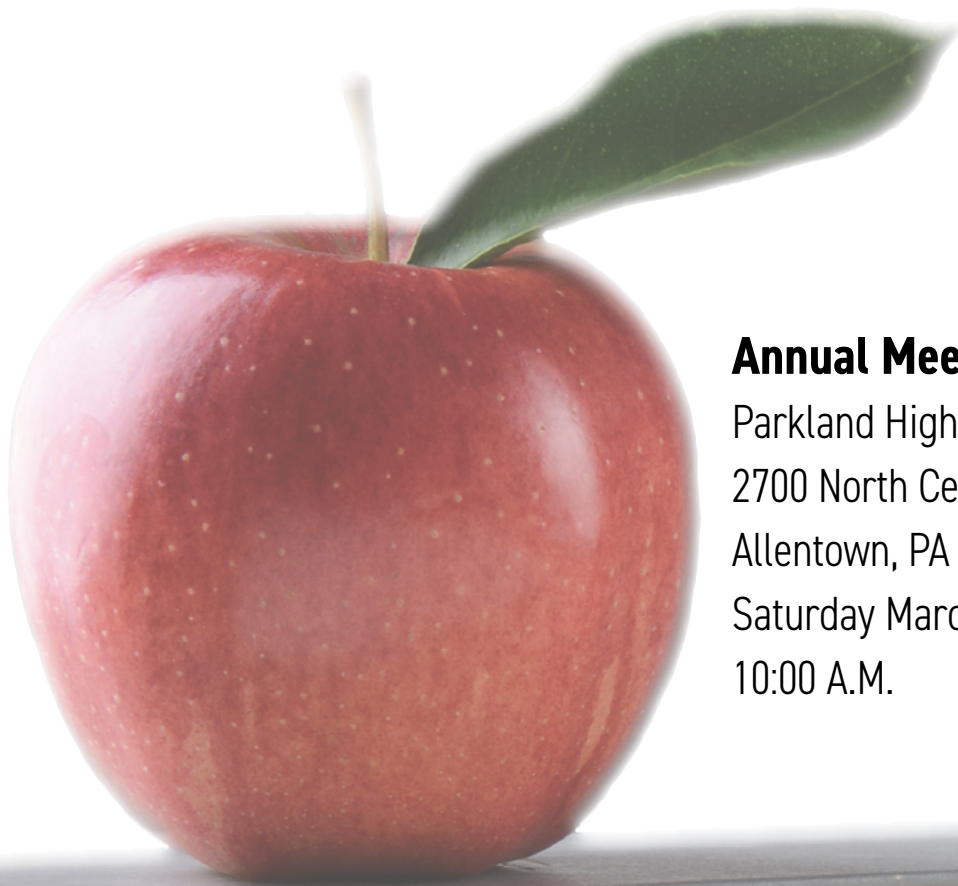


Lehigh Valley Educators Credit Union

2023 Annual Report

Serving educational employees and their families since 1934



Annual Meeting

Parkland High School

2700 North Cedar Crest Boulevard

Allentown, PA

Saturday March 11, 2023

10:00 A.M.



Annual Meeting Agenda

March 11, 2023

- **Welcome**
- **Call to Order**
- **Verification of Quorum**
- **Approval of 2022 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**
- **Guest Presenters**
 - Tiffany Winkle, Protective Services Supervisor
 - Jared J. Hanna, Esq. Senior Deputy District Attorney
- **Good of the Order**
- **Adjournment—Thank you for attending**
- **Breakfast**
- **Drawing for Door Prizes**

Minutes

Of the Annual Meeting of the Lehigh Valley Educators Credit Union

March 12, 2022

Due to the COVID-19 pandemic, the Annual Meeting was held virtually through WebEx.

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 available to the attendees on the credit union's website. A motion to accept the Minutes of the 2021 Annual Meeting was made by Ann Hoff, seconded by Carissa Young. Motion passed.

Chief Executive Officer Rosemarie Krantz thanked the membership and the employees for their support during the COVID-19 pandemic. Due to their support, LVECU was able to serve the members during the pandemic without interruption. CEO Krantz reminded the attendees to secure their personal information in an effort to prevent fraud.

Chief Financial Officer Ronald Houck reviewed the 2021 financial statements and stated the credit union had a Net Income of \$2.3 million during 2021. Operating Expenses decreased during the year and the Provision for Loan Loss required less funding than expected during 2021. This year there was a Net income of 2.3 million dollars while operating expenses went down. The Allowance for Loan Loss account was funded in January 2021 only, no other funding was required during 2021.

Gary Phillips made a motion to accept the Annual Reports. Seconded by Crystal Carr. Motion passed.

Mr. Ayers announced Mr. Houck had retired during February, 2022 and thanked him for his years of service.

Secretary Emert, as Nominating Committee Chairperson, presented the slate of directors who were unopposed. Mr. Ayers instructed Secretary Emert to cast the ballot for the election. William Ayers, Dennis Nemes and Daniel Weaver were elected to the Board for a three-year term.

Old Business: None.

New Business: Daniel Joseph announced the ten Scholarship winners for 2022. The recipients were each awarded \$1,000. Over the last 21 years, over \$200,000 has been distributed to students.

A motion to adjourn the Annual Meeting was made by Sherri Molitoris. The Annual Meeting was adjourned at 10:25 a.m.

Respectfully Submitted,

William Ayers
President

Eugenia Emert
Secretary of Record

Board & Management

Annual Report

As most pandemic issues continue to subside, we are encouraged to be able to regain some of the life experiences we previously enjoyed. Although we cannot let our guard down, it is certainly rewarding to interact with others on a more personal level. After two years of virtual meetings, it is reassuring to be able to meet in person this year to renew acquaintances, share stories and conduct business.

During 2022, the Board and Management engaged the services of a consultant to update the credit union's Strategic Plan. The workshop sessions were very fruitful, and our new plan will help guide credit union operations for the next three years. Our Strategic Plan will help us obtain success by focusing on the important aspects of our operation. The plan will not be static, but will be reviewed and adjusted from time to time to assure it is adequately addressing our operational needs.

The year did not pass without its challenges. Inflation and rising interest rates affected us all. As we look forward to this new year, we know many are still feeling economic uncertainty. Please know that whatever the economy may bring, your financial well-being remains our focus.

Loans, which are the fuel to our profitability, increased significantly in 2022. During the year, we booked over \$14.4 million in loans. During the same period of time shares grew \$12.1 million. Overall, 2022 was a profitable year, ending the year with over \$3.1 million in Net Income. Our return on assets ended at 0.77% and our capital remains very strong at 16.29%.

Our commitment to the local educational community continued in 2022 by participating in the Lehigh County Schools Backpack program. We also continued our tradition of awarding scholarships to local high school and college students who have performed well and have demonstrated a sincere interest in furthering their education. In 2022 we awarded \$1,000 scholarships to ten deserving students.

Technology enhancements will be a major focus in 2023. Teller cash recyclers will be placed at teller stations and in the lobbies. Other additions include: instant issue for debit cards, contactless credit cards, upgraded photocopy machines, check/ID scanners and signature pads. We will also provide the Board of Directors and Executive Management with laptops for remote access. The Allentown office furniture will be replaced, and a fresh coat of paint will be added to the walls.

We look forward to adding additional staff in various areas of the credit union to strengthen our operations and provide improved service to our members, and are poised to surpass the 16,000 mark in memberships and \$115 million in loans in 2023.

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 2023, we the Board of Directors, the Executive Management Team and the staff all stand poised and ready to achieve great 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	2022	2021
ASSETS		
Loans	112,042,481	97,612,349
Less: Allowance for Loan Losses	(1,033,140)	(1,105,370)
Net Loans	111,009,341	96,506,979
Cash and Investments	279,085,306	301,772,796
Land and Buildings (Net)	4,356,712	4,497,518
Other Fixed Assets (Net)	408,225	612,324
NCUSIF	3,507,397	3,262,012
Other Assets	2,456,780	2,047,631
TOTAL ASSETS	400,823,761	408,699,260
LIABILITIES AND EQUITY		
Current Liabilities	274,089	434,846
Shares	296,833,271	288,741,668
Share Certificates	64,303,839	60,271,475
Undivided Earnings	65,303,996	61,570,840
Unrealized Gain (Loss) on Investments	(24,011,120)	(980,658)
Unrecognized Gain (Loss) on Pension	(1,880,314)	(1,968,911)
TOTAL LIABILITIES AND EQUITY	400,823,761	408,069,259
INCOME AND EXPENSES		
Interest from Loans	4,780,861	4,557,774
Income from Investments	4,625,622	3,327,950
Other Income	1,611,233	1,800,392
Total Income	11,017,716	9,686,117
Operating Expenses	6,516,219	6,053,897
Income Before Dividends	4,501,497	3,632,220
Dividend Expense	1,398,341	1,313,703
NET INCOME	3,103,156	2,318,517

2023 Scholarship Winners

Congratulations to this year's recipients!



Eliza Rae Bauder

Eliza will be graduating in 2023 from Marian Catholic High School. She plans to attend West Chester University, majoring in Bachelor of Science Education in Early Grades Preparation with a minor in Mathematics and Dance.



Lauren Bjelobrk

Lauren will be graduating in 2023 from Notre Dame High School. She plans to attend Susquehanna University, majoring in Business Administration/Political Science with a minor in Criminal Justice.



Celeste Yunez-Cosme

Celeste will be graduating in 2023 from Whitehall High School. She plans to attend DeSales University as a Physician Assistant major.



Meghan Cowen

Meghan is a 2020 graduate of Allentown Central Catholic. She is currently attending University of Bridgeport in Connecticut, majoring in Biology with a minor in Psychology.



Cayden Fitch

Cayden will be graduating in 2023 from Northwestern Lehigh High School. He plans to attend Penn State Berks Campus, majoring in Mechanical Engineering.



Samuel Graybeal

Samuel is a 2021 graduate of Liberty High School. He is currently attending Lebanon Valley College, majoring in Exercise Science/Doctor of Physical Therapy.



Andrew Hill

Andrew will be graduating in 2023 from Parkland High School. He plans to attend University of Pittsburgh, majoring in Environmental Science with a minor in Political Science.



Gabriel Krem

Gabriel is a 2022 graduate of Emmaus High School. He is currently attending Wilkes University, majoring in Pharmacy.



Marcus Moreef

Marcus will be graduating in 2023 from Parkland High School. He plans to attend York College of PA, majoring in Engineering.



Noah Moreef

Noah is a 2020 graduate of Parkland High School. He is currently attending Temple University, majoring in Finance with a minor in Economics.

Upcoming Promotions & Events

Promotions

- Home Equity Loans
- Home Mortgage Loans
- Refer-A-Member
- VISA® Travel Money Cards
- New & Used Auto loans
- Personal Loans

Events

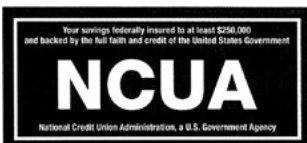
- National Credit Union Youth Month
- Annual Shred Day
- Summer Reading Program
- International Credit Union Day
- Holiday Open House
- Kirby Kangaroo Christmas Party

Allentown Office

3720 Hamilton Boulevard
Allentown, PA 18103

Schnecksville Branch

4031 Independence Drive
Schnecksville, PA 18078



www.lvecu.org

