



2022

ANNUAL REPORT

Lake County Educational FCU

Dear Members, Colleagues, and Friends:

On behalf of the Board of Directors, management, and the staff of Lake County Educational Federal Credit Union, I am honored to present our 2022 Annual Report. This past year has been our strongest ever for loan growth, and we couldn't be more optimistic about the future we share with you. Your credit union helps families during some of the most important milestones of their lives – buying or updating a home, securing reliable transportation for work and play, or pursuing a college degree. Since 1955, we have remained steadfast in our commitment to helping you navigate your finances to build strength, resilience, and a stronger footing for any situation.



Those who know us can attest that we have forged our business upon our core values, fostering knowledge, confidence, and opportunities to advance financial empowerment. From this day forward, we will be redoubling our efforts to live up to these ideals for you and your family, forever striving to make banking a force for good. We are eager to unveil a bold new mission and brand promise at our 68th Annual Meeting, as they were intentionally crafted to actualize the very values we have stood for all along. We are committed, as always, to equipping you with the knowledge, resources, and support you need to reach your full potential, and that will never change.

Our dedication to doing the right thing for members has inspired us since the very beginning, and we will continue to evolve and grow without losing our identity. I know that our entire Board, management, and staff share in this pledge. We look forward to exploring innovative new ways to extend our financial cooperative to benefit even more of our neighbors and young people over the coming years. We take this challenge seriously; and know with conviction that we will be stronger and better for it.

As fellow members, we all owe a debt of gratitude to your credit union's unrivaled staff and management, guided by the foresight and wisdom of Miranda McConoughey, and overseen by a tireless, all-volunteer Board of Directors. The verve with which these professionals bring humanity to their cause is the key reason why Lake County Educational FCU has earned our unwavering trust and loyalty. We simply could not be in more capable, caring hands.

Most of all, I'd like to personally thank our ardent members, who have graciously extended to us a place of prominence in their lives. You are our inspiration, and the reason we strive for excellence across our organization, in everything that we do. Our goals are to meet you where you need us to be at whatever stage you are in your financial lives, making a difference that will help you achieve your dreams.

Respectfully submitted,

Mary Ann Bittner
Board President

Lake County Educational Federal Credit Union



68TH ANNUAL MEETING AGENDA

Lake County Educational FCU

Welcome Address	Mary Ann Bittner
Meeting Call to Order	Mary Ann Bittner
Certification of Quorum	Mary Ann Bittner
Roll Call	Mary Ann Bittner
Minutes	Mary Ann Bittner
Report of Nominating Committee	Mary Ann Bittner
Report from CEO	Miranda McConoughey
Unfinished Business	
New Business	
Q&A	Miranda McConoughey
Adjournment	Mary Ann Bittner
Prize Drawing	Josh Seligman



OUR FAMILY

Lake County Educational FCU

BOARD OF DIRECTORS

Mary Ann Bittner

Pat Hall-Miller

Robin Channels

Jacqueline Cawley

Marietta Lipps

Mary Ilenin

Jim Perry

President (6)

Vice President (25)

Secretary (8)

Treasurer (17)

Director (15)

Director (12)

Director (2)

OFFICE STAFF

Miranda McConoughey

Joshua Seligman

Sara Imars

Shellie Puglia

Michelle Dalrymple

Holly Kovach

Kevin LaCamera

Carol Stefancin

Sandy Previte

Kristen Arp

Kristyn Lucy

Christine Tomkins

Ashten Sprouse

CEO (12)

Operations Manager (3)

Loan Manager (28)

Loan Officer (7)

Accounting Clerk (11)

Lead Teller (19)

Business Development (5)

Branch Manager (24)

Office Assistant (4)

Teller (2)

Teller (2)

Part-Time Teller (35)

Part-Time Teller (8)

SUPERVISORY COMMITTEE

Chris Parsons

Mary Ilenin

Paula Yranian

Chair (15)

Committee Member (1)

Committee Member (1)



MINUTES OF THE 67TH ANNUAL MEETING

Lake County Educational FCU

**Minutes of the 67th Annual Meeting
March 7, 2022**

(Meeting held virtually due to the Coronavirus Pandemic)

INTRODUCTION: Kevin LaCamera officially welcomed everyone and explained some features of *Zoom* and how to ask questions.

WELCOME ADDRESS: President, Mary Ann Bittner welcomed all members to the 67th annual meeting of the LCEFCU. She expressed her gratitude to all members who were in attendance on line, and stated “we have never lost sight of the reasons we are here.” “After all, our members are at the heart of everything we do.”

CALL TO ORDER: The meeting was call to order by President Bittner at 6:14 p.m.

PLEDGE OF ALLEGIANCE AND INVOCATION: Father Gregory Heath, White Fields Anglican Church, led the members in the Pledge of Allegiance and Invocation.

QUORUM: President Bittner stated that 15 members are required to constitute a quorum. There were 120 registrants in attendance so she declared a quorum was present.

ROLL CALL: Board Members:

√ Mary Ann Bittner

√ Pat Hall-Miller

√ Robin Channels

√ Jackie Cawley

√ Mary Ilenin

√ Marietta Lipps

√ James Perry

NP Michael Zalar



MINUTES

MINUTES:

A copy of the 2021 Annual Meeting Minutes were included in the annual report packet and were distributed by email. They were also available to download on our website. There were no corrections or additions to the minutes, so they will be approved as written.

NOMINATIONS COMMITTEE REPORT:

All members received information in their December statement outlining the candidacy process for prospective Board members.

The Nominating Committee received no submissions; therefore, the terms of the current incumbents, Pat Hall-Miller and Marietta Lipps, will renew for another 3 years, and are declared re-elected by acclamation.

MESSAGE FROM THE CEO:

On behalf of the Lake Co. Educational Federal Credit Union, Miranda McConoughey thanked the members for taking the time to attend the 67th Annual Meeting. She stated that being CEO for over 11 years she has learned to come to terms with a driving theme that has remained constant – **change**. She described how the financial sector continues to evolve at a rapid pace especially with new emerging technologies. In spite of turbulent, disruptive effects that Big Tech and Big Data have on our lives, the cooperative spirit of the credit union movement remains as timeless as it ever was.

OLD BUSINESS:

CEO McConoughey reported that despite the challenges posed by the economic uncertainty and a lingering pandemic, 2021 was a year marked by a wealth of successes. She stated the CU continues to focus on strengthening member security and enhancing the digital experience. The website was completely updated and redesigned in hopes of serving as a useful resource for members and their families. This included adding more functionalities to help members complete their banking needs.

There is a focus on streamlining all member interactions to make it easier to do business with the CU. This included a revamped Home Equity lending platform to streamline the process for those involved in the underwriting.

The credit union teamed up with a new business within the North Olmsted area, **Brain Balance**. This organization works with children and young adults suffering from Autism, ADHA, and behavior issues to enhance cognitive performance and emotional wellbeing. Looking forward to a mutually beneficial partnership.

She took the opportunity to thank all the members who took advantage of the auto loan refinance promotion last summer. 71 members took advantage of the special program and scored some of the lowest auto loan rates in history. Collectively, the credit union managed to save them a total of \$148,313 in interest.

In spite of the challenges faced by similar-sized credit unions last year, our achievements have been manifold. For the credit union, 2021 has been a year of small triumphs, each a worthy building block to a grander vision ahead.

NEW BUSINESS: *A message from the CEO*

For this coming year, we have been taking a long, hard look at ways we can extend our reach and enhance our ability to sustain our institution in the face of change. The Board and staff have recently participated in our Strategic Planning process, and we have a plethora of innovative ideas and a new strategic focus that will help strengthen Lake County Educational FCU into the future. Although it's too premature to share all the details, we look forward to unveiling some bold new directions throughout the year.

One exciting new service that we will be offering in the coming months is **EasyVest**, a complete automated investment management tool. It automatically helps create and optimize investment opportunities for you, offering a secure investment option for anyone who is interested in building wealth but not sure how to get started.

EasyVest will allow you to invest in and trade in smaller amounts as low as \$200 directly from your account, and will be integrated within our online banking platform. **EasyVest** constantly processes and analyzes live market data to optimize your portfolio based on your goals. After answering a few basic questions about yourself, the platform will be able to better understand your financial hopes and goals. Then, **EasyVest** will tailor an investment strategy to help you achieve those goals and continuously optimize that strategy in real time. Please lookout for the launch date soon.

I am pleased to report that the Board, management, and staff are working feverishly to bring the ambitious goals articulated in our progressive Strategic Plan to fruition. Our vision for Lake County Educational FCU is to become a more accessible asset to the education community and our broader service region – and that does more for the very people who need us most.

Thank you, members, for believing in your credit union. My promise to you is that we will never stop striving to be your greatest financial asset, and our members our enduring cooperative partners. Together, we are always better.

Q & A FROM OUR MEMBERS:

Q - One member stated she heard car dealers are being very aggressive and requiring financing through the auto companies. Is this true?

A - Yes some are, members are encouraged to call the CU loan officers to discuss.

Q - Is it true the Feds will be raising rates in March?

A - Yes, they will probably be raising rates several times during the year.

Q - Does the credit union offer home improvement loans?

A – Yes, they do. Contact the CU office or go online.

Q - What is the current rate offered on the balance transfer promotion being offered until the end of the month?

A - The promotional rate is 1.99% for 12 months. (No fee attached)

Q - Will the CU be offering the Burriss Scholarship to this year's seniors?

A - Yes, scholarship applications are currently available online or in the office. School guidance offices will have them as well.

Q - What is the best way to help continue growth in the credit union?

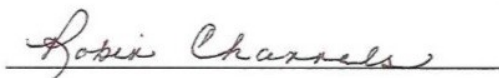
A – Refer the credit union to your family members for all their banking needs.

ADJOURNMENT:

Board President, Mary Ann Bittner, thanked members for their participation and declared the 67th Annual Meeting adjourned at 6:37 p.m.

She then introduced Josh Seligman, Operations Manager, to conduct the drawing.

DRAWING WINNERS ANNOUNCED



Robin Channels, Secretary



Mary Ann Bittner, President



TERM RENEWALS

Lake County Educational FCU

Mary Ann Bittner, Incumbent

Mary Ann Bittner has been a proud member of Lake County Educational Federal Credit Union for the past 38 years. She retired from Auburn Career Center after 30 years of service as a classroom teacher and school administrator. In 2016 she was appointed to the Lake County Educational Federal Credit Union and currently serves as the President of the Board. In addition she serves as President of the Madison Public Library Board and on the Board of the Huntington Woods Homeowners Association. Mary Ann has enjoyed serving on the Board and would like to continue to serve the membership in this position. She resides in Madison with her husband Bob. Together they have five children and eight grandchildren. Her hobbies include reading and making and sending greeting cards.

Mary Ilenin, Incumbent

Mary Ilenin retired from North Olmsted High School after 37 years of teaching business education; both vocational and regular education. She has been involved with the North Olmsted Schools Federal Credit Union for more than 30 years serving in a variety of roles: Supervisory Committee, Board of Directors and Chairperson of the NOSFCU. She joined the Board of Directors of the Lake County Educational FCU when the two credit unions merged. She currently serves as a member of the Parish Ministry Council and is the Financial Secretary of her church; and during the week, she is their administrative assistant. In her spare time, she enjoys making cards and traveling with her husband John. She looks forward to continue to serve on the Board of the Lake County Educational FCU.

James Perry, Incumbent

James Perry has been a member of the Lake County Educational Federal Credit Union for 18 years. He is a real estate professional with The Howard Hanna real estate Co. and also manages investment properties. He enjoys Gardening with his wife Kim who is a science teacher with the Kirtland Local Schools. They have two children and two dogs that keep them busy. Jim has enjoyed serving on the credit union board for the past 18 Months and would like to continue to serve the membership.



2022 FINANCIALS

Lake County Educational FCU

Financial And Statistical Report

ASSETS	2022	2021
Cash on hand in banks	\$ 2,038,009	\$ 1,808,532
Investments	\$ 14,363,979	\$ 17,536,788
Loans to members (net)	\$ 18,310,401	\$ 15,423,203
Fixed Assets	\$ 97,954	\$ 126,583
Other Assets	\$ 319,328	\$ 315,295
TOTAL	\$ 35,129,670	\$ 35,210,401

LIABILITIES AND EQUITY		
Other liabilities	\$ 73,892	\$ 72,584
Shares	\$ 34,542,218	\$ 32,991,194
Accumulated unrealized gain /loss on investments	\$ (1,965,512)	\$ (197,469)
Statutory reserves	\$ -	\$ 471,914
Undivided earnings	\$ 2,344,093	\$ 1,882,893
Net income, current year	\$ 134,979	\$ (10,715)
TOTAL	\$ 35,129,670	\$ 35,210,401

EXPENSES		
Salaries and Benefits and Taxes	\$ 522,550	\$ 496,135
Office Occupancy	\$ 95,327	\$ 88,415
Office Operations	\$ 219,813	\$ 194,467
League dues	\$ 11,409	\$ 11,760
Annual meeting	\$ -	\$ -
Educational / advertising and other exp.	\$ 232,542	\$ 270,290
Provision for loan loss	\$ 6,087	\$ 5
TOTAL	\$ 1,087,728	\$ 1,061,072

DISTRIBUTION OF EARNINGS		
Reserves		\$ 471,914
Dividend	\$ 8,791	\$ 10,533
Undivided earnings	\$ 2,344,093	\$ 1,882,893

STATISTICS		
Number of members year end	3,343	3,302
New members in 2022	250	278
Members with loans	33.4%	32.1%



SUPERVISORY COMMITTEE REPORT

Lake County Educational FCU



The Supervisory Committee is appointed by the Board of Directors to independently evaluate the soundness of Lake County Educational FCU's operations and enterprises by hiring an external auditor and directing internal auditing.

Such endeavors ensure the credit union is protecting and safeguarding members' assets by implementing effective controls within the approved risk appetite of the Board and senior management, National Credit Union Administration regulations, Lake County Educational FCU bylaws, and generally accepted accounting principles.

Lilly & Company CPAs performed the annual financial statement audit. It is the Supervisory Committee's opinion that the Lake County Educational FCU financial statement provides a fair and accurate representation of our fiscal condition.

Additionally, the internal auditing department completed all 2022 assessments. Considering both external and internal auditing processes, it is the Supervisory Committee's conclusion that Lake County Educational FCU is financially strong, sufficiently managed, and has suitable policies and programs in place.

We believe this positive position is a direct result of the Board of Directors' guidance and management's leadership. We extend our gratitude to the volunteers and staff for an ongoing commitment to improving internal controls and strengthening the credit union, allowing us to prosper and maintain stability for the membership.