



**LORMET
COMMUNITY**
FEDERAL CREDIT UNION



ANNUAL REPORT

**86th Annual
Membership Meeting**

February 23, 2022

2021

1. Meeting Call to Order
2. Directors' Roll Call
3. Last Year's Minutes
4. Nominating Committee Report
5. Chairperson's Report
6. Treasurer's Report
7. President/CEO Report
8. Lending Report
9. Supervisory Committee Report -
DoerenMayhew, Certified Public Accountants
10. New Business
11. Annual Report Questions
12. Adjournment

Timothy Branscum
Chairperson

Victoria Lesner
Vice Chairperson

Bob Rehovick
Treasurer

Mary Prieto
Secretary

William J. Allison
*Director & Audit
Committee Chair*

Victor Bellan
Director

Denise McCarty
Director

J. Bruce Francis, Esq.
Director

Gus T. Gailas Jr.
Director

Michael Abraham
Audit Committee

Patricia Wilson
Audit Committee

Teresa Gilles
Audit Committee



Daniel R. Cwalina, Esq.
*President &
Chief Executive Officer*

Shavena D. Brown
*1st Vice President &
Chief Operating Officer*

DIRECTORS EMERITUS

Bambi Dillon
Keith Lilly

Philip K. Dore
Wendy Meincke

Thomas A. Sexstella
Kenneth Cromer

COMMUNITY IMPACT

Since 2016, LorMet and its members have now raised over \$132,000 through matched member donations, providing an estimated 660,000 meals for local at-risk families through Second Harvest Food Bank of North Central Ohio.

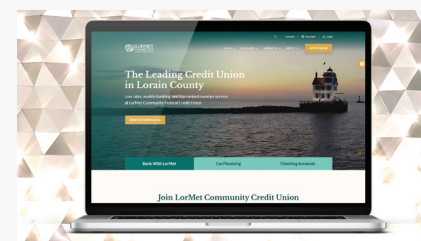


FINANCIAL LITERACY

Our leaders continue to promote financial literacy with students of all ages through community programs such as Design-an-Ad with Amherst Junior High and Chamber Leadership Academy.

MEMBER SERVICE

Our professional support staff never worked from home. They were here to resolve issues without having to work through an automated call center, greeting members as they enter our main office.



SUPERIOR E-SERVICES

We're committed to high-quality online banking features, assuring our members they will receive the upgraded mobile banking experience they expect for generations to come.

STATEMENT OF FINANCIAL CONDITION

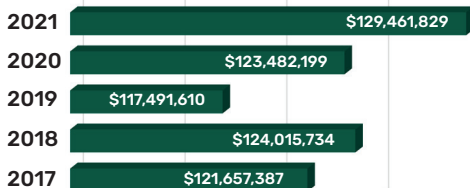
ASSETS

Cash and Cash Equivalents	\$	59,559,998
Loans		129,461,829
Allowance for Loan Losses		(434,638)
Investments		34,005,112
Property and Equipment - Net		6,220,169
NCUSIF Deposit		2,046,131
Other Assets		7,430,028
Total Assets		\$ 238,288,628

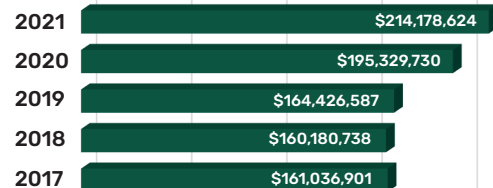
LIABILITIES AND MEMBERS' EQUITY

Other Liabilities	\$	699,654
Members' Share Accounts		214,178,624
Members' Equity		23,410,351
Total Liabilities and Member's Equity		\$ 238,288,628

Total Loans Outstanding



Members' Share Accounts



STATEMENT OF INCOME AND EXPENSE

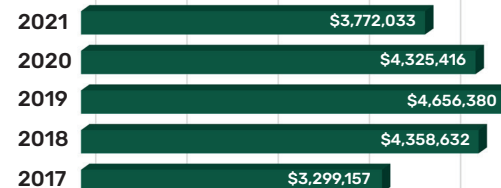
INCOME

Interest on Loans	\$	3,072,661
Interest on VISA Credit Cards		189,459
Interest on Investments		509,913
Dividend Expense		(257,480)
Net Interest Income	\$	3,514,554
Provision for Loan Losses	\$	(44,987)
Non-Interest Income		2,117,587
Non-Operating Income		1,857
Total Income	\$	5,589,009

OPERATING EXPENSES

Compensation and Benefits	\$	2,261,629
Office Operations		633,064
Office Occupancy		467,995
Seminar, Travel and Training		22,017
Promotion and Advertising		128,678
Loan Servicing Expense		302,140
Data Processing/Professional Services		940,637
Other Operating Expenses		130,562
Total Operating Expenses	\$	4,886,722
Net Income	\$	702,288

Total Interest Income



Total Operating Expenses



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of LorMet Community Federal Credit Union

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of LorMet Community Federal Credit Union, which comprise the statements of financial condition as of December 31, 2021 and 2020, and the related statements of income, comprehensive income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of LorMet Community Federal Credit Union as of December 31, 2021 and 2020, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of LorMet Community Federal Credit Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about LorMet Community Federal Credit Union's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing audits in accordance with GAAS, we:

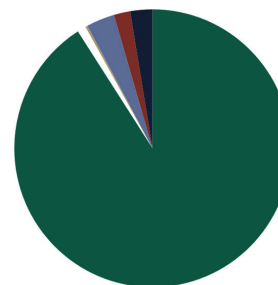
- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 LorMet Community Federal Credit Union's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about LorMet Community Federal Credit Union's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Doeren Mayhew

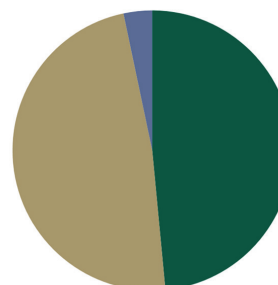
Troy, Michigan
February 7, 2022

Summary of Loans



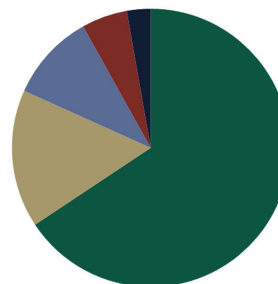
- Vehicles: 90.9%
- 1st Mortgages: 1%
- Home Equity Loans: 0.3%
- Home Equity Credit Lines: 3.3%
- Visa Credit Cards: 1.9%
- All Other Member Loans: 2.6%

Summary of Investments



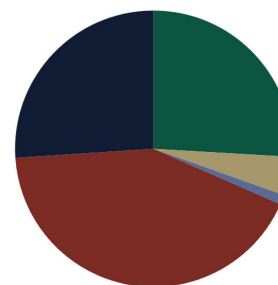
- Mortgage-Backed Securities: 48.5%
- Bank Certificates of Deposit: 48.2%
- Corporate One Credit Union: 3.3%

Summary of Share Accounts



- Shares (Savings): 65.7%
- Share Drafts (Checking): 16%
- Share Certificates: 10.2%
- IRAs: 5.3%
- Money Markets: 2.8%

Distribution of Dividends



- Regular Shares: 25.9%
- Share Drafts: 4.5%
- Money Markets: 1.1%
- Share Certificates: 42.4%
- IRAs: 26.1%




**LORMET
COMMUNITY**
FEDERAL CREDIT UNION



Bank Easy Bank Local

Since 1936

NMLS # 5830987

 2051 Cooper Foster Park Rd
Amherst, OH 44001

 LorMet.com

