



2018 ANNUAL REPORT

APRIL 18, 2019



Abbey Credit Union Exists ...

*To help our members improve their economic well-being and quality of life
by being competitive, convenient, and cutting edge.*



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You make a difference as a Member of Abbey Credit Union. When our over 10,000 Member-owners give back to our community, we create positive change that reaches far beyond it.

April 18, 2019

WELCOME (5:40 p.m.):	Mike Thein
CALL TO ORDER:	Mike Thein
PRAYER & INTRODUCTION TO DEAN	Blanca Ortiz
INTRODUCTION OF THE: BOARD OF DIRECTORS	Dean Pielemeier
CONFIRMATION OF A QUORUM:	Mike Thein Michele Blake
MINUTES (APRIL 12, 2018):	Mike Thein
RESULTS OF ELECTION FOR 2 BOARD DIRECTORS:	Michele Blake
DIRECTORS' OATH OF OFFICE:	Nancy Wood
PRESIDENT & CEO'S COMMENTS	Dean Pielemeier
CHAIRMAN'S COMMENTS:	Mike Thein
TREASURER'S COMMENTS:	Steve Wilmoth
OLD BUSINESS:	Mike Thein
NEW BUSINESS:	Mike Thein
RAFFLE:	Blanca Ortiz
ADJOURNMENT:	Mike Thein

(All Directors to stay for a brief Board Meeting)

Abbey Credit Union Mission Statement: "To help our members improve their economic well-being and quality of life by being competitive, convenient, and cutting edge."

Vision Statement: "Uniting members through old-fashioned community values; Abbey strives to earn trust from our members by professionally maintaining a leading-edge in technology and offering competitive financial institution services."

**ABBAY CREDIT UNION, INC.
THE 80th ANNUAL MEETING
APRIL 12, 2018**

CALL TO ORDER: The 80th Annual Business Meeting was called to order by the Chairman of the Board, Mike Thein, at 7:01 p.m. on April 12, 2018, at Celebrations II, 7615 Poe Ave., Vandalia, Ohio 45414.

DIRECTORS PRESENT: Gary Brewsaugh Nancy Wood
Brad Vath Heather Scaggs-Richardson
Michael A. Thein Steve Wilmoth

DIRECTORS ABSENT: Don Howell
Cheryl Saunders
Michele Blake

MANAGEMENT PRESENT: Dean A. Pielemeier, President/CEO
Blanca Ortiz, VP of Community and Business Development

WELCOME: Mike Thein, Chairman of the Board of Directors, opened the meeting by welcoming everyone to the 80th Annual Meeting and called the meeting to order.

PRAYER: Blanca Ortiz, VP of Community and Business Development, gave the prayer and introduced the President and CEO of Abbey Credit Union, Dean Pielemeier.

**INTRODUCTION OF THE
BOARD OF DIRECTORS &
PRESIDENT/CEO:** Dean Pielemeier, President and CEO, introduced the Board of Directors. Dean announced that two of the Directors, Don Howell and Gary Brewsaugh, are retiring. Don Howell has served on the Board of Directors for 22 years. Gary Brewsaugh has served for 9 years. Dean presented gifts to each of the retiring Directors.

**CONFIRMATION
OF A QUORUM:** Mike Thein asked the Acting Secretary of the Board, Nancy Wood, if Abbey had a Quorum. Nancy replied, "Yes, Lillie & Company, our CPA firm, has received a sufficient number of Revocable Proxies to constitute a quorum."

MINUTES: Mike Thein asked for a motion to approve the “79h Annual Meeting Minutes from April 20, 2017”, as printed. Motion was made by Clarence Lewis to accept the minutes as presented. Motion was seconded by Rob Lind. Motion was carried.

RESULTS OF ELECTION FOR 3 INCUMBENT DIRECTORS: Nancy Wood, Vice Chairman, announced that the three incumbents for the Board of Directors: Cheryl Saunders, Heather Scaggs-Richardson, and Bradley Vath had been re-elected by Revocable Proxies; to each serve for the next three-year term on the Board of Directors, all commencing as of this date.

DIRECTORS’ OATH OF OFFICE: Nancy Wood administered the oath of office to the Board of Directors present. “I take an oath that I will, so far as the duty devolves upon me, diligently and honestly administer the affairs of the credit union, and will not knowingly violate, or willingly permit to be violated, any law applicable to such credit union.” All Board Members present replied, “I will.”

PRESIDENT & CEO’S COMMENTS: President/CEO, Dean Pielemeier, thanked the staff, recognized by their blue shirts, for their service to the members, and the Board of Directors for their support.

Abbey is growing, and things are going well. In 1965 Abbey moved out of the “little house” and into a larger building. Dean outlined many of the services Abbey is offering: 2% on checking, cash back on checks, Money Market, points for android devices, checking for younger members, \$100 back on auto loans, financial education system. April is kids’ savings month.

CHAIRMAN’S COMMENTS: Mike Thein, Chairman, reported that the Board is very happy with Abbey and looking forward to future growth.

TREASURER’S COMMENTS: Steve Wilmoth, Treasurer, gave the Treasurer’s Report.

OLD BUSINESS: Mike Thein asked the membership if there was any old business to be discussed. There was none.

NEW BUSINESS:

Mike Thein asked the membership if there was any new business to be discussed. There was none.

DRAWING FOR DOOR PRIZES:

Blanca Ortiz presided over the door prizes.

Tickets were drawn for ten gift baskets containing collector coins, two gift certificates worth \$25 each, and three cash envelopes worth \$60.

The Gift Basket winners were:

Dolores Bloch
Harold Richardson
Clarence Lewis
Bob Craine
Mary Jane Corcoran
Bonnie Cummings
Judith Young
Alena Smith
Mike Knapke
Teri Knapke

The Gift Certificate winners were:

Lynda Mott
Laura Davis

The Cash Envelope winners were:

Dan Barford	\$ 20.00
Savanah Scaggs	\$ 20.00
Rob Lind	\$ 20.00

ADJOURNMENT:


Mike Thein thanked everyone for attending the Annual Business Meeting and asked the Board of Directors to stay after the meeting for a brief "Special Board Meeting."

A motion was made by Mike Dankworth to adjourn the 80th Annual Business Meeting at 7:28 p.m. Motion was seconded by Rob Lind. Motion was carried.

Respectfully Submitted by:



Nancy Wood, Acting Secretary



Michael A. Thein, Chairman of Board



Independent Auditor's Report

To the Board of Directors of
Abbey Credit Union, Inc.

Report on the Financial Statements

We have audited the accompanying statements of financial condition of Abbey Credit Union, Inc. as of December 31, 2018 and 2017 and the related statements of income and comprehensive income (loss), members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the credit union's preparation and fair presentation of the financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Abbey Credit Union, Inc. as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Lillie & Company LLC

Sunbury, Ohio
March 21, 2019

Adding insight... Not just numbers.

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Abbey Credit Union, Inc.

Statements of Financial Condition

December 31, 2018 and 2017

	ASSETS	
	2018	2017
Cash and cash equivalents (Notes 1 & 6)	\$ 6,148,402	\$ 6,065,920
Investments (Notes 1 & 2)		
Available for sale	9,560,918	9,350,348
Other investments	6,181,340	4,438,591
Loans to members - less allowance for loan losses (Notes 1, 3, 8 & 10)	71,919,049	70,086,436
Property and equipment - net (Notes 1 & 4)	1,153,550	1,216,303
Other assets		
Accrued interest receivable - loans	290,955	262,802
Accrued interest receivable - investments	43,531	34,420
Other real estate owned (Note 1)	17,939	67,182
Prepaid expenses	339,862	117,807
Other assets	319,792	363,695
NCUSIF deposit (Note 1)	893,666	842,239
Total other assets	1,905,745	1,688,145
Total assets	\$ 96,869,004	\$ 92,845,743

	LIABILITIES AND MEMBERS' EQUITY	
Members' share accounts (Notes 1, 5 & 8)	\$ 89,217,611	\$ 85,190,254
Accounts payable and accrued liabilities	209,075	198,979
Total liabilities	89,426,686	85,389,233
Members' equity - substantially restricted (Notes 1 & 12)		
Statutory reserve	930,382	930,382
Undivided earnings	6,555,067	6,298,701
Unrealized gain on investments	(434,059)	(163,501)
Equity acquired through merger	390,928	390,928
Total members' equity	7,442,318	7,456,510
Total liabilities and members' equity	\$ 96,869,004	\$ 92,845,743

Abbey Credit Union, Inc.**Statements of Income and Comprehensive Income (Loss)****For the Years Ended December 31, 2018 and 2017**

	2018	2017
Interest income		
Interest on loans (Notes 1 & 3)	\$ 2,664,229	\$ 2,586,593
Interest on investments	497,350	416,737
Total interest income	3,161,579	3,003,330
Dividend expense (Notes 1 & 5)	579,196	479,243
Total dividend and interest expense	579,196	479,243
Net interest income	2,582,383	2,524,087
Provision for loan losses (Notes 1 & 3)	252,891	328,868
Net interest income after provision for loan losses	2,329,492	2,195,219
Non-interest income (Note 11)	1,345,873	1,292,830
Non-interest expense (Note 11)	3,418,999	3,147,959
Net income	256,366	340,090

Board of Directors

Mike Thein – Chairman

Nancy Wood – Vice Chairman

Steve Wilmoth – Treasurer

Michele Blake – Secretary

Cheryl Saunders -- Director

Heather Scaggs – Director

Julie Trick – Director

Management

Dean Pielemeier – President/CEO & Chief Relationship Officer

Teri Puthoff – Vice President of Finance

Blanca Ortiz – Vice President of Community Relationships & Marketing

Your Credit Union

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