



# 2022 Annual Report

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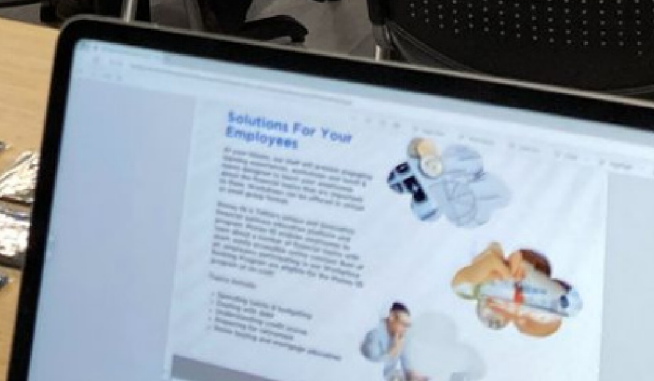


**Polaris Branch Grand Opening  
May 2022**





**Workplace Banking Manager  
Martin Lance Teaching  
Financial Education Course  
for Local Businesses Employees**







# **Our Mission, Vision, & Values**

## **Our Mission**

**We serve our members  
and community by  
promoting responsible  
financial decision-  
making & financial  
accessibility**

## **Our Vision**

**To be a socially  
responsible regional  
financial cooperative  
providing equitable  
solutions and services to  
all**

## **Our Values**

**Caring  
Commitment  
Integrity**

# 2022 In Review

## Celebrating Growth, Membership and Transition

2022 marks a year of celebration for Telhio. We earned recognition as the fastest growing credit union in the state. Our goal is ensuring that with such growth, members have the support and the variety of solutions that they expect as a Telhio owner.

### Continuing our commitment to small businesses

Earning its place as the #1 Small Business Lender amongst Credit Unions in Ohio, Telhio also ranked as one of the top 3 Credit Union Small Business Lenders nationally. Telhio introduced Clover as its new merchant payment processing solution to help business simplify their payment processing and operations.

### Launching Telhio Insurance Services

To provide more services to our members, in 2022 we launched Telhio Insurance Services. Members now have the ability to access insurance coverage easily with over 40 carriers directly through their credit union.

Insurance products for vehicles, for covering special events like weddings, and even cybersecurity insurance for businesses are now available to our members.

### Competitive savings rates

In 2022, Telhio made adjustments to its deposit rates more than 10 times to ensure that member could earn more.

### New debit card suite

This year, we released a suite of new debit card products. As members debit cards renew, they can expect an enhanced design in addition to updated contactless tap-to-pay solutions allowing for making payments with ease.





# 2022 In Review



## Leadership Transition

CEO Leslie Bumgarner, will retire after 31 years with the credit union. Under Leslie's leadership, Telhio met numerous milestones, leading the organization to become one of the largest credit unions in the state of Ohio. Leslie has championed corporate-giving and community reinvestment. With her guidance, Telhio received prestigious awards for philanthropy, including the Dora Maxwell Award for Social Responsibility.

Leslie will continue her legacy as a community advocate by serving on the Board of Trustees of the Ronald McDonald House Charities of Central Ohio. In her three decades as President & CEO, Leslie has defined and led by a set of core values for Telhio that will carry the credit union through 2023 and beyond.

In October of 2022, Telhio announced Derrick Bailey as President of Telhio Credit Union. Derrick joined Telhio in 2013.

Derrick developed innovative policies and procedures to provide loans to community companies and organizations, helping Telhio become a Top SBA lender (#2 overall, #1 credit union). Three years later he joined the executive team, providing the same leadership to the mortgage division and helping Telhio become one of the top consumer mortgage lenders in the market (#12) and one of the top commercial mortgage lenders in the market (#16).

Perhaps most impactful has been Derrick's leadership in spearheading Telhio's involvement as a Community Development Financial Institution (CDFI), which helps to support economically disadvantaged communities.

Derrick will take over as CEO July 1, 2023.

# A Message from The President



Dear Members,

I am excited to introduce myself as the President of Telhio. It is an honor to lead this dynamic organization.

As I step into this role, I want to assure you that my top priority is to maintain the exceptional level of service that you have come to know and trust. I recognize that our success depends on your satisfaction, and I am committed to ensuring that we continue to meet your needs and exceed your expectations.

I also want to take this opportunity to express my gratitude for your continued loyalty to Telhio. As recent unprecedented failures of banks have taken place, you, our members, remained loyal to your credit union -- a testament to your trust in Telhio as a financially sound and well-capitalized local financial institution.

In the coming weeks and months, I will be meeting with members of our team to gain a deeper understanding of our operations and to identify areas where we can improve. I am committed to driving innovation and exploring new opportunities for growth, while also staying true to our core values and mission.

Whether you have been a member since 1934, or only joined last week, I welcome your feedback and suggestions. I am eager to hear from you about how we can better serve your needs.

Thank you for your continued commitment to Telhio. I look forward to ensuring best-in-class service to our members.

Sincerely,

A handwritten signature in black ink that reads "Derrick Bailey".

Derrick Bailey, President





# Social Responsibility

The Telhio Board of Directors and Telhio's Employee base focus much of its philanthropic giving on organizations that support both children and families.

The Telhio Team dedicates time and resources to the many charitable organizations we serve. In 2023, Telhio will launch two initiatives in support of community giveback: Volunteer Time Off (VTO) for its employees, and The Telhio Credit Union Foundation.

## Highlights:

- Dean's Charity Steer Show: In partnership with the Ohio State University College of Food, Agricultural, and Environmental Sciences, and the Ohio Cattleman's Association, raised \$247,000 for Ronald McDonald House Charities
- Telhio Day at the Fair: Collected canned-goods for entry into the Ohio State Fair. Proceeds benefitted Ronald McDonald House Charities of Central Ohio
- Provided water to all participants in the Autism Speaks walk
- Donated \$5,000 to Hope's Closet, supporting foster children and their families in Butler County
- Held coat drive for Joseph's Coat Donation Program
- Donated \$5,000 to the Columbus Symphony Orchestra for Columbus City School Children's music programs
- Supported Dolly Parton's Imagination Library in Mechanicsburg, Ohio.
- Matthew 25 Ministries Donation Drive and on-site collection boxes



# Nominating Committee

This year's nominating committee recommended four candidates to fill the open positions for the 2023 Board of Directors. This year's election was uncontested so the following individuals were elected by affirmation: Henry Chang, Kathy Foor, Andy Marfurt, and Renee Rainey. For this year's election, there were 65,247 eligible voting members; 792 proxy votes were cast by Telhio's membership and certified by E Space Communications.

## Treasurer's Report

**Treasurer: Mark Wilkerson**

The 2022 fiscal year saw continued growth. Telhio ended the fiscal year with assets of \$1.37 billion and total equity of \$120 million.

Telhio remain well-capitalized, with a net worth ratio of 9.52%. As always Telhio remains focused on providing essential financial products and services to our members.

I would like to remind you that your credit union is regulated and monitored by state and federal agencies, in addition to the formal audit by our outside auditing firm, Lillie and Company, LLC. The State of Ohio's Division of Financial Institutions and the National Credit Union Administration are active partners of your federally insured credit union. Simply put, your credit union remains in regulatory compliance and maintains its high standards of financial stability and service to you, our member.

I encourage each of you to understand the financials of your credit union. Copies of Telhio's audited financials are available to members at each branch location, as well as through our website at [www.telhio.org](http://www.telhio.org). If you have any questions, please feel free to contact the staff or any board member of Telhio.





# Financial Statements

Assets	2022	2021
Cash & Equivalents	\$47,687,627	\$200,724,887
Investments	\$161,980,195	\$155,989,876
Loans Net of Allowance	\$1,109,716,539	\$851,049,164
Property & Equipment Net	\$34,536,130	\$39,145,833
Other Assets	24,395,716	\$22,761,427
<b>Total Assets</b>	<b>\$1,378,316,207</b>	<b>\$1,269,671,187</b>
<b>Liabilities &amp; Capital</b>		
Shares & Certificates	\$1,106,609,730	\$1,117,793,379
Borrowings & Other Liabilities	\$151,460,404	\$27,412,402
<b>Total Equity</b>	<b>\$120,246,073</b>	<b>\$124,465,406</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$1,378,316,207</b>	<b>\$1,269,671,187</b>

# Financial Statements

Income Statement	2022	2021
Interest Income	\$45,885,930	\$41,343,936
Interest Expense	\$6,929,987	(\$4,667,421)
Provision for Loan Loss	(\$32,907)	(\$931,843)
Net Interest After Provision	<b>\$38,923,036</b>	<b>\$35,744,672</b>
Non-Interest Income	\$17,426,502	\$21,378,662
Operating Expenses	(\$50,190,240)	(\$44,402,626)
Net Income	<b>\$6,159,298</b>	<b>\$12,720,708</b>
Change in market value of investments	(\$10,378,631)	(\$2,397,503)
Comprehensive Income	<b>(\$4,219,333)</b>	<b>\$10,323,503</b>



CPAs for Credit Unions

Independent Auditor's Report

## Opinion

We have audited the financial statements of Telhio Credit Union, which comprise the statements of financial condition as of December 31, 2022 and 2021, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Telhio Credit Union as of December 31, 2022 and 2021, 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.





# 2023 At-A-Glance: On the Move

2023 is the year of movement for Telhio, including the move of its headquarters to The Scioto Peninsula.

Members can look forward to a new branch in Grandview, located at 1672 West Fifth Avenue, in the summer of 2023.

Telhio will also reopen its branch at the Defense Supply Center of Columbus. The branch will feature upgraded transaction technology for base employees.



# 2023 At-A-Glance: Banking on Small Business

Small businesses account for two of every three jobs added to the economy\*.

To help support the economy through small business job creation, Telhio works to provide small businesses the loans, payment solutions and banking tools that they need to maintain their business.

As a community-focused organization, we go beyond providing services to business-owners alone; we help their employees too. Telhio provides free education, learning sessions, and special offers to our Select Employer Group partners -- local businesses who designate Telhio as their preferred credit union.



Telhio is a Preferred Lender of the Small Business Administration (SBA). We're committed to developing innovative solutions to serve businesses and their employees in 2023.



\*U.S. Small Business Administration  
Office of Advocacy





# Executive Management & Board of Directors

## Executive Management Team

Leslie Bumgarner, Chief Executive Officer

Derrick Bailey, President

Jessica Bing, Chief Experience Officer

Chad Maze, Chief Operating Officer

John Schipfer, Chief Information Officer

Kristen Scott, Chief Financial Officer

Mitch Vocke, Chief Lending Officer

## Board of Directors

Linda Kennedy, Chairperson

Fred Harris, Vice Chairperson

Mark Wilkerson, Treasurer

Renee Rainey, Secretary

David Burns, Director

Henry Chang, Director

Ken Crockett, Director

Kathy Foor, Director

Denise Herrmann, Director

Larry Jackson, Director

Andy Marfurt, Director

Doug McDowell, Director

Chinita Montgomery, Director

George Mussi, Director

Irene Smith, Director

Larry Watts, Director

Pat Zollars, Director

