



**We're your credit union**

for all who live, work, worship or attend school in Ashland, Coshocton, Delaware, Holmes, Knox, Licking, Morrow and Richland counties in Ohio

**Annual Report for CES Credit Union**  
Fiscal Year of July 1, 2020 to June 30, 2021

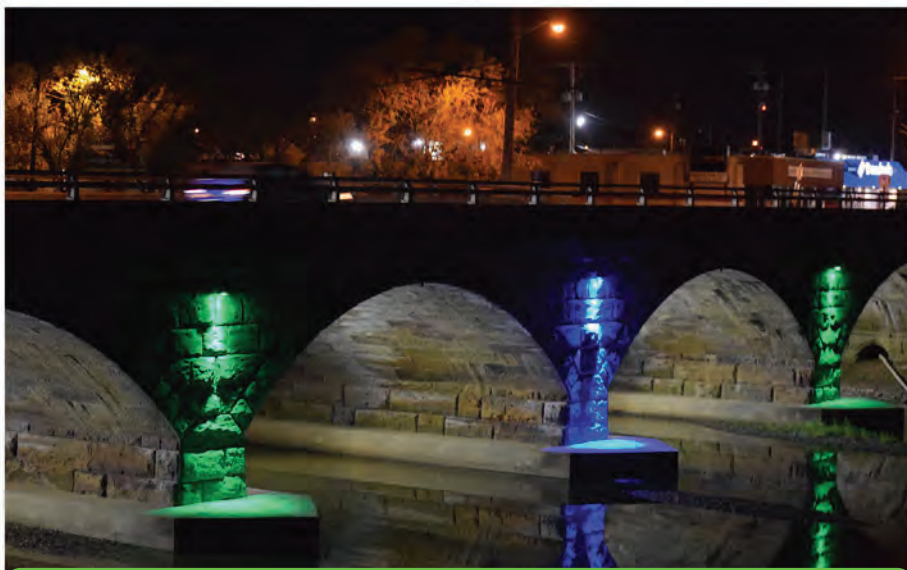


## Annual Meeting for CES Credit Union

Monday September 27, 2021 | 7:00pm | Virtual

### Agenda for the Annual Meeting

- Call to order
- Determination of a Quorum
- Election of members to Board of Directors (by Acclamation)
- Roll Call of Directors
- Reading of the Minutes of  
September 28, 2020 (Virtual) Meeting
- Meeting Reports:
  - Treasurer: Matthew Kurtz
  - CEO: Sandy Coffing
  - Board of Directors: Jeff Wells
- Unfinished Business
- New Business
- Adjournment



For a week in early September, marking the anniversary of the founding of CES Credit Union, the landmark bridges in Mount Vernon glowed in the CES corporate colors to honor the support given to CES by the community, volunteers and employees.

## Minutes from CES Credit Union's Annual Meeting | September 28, 2020

CES Credit Union, Inc. held a Virtual Annual Meeting (due to pandemic conditions) on September 28, 2020 at 7:00pm. This was the 68th Annual Meeting. Minutes of the meeting are as follows:

1. Call to order by CES Credit Union by Jeff Wells, President of the Board of Directors
2. There were 92 members present; well within the requirement for a quorum.
3. Teresa Bemiller and Jason Booth were the candidates for the Board of Directors that were elected by acclamation. Open seat would be filled at a later date.
4. Jeff Wells introduced the Board of Directors.
5. By acclamation, a motion was approved to dispense with the reading of the 2019 Minutes.
6. CES Credit Union Treasurer, Jon Porterfield, presented his report.
7. CES Credit Union CEO, Sandy Coffing, presented her report. She highlighted several financial achievements and also thanked the Board and employees for their support and positive attitude during the pandemic. She also specifically noted the cooperation and continued patronage of CES members and the community as a highlight of the year.
8. CES Credit Union Chairman of the Board, Jeff Wells, also presented his report outlining the continued success of the credit union to serve the communities in our market area.
9. There was no unfinished business.
10. With no further business, a motion was made by Matthew Kurtz and seconded by Larry Hatton to adjourn.

## The CES Credit Union Mission Statement:

CES Credit Union is dedicated to the financial success of our members and the communities we serve.



In a nod to our past, we posted photos from the Loudonville Flxible Bus Parade on the CES Credit Union Facebook page. This one-of-a-kind parade showcases the buses made in factories in Delaware and Loudonville. The credit union operated inside these plants for several years in the 1980's and 1990's. Flxible ceased bus production in 1995.

## Welcome from the Chair of the Board of Directors of CES Credit Union

September 27, 2021

To All CES Credit Union Members

Welcome to the 2021, and once again, a Virtual CES Credit Union Annual Meeting!

I was truly hoping that by now, we would have all these pandemic issues behind us, and we could gather in person, and I thought we were almost there but it's probably better to err on the side of caution. I miss not being able to mingle and talk with my old friends, and members as we have in the past. Maybe next year!

Although in some ways it seems we're somewhat at the same place we were last year due to the pandemic, your credit union has done anything but remain unchanged. In this report, you are going to hear about all the good things that have been going on behind the scenes. Much of the new initiatives, and accomplishments we've had are the direct result from the loyalty of our members.

When the shutdowns and restrictions were announced last year regarding working, shopping, travelling, attending events, and availability of goods and services, I wasn't sure what to expect. What we saw here at CES was continued strong performance in keeping delinquency extremely low, growth in shares and draft accounts, and loan growth. To me, that shows very strong member loyalty, which is what provides us the ability to continue to bring more, and better products and services to you.

The CES Credit Union staff and your Board of Directors, are working hard to position your credit union for the future. We know what we are going through, at the present time, is temporary and we need to be ready for when things really get rolling again. We can tell our members are doing the same by the way they are managing their finances. I hope you will find the advances we are making to be complimentary to your financial needs. As always, if there are products and services you think we should be offering to you that we are not, or could be doing better, be sure to let us know. Our best opportunity to improve what we do for our members, is what you share with us.

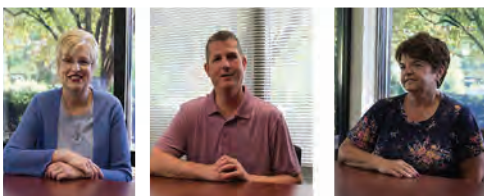
Thanks for Your Continued Support

Sincerely Yours

Jeff Wells | Chairman, CES Credit Union Board of Directors



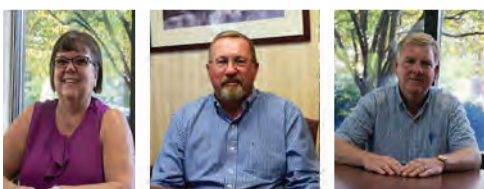
### The CES Credit Union Board of Directors:



**Teresa Bemiller** | Board Secretary | Knox County (OH) Commissioner | Mount Vernon, OH  
**Jason Booth** | County Administrator, Knox County | Mount Vernon, OH  
**Kim Fearn** | Retired, Siemens | Fredericktown, OH



**Candice Gallagher** | Fredericktown School Board and Retired Educator | Fredericktown, OH  
**Larry Hatton** | Retired, Director of Emergency Management  
and Homeland Security, Knox County | Mount Vernon, OH  
**Matthew Kurtz** | Board Treasurer | Director, Job and Family Services, Knox County | Fredericktown, OH



**Margaret Ann Ruhl** | Board Vice Chair | Retired, Ohio Senate  
and Ohio House of Representatives | Fredericktown, OH  
**George Warden** | Small Business Owner | Delaware, OH  
**Jeff Wells** | Board Chair | Retired, Siemens | Mount Vernon, OH

The Board of Directors Board ensures the finances of the credit union are handled properly; approves and monitors the annual budget; ensures compliance with applicable legislation; establishes and monitors financial policies and practices. This is a volunteer (uncompensated) position and is critical to the success of the financial cooperative.



## Asset and Liability Statement for Fiscal Year 2020-2021

(Fiscal Year runs from July 1 to June 30)

	June 2021	June 2020	June 2019	June 2018	June 2017
<b>ASSETS</b>					
Cash and Cash Equivalents	\$15,978,369	\$14,188,700	\$10,469,088	\$13,549,076	\$10,417,362
Investments	\$78,377,200	\$58,363,200	\$46,089,200	\$45,536,455	\$52,741,682
Loans to Members - less allowance for loan losses	\$89,590,284	\$84,386,817	\$84,209,520	\$81,010,081	\$69,326,238
Other Real Estate Owned	\$-	\$-	\$-	\$-	\$-
Property and Equipment - Net	\$2,146,664	\$2,260,574	\$2,317,210	\$2,429,567	\$2,501,429
Other Assets	\$7,130,049	\$4,812,106	\$4,707,647	\$2,766,787	\$2,961,716
<b>Total Assets</b>	<b>\$193,222,566</b>	<b>\$164,011,397</b>	<b>\$147,792,665</b>	<b>\$145,291,966</b>	<b>\$137,948,427</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>					
Member Share Accounts	\$173,913,768	\$146,163,545	\$131,900,003	\$131,468,663	\$125,549,848
Notes Payable	\$-	\$-	\$-	\$-	\$-
Accounts Payable and Accrued Liabilities	\$787,353	\$697,431	\$590,891	\$551,584	\$580,982
<b>Total Liabilities</b>	<b>\$174,701,121</b>	<b>\$146,860,976</b>	<b>\$132,490,894</b>	<b>\$132,020,247</b>	<b>\$126,130,830</b>
Statutory Reserve	\$2,102,834	\$2,102,834	\$2,102,834	\$2,102,834	\$2,102,834
Undivided Earnings	\$16,418,611	\$15,047,587	\$13,198,937	\$11,093,320	\$9,673,292
Unrealized Gain on Investments	\$-	\$-	\$-	\$75,565	\$41,471
<b>Total Members' Equity</b>	<b>\$18,521,445</b>	<b>\$17,150,421</b>	<b>\$15,301,771</b>	<b>\$13,271,719</b>	<b>\$11,817,597</b>
<b>Total Liabilities and Members' Equity</b>	<b>\$193,222,566</b>	<b>\$164,011,397</b>	<b>\$147,792,665</b>	<b>\$145,291,966</b>	<b>\$137,948,427</b>

Financial Disclosure: The June 30, 2021 financial statements presented with this annual report were prepared by the management of the credit union. The Board of Directors of CES Credit Union engages the services of Lillie and Company to perform an audit of the credit union's financial statements each year. The most recent audited financial statements as of June 30, 2021 are available upon request.

## Profit and Loss Statement for Fiscal Year 2019-2020

(Fiscal Year runs from July 1 to June 30)

	June 2021	June 2020	June 2019	June 2018	June 2017
<b>Gross Income</b>	<b>\$7,310,121</b>	<b>\$7,815,373</b>	<b>\$8,060,978</b>	<b>\$6,889,108</b>	<b>\$6,390,432</b>
<b>Less: Expenses &amp; Dividends</b>	<b>\$(5,939,097)</b>	<b>\$(5,966,723)</b>	<b>\$(5,957,767)</b>	<b>\$(5,434,986)</b>	<b>\$(5,376,870)</b>
<b>Comprehensive Income</b>	<b>\$1,371,024</b>	<b>\$1,848,650</b>	<b>\$2,103,211</b>	<b>\$1,454,122</b>	<b>\$1,013,562</b>
<b>Total Interest Income</b>	<b>\$4,557,836</b>	<b>\$5,061,792</b>	<b>\$4,913,135</b>	<b>\$4,314,701</b>	<b>\$3,802,884</b>
<b>Total Dividends &amp; Interest Expense</b>	<b>\$(136,930)</b>	<b>\$(125,872)</b>	<b>\$(105,515)</b>	<b>\$(97,990)</b>	<b>\$(143,253)</b>
<b>Provision for Loan Loss</b>	<b>\$7,990</b>	<b>\$(158,604)</b>	<b>\$(337,776)</b>	<b>\$(210,904)</b>	<b>\$(144,094)</b>
<b>Non Interest Income</b>	<b>\$2,752,285</b>	<b>\$2,753,581</b>	<b>\$3,150,249</b>	<b>\$2,540,313</b>	<b>\$2,546,077</b>
<b>Non Interest Expense</b>	<b>\$(5,810,157)</b>	<b>\$(5,682,247)</b>	<b>\$(5,514,476)</b>	<b>\$(5,126,092)</b>	<b>\$(5,089,523)</b>
<b>Change in Unrealized Gain</b>	<b>\$-</b>	<b>\$-</b>	<b>\$(2,406)</b>	<b>\$34,094</b>	<b>\$41,471</b>
<b>Comprehensive Income</b>	<b>\$1,371,024</b>	<b>\$1,848,650</b>	<b>\$2,103,211</b>	<b>\$1,454,122</b>	<b>\$1,013,562</b>

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## Statistical Report for Fiscal Year 2020-2021

(Fiscal Year runs from July 1 to June 30)

	June 2021	June 2020	June 2019	June 2018	June 2017
<b>Total Members</b>	<b>15,944</b>	<b>15,751</b>	<b>15,817</b>	<b>15,784</b>	<b>15,508</b>
<b>Number of Member Loans Granted</b>	<b>2,209</b>	<b>1,688</b>	<b>2,298</b>	<b>2,516</b>	<b>2,590</b>
<b>Amount of Member Loans Granted</b>	<b>\$37,285,466</b>	<b>\$28,263,247</b>	<b>\$ 25,370,417</b>	<b>\$38,581,143</b>	<b>\$32,019,384</b>
<b>Dividends Paid to Members</b>	<b>\$136,836</b>	<b>\$125,872</b>	<b>\$ 105,517</b>	<b>\$97,990</b>	<b>\$97,504</b>
<b>Visa Debit Card Holders (Number)</b>	<b>9,718</b>	<b>9,247</b>	<b>9,072</b>	<b>8,960</b>	<b>8,773</b>
<b>Visa Credit Card Holders (Number)</b>	<b>4,196</b>	<b>3,951</b>	<b>3,249</b>	<b>3,195</b>	<b>3,147</b>

## A Quick Recap of 2020 to 2021...

While the social, physical and economic challenges of Fiscal Year (FY) 2020-2021 (running July 1, 2020 to June 30, 2021) have been unique and sometimes perplexing, CES Credit Union saw loan demand staying positive, while the housing market (and mortgage lending) in Central Ohio remained quite strong. However, for several reasons, consumers are paying down debt at a more rapid pace than we have seen for a time.

In March 2020, the whirlwind of the Coronavirus pandemic swept over our lives, and effectively stifled the economy for several weeks. CES Credit Union, as an essential service, maintained drive-thru and electronic services throughout the initial phases, and reopened fully (with safety precautions) in mid-May 2020. Members found the drive-thrus, ATMs and electronic banking technology would easily meet their banking needs, and this trend continues into 2021 as we see lobby traffic at a lower pace than pre-pandemic.

Through the lingering pandemic, consumer spending is still down. This trend was boosted by government stimulus checks and a tendency for households to save during uncertain times. Our members' total shares (deposits) grew nearly 19% in FY 2020-2021. Meanwhile, total net loans grew just over 6% during the same time, and the number of loans granted was up 30%. The tight housing market, increased home prices and the lack of inventory of new vehicles (especially trucks) on dealer lots has slowed some loan growth opportunities. Meanwhile, with their increased savings, consumers are paying down debt at a more rapid pace than we have seen for a time.

Continued profitable operations helped CES keep a strong Net Worth-to-Asset Ratio (the primary measure of a credit union's financial strength, also known as the Capital Ratio) of 9.57 as of 6/30/2021. That's down from slightly from the prior FY ratio of 10.44, yet still strong considering the unexpected and unprecedented growth in deposits during the pandemic. CES Credit Union's loan delinquency numbers remain very low compared to the industry, which is very good news and indicates sound lending. CES Credit Union's delinquent loans to total loans rate of 0.24% as of June 2021 is nearly half that of the credit union industry of 0.46% for the same time. (Source: ncua.gov)

Several projects were implemented (or started) in the Fiscal Year ending June 2021, including...

- Upgrades to the drive-through at the Delaware location.
- Added the Mid-Ohio counties of Holmes and Morrow to the field of membership. (Coshocton County was added as of July 1, 2021).
- Promotion of electronic signatures as a safe and time-saving alternative for members.
- Introduced a new lending program called the Member Option Program. The program brings some of the options and advantages of leasing to our vehicle loans allowing for lower monthly payments and other protections.

Also in 2021, negotiations and processes to merge in the members and assets of Coshocton Federal Credit Union were started. The merger was official as of July 1, 2021, and therefore not reflected in this annual report. The new location for the CES Credit Union service center in Coshocton will be completed later this fall.

## Tribute to Barb Butler



*In April 2021, we lost someone whose name and leadership was synonymous with CES Credit Union.*

*Barbara A. Butler of Mount Vernon worked in various positions over her professional career with Cooper-Bessemer Employees Credit Union and CES Credit Union before retiring as the Vice President of Finance late in 2005.*

*Barb was a positive mentor to many in and beyond the credit union. She firmly holds the record for most years of employment with the credit union, with over forty years of dedicated service.*

*Barb will be missed, and all of us at CES Credit Union express our deepest sympathy to her family and friends.*

## CES Credit Union

Corporate Mailing Address:  
PO Box 631  
Mount Vernon, Ohio 43050

## Service Center Locations:

### Delaware, Ohio:

- 33 London Road | 740.363.8118

### Loudonville, Ohio:

- 3030 State Route 3 So. | 567.203.5443

### Mount Vernon, Ohio:

- 400 W Chestnut Street | 740.397.1136
- 1215 Yauger Road | 740.397.1136

### Utica, Ohio:

- 8 N. Main St. - St. Rt. 13 | 740.892.3323

### Opening Fall 2021:

#### Coshocton, OH:

- 700 S. Second St., by Pizza Hut

## Website & Phone

www.cesccu.com  
740.397.1136 or 888.397.1136

CES Credit Union is  
federally insured by NCUA.



## ATM Locations:

### Coshocton:

- 700 S. Second St. (Opening Fall 2021)

### Delaware:

- 33 London Road

### Fredericktown:

- Fredericktown Marathon, Zolman Rd.  
near St. Rt. 95 & Salem Av.

### Loudonville:

- 3030 State Route 3, by Mohican Gen. Store

### Mount Vernon:

- 400 West Chestnut Street
- 1215 Yauger Road
- Lannings' Market (inside), 1033 Newark Rd
- Knox Co. Service Center (lobby), 117 E. High
- Harcourt Road/SR 3 & US 36, Drive-Up  
(between GM of Mount Vernon &  
Mathews Chrysler/Jeep dealerships)
- Gault's Cleaners, by Kroger, 855 Coshocton Av.

### Newark:

- Red Oak Pub (inside), 250 Goose Pond Rd.  
off N. 21st St., by WalMart

### Utica:

- 8 N. Main St., St. Rt. 13 by Post Office
- Velvet's Ye Olde Mill Restaurant  
(inside, during open hours, May-Oct.),  
11324 Mount Vernon Rd. NE, SR 13





## The CES Credit Union Management Team:



**Sandy Coffing** | President, Chief Executive Officer  
**Mike Copley** | Chief Operations Officer  
**Brittany Hahler** | Chief Financial Officer  
**Karen Bell** | Chief Compliance Officer  
**Matthew Smith** | Chief Information Officer



**Tracy Morgan** | Chief Lending Officer  
**Eydie Glasstetter** | Vice President, Human Resources  
**Tammy Lahmon** | Manager, Payment Solutions  
**James McLaughlin** | Marketing Director



**Tonya Boucher** | Service Center Manager, Utica  
**Lisa Clark** | Service Center Manager, Delaware  
**Tina Cornella** | Service Center Manager,  
Yauger Road (Mount Vernon)  
**Colleen Kelly** | Service Center Manager,  
Chestnut St. (Mount Vernon)  
**Lynette Piper** | Service Center Manager, Loudonville  
**Karen Wright** | Service Center Manager, Coshocton (not pictured)

## Lending Team:



**Sarah Bridges** | Lender, Yauger Road Service Center  
**Lisa Lahmon** | Senior Loan Officer,  
Yauger Road Service Center  
**Ben Menke** | Mortgage Lender  
**Colleen Myer** | Lender, Chestnut St. Service Center  
**Linda Yarman** | Lender, Yauger Road Service Center

## Thanks for your loyalty and cooperation!

Credit unions were built on the idea of helping people through tough times. That's why those factory workers pooled their resources in 1952 to help out some fellow workers that needed help. Now, 69 years later, that same credit union is helping members navigate through challenges and plan for future success.

Even with the current pandemic dragging on, there are some exciting developments in progress now.

- The new Coshocton office will open late in 2021 with a street-level, full-service service center with an ATM conveniently located on Second St.
- The former Cooper/Siemens campus in Mount Vernon (across Chestnut Street from our first CES service center) welcomed its first new tenant in September of 2021. The Cooper Progress Park is being marketed for development by the locally-controlled Knox County Land Bank. This could bring jobs and people almost to our front door.

All of us here at CES Credit Union are looking out for your best interest. We are consistently planning, training and communicating with the Board, management and employees about security and safety techniques, marketing trends, compliance concerns and technology updates. We'll continue to keep you updated on potential scams to protect you and your money. This credit union has not only survived the COVID challenge of 2020-2021, but CES has actually thrived - a real testament to the dedication of everyone associated with CES.

Now, with an expanded eight county market area, we see the potential for continued growth and success. However, we always want to be the "hometown credit union" you know and trust. The Board and management is grateful to everyone for your patience, understanding and cooperation as we all work to keep safe and moving forward.

