



2024 Annual Report

Mission Statement: Maintain financial soundness while empowering members to work toward financial success.

Annual Meeting Agenda

Parkland High School
Saturday, March 23, 2024

- Welcome
- Call to Order
- Verification of Quorum
- Approval of 2023 Annual Meeting Minutes
- Introductions
 - Board of Directors
 - Membership Officer
 - Executive Management
 - Staff
- Annual Reports—Q & A
- Nominations/Elections Report
- Unfinished Business
- New Business
- Scholarship Awards
- Good of the Order
- Adjournment—Thank you for attending.
- Breakfast
- Guest Speaker
 - Katrina Boyer, Investor Education Specialist
 - Pennsylvania Department of Banking and Securities
- Drawing for Door Prizes

Minutes

Of the Annual Meeting of the Lehigh Valley Educators Credit Union

March 11, 2023

The Annual Meeting was held at Parkland High School, Allentown, Pennsylvania.

President William Ayers called the meeting to order at 10:03 a.m. Secretary Eugenia Emert established that a quorum was present.

Annual Reports and Minutes were provided to attendees and posted on the LVECU website. A motion to accept the Minutes of the 2022 Annual Meeting was made by Gary Fedorcha, seconded by Gary Phillips. Motion passed.

President Ayers introduce the Board members and the Executive team, followed by Rosemarie Krantz, Chief Executive Officer, introducing staff members in attendance.

A motion to accept the Annual Reports was made by Gary Fedorcha, seconded by Dan Joseph. Motion passed.

President Ayers, serving as Nominating Committee Chairperson proxy, presented the slate of directors who were unopposed. President Ayers, as Nominating Committee Chairperson proxy, cast the ballot for the election. Eugenia Emert, Gary Fedorcha and Gary Phillips were elected to the board for a three-year term.

Old Business: None

New Business: Daniel Joseph announced the ten Scholarship winners for 2023. The recipients were each given \$1,000. Four of the students were in attendance to receive their recognition. Over the last 22 years, over \$210,000 has been awarded to students.

President Ayers recognized Lori Seier and her staff for preparing the breakfast.

A motion to adjourn the Annual Meeting was made by Gary Fedorcha. The Annual Meeting was adjourned at 10:23 a.m.

After the meeting, guest speakers Tiffany Winkle from the Lehigh County Agency on Aging and Jared Hanna, Esq., Senior Deputy District Attorney, spoke on topics related to elder abuse and fraud protection.

Respectfully Submitted,

William Ayers
Chairperson

Eugenia Emert
Secretary of Record

Board & Management

Annual Report

The Board, Management and Staff wish to welcome you to the 90th Annual Meeting of the Lehigh Valley Educators Credit Union (LVECU) and want to sincerely thank you for your continued support.

LVECU is considered "well capitalized" by the Pennsylvania Department of Banking and Securities and the National Credit Union Administration. We recently received an excellent 5-Star rating from Bauer Financial, an organization that has been rating banks and credit unions since 1983. Their creed is "no institution pays for its ratings, nor can they elude them." Also, LVECU won the Silver Award for credit unions in the CommunityVotes Allentown.

In 2023 we experienced moderate loan growth, increasing our portfolio by \$5.3 million. During the same period shares grew \$3.1 million. We had a profitable year, ending with \$792,632 in net income. This was less than usual because, in March, the Board agreed to sell ~\$30 million in US Treasuries, which attributed to a loss of ~\$3.5 million. The US Treasuries were sold because they were underperforming investments yielding between 0.38% and 1.25%. The funds were reinvested in higher yielding investments. From March to September the credit union had a net loss due to the sale of these Treasuries; however, in October we had a profit of \$224,045. The increase in loan rates plus loan growth and higher yields on investments all attributed to our profitability. Our return on assets ended at 0.19% and our capital remains very strong at 16.03%.

During the year, VISA Platinum credit cardholders received a total of \$205,425 in Cash Back rewards. To reward depositors, we offered various high-rate Term Share Certificate Specials with dividend rates ranging between 4.89% - 5.37% and APY between 5.00% - 5.50%.

LVECU continues to support the local educational community. In 2023 we participated in the Lehigh County Schools Backpack program by donating \$10,000 to each participating school district to assist with providing for their students' educational needs. We also continued our tradition of awarding ten \$1,000 scholarships to local high school and college students who have performed well and have demonstrated a sincere interest in furthering their education. We wish all the scholarship winners success with their future endeavors. In the past 23 years we have awarded \$225,000 in scholarships.

The credit union is fortunate to have a great Staff and a supportive Board. Six Board members have served this credit union on a volunteer basis for over 15 years, and three have served for at least 5 years. Four employees have been here between 5 and 10 years; 4 between 11 and 15 years; 2 between 16 and 20 years; 5 between 20 and 25 years; 2 between 26 and 30 years; 2 between 30 and 35 years; and 1 over 35 years! The Board and Staff members are what make LVECU the best Financial Institution it can be.

Although we anticipated enhancing technology in 2023, not all went as planned. In 2024, credit and debit card conversions are underway with a new vendor, and all new cards will be issued for both products. The new credit cards will include the contactless feature. We are enhancing security within Online banking (e-Tran) and adding Online payment options so members can process payments using another institution's debit card without having to speak with a credit union representative.

2023 was a year of challenges. Interest rates continued to rise through July and inflation continued to be a major concern for many. Economic uncertainty remains; but whatever the economy may bring, your financial well-being remains our focus. Please know that regardless of how large we grow, we will always remain committed to providing the best and most-personalized member service possible. Looking forward to 2024, we, the Board of Directors, the Executive Management Team and the Staff all stand poised and ready to achieve remarkable things.

Thank you for your trust and confidence in us.

William E. Ayers, Ed.D.
President, LVECU Board of Directors

Rosemarie E. Krantz, CCUE, CUSFE
Chief Executive Officer

LVECU

Comparative Financial Statements

BALANCE SHEET		
FOR FISCAL YEARS ENDED DECEMBER 31	2023	2022
ASSETS		
Loans	117,381,220	112,042,481
Less: Allowance for Loan Losses	(865,864)	(1,033,140)
Net Loans	116,515,356	111,009,341
Cash and Investments	284,294,497	279,085,306
Land and Buildings (Net)	4,215,906	4,356,712
Other Fixed Assets (Net)	239,726	408,225
NCUSIF	3,443,276	3,507,397
Other Assets	3,531,011	2,456,780
TOTAL ASSETS	412,239,772	400,823,761
LIABILITIES AND EQUITY		
Current Liabilities	676,705	274,089
Shares	245,633,371	296,833,271
Share Certificates	118,587,494	64,303,839
Undivided Earnings	66,096,628	65,303,996
Unrealized Gain (Loss) on Investments	(17,081,371)	(24,011,120)
Unrecognized Gain (Loss) on Pension	(1,673,055)	(1,880,314)
TOTAL LIABILITIES AND EQUITY	412,239,772	400,823,761
INCOME AND EXPENSES		
Interest from Loans	6,299,097	4,780,861
Income from Investments	7,779,775	4,625,622
Other Income	(1,766,992)	1,611,233
Total Income	12,311,881	11,017,716
Operating Expenses	7,144,464	6,516,219
Income Before Dividends	5,167,417	4,501,497
Dividend Expense	4,374,784	1,398,341
NET INCOME	792,633	3,103,156

2024 Scholarship Winners

Congratulations to this year's recipients!



Ryan Adamson

Ryan is a 2021 graduate of Freedom High School. He's currently attending Penn State University, majoring in Civil Engineering.



Emma Cari

Emma will graduate in 2024 from Emmaus High School. She plans to attend The College of William & Mary, majoring in Marketing.



Cecilia Christ

Cecilia will graduate in 2024 from Emmaus High School. She plans to attend college but is undecided. She submitted 10 applications and has been accepted by all, majors are either Graphic Design or Visual Communications.



Lila Cygan

Lila will graduate in 2024 from Parkland High School. She plans to attend Temple University, majoring in Psychology with a minor in Criminal Justice.



Anna Edwards

Anna will graduate from Allentown Central Catholic High School in 2024. She plans to attend College of the Holy Cross, majoring in Environmental Studies.



Allison Emanuel

Allison is a 2023 graduate of Parkland High School. She's currently attending Penn State University, Berks, majoring in Management with a minor in Agribusiness.



Jadeyn Hagadus

Jadeyn is a 2022 graduate of Allentown Central Catholic High School. She's currently attending West Chester University, majoring in Early Childhood Education.



Brandon Panuccio

Brandon is a 2021 graduate of Bethlehem Catholic High School. He's currently attending Villanova University, majoring in Computer Engineering with a minor in Computer Science and Mathematics.



Gabriel Trexler

Gabriel is a 2021 graduate of Emmaus High School. He's currently attending Geneva College, majoring in Accounting.



Quinn Wittman

Quinn is a 2022 graduate of Salisbury High School. She's currently attending Lehigh Carbon Community College, and plans to transfer to Kutztown University, majoring in Secondary Education with a minor in Special Education.

Core Values

We strive to exceed our members' expectations by...

Leveraging our experience and resources to provide efficient, innovative, and reliable services.

Valuing strong, collaborative relationships with our employees and members.

Educating for financial stability and success.

Communicating clearly and positively.

Understanding and committing to our role as stewards of our members' financial assets.

Allentown Office

3720 Hamilton Boulevard
Allentown, PA 18103

Schnecksville Branch

4031 Independence Drive
Schnecksville, PA 18078



www.lvecu.org

610-820-0145



Federally Insured by NCUA