kiifner twenty-five years, and Penny Beach forty-five years.

Motion: A motion to adjourn at 5:45 pm was made by Robert Secrest, seconded by Henry Bland, 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,

We are pleased to provide you with this report on your financial cooperative for 2022. Our continual growth and modernization is rewarding our member owners and their families with competitive rates and services. Ending our 86th year with positive growth, we remain excited about our future. Your Credit Union ended 2022 with assets of over \$146 million, loans in excess of \$91 million, and shares of \$126 million.

In 2022, when our original field of membership, Columbus City School Teachers, was involved in a labor dispute, we stood ready to assist. Our goal was to provide our members-owners and education employees with financial support during the work disruption. As the two sides came to an agreement, we returned to our daily mission of providing quality and value-minded products and services to achieve your financial goals. And community support is essential to us, too! Whether it's financial literacy and career day videos for high schools, supporting PTA and resource officers' events, or adopting an elementary school, we are singularly focused on our member-owners vocation. To date, we have awarded over \$170,000 in student scholarships to our member-owners, recognizing the importance of education. We want you to know, we are there when it counts.

We strive to have competitive rates for both borrowers and savers alike. As financial markets stress and interest rate hikes dominated the news in 2022, our approach remains simple: provide value-minded products and services to help you achieve your goals. In-person, online, and over the phone, require us to continue investments in technology to ensure all your transactions are safe and secure as banking processes evolves. From our volunteer Board of Directors and dedicated staff, we appreciate your trust in us for your financial needs.

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!



Downtown

510 E. Mound St.
Columbus, Ohio 43215



Reynoldsburg

59' " 5St StkI Sk
Columbus, Ohio 43213



Westerville

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

Mobile App: EDUCU Access

Website: www.educu.org

Phone: 614-221-9376



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Audit 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, 2022 and 2021, 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, 2022 and 2021, 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 27, 2023

Treasurer's Report

As Treasurer of the Board of Directors of Education First Credit Union, I am proud to report that 2022 was another successful year for the credit union.

We ended 2022 with total assets of approximately \$146 million and net income of \$527,235.

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
Lindsey Mayer - Branch Manager Downtown

Statement of Financial Condition

Statement of Financial Condition

	12/31/2022
ASSETS	
Cash and Cash Equivalents	\$ 6,980,526
Investments	31,896,270
Loans to Members and Loan Participations (less allowance for loan losses)	93,931,725
Property and Equipment, net	4,958,563
Other Assets	
Accrued Interest Receivable - loans	420,839
Accrued Interest Receivable - investments	69,923
Surrender Value of Life Insurance	2,437,023
Net Pension Asset	2,599,410
Prepaid Expenses	443,567
Share Insurance Deposits	1,272,720
Other Assets	1,047,028
Total Other Assets	<u>8,290,510</u>
TOTAL ASSETS	<u>\$ 146,057,594</u>
LIABILITIES AND MEMBERS' EQUITY	
Members' Share Accounts	\$ 126,350,534
Accounts Payable and Accrued Liabilities	929,419
Borrowings	<u>6,000,000</u>
Total Liabilities	133,279,953
Members' Equity , substantially restricted	
Statutory Reserves	1,839,147
Undivided Earnings	11,234,863
Other Comprehensive Gain (Loss)	<u>(296,369)</u>
Total Members' Equity	<u>12,777,641</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 146,057,594</u>

Statement of Income and Comprehensive Income

Statement of Income and Comprehensive Income

	12/31/2022
Interest Income	
Interest on Loans	\$ 4,978,454
Interest on Investments	453,008
Total Interest Income	<u>5,431,462</u>
Dividend and Interest Expense	
Dividends on Share Accounts	440,420
Interest on Borrowings	202,200
Total Dividend and Interest Expense	<u>642,620</u>
Net Interest Income	4,788,842
Provision for Loan Loss	<u>786,140</u>
Net Interest Income after Provision for Loan Losses	4,002,702
Non-Interest Income	
Fees and Charges	1,463,601
Credit and Debit Card Interchange	737,901
Gain on the Sale of Mortgage Loans	10,596
Gain on Sale of fixed assets	2,000
Miscellaneous Income	308,080
Total Non-Interest Income	<u>2,522,178</u>
Non-Interest Expense	
Compensation and Benefits	2,747,476
Office Operations	909,183
Card Processing and Bank Charges	804,052
Professional Fees	545,921
Occupancy	388,910
Loan Servicing	187,556
Other	145,035
Promotional	128,612
Insurance Expense	90,043
Travel and Education	28,992
Director Expenses	21,865
Total Non-Interest Expense	<u>5,997,645</u>
Net Income	527,235
Change in Unrealized Loss on Post-Retirement Benefit Plans	(9,857)
Comprehensive Income	<u>\$ 517,378</u>
Statistical Information	
Number of Members	12,758