



FEDERAL CREDIT UNION
We make banking personal.

2015 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.

Report From President/CEO & The Chairman

At BMI Federal Credit Union®, we are continually focusing on moving forward, making strides on our long-term strategic initiatives, and looking for ways to better serve our members.

We are excited that in 2015 we welcomed 2,640 new members/owners to the BMI FCU® family, making 2015 the second consecutive year of record membership growth. In addition to membership growth, BMI FCU experienced increases in auto loans, positive growth in capital, and strong growth in assets ending the year at \$430 million in total assets. Not only did BMI FCU help improve the financial lives of our members, but we continued to add value to BMI FCU membership through our investments in products, services, security and technology.

The growth of your Credit Union is strong, and we believe it is the direct result of the trust and loyalty our members have in BMI FCU. This growth leads to benefits for all,

enabling the flexibility to maintain a constant focus on serving our members and their specific financial needs and providing capital for the implementation of new products and services.

You will notice our commitment to service and convenience when you use any of our online and mobile banking products. In 2015, BMI FCU completed upgrades to our mobile and online banking platforms that provides a unified and cleaner look and feel with added functionality across all the technology platforms –desktop, tablet, and smartphone. In addition, the upgrades enable the addition of enhanced features and functions over time. We also added the convenience of Remote Deposit Capture to our list of service offerings in 2015.



William P. Allender, President / CEO



Brad Ashbrook, Chairman

What better way to accommodate our member's busy lifestyles than to offer them the ability to deposit checks remotely using a smart-phone app and the functionality of the phone's camera to make deposits on the go.

While it is important that we accommodate our member's lifestyles, it is even more critical that we understand their needs. Now more than ever, our members are seeking ways to fund and advance their education and skills through opportunities with higher education. It is a direct result of that need that BMI FCU expanded its private student loan program to offer private student loan consolidation and graduate MBA student loans. As the needs of our members continue to evolve, we

are determined to offer the highest level of personal service to our members either through face-to-face, in-person interaction at our one of our branches or virtually through the mobile or online banking technology channels.

We have exciting things planned for 2016, and we hope to continue to raise the bar in establishing ourselves as more than just your financial service provider, but as your financial confidant and trusted resource and partner. As we reflect back on 2015 and toward the future, one thing is certain: it is our mission to make a positive impact on the financial lives of our members and the central Ohio community we serve.

2015 Community Involvement

Making a positive difference in the 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-based 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.





In 2015, BMI FCU contributed more than **\$68,000** to over 30 different charitable organizations.





2015 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 **144 golfers**, a sold-out event. More importantly, through the generous donations and support of the community, we were able to raise **\$36,800** to benefit the Fallen 15 Scholarship Fund.



Awards & Recognition

BEST EMPLOYERS IN OHIO

For the sixth 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, practices, philosophy and demographics.

DESJARDINS YOUTH FINANCIAL EDUCATION 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 first-place recipient of the Desjardins Youth Financial Education Award.

This award recognizes leadership within the credit union movement on behalf of youth financial literacy. BMI FCU received this award for our comprehensive youth financial education program utilizing both the Banzai and Finances 101 programs. We also partnered with 23 central Ohio teachers, the Girl Scouts of Ohio and Metro Early College High School to provide effective money management skills to youth. The

result was more than 1,600 young people receiving free financial education.

***THISWEEK COMMUNITY NEWS* READERS' CHOICE AWARDS**

In *ThisWeek Community News* Readers' Choice Awards, BMI FCU was named Favorite Credit Union for the fourth year in a row, and for the third consecutive year, Favorite Mortgage Lender. For the second time, BMI FCU was recognized as the second-place Favorite Financial Planner. While BMI FCU does not offer financial planning in a traditional sense, financial planning is not strictly limited to investments, retirement or estate planning. According to the Institute of Financial Planning, "Financial Planning is an ongoing process to help you make sensible decisions about money that can help you achieve your goals in life." Based on this definition, one can assume the readers of *ThisWeek Community News* voted for BMI FCU because of our outstanding Money Management program, which through the work of our Certified Financial Counselors, aims to improve the financial lives of our members and the community. 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 website, readers are asked to vote for their favorites.

DORA MAXWELL SOCIAL RESPONSIBILITY COMMUNITY SERVICE 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 first-place recipient of the Dora Maxwell Social Responsibility Community Service Award. This award recognizes social responsibility work and charitable projects that support the community. BMI FCU received this award for our Scholarship Golf Open, benefitting the Fallen 15 Scholarship Fund.



BMI Federal Credit Union's 2015 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 2015 JACK DEIBERT MEMORIAL SCHOLARSHIP RECIPIENTS

Brooke Laughlin, Annie Purdum, Amanda Richmond, Emily Chapman, and Melanie MacKenzie

BALANCE SHEET

	12/31/15	12/31/14
ASSETS		
Cash & Due From Others	\$3,798,500	\$3,482,956
Interest Bearing Deposits	37,495,553	28,568,331
Cash & Cash Equivalents	41,294,053	32,051,287
Time Deposits	75,150,000	55,408,000
Securities Available for Sale	20,545,502	38,335,038
Securities Held to Maturity	-	-
Loans to Members	270,249,530	259,405,500
Allowance for Loan Losses	(741,485)	(873,120)
Net Loans	269,508,045	258,532,380
Net Premises & Equipment	11,999,902	12,271,735
Accrued Interest Receivable	1,067,503	1,087,292
Capital Participation Certificates	900,000	900,000
NCUSIF Deposit	3,167,395	3,075,635
Other Assets	7,255,424	6,602,777
TOTAL ASSETS	\$430,887,824	\$408,264,144
LIABILITIES		
Members' Shares	349,213,448	328,750,750
Other Liabilities	42,155,818	42,001,974
TOTAL LIABILITIES	\$391,369,266	\$370,752,724
MEMBERS' EQUITY		
Statutory Reserve	6,768,645	6,768,645
Retained Earnings	32,559,988	30,406,656
Other Comprehensive Income	189,925	336,119
Total Members' Equity	\$39,518,558	\$37,511,420
TOTAL LIABILITIES & MEMBERS' EQUITY	\$430,887,824	\$408,264,144

These financial statements are as presented by Management for 2014 and 2015 fiscal years, not audited financial statements. Complete audited financial statements are available upon request.

INCOME STATEMENT

	12/31/15	12/31/14
INTEREST INCOME		
Loans	\$11,611,629	\$11,400,553
Time Deposits, Securities & Negotiable Certificate of Deposit	1,228,541	1,287,237
Interest Bearing Deposits & Federal Funds Sold	39,321	38,153
TOTAL INTEREST INCOME	\$12,879,491	\$12,725,943
INTEREST EXPENSE		
Members' Share Accounts	\$1,087,102	\$1,146,837
NET INTEREST INCOME	\$11,792,389	\$11,579,106
Provision For Loan Losses	(276,946)	(707,539)
NET INTEREST INCOME AFTER PROVISION	\$11,515,443	\$10,871,567
OTHER INCOME		
Fees	\$1,551,458	\$1,642,030
Gain (Loss) On Investments	0	0
Gain (Loss) On Disposition of Assets	(72,854)	(119,512)
Gain (Loss) On Loans Sold to FHLB	323,420	139,181
Other Income	2,652,283	2,534,989
TOTAL OTHER INCOME	\$4,454,307	\$4,196,688
OTHER EXPENSE		
Salaries & Employee Benefits	\$6,386,111	\$5,895,617
Occupancy & Equipment	1,180,837	1,199,771
Advertising & Marketing	720,137	805,113
Card Processing	533,105	491,835
Other Expenses	4,996,228	4,687,625
TOTAL OTHER EXPENSE	\$13,816,418	\$13,079,961
NET INCOME	\$2,153,332	\$1,988,294

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www.bmifcu.org

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

MANAGEMENT

2015 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

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, *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*
Elizabeth Keese, *Director of Compliance*
Stacy Toki, *Director of Human Resources*