




BMI[®]
FEDERAL CREDIT UNION
We make banking personal.

2016
ANNUAL REPORT

This credit union is federally insured by the National Credit Union Administration. Additional coverage up to \$250,000 provided by Excess Share Insurance Corporation, a licensed insurance company.



Brad Ashbrook, Chairman



William P. Allender, President / CEO

A Message From Your Chairman & President/CEO

We would like to thank our members for another great year at BMI Federal Credit Union®. 2016 was a year filled with growth in both membership and lending, and we would not have been able to accomplish that without your ongoing loyalty and support.

We are pleased to share that 2016 was a very good year for BMI Federal Credit Union. We have continued to maintain steady growth in capital and membership, and ended the year achieving an impressive record of \$450 million in assets. We also reached our \$100 Million Dollar Loan Goal, another impressive milestone.

We believe achieving these milestones demonstrates our commitment to improving the financial lives of our members and the positive impact we have in the community. It is because of the ongoing support of you, our members, that we were able to achieve these significant milestones.

BMI FCU® has always been committed to improving the community through ongoing charitable giving efforts, and 2016 was no exception. This year, we raised and donated over \$76,000 to over 40 charitable organizations in the Columbus area. Some of these included the Central Ohio Diabetes Association, OSU Star House, and the James Cancer Hospital. We also were able to continue our partnership with Fallen 15, providing donations for scholarships from our annual Scholarship Golf Open.

We want our members to feel at home when they bank with us and know that no matter which branch they step into – they’re at home with BMI FCU.

Some of our goals in 2016 were to continue to provide first-class service, improve our products and services, and to implement new high-value products and services that better serve the needs of our members. These improvements included rolling out our new Visa Credit Card with Rewards, reissuing and migrating all of our credit and debit cards to the more secure EMV chip technology, implementing same-day ACH payments, and expanding our award-winning Financial Wellness Program. In 2016, we added a full-time Financial

Education Manager, which allowed us to produce more workshops, provide more effective financial counseling, and better promote our program to the community and to our members.

We want our members to feel at home when they bank with us and know that no matter which branch they step into - they’re at home with BMI FCU. During the year we completed renovations at all of our branches. These facility updates and upgrades resulted in a more consistent, cleaner look across our branches and added convenience for our members, with more comfortable places to sit and easier access to services. Our members matter, and serving their needs is always our top priority.

While 2016 was a very good year for us, we want to strive to make 2017 even better. One of our goals is to streamline the processes for our electronic delivery systems to allow us to more proactively serve our members. We want our members to know that we view them as more than just their accounts – we value them as individuals. Our primary goal is to improve the financial lives of our members, and we plan to continue to prove that in 2017 and onward into the future.



Community Involvement

Improving the financial lives of our members and the community we serve is a core value of BMI Federal Credit Union. We show our support by sponsoring local events, encouraging our employees to volunteer their time, and raising money to benefit a variety of community organizations. The credit union has implemented a variety of programs designed to increase its visibility and ongoing support of the community we serve. For example, each year BMI FCU employees select 12 local or national charitable organizations to support during the calendar year. Each month the designated organization receives

a donation based on voluntary employee contributions, and as a bonus, BMI FCU matches the funds raised. BMI FCU separates its total funds donated into charitable donations and funds for scholarships. In 2016, BMI FCU gave \$40,607.19 in charitable donations to organizations such as Meals on Wheels, Susan G. Komen and the Mid-Ohio Foodbank. BMI FCU also contributed \$36,336.00 which went towards 20 scholarships for students pursuing higher education. This comes to a grand total of \$76,943.19 in donations to over 40 organizations in 2016.



In 2016, BMI FCU contributed more than **\$76,000** to over 40 different charitable organizations.





Scholarship Golf Open

BMI Federal Credit Union's mission to improve the financial lives of our members and the community was the foundation from which the BMI Federal Credit Union Scholarship Golf Open was established. The golf outing, open to the community, benefits the Fallen 15 Scholarship Fund. A partnership between BMI FCU and Fallen 15, the Fallen 15 Scholarship Fund provides scholarships to veterans, their families and the families of fallen service members pursuing higher education.

Fallen 15 is a local non-profit organization that was created to honor, celebrate, and be inspired by the lives of the nation's fallen service members who made the ultimate sacrifice in the wars in Iraq and Afghanistan. Through their numerous outreach programs, Fallen 15 activates and enriches the lives of the veteran community; an effort which they believe is the most fitting and greatest tribute to those who have made the ultimate sacrifice.

The total attendance for the golf open was **99 golfers**. Through the generous donations and support of the community, we donated **\$30,162** to benefit the Fallen 15 Scholarship Fund. Since its creation in 2014, the golf open has raised **over \$90,000** to benefit the Fallen 15 Scholarship Fund.



Awards & Recognition



Consecutive Years
On The Best Employers
Of Ohio List

Best Employers in Ohio

For the seventh consecutive year, BMI FCU was named one of the top ten Best Employers in Ohio by the Ohio SHRM State Council and Best Companies Group. The award honors the best places of employment based on employee surveys and evaluations of company policies, practice, philosophy, and demographics.



Voted Favorite Credit Union & Favorite Mortgage Lender

ThisWeek Community News **Readers' Choice Awards**

In *ThisWeek Community News* Readers' Choice Awards, BMI FCU was named Favorite Credit Union for the fifth year in a row, and for the fourth consecutive year, Favorite Mortgage Lender. The Readers' Choice Awards highlight readers' favorites in more than 100 categories, ranging from favorite physician to best sushi. Through their 24 weekly publications and websites, readers are asked to vote for their favorites.



We Celebrated
Our **First Marketing Brilliance Award**

Marketing Brilliance Award

The Ohio Credit Union League's Leadership Recognition Program recognizes persons, credit unions and chapters that make exceptional contributions to the lives of others. BMI FCU was recognized as the winner of the Marketing Brilliance Award. This award recognizes innovation in marketing through the use of new techniques, vehicles, markets, etc. BMI FCU received this award for our "Dare to Compare" auto refinance program.



2016 Hall of Fame

The BMI Federal Credit Union Hall of Fame recognizes individuals or corporations who have made significant contributions to our Credit Union, community, or the members the Credit Union Serves.



Sandy Heap

Sandy began her career at BMI FCU in 1983 as the credit union's receptionist, a position she held until her retirement in March 2017. For 33 years, she has been the voice, heart and soul of the credit union. She has endeared herself to members and employees for decades with her warmth, kindness and never ending willingness to help others. She will be greatly missed and fondly remembered as she begins this new stage of her life in retirement.



Steve Krzykoski

Steve began his service to BMI FCU in 1994, where he served as the Chairman of the Supervisory Committee. He served on the Board of Directors from 1995 to 2015 where he held a variety of leadership positions including Chairman, Vice Chairman, Secretary and Treasurer. He continues to serve the members of BMI FCU in the position of Director Emeritus.



Jim Ramey

Jim's impressive experience began with his tenure at Columbus Federal Employees Credit Union, where he served on the board for over sixteen years and held positions as Board Chair and Board Secretary. Jim's service to BMI FCU began in 2007, after CFECU merged with BMI FCU. He served as an Associate Director from 2007 to 2010 and served on the Board of Directors from 2011 to 2014. In 2013 and 2014 he was elected Vice Chair. Jim's 46+ years with the U.S. Department of Agriculture and leadership positions with CFECU made him an effective leader and an asset to the BMI FCU Board of Directors. Since retiring from the board, he continues to serve the members of BMI FCU in the position of Director Emeritus.

BMI Federal Credit Union's 2016 Scholarship Recipients

BMI Federal Credit Union is proud to offer an annual memorial scholarship program to help our members realize their academic potential. The memorial scholarship awards five \$1,000 scholarships.

The 2016 Jack Deibert Memorial Scholarship Recipients:

Megan Coogan, Joseph Coogan, Rebecca Puckett, Caisey Graham, and Samantha Jones

Balance Sheet

	12/31/16	12/31/15
ASSETS		
Cash & Due From Others	3,508,997	3,798,500
Interest Bearing Deposits	14,451,515	37,495,553
Cash & Cash Equivalents	17,960,512	41,294,053
Time Deposits	86,802,000	75,150,000
Securities Available for Sale	18,914,389	20,545,502
Securities Held to Maturity	-	-
Loans to Members	304,066,690	270,249,530
Allowance for Loan Losses	(644,000)	(741,485)
Net Loans	303,422,690	269,508,045
Net Premises & Equipment	11,623,474	11,999,902
Accrued Interest Receivable	1,120,782	1,067,503
Capital Participation Certificates	900,000	900,000
NCUSIF Deposit	3,325,357	3,167,395
Other Assets	6,075,253	7,255,424
TOTAL ASSETS	\$450,144,457	\$430,887,824

LIABILITIES		
Members' Shares	366,510,937	349,213,448
Other Liabilities	42,285,780	42,155,818
TOTAL LIABILITIES	\$408,796,717	\$391,369,266

MEMBERS' EQUITY		
Statutory Reserve	6,768,645	6,768,645
Retained Earnings	34,479,393	32,559,988
Other Comprehensive Income	99,702	189,925
Total Members' Equity	41,347,740	39,518,558
TOTAL LIABILITIES & MEMBERS' EQUITY	\$450,144,457	\$430,887,824

These financial statements are as presented by Management for 2015 and 2016 fiscal years, not audited financial statements. Complete audited financial statements are available upon request.

Income Statement

	12/31/16	12/31/15
INTEREST INCOME		
Loans	12,207,203	11,611,629
Time Deposits, Securities & Negotiable Certificate of Deposit	1,318,823	1,228,541
Interest Bearing Deposits & Federal Funds Sold	52,133	39,321
TOTAL INTEREST INCOME	\$13,578,159	\$12,879,491
INTEREST EXPENSE		
Members' Share Accounts	1,121,042	1,087,102
NET INTEREST INCOME	\$12,457,117	\$11,792,389
Provision For Loan Losses	(238,638)	(276,946)
NET INTEREST INCOME AFTER PROVISION	\$12,218,479	\$11,515,443
OTHER INCOME		
Fees	1,531,984	1,551,458
Gain (Loss) On Investments	0	0
Gain (Loss) On Disposition of Assets	(126,297)	(72,854)
Gain (Loss) On Loans Sold to FHLB	196,441	323,420
Other Income	2,775,157	2,652,283
TOTAL OTHER INCOME	\$4,377,285	\$4,454,307
OTHER EXPENSE		
Salaries & Employee Benefits	7,030,755	6,386,111
Occupancy & Equipment	1,178,643	1,180,837
Advertising & Marketing	713,005	720,137
Card Processing	579,471	533,105
Other Expenses	5,174,485	4,996,228
TOTAL OTHER EXPENSE	\$14,676,359	\$13,816,418
NET INCOME	\$1,919,405	\$2,153,332

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MANAGEMENT

2016 Board of Directors

Brad Ashbrook, *Chair*
Steve Phillips, *Vice Chair*
Bill Esch, *Treasurer*
Kay Cooke, *Secretary*
Melita Garrett Abbey
George Dailey
Sarah Musser
Shawn Richard
Gwen Von Holten

Director Emeritus

L. Ben Freudenreich
Denny Hockman
Steve Krzykoski
Jim Ramey

Associate Directors

Christine Adolph
Aladin Gohar
Melinda Warner

Supervisory Committee

Dave Arnold, *Chair*
John Black
Vanessa Marks
Katherine Sites

MANAGEMENT TEAM

William P. Allender, *President/CEO*
Mike Clark, *Vice President of Operations*
Ray Porter, *CFO/Vice President of Finance*
Rob Bachman, *Director of Lending*
Sarah Borland, *Director of Business & Community Development*
Melissa Gleadle, *Controller*
Greg Hopp, *Director of Technology*
Carolyn Hucek, *Director of Marketing*
Sonia Johnson, *Director of Member Services*
Stacy Toki, *Director of Human Resources*

BRANCH LOCATIONS

Dublin Branch / Corporate Office

6165 Emerald Parkway
Dublin, Ohio 43016

Kinnear Branch

760 Kinnear Road
Columbus, Ohio 43212

Westerville Branch

12 S. Cleveland Avenue
Westerville, Ohio 43081

Bethel Branch

750 Bethel Road
Columbus, Ohio 43214

Battelle Branch

Available to Battelle Staff Only



www.bmifcu.org