



**INTERNATIONAL  
HARVESTER**  
**EMPLOYEE  
CREDIT UNION**  
*Benefits you want. Services you need.*

# 2014

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## ANNUAL REPORT

Our mission is to continually strive to maintain a progressive and financially stable credit union that provides high-quality savings, loans and other financial services to its membership at competitive rates.

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# THE 81<sup>ST</sup> ANNUAL MEETING

⇒ of ⇐

## INTERNATIONAL HARVESTER EMPLOYEE CREDIT UNION

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DATE: January 31, 2015

TIME: 5:30

LOCATION: *Main Office, 5000 Urbana  
Road, Springfield, OH*

### AGENDA

- ⇒ Welcome
- ⇒ Roll Call
- ⇒ Presentation of Minutes  
of Last Meeting
- ⇒ Report of Chairman
- ⇒ Report of Other Committees
- ⇒ Old Business
- ⇒ New Business
- ⇒ Election of Directors
- ⇒ Adjournment

## REPORT OF THE CREDIT COMMITTEE

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On behalf of the Credit Committee and Loan Officers, it gives me great pleasure to report on the activity during 2014.

The Credit Committee and Loan Officers approved a total of 2,205 loans during the year. The total dollar amount of loans granted was \$28,471,738.

Your credit union's Board of Directors, management and staff are committed to serving the financial needs of our membership but at the same time adhere to established lending policies and guidelines.

Your credit union continues to offer loans at very competitive rates – rates that are the lowest in decades. The credit union has been offering loan rates as low as 2.49% APR on new and used auto loans. Additionally, we have had an ongoing mortgage promotion with a 30-year fixed rate at 3.99%.

When members borrow from the credit union, it is a direct benefit to all members – both borrowers and savers. Therefore, please consider your credit union for all of your borrowing needs. Most importantly, we would like to take this opportunity to thank you, our valued members, for giving us the opportunity to serve you throughout the period.

Sincerely,  
*Jeff Harshaw, Chairman*

## REPORT OF THE CHAIRMAN AND THE PRESIDENT

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**SAFE, SOUND AND GROWING** — 2014 was a great year for your credit union, International Harvester Employee Credit Union (IH Credit Union). We successfully completed a merger with Wittenberg University Federal Credit Union, a strong, locally-based credit union. This merger resulted in a combined financial institution that at year end had almost \$270 million in assets, almost 17,000 members, four branch locations and almost 50 employees.

We are poised to move forward into 2015 and beyond and to continue to provide outstanding financial service to all our members.

We once again received the prestigious Bauer Five Star award for financial institutions. This marks the 23rd year in a row that IH Credit Union has received this award. It is awarded annually to banks and credit unions that show financial success combined with customer service.

Our valued member-owners have taken full advantage of the many benefits of credit union participation, including looking to us for loans. During 2014, IH Credit Union made over 2,000 loans to members and lent out over \$28 million to enhance and better the lives of our members.

Thank you for your continued loyalty and trust in your credit union.

Respectfully submitted,  
*Thomas Whitacre, Chairman of the Board*

# REPORT OF THE AUDIT COMMITTEE

To the Board of Directors  
International Harvester Employee Credit Union, Inc.  
Springfield, Ohio

We have performed an audit of the financial statements of International Harvester Employee Credit Union, Inc. as of September 30, 2014 and 2013 and will issue our report thereon. Our report on these financial statements reads as follows:

We have audited the accompanying statements of financial condition of International Harvester Employee Credit Union, Inc. as of September 30, 2014 and 2013 and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the credit union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the credit union's internal control over financial reporting.

Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Harvester Employee Credit Union, Inc. as of September 30, 2014 and 2013, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The audited financial statements and report of Independent Certified Public Accountants may be viewed at the main office, located at 5000 Urbana Road, Springfield, Ohio.

GBQ Partners LLC  
Columbus, Ohio  
January 13, 2015

## 2014 LEADERSHIP TEAM

### BOARD OF DIRECTORS

Tom Whitacre, *Chairman*  
Jack Kitchen, *Vice Chairman*  
Jim Kitchen, *President/Treasurer*  
Sue Whalen, *Secretary*  
Jeff Harshaw, *Director*  
Kim Victoria, *Director*  
Scott Hunter, *Director*  
George Degenhart, *Director*

### MANAGEMENT TEAM

Robb White, *President/CEO*  
Tedd Shull, *CFO*  
Sean Doane,  
*VP of Information Systems*  
Elaine Doane, *VP of Finance*  
Veronica VanBourgonchien,  
*VP of Human Resources*  
Kathy Allen,  
*VP of Loans & Operations*  
Mike Davis, *Compliance*  
Tiffany Looney,  
*Business Development Manager*  
Bill White, *Branch Manager*  
Melissa Glock, *Branch Manager*  
Kim Michael, *Branch Manager*



## 2014 BALANCE SHEET

ASSETS	2014
Loans Receivable	\$108,837,599
(less) Allowance for Loan Losses	(\$418,200)
Net of Allowance for Loan Losses	\$108,419,399
Cash in Banks	\$13,150,418
Investments	\$128,367,574
Accrued Interest on Loans/Investments	\$742,481
Land and Building Net of Depreciation	\$2,797,989
Furniture and Fixtures Net of Depreciation	\$213,291
National Credit Union Insurance Fund	\$1,904,404
Other Assets	\$10,407,079
<b>TOTAL ASSETS</b>	<b>\$266,002,636</b>

### LIABILITIES

Regular Share Savings Accounts	\$71,155,302
Money Market Share Accounts	\$54,188,865
Share Draft Checking Accounts	\$17,761,571
Share Certificates	\$44,537,723
Other Liabilities	\$31,688,170
<b>TOTAL SHARES &amp; OTHER LIABILITIES</b>	<b>\$219,331,631</b>
Statutory Reserves for Losses	\$16,735,001
Unrec. Gain Post Retirement Health Benefits	\$125,817
Unrec. Gain/Loss on AFS Investments	(\$297,261)
Undivided Earnings	\$30,107,448
<b>TOTAL LIABILITIES</b>	<b>\$266,002,636</b>
Number of Members	17,422
Number of Borrowers	6,787

## 2014 STATEMENT OF INCOME

ASSETS	2014
Interest on Loans	\$4,533,816
Income from Investments	\$3,126,869
Other Income	\$1,402,482
<b>TOTAL INCOME</b>	<b>\$9,063,167</b>

### EXPENSES

Administration	\$3,228,450
Data Processing Costs	\$1,243,479
Marketing Expense	\$250,907
Provision for Loan Losses	\$505,244
All Other Expenses	\$2,511,059
<b>TOTAL EXPENSES</b>	<b>\$7,739,139</b>

Dividends Paid to Shareholders	\$608,811
<b>TOTAL INCOME</b>	<b>\$715,217</b>



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