

Fiscal Year Ending 2013 Annual Report



Evening Program

<i>Welcome/Invocation</i>	Stacy Lipskoch
<i>Dinner Buffet</i>	The Diamond Room
<i>Call to Order/Determine Quorum</i>	Sherry Adams
<i>Approval of Minutes</i>	Sherry Adams
<i>Chairman's Report</i>	Sherry Adams
<i>President's Report</i>	Steve Wansing
<i>Nominating Committee Report</i>	Jeff Whitaker
<i>Unfinished Business</i>	Sherry Adams
<i>New Business</i>	Sherry Adams
<i>Scholarship Presentation</i>	Stacy Lipskoch
<i>Entertainment</i>	Stacy Lipskoch
<i>Silent Auction Results</i>	Anita Cooke
<i>Door Prizes</i>	Stacy Lipskoch
<i>Adjournment</i>	

Annual Meeting Minutes 2013

**Educational Community Credit Union
75th Annual Meeting
Bass Pro White River Conference Center
March 19, 2013 @ 7:00 PM**

Elected Officials in attendance: Sherry Adams, Rusty Aton, Judith Banks, John Catau, C. Edward Chang, Marline Faherty, Frank Gonzales, Richard Henson, Katherine Marler, Craig Smith, Steve Verheyen, Lon Waterman, and Kathy Wilken.

Staff in attendance: Peter Anderson, Anita Cooke, Leslie Cook, Crystal Correll, Anita Grogan-Dixon, Joshua Dolen, Vicki Fosmo, Lori Goff, Stacy Lipskoch, and Steve Wansing.

The meeting was called to order at 7:45PM by Sherry Adams. The 156 members present were adequate to constitute a quorum for the conduct of business. Motion was made to approve the Annual Meeting Minutes of 2012 (John Catau, Judy Banks). Motion Approved.

Sherry Adams referred the Chairperson's Report as contained in the Annual Membership Report on page #5. Sherry noted that this was ECCU's Diamond Anniversary for providing service to the educational community (members). She further noted that her 30 plus years as a credit union member started with a simple act. She was referred by another member to open an account and from their first camper loan till today her family has enjoyed a fond lifetime as an ECCU member.

Steve Wansing highlighted several items from the President's Report as contained on page #6. ECCU has been helping its members for over 75 years. As with other financial institutions we are experiencing record low interest rates returns on loans and investments resulting in low dividends on savings and certificates. The credit union ended 2012 in excellent operational and financial health. There continues to be an influx of Assets for fiscal year ending 2012. Our current asset level is on target at \$52,747,750. With new Ozark Office opening our coverage of the Highway 65 corridor and surrounding communities has greatly improved. Finally, Steve thanked our great members, the volunteer officials, and all staff for ECCU's success over the past 75 years.

Richard Henson presented the Nominating Committee's report. The following candidates were re-elected to 3 year terms on the board of Directors: Rusty Aton, Lon Waterman, and Jeff Whitaker. The following candidates were elected to 3 year terms on the Supervisory Committee: Katherine Marler and Steve Verheyen.

There was no unfinished business.
There was no new business.

Scholarship recipients were introduced Serena Chang and Lydia Chavez. A follow up thank was received from the Grandmother of 2012 scholarship recipient Ayla Parham.

A trivia game was played between tables with door prize drawings immediately following.

Meeting Adjourned at 8:47 PM.

Respectfully submitted,
Richard L. Henson, Secretary

Message from the Chairman

To all Members of Education Community Credit Union:

On behalf of all elected volunteers, which include 9 Board of Director Members and 5 Supervisory Committee Members, I extend a big WELCOME as we celebrate our 76th Annual Business Meeting. Thank you for choosing to share this evening as a group of the best members any credit union could expect to serve.

Educational Community Credit Union has completed another successful year. As our economy continues to fluctuate, ECCU continues to search for ways to enhance services for our members. Two successful auto loan campaigns were completed in 2013, and we continue to look for opportunities to make loans at reasonable rates for our great members. Just a quick reminder if you are looking for a loan, give ECCU an opportunity to see how we can assist you. WE HAVE MONEY TO LOAN!

The Board was excited for the opportunity to partner with Kennedy Financial Services in an effort to bring our members the opportunity to meet with a reputable financial partner to assist in making solid financial plans for the future. You can schedule a session by contacting an Educational Community Credit Union staff member.

It has been a privilege to work with one of the most dedicated Board of Directors and Supervisory Committee members that can be found anywhere. I appreciate Educational Community Credit Union's hard working staff and thank them for all their dedication

Financial Peace To All,



Sherry Adams, Chairperson

ECCU Board of Directors



Message from the President

To All Members, Officials, and Staff of Educational Community Credit Union:

In prior years I have spoken about various events as the stock market, the economy, regulations, or disasters that have occurred and are impacting Educational Community Credit Union's (ECCU). Like our members we do not operate in a vacuum and have been negatively impacted by several events in 2013, most notably the Federal Government's inability to resolve its own budget crisis and subsequent debt ceiling increases. Those shortcomings raised the 10 year rate and hurt our investment returns.

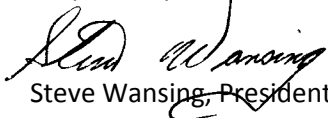
ECCU does not operate in a vacuum, and we were impacted by losses experienced by other credit unions. The National Credit Union Share Insurance Fund (NCUSIF) insures over 95% of the approximate 7500 credit unions nationwide. NCUSIF assesses fees to support its insurance fund. Any losses are prorated over the remaining healthy institutions. Our fee assessment in 2009 was \$45,204, 2010 - \$126,650, 2011 - \$105,078, 2012 - \$44,428, 2013 - \$38,901 (approximately \$360,000).

Currently we do not have the ability in this low income environment to easily offset such expenses and maintain high reserve levels. Therefore, in December 2013, the ECCU Board approved Kennedy Financial Services (an outside entity) to assist members with additional investment options. ECCU is a small financial institution in the marketplace and that is just fine. Because being small allows us the ability to be more personal and connotative to each member's situation and to provide individual solutions. Yes we continue to promote convenience through Mobile Banking, Shared Branching, Internet Access, Bill Pay, and ATM's but personal service is a part of that overall picture. Please remember to fully protect all your electronic devices and passwords.

ECCU ended 2013 in good operational and financial health. Our assets grew to \$54,800,365, an increase of \$2,052,615 or 3.89%. Our member savings balances grew to \$50,853,765 an increase of \$3,551,939 or 7.51%. The total average savings per member improved in 2013 to \$6,920, compared to 2012 of \$6,411. ECCU's loans outstanding increased drastically starting with a March car promotion that was extended through year-end. The result was that net loans for the year grew \$3,204,113 (almost matching savings growth) or 16.83% compared to a \$200,740 or 1.07% growth in 2012. Excess funds at ECCU do not remain idle, they are invested in bank or government guaranteed investments. However, investment rates in these securities have continued to drop each year for the past 5 years and as investment's mature they can only be reinvested at lower rates. Our goal this year is similar to last year, specifically make more car loans. The above new and used car promotion generated 456 loans totaling \$6,167,770. So check with us before going to car hunt and I think you will be pleasantly surprised with the risk-based loan rates (based on Credit Bureau rating), and our meet or beat loan rates we are currently offering.

I would like to thank all members who utilized our services. I hope we have earned your trust and loyalty in the coming year. I would like to thank ECCU's elected officials for their hard work this past year. Finally and most importantly I would like to thank all staff for their hard work in providing our members with timely and professional services during this past year.

Respectfully submitted,


Steve Wansing, President



Statement of Financial Condition

Year Ending December 31, 2013

Statement of Income & Expense

Income

Interest-Personal Loans	1,065,013
Investment income	630,917
Other Income	423,729
Total Operating Income	\$ 2,119,658

Expenses

Compensation & Benefits	973,514
Travel & Conference	4,813
Association Dues	23,960
Office Occupancy	104,665
Office Operations	347,270
Education & Promotion	103,088
Loan Servicing	112,771
Professional & Outside Ser.	196,886
Provision for Loan Losses	30,024
Credit Union Member Ins.	(45,535)
All Other Expenses	34,722
Total Operating Expense	\$ 1,886,179
Net Operating Income	\$ 233,479

Cost of Funds

Dividends Paid to Members	169,426
NCUA Share Insurance Premium	105,078
Extra-Ordinary Gain/(Loss)	136,059
Net Income (Loss)	\$ 95,034

Balance Sheet

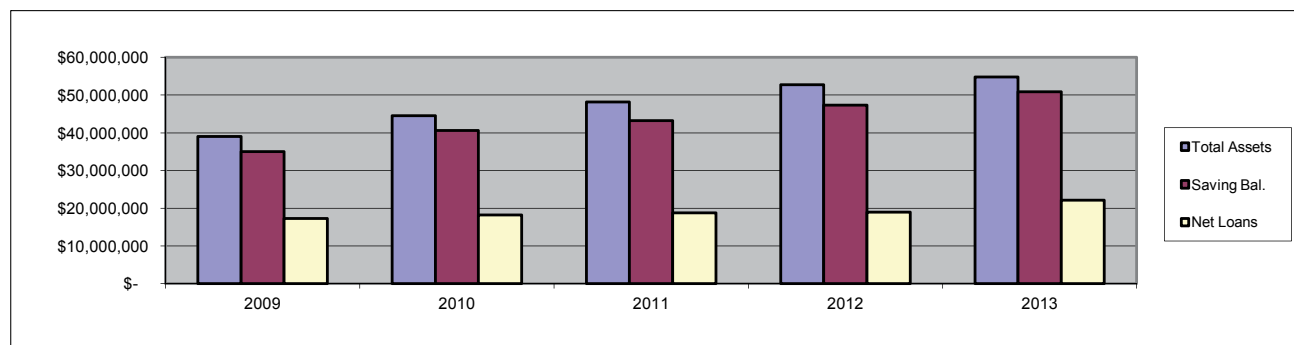
Assets

Loans (Net)	22,131,787
Cash on Hand & in Bank	945,368
Invested Funds	28,543,909
Furniture & Equipment (Net)	239,316
Buildings (Net)	1,619,143
Land (Book Value)	460,800
Other Assets & Receivables	860,042
Total Assets	\$ 54,800,365

Liabilities & Member Equity

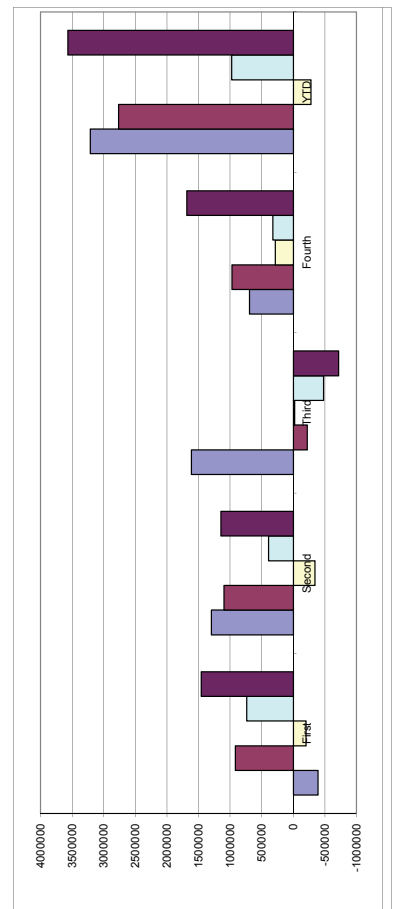
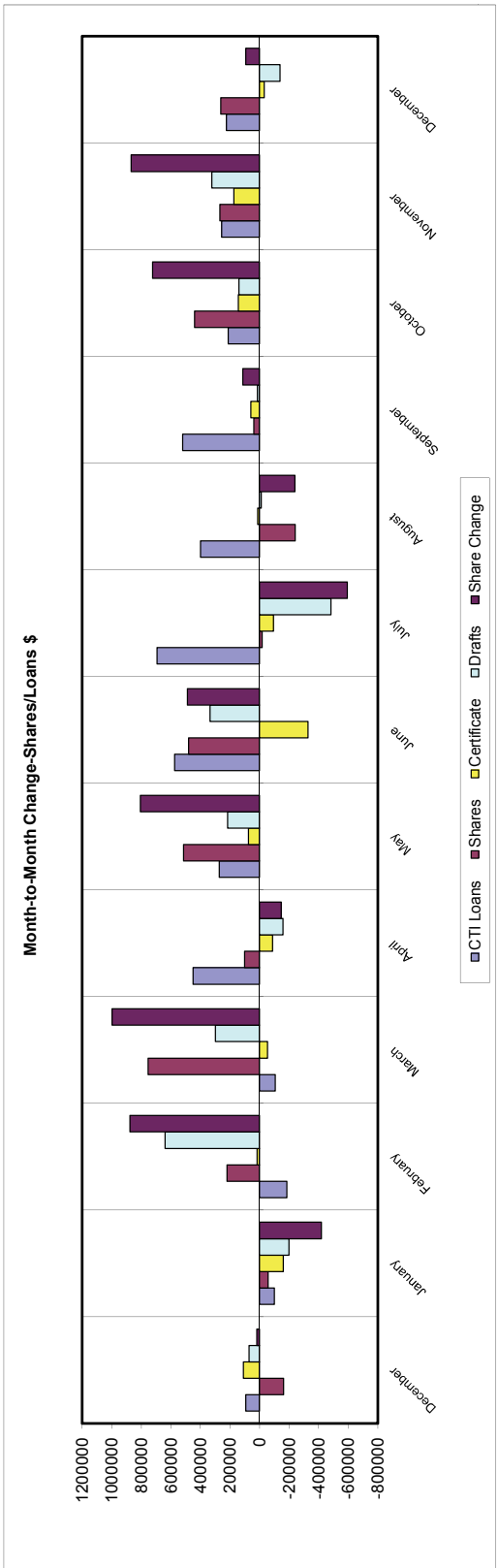
Accounts/Notes Payable	136,170
Accrued Expenses	171,530
Total Liabilities	\$ 307,700
Member Shares	26,283,014
Member Certificates	12,395,791
Money Market Accounts	3,414,263
Checking Accounts	7,425,396
Other Deposits	1,335,300
Total Member Deposits	\$ 50,853,765
Regular Reserves	934,165
Undivided Earnings	2,704,736
Total Member Equity	\$ 3,638,901
Total Liability & Equity	\$ 54,800,365

	2009	2010	2011	2012	2013
Total Assets \$	39,040,709	44,498,053	48,184,848	52,742,013	54,800,365
Saving Bal. \$	35,052,866	40,602,103	43,243,059	47,313,741	50,853,765
Net Loans \$	17,272,406	18,241,361	18,723,246	18,926,519	22,131,787



Educational Community Credit Union Monthly/Quarterly Net Changes in Shares/Loans - 2013

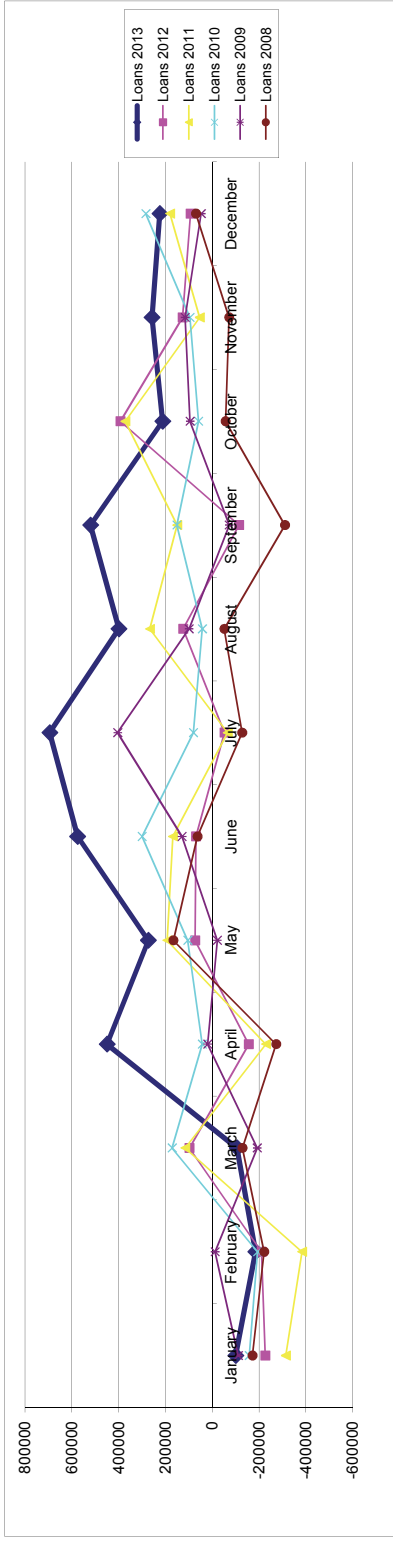
	December	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Net \$ Change	92,578.36	(100,395.57)	(185,143.98)	(106,148.31)	449,447.37	273,109.38	575,417.01	694,545.13	398,851.94	520,117.28	211,746.74	257,371.23	224,262.49	\$ 3,213,181
CTI Loans	(162,106.18)	(57,611.44)	220,675.40	753,679.24	102,024.88	514,776.10	480,309.00	(17,357.22)	(240,974.27)	38,298.31	440,131.58	269,208.51	263,455.87	\$ 2,766,616
Shares	110,247.40	(161,356.59)	16,552.17	(54,547.63)	(88,778.45)	75,678.10	(328,513.40)	(93,300.08)	13,445.10	58,962.73	143,662.88	173,769.17	(32,408.51)	\$ (276,935)
Certificate	70,523.54	(199,800.49)	639,070.76	298,368.91	(159,208.42)	215,366.47	335,783.08	(482,976.79)	(10,623.09)	15,526.37	140,660.52	322,153.43	(137,530.23)	\$ 976,791
Share Change	18,664.76	(418,768.52)	876,296.33	997,500.52	(145,961.99)	805,820.67	487,578.68	(593,634.09)	(238,152.26)	112,787.41	724,354.61	869,055.93	93,517.13	\$ 3,570,396
Net Cash Flow	(73,913.60)	(318,372.95)	1,061,442.31	1,103,648.83	(595,409.36)	532,711.29	(87,638.33)	(1,288,179.22)	(637,004.20)	(407,329.87)	512,607.87	611,684.70	(130,745.36)	\$ 357,216



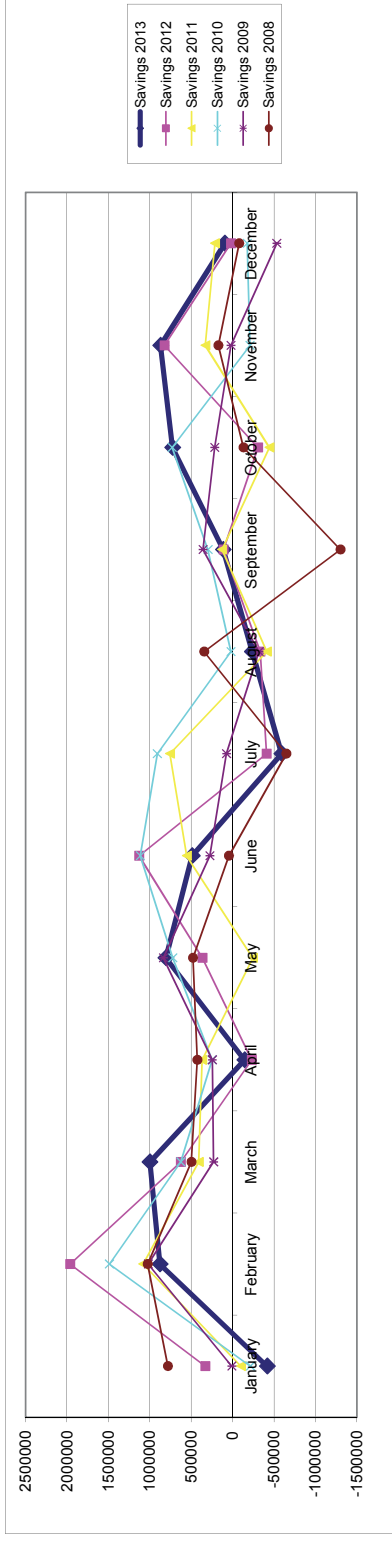
	Quarter First	Quarter Second	Quarter Third	Quarter Fourth	Summary YTD
Net \$ Change	92,578.36	(100,395.57)	(185,143.98)	(106,148.31)	449,447.37
CTI Loans	(162,106.18)	(57,611.44)	220,675.40	753,679.24	1,024,247.26
Shares	110,247.40	(161,356.59)	16,552.17	(54,547.63)	(88,778.45)
Certificate	70,523.54	(199,800.49)	639,070.76	298,368.91	(159,208.42)
Drafts	18,664.76	(418,768.52)	876,296.33	997,500.52	(145,961.99)
Share Change	1,455,050	1,147,437	(718,999)	1,686,928	3,570,396
Net Cash Flow \$	1,846,718	(150,536)	(2,332,513)	993,547	357,216



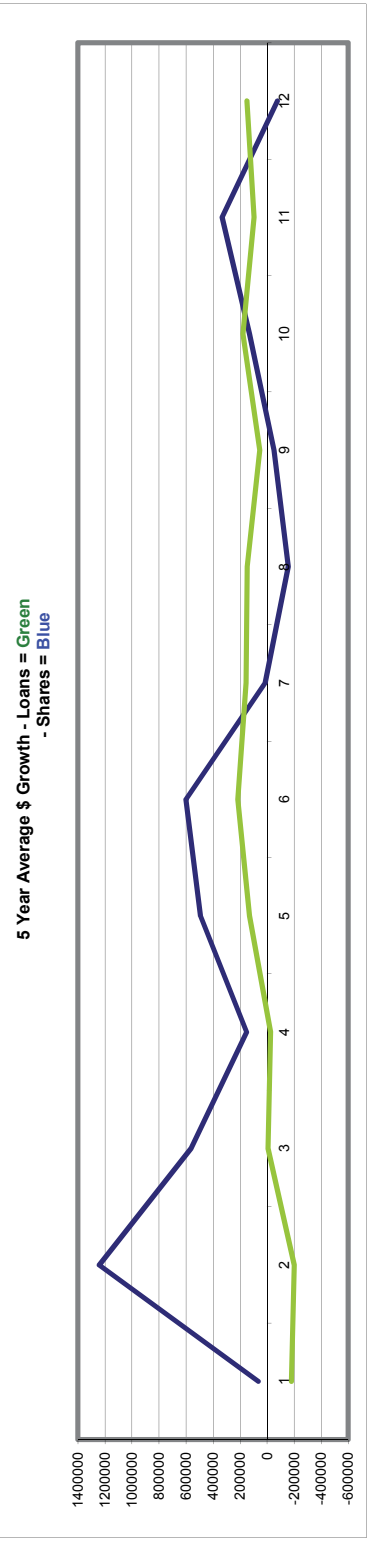
Educational Community Credit Union Monthly Net Changes - All Loans (excluding Student Loans)



Monthly Net Changes - All Shares



	January	February	March	April	May	June	July	August	September	October	November	December
Loans (Ave)	(180,327)	(201,234)	(7,069)	(24,501)	131,246	217,560	155,612	146,634	54,088	178,801	96,231	149,661
Shares (Ave)	64,456	1,241,495	563,767	151,463	494,202	600,671	14,664	(157,141)	(49,828)	131,508	333,691	(76,870)
Share Increase	244,782	1,442,729	570,835	175,964	362,956	383,111	(140,948)	(303,775)	(103,916)	(47,292)	237,460	(226,531)



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*APR = Annual Percentage Rate. Rates vary with term and credit history. Subject to change or cancellation at any time. Certain restrictions and conditions apply. Subject to credit approval. Requirements for membership eligibility apply. All standard ECCU loan policies apply. Rates valid with new and used vehicles.



2014 Election Results

The following were elected to serve three year terms on the Board of Directors:



Jeff Barber

Jeff has been a lifelong member of a credit union and an ECCU member since 1993. He believes credit unions offer a true 'local option' to the community and would like to help find ways to assist ECCU to remain relevant, competitive and accessible for the next generation. He has been a registered architect since 1998 and has been a Rountree Neighborhood Board member and past president. Jeff's background in architecture, planning and community visioning can offer a unique advantage to helping ECCU develop for the future.



Greg Chronister

Currently employed as a Senior Manager of Implementation Services with Jack Henry & Associates, Greg has been with them for 20 years and tries to live by the company motto of "Do the right thing, do whatever it takes, and have fun!" He has been a southwest Missouri native his whole life, living the last 19 years in the Ozark area where both of his kids attended school, K-12.



Craig Morgan

Craig is currently employed by Jack Henry & Associates, Inc., where he works as Senior Corporate Counsel and will complete his 10th year in September. He has a B.A. in Biology from Drury University and earned his J.D. from the Washington University in St. Louis School of Law. Craig has broad business experience from working at a large company and regularly works with credit unions across the country in negotiating agreements for software and services that serve the financial services industry.



The following was elected to serve a three year term on the Supervisory Committee:



Chris Bauman

Chris has lived in Ozark for 11 years. He has been in education for 17 years and has worked for the Ozark School District for 13 years. He is currently the Executive Director of Operations for Ozark School District. Chris has been married for 25 years to his wife, Gisele, and has three children; Drake, Paige and Sophie. He is also retired from the Army National Guard after serving 22 years. He would like to become more involved with ECCU especially with the new Ozark office and expansions into other locations to benefit current and future members.

2013 - 2014 Volunteers

Board of Directors

Sherry Adams, Chairperson
Rusty Aton
Judith Banks
John Catau
C. Edward Chang
Richard Henson
David Martin
Lon Waterman
Jeff Whitaker

Supervisory Committee

Fred Maxwell, Chairperson
Katherine Marler
Frank Gonzales
Steve Verheyen
Kathy Wilken

Scholarship Winners



Mason Priest

Mason is graduating from Greenwood Laboratories and plans to major in the field of Engineering and Math. His teachers describe him as an excellent student with a strong desire to succeed. In addition to his many academic accomplishments, Mason is a student committed to his school and community. He participates in a variety of extracurricular activities including cross country, basketball, Fellowship of Christian Athletes, and National Honor Society. He possesses the drive to succeed academically and the ability to stand out as a leader amongst his peers.



JonPaul Dean

JonPaul is graduating from Branson High School and plans to major in the field of Music Education at Missouri State University. He is active in the Symphonic Band, Jazz Bands, Pep Band and Orchestra Pits. His teachers describe him as always having a "can do" attitude. He goes above and beyond the call of duty and makes sure every task is done. He is enthusiastic, outgoing, mature, and has high moral standards. He is an outstanding student with leadership potential.



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