

Lehigh Valley Educators



**LVECU**  
Credit Union

# LVECU Annual Report

MARCH 13, 2021

## Board & Management Annual Report

The year 2020 was unlike any other in our existence. Amid the challenges of the pandemic, political and social unrest and economic uncertainty, LVECU has remained strong. During the year we made changes to our operations in order to provide for the safety of our staff and our members.

LVECU employees contacted members to see how they were doing and to let them know we were available to assist them with their financial matters. We offered loan forbearances, loan refinances for lower interest rates and lower payments, waived certificate redemption penalties for partial or early withdrawals, waived fees and removed online transfer restrictions. Employees adjusted to the new method of conducting business and strived to accomplish tasks without members visiting an office.

Strategic planning is very important for any organization, especially during trying times such as these. We developed a plan which we continue to revisit and monitor in an effort to ensure success. Our priorities and values remain the same, but the processes and procedures for attaining them change from time to time.

The VISA balance transfer promotion was offered again to assist members with paying off high interest credit cards. We introduced the CardValet app for monitoring debit card transactions and reminded members we offer transaction monitoring for credit card transactions as well by accessing the SecurLock app. LVECU entered the social media space by adding a Facebook page for member notifications and credit union updates. We continue to support the ASD Homeless Shelter. In 2021 we are revamping our school donations by participating in the Lehigh County Schools Backpack program and working with the district foundations. We will also be adding contactless cards to both our credit and debit cards. Cybersecurity is a major focus and your credit union partnered with a cybersecurity vendor as an added layer of protection and monitoring. The LVECU staff is focused on protecting member assets from scammers. If we ask additional questions when processing an unusual transaction, please do not take offense to our questions, we are only trying to protect your funds.

LVECU continues to offer competitive rates on shares and loans while keeping operational costs low.

One of our important and significant outreach programs is the awarding of scholarships to local high school and college students who have performed well and have demonstrated a sincere interest in furthering their education. In 2020 we awarded \$10,000 to students.

We extend a special thanks to the Board of Directors, management and staff for their support, dedication, and vision. Most of all, we wish to express sincere appreciation to the members who place not only their money, but also their confidence in LVECU. Your money is safe at LVECU. We have a consistent and stable financial history. Your savings are insured up to \$250,000 by the National Credit Union Administration.

Together we have lived through a difficult time and have risen to meet the challenges. As we move into 2021, more understanding, patience and dedication are required of us all.

Our history informs our future, our stability fuels our progress.

**William E. Ayers, Ed.D.**  
PRESIDENT, LVECU BOARD OF DIRECTORS

**Rosemarie E. Krantz, CCUE, CUSFE**  
CHIEF EXECUTIVE OFFICER, LVECU



JUNE 3, 2020

## Minutes of the Annual Meeting of the Lehigh Valley Educators Credit Union

DUE TO THE COVID-19 PANDEMIC, THE ANNUAL MEETING WAS HELD VIA CONFERENCE CALL.

President William Ayers called the meeting to order at 10:01AM. Chief Lending Officer Marie Rhoda conducted a roll call of all attendees. 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 2019 Annual Meeting was made by Gary Phillips, seconded by Dennis Nemes. Motion passed.

Mr. Ayers reviewed the highlights of the Board of Directors Annual Report and the Chief Executive Officer's Annual Report. Both reports stated a bonus dividend would be paid during 2020 for 2019. Chief Financial Officer Ronald Houck reviewed the 2019 financial statements and emphasized Capital is strong.

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

A motion to accept the reports was made by Daniel Joseph and seconded by Daniel Weaver. Motion passed.

**Old Business:** None.

**New Business:** Daniel Joseph announced the ten Scholarship winners for 2020. The recipients were each given \$1,000. Over the last 19 years, \$185,000 has been awarded to students.

A motion to adjourn the Annual Meeting was made by Gary Phillips. The Annual Meeting was adjourned at 10:21AM.

Respectfully Submitted,

---

**William Ayers**  
PRESIDENT

---

**Eugenia Emert**  
SECRETARY OF RECORD



## LVECU Comparative Financial Statements

| <b>BALANCE SHEET</b>                                   |                    |                    |
|--|--------------------|--------------------|
| <b>FOR FISCAL YEARS ENDED DECEMBER 31<sup>ST</sup></b> | <b>2020</b>        | <b>2019</b>        |
| <b>ASSETS</b>  |                    |                    |
| Loans  | 96,762,986         | 100,058,743        |
| Less: Allowance for Loan Losses                        | (1,233,268)        | (870,297)          |
| Net Loans  | 95,529,718         | 99,188,446         |
| Cash and Investments                                   | 272,056,869        | 215,612,142        |
| Land and Buildings (Net)                               | 4,638,324          | 4,779,130          |
| Other Fixed Assets (Net)                               | 806,955            | 903,884            |
| NCUSIF   | 2,928,194          | 2,600,699          |
| Other Assets   | 1,185,406          | 1,193,373          |
| <b>TOTAL ASSETS</b>                                    | <b>377,145,465</b> | <b>324,277,674</b> |
| <b>LIABILITIES AND EQUITY</b>                          |                    |                    |
| Current Liabilities                                    | 1,319,839          | 1,578,300          |
| Shares   | 248,410,968        | 203,338,086        |
| Share Certificates                                     | 66,788,594         | 62,720,610         |
| Regular Reserves                                       | 3,497,010          | 3,497,010          |
| Undivided Earnings                                     | 56,385,314         | 54,206,155         |
| Unrealized Gain (Loss) on Investments                  | 3,413,505          | 1,290,842          |
| Unrecognized Gain (Loss) on Investments                | (2,669,765)        | (2,353,329)        |
| <b>TOTAL LIABILITIES AND EQUITY</b>                    | <b>377,145,465</b> | <b>324,277,674</b> |
| <b>INCOME AND EXPENSES</b>                             |                    |                    |
| Interest from Loans                                    | 4,840,829          | 4,926,668          |
| Income from Investments                                | 4,162,539          | 4,841,138          |
| Other Income   | 1,260,509          | 1,329,679          |
| Total Income   | 10,263,876         | 11,097,485         |
| Operating Expenses                                     | 6,367,482          | 6,442,966          |
| Income Before Dividends                                | 3,896,394          | 4,654,519          |
| Dividend Expense                                       | 1,717,235          | 2,174,094          |
| <b>NET INCOME</b>                                      | <b>2,179,159</b>   | <b>2,480,425</b>   |



LVECU  
**Annual Report**

MARCH 13, 2021