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Agenda

63rd Annual Membership Meeting

February 13, 2016 9:00 a.m.
Brookland Banquet & Conference Center, 1066 Sunset Blvd., West Columbia, South Carolina

Call to Order

Pledge of Allegiance

Invocation

Roll Call

Approval of the February 14, 2015 Meeting Minutes

Introductions

Reports:

Report of Chairman
Report of Treasurer
Report of Supervisory Committee

Remarks – CEO

Performance by Katie & Kelley

Service Award Presentations

Unfinished Business

New Business

Elections:

Report of Nominating Committee
Election of Board of Directors

Discussion

Adjournment

Drawing for Prizes

Report of Chairman & CEO



Good morning and welcome to the 63rd Annual Membership Meeting of SC State Federal Credit Union. For your credit union, 2015 will be recorded as, if not the most, certainly one of the most, productive years in its history.

Assets grew by a record \$56.4 million to close at \$677.5 million. Member confidence born of SCU's safe and fiscally sound practices resulted in deposit growth of \$49.8 million. Through a network of 19 branches, SCU employees processed more than a million member transactions.

Member loan requests of \$130 million were granted. SCU's reserves increased by \$5.6 million and now exceed \$80 million. With a net capital to assets ratio of 11.53%, SCU continues to hold a place among the strongest financial institutions in the United States.

Loan and credit card delinquency and charge-off rates declined and remain at very healthy levels. Operating expenses, as a percentage of assets and as a percentage of income, fell and continue to provide testament to SCU's commitment to prudent expense management. Page 6 of this report shows a very strong ten year history of safety, soundness and well-managed growth. After a thorough examination, the National Credit Union Administration once again left SCU with high marks for safety and soundness of operation.

Other 2015 highlights include:

- The merger with SC MembersFirst Federal Credit Union boosted SCU assets by \$12 million and resulted in SCU's 20th branch location and 21st proprietary ATM.
- SCU increased its "fee-free" ATM network by 42 machines.
- Changes were made to SCU's Relationship Checking product to make it easier for members to qualify for and enjoy the benefits of "free" checking.
- Member identity protection and plastic card security have been strengthened with the introduction of EMV debit and credit cards.
- Rather than selling off all of its 30 year fixed-rate mortgage loans, SCU now holds a portion of these loans within its portfolio.
- SCU's gift card incentive for members who move a loan from another institution resulted in the origination of \$18.7 million in new loans. As a result, members enjoyed \$77,000 in gift card incentives.
- In an effort and commitment to improving the lives of others, SCU employees contributed their own time and more than \$28,000 to the United Way, Red Cross, Wounded Warrior Project and several other charitable organizations.

SCU's annual strategic planning session, held this past November, resulted in a renewed strategic emphasis on meeting the savings, borrowing and transactions needs of our members and those things which truly enable SCU to fulfill its mission of improving the financial lives of our members.

We would be completely remiss if we failed to recognize and thank the members of SCU's Board, Supervisory Committee and Nominating Committee for the countless hours of volunteer service and direction they've given throughout the years.

In closing, we remain grateful for your participation, support and the opportunity to provide you with the care and service you have come to expect of your credit union.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Vince Rhodes".

Vince Rhodes
Chairman of the Board

A handwritten signature in cursive script, appearing to read "A. E. Hammond".

A. E. Hammond
CEO

Report of Treasurer

Year Ending December 31, 2015



State Credit Union realized solid financial growth in the year 2015. This was the result of the loyal support that SCU received from its members and staff.

The following financial statements and comparative information are provided for your review. SCU assets increased by \$56 million in 2015. Deposits increased by almost \$50 million, while delinquency decreased a full 26 basis points to 0.59%. SCU's gross capital reached an all-time high of \$81 million.

State Credit Union will continue to prudently and judiciously safeguard the assets of the credit union while maintaining a strong balance sheet.

We appreciate the opportunity to serve you and we sincerely thank you for your support.

Respectfully submitted,



James M. Simpson, Jr.
Treasurer

	<u>2014</u>	<u>2015</u>
Assets.....	\$621,088,097	\$677,564,419
Deposits.....	\$543,075,171	\$592,894,204
Total Capital.....	\$76,040,291	\$81,077,183
Loans Outstanding.....	\$308,425,234	\$310,422,277
Contribution to Reserves.....	\$3,116,292	\$5,681,048
Money Market Balances.....	\$149,212,957	\$165,914,719
Charge-off Ratio.....	1.15%	0.86%
Delinquent Loan Ratio.....	0.85%	0.59%
Net Capital Ratio.....	11.59%	11.53%
Gross Capital Ratio.....	12.24%	11.96%
Return-on-Assets Ratio.....	0.51%	0.87%
Gross Operating Expense to Average Assets Ratio ...	4.03%	3.77%

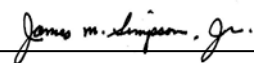
Income and Expense Statement

Year Ending December 31, 2015

INCOME	YTD ACTUAL
Interest Income from Loans	\$12,976,170.39
Interest Income from Credit Cards	4,491,170.00
Investment Income	2,168,082.85
Fees & Charges	7,147,311.01
Interchange Income	4,599,556.04
Insurance Income	968,455.24
Misc. Operating Income	1,008,139.07
Total Income from Operations	\$33,358,884.60
Non Operating Income/Expense	\$181,123.01
Total Income	\$33,540,007.61

EXPENSES	
Compensation	\$9,493,077.22
Employee Benefits	3,315,585.21
Travel & Conferences	169,171.42
Management Expense Account	8,633.64
Association Dues	44,391.94
Office Occupancy Expense	2,093,581.97
Office Operations Expense	1,862,782.64
Member Educational Expense	0.00
Promotional Expense	601,554.70
Loan Servicing Expense	151,662.39
Credit Card Expense	1,365,513.92
Repossession Expense	157,471.51
Professional & Outside Services	2,487,221.60
Data Processing Expense	2,451,200.33
Provision for Loan Losses	1,480,516.01
Supervision & Examination	113,559.75
Cash Over & Short	572.67
Interest on Borrowed Money	0.00
Annual Meeting Expense	19,724.70
Fraud & Forgery Expense	339,922.90
Misc. Operating Expense	(100,144.75)
NCUSIF Accrued Premium	0.00
Courtesy Pay Chargeoff & Recovery	152,111.19
Loss (Gain) on Disposition of Fixed Assets	(45,006.60)
Loss (Gain) on Disposition of Other Assets	(46,113.54)
Total Expenses	\$26,116,990.82
Income after Ops. Expense	\$7,423,016.79
Dividends	\$1,741,969.10
Net Income after Dividends	\$5,681,047.69

To the best of our knowledge, this statement and the related statements, are true and correct and present fairly the financial position and the results of operations for the period covered.



James M. Simpson, Treasurer/ Board Member



A. E. Hammond, President/CEO



Dara Carrico, CFO

Balance Sheet

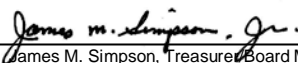
Year Ending December 31, 2015

Assets		
Loans 2 to 6 Mos. Delinquent	453	\$1,371,818.44
Loans 6 to 12 Mos. Delinquent	39	350,156.41
Loans Over 12 Mos. Delinquent	4	119,711.59
	<hr/>	
Subtotal	(1) 496	\$1,841,686.44
Consumer Loans Current	29,423	\$251,652,018.16
Credit Cards Current	23,502	56,001,721.08
Business Loans Current	2	193,835.09
Deferred Loan Expense		733,016.57
	<hr/>	
Total Loans	53,423	\$310,422,277.34
Allowance for Loan Losses		(2,892,854.13)
Discount on Loans		(46,760.69)
		<hr/>
Net Loans		\$307,482,662.52
Other Receivables		\$6,295,517.75
Cash on Hand and on Deposit		23,564,320.35
Other Real Estate Owned		11,700.00
Investments		310,407,754.86
Prepaid Expenses		945,550.99
Fixed Assets - Net		19,924,615.05
Accrued Income on Investments		404,862.34
Accrued Income on Loans		790,519.68
Other Assets		2,051,368.62
NCUSIF Deposit		5,627,114.56
In Process Items		58,432.34
		<hr/>
Total Assets		\$677,564,419.06
		<hr/> <hr/>
Liabilities		
Accounts Payable		\$1,085,186.25
Notes Payable		0.00
Dividends Payable		7,547.77
Taxes Payable		0.00
Other Liabilities		5,439,912.78
		<hr/>
Total Liabilities		\$6,532,646.80
Savings and Equity		
Regular Shares		\$225,337,688.85
Holiday Clubs		604,057.07
Sharedraft Accounts		100,846,887.79
Money Market Accounts		165,914,719.18
Shares - IRA		16,722,806.74
IRA Certificates		16,565,340.56
Certificates		66,902,704.18
Equity From Mergers (2)		826,782.78
Regular Reserve		19,181,984.96
Undivided Earnings		52,447,752.46
Net Income		5,681,047.69
		<hr/>
Total Savings and Equity		\$671,031,772.26
		<hr/>
Total Savings, Equity & Liabilities		\$677,564,419.06

(1) Includes credit cards. (2) This consists of equity from the 2009 Anderson County Educators FCU merger, 2012 Anderson City Employees FCU merger and 2015 SCMFFCU merger.

All investments are held to maturity.

To the best of our knowledge, this statement and the related statements are true and correct and present fairly the financial position and the results of operations for the period covered.

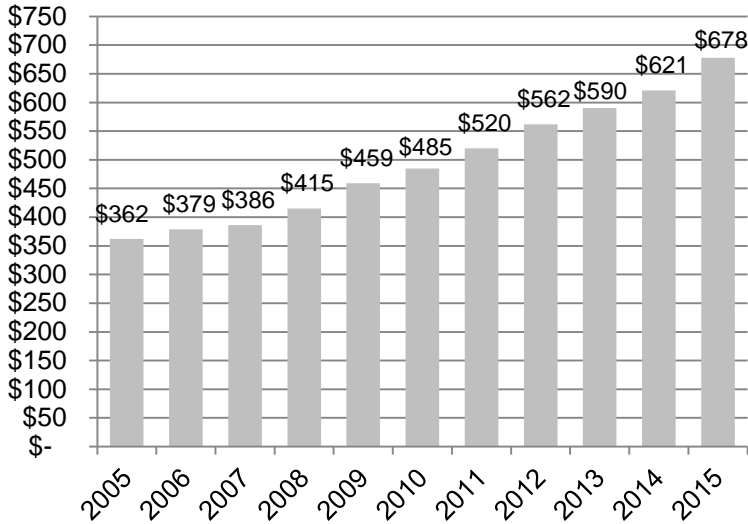

James M. Simpson, Treasurer/Board Member


Dara Carrico, CFO

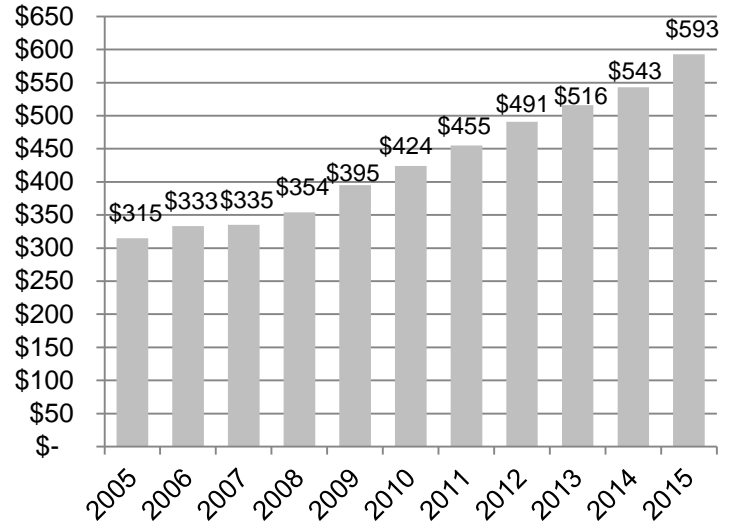

A. E. Hammond, President/CEO

Financial Charts

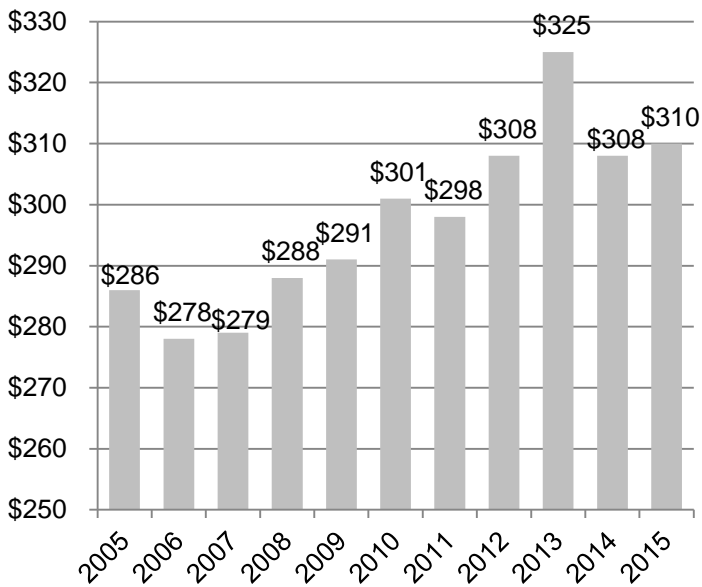
Assets (millions)



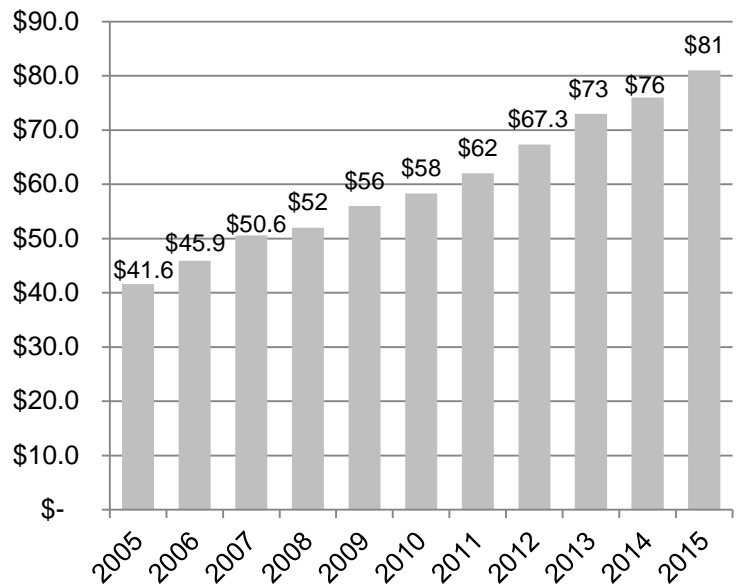
Deposits (millions)



Loans (millions)



Gross Capital (millions)



Report of Supervisory Committee

Year Ending December 31, 2015



The Supervisory Committee is responsible for ensuring the credit union meets required financial reporting objectives and has established practices and procedures sufficient to safeguard members' assets. These responsibilities are met through regular audits, examinations and reviews performed throughout the year.

We engaged a CPA firm that specializes in the credit union industry to perform our annual external audit during 2015. Our credit union received an independent auditor's report that included an opinion that State Credit Union's December 31, 2014 financial statements fairly presented in all material aspects the financial position of the credit union. The report also stated we are conforming to generally accepted accounting principles.

The National Credit Union Administration examines the credit union because we are a federally chartered credit union and are federally insured. This examination was completed during the second quarter of 2015.

The internal audit department operates under the direction of the Supervisory Committee. The internal audit function endeavors to provide independent, objective assurance and consulting activities designed to add value and improve the credit union's operations as a service to management and the credit union's officials. It helps the credit union accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Supervisory Committee meets on a regular basis with the Director of Internal Audit, concentrating on areas of high risk.

The Committee makes a regular report to the Board of Directors.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'G. Bell', with a long horizontal line extending to the right.

Gary E. Bell, DHA, CPA
Chairman

Report of Nominating Committee

The Nominating Committee consists of:

Bobby D. Gist
University of South Carolina

Thomas R. Gorman
State Government

Frank V. Grobusky
State Government

The Nominating Committee met on September 9, 2015 and agreed unanimously to submit the following for nomination:

Board of Directors (3-year term)

Alton T. Loftis

Vince Rhodes

Jesse Washington

The following is a brief description of the individuals who have been nominated for a position of elected official for State Credit Union. We believe that the slate of nominees presented by the Nominating Committee is highly qualified and that it represents a good cross-section of the membership.

Alton T. Loftis – Dr. Loftis has been a member of the Board of Directors for 37 years and served on the Supervisory Committee for one year. Dr. Loftis retired from the SC Budget and Control Board as Manager, Appraisal Services, and Complex Real Estate Transactions after 25 years of service. Dr. Loftis has served on the Board of Trustees for Brevard College as well as the Board of Directors for the Brevard Music Center.

Vince Rhodes – Mr. Rhodes has served on the Board of Directors for 37 years, 33 of those as Chairman. Active in the community, Mr. Rhodes has been involved with many boards and commissions and is currently serving on the Lexington Medical Center Board. Upon his retirement from the SC Department of Vocational Rehabilitation after 35 years of service, he was granted the Order of the Palmetto by Governor David Beasley. He also received the Edward Filene and Friedrich W. Raiffeisen certification awards in the Credit Union National Association's Volunteer Achievement Program. Mr. Rhodes is an active member of Platt Springs United Methodist Church.

Jesse Washington – Rev. Washington has served on the Board of Directors for the past 32 years, 23 as Secretary and previously served one year on the Credit Committee. He retired from the SC Human Affairs Commission after serving as chief executive officer of the Commission and secretary to the statewide 15 member Board of Commissioners. Rev. Washington earned the prestigious Order of the Palmetto; the Key to the City of Columbia; Greater Columbia Chamber of Commerce's Woodrow Wilson Pinnacle award and was recognized in the BellSouth African American History Calendar of outstanding South Carolinians as well as by the National Advocacy Center and the United States Attorney's Office. Rev. Washington has served on the boards of American Red Cross, United Way of the Midlands, Better Business Bureau, Palmetto Pride, Providence Hospital and many others. Rev. Washington currently serves as Pastor of Zion Chapel Baptist Church Number One.

Minutes of February 14, 2015 Meeting

The 62nd Annual Membership Meeting of S.C. State Federal Credit Union was held at Brookland Banquet and Conference Center in West Columbia, SC, on Saturday, February 14, 2015.

Call to Order

Chairman Vince Rhodes called the meeting to order at 9:00 a.m. and introduced the Parliamentarian, Linda Bush. Ron Herrin, 1st Vice Chairman, declared a quorum was present.

Pledge of Allegiance

Brooks Galloway, 2nd Vice Chairman, led the membership in the Pledge of Allegiance.

Invocation

Randy Culbertson led the membership in a moment of silence in memory and honor of our departed members followed by the invocation.

Roll Call

Carole Seebode (moved) to dispense with the roll call of over 66,000 SCU members. Tina Trotter (seconded). **Motion Carried.**

Approval of the February 8, 2014 Meeting Minutes

Chairman Rhodes called for a motion to approve the minutes of the February 8, 2014 Annual Membership Meeting.

Al Loftis (moved) to approve the minutes of the February 8, 2014 Annual Membership Meeting as printed. Donna Grooms (seconded). **Motion Carried.**

Introductions

Chairman Rhodes acknowledged the presence of Councilman Dale Harley of West Columbia and Retired City of Cayce Police Chief A.G. Dantzler. Next, Chairman Rhodes introduced the Officials:

Board of Directors

Ron Herrin, 1st Vice Chairman
Brooks Galloway, 2nd Vice Chairman
Jesse Washington, Secretary (Absent)
James Simpson, Treasurer (Absent)
Marie Isert
Herb Lanford
Al Loftis
Gary Turner

Supervisory Committee

Gary Bell, Chairman
Carole Seebode, Secretary
Ron Herrin
Frank Grobusky (Absent)

Nominating Committee

Bobby Gist, Chairman
Tom Gorman
Frank Grobusky (Absent)

Reports

Report of Chairman

Chairman Rhodes welcomed everyone to the 62nd Annual Membership Meeting of S.C. State Federal Credit Union.

Chairman Rhodes reported SCU is a sound and safe financial institution. He stated 2014 was one of the most productive years in SCU's history. SCU still faced challenges, but the capable professional employees addressed the issues and dealt positively with the circumstances. Chairman Rhodes noted SCU also had opportunities to reach out to the membership, in an effort to offer better service.

He reported there were members within the credit union who experienced financial difficulties and hardships even in a recovering economy. Chairman Rhodes stated members who came to us for help were given guidance and direction and hopefully SCU was the vehicle that assisted in returning them to financial stability.

Next, Chairman Rhodes presented four major projections that we should see become reality in 2015. They are –

1. Gross Domestic Product – Most economists believe the economy will finally hit its stride, racking up a solid 3% growth in GDP in 2015 from a present 2.3% in 2014;
2. Inflation – Project about 2% increase for the year;
3. Interest Rates – Should edge up slightly by the third quarter. Will improve rate of return on Investments, CDs, Money Market, and other forms of investments. This is contingent on actions taken by the Federal Reserve Board;
4. Stock Market – Should have another solid year with the improving economy, lower oil prices and positive consumer outlook.

Chairman Rhodes reported credit unions are completely aware of the competition from banks and other financial outlets. He stated if credit unions stay the course they will prevail because they have the products and services and competent, well-trained employees to meet the challenges.

Chairman Rhodes stated banking and managing money for consumers/members isn't what it used to be. The 70's and 80's brought ATMs, the 90's brought online banking and the 2010's were shaping up as the era of mobile banking and mobile deposits through the use of smartphones.

In closing, Chairman Rhodes expressed his sincere appreciation to the elected and appointed officials, management and employees of State Credit Union.

Report of Treasurer

Rick Hammond, CEO, presented the Treasurer's Report in the absence of James Simpson, Treasurer. Mr. Hammond reported SCU realized sound financial growth in 2014 which was the result of the loyal support received from its members and staff.

- Assets increased \$30 million to \$621 million
- Deposits increased approximately \$27 million to \$543 million
- Capital increased \$3 million to \$76 million
- Loans Outstanding decreased \$17 million to \$308 million
- Contribution to Reserves decreased \$845K to \$3.1 million
- Charge-off Ratio increased to 1.15%
- Delinquency decreased to 0.85%
- Net and Gross Capital Ratios were 11.59% and 12.24% respectively
- Gross Operating Expense to Average Assets Ratio – 4.03%

Report of Supervisory Committee

Gary Bell, Supervisory Committee Chairman, reported the Supervisory Committee's responsibilities were outlined on page 7 of the Annual Report. Dr. Bell reported Nearman, Maynard, Vallez, CPAs out of Florida performed SCU's annual certified audit and the credit union received a very favorable unmodified opinion. In closing, Dr. Bell stated for the second year in a row, there were no audit findings.

Remarks – CEO

Mr. Hammond reported the 4th quarter of 2014 saw the opening of full service branches; complete with drive-up ATMs, on Highway 81 in Anderson and US 378 in Lexington. Also, during the 4th quarter, a new drive-up ATM was installed at the Anderson Highway 28 branch.

Mr. Hammond reported SCU's 19 branches performed over 1 million transactions and funded loan requests of more than \$107 million. In addition, SCU implemented a new and more robust mobile banking system. Members can, via mobile device, deposit checks, conduct account inquiries, transfer funds and perform many other types of transactions.

Mr. Hammond stated during the month of July, the National Credit Union Administration (NCUA) conducted a thorough exam, leaving SCU with high marks for safety of member shares, soundness of operation and overall financial strength. The NCUA examines the credit union because SCU is a federally chartered credit union and is federally insured.

In addition, SCU was recognized, for the second year in a row, as winner of the Dora Maxwell Award for Social Responsibility for SC credit unions in the \$500 million and above category. The Dora Maxwell Award recognizes a credit union's effort to strengthen local institutions and materially improve the lives of nonmembers through community outreach programs.

Next, Mr. Hammond directed the membership's attention to the financial charts located on page 6 of the Annual Report.

In conclusion, Mr. Hammond stated the combined efforts of a dedicated team of volunteer officials and staff, once again, produced results that affirm SCU's commitment to its mission of improving the financial lives of its members.

The Brookland Baptist Young Adult C.H.A.N.G.E.D. Choir sang "How Great Thou Art" and "Ride On, King Jesus".

Award Presentations

Mr. Hammond presented service awards to the following volunteer officials:

- Carole Seebode – 10 Years of Service
- R. Brooks Galloway – 40 Years of Service

Employees' Years of Service Awards (To be presented at a later date)

<u>Years of Service</u>	<u>Employee Name</u>	<u>Department / Location</u>
35	Wallace Blackie	Technology Systems & Services
25	Karen Rhodus	Professional Development & Training
20	Elizabeth Dalton	Charleston Branch
20	Chris McElveen	Broad River Road Branch
20	Matt Tischler	Management
15	Stacy Babb	Florence Branch
15	Marie Coker	Loan Administration
15	A.E. (Rick) Hammond	Management
15	Kelly Harrell	Florence Branch

10	Candice Brady	Sales Administration
10	Boyd Burnett	Lower Richland Branch
10	Laura Fowler	Compliance & Professional Development & Training
10	Eric Graves	Management
10	Wanda Irick	Lexington Hwy. 1 Branch
10	Hope Long	Charleston Branch
10	Debby McKinney	Plastics
10	Yvette Mize	Spartanburg Branch
10	Theresa Ontiveros	Member Relations
10	Phyllis Owens	Clemson Branch
10	Carey Perdicho	Accounting
10	Debra Tart	Lexington Hwy. 378 Branch
5	Katherine Broughton	Anderson Hwy. 28 Branch
5	Barrett Hightower	Lexington Hwy. 378 Branch
5	Shelley Moses	Anderson Hwy. 28 Branch
5	April Settle	Loan Adjustment Services
5	Catherine Young	Member Relations

Old Business

There was no old business brought before the Chairman.

New Business

There was no new business brought before the Chairman.

Elections

Report of Nominating Committee

Bobby Gist, Nominating Committee Chairman, reported the Nominating Committee met on September 10, 2014 to review the slate of nominees whose terms were expiring. No petitions were received and according to SCU's bylaws no nominations will be accepted from the floor. Mr. Gist stated the Nominating Committee unanimously voted to present the following nominees to be elected, each to three-year terms on the Board of Directors – Marie J. Isert, Herbert A. Lanford and James M. Simpson.

Bobby Gist (moved) to elect Marie J. Isert, Herbert A. Lanford and James M. Simpson to three-year terms on the Board of Directors. Larry Etheredge (seconded). **Motion Carried.**

Discussion

There was no discussion brought before the Chairman.

Adjournment

Chairman Rhodes called for a motion to adjourn.

Brooks Galloway (moved) to adjourn. Ron Herrin (seconded). **Motion Carried.** The meeting adjourned at 9:50 a.m.

Employee Service Awards

Employee Name	Years of Service	Department
C. Teresa Gabuyo	30	Charleston Branch
Melinda Jones	15	Account Services
Annette Davis-Etheredge	15	Management
Donna Parker	15	Clemson Branch
Alan Feldsott	15	Technology Systems and Service
Carol Milburn	15	Huger St. Branch
Eric McIlwain, Sr.	15	Loan Adjustment Services
Delphine Goins	15	Loan Adjustment Services
Debbie Shumpert	15	Mortgage Lending
Tammy Farmer	15	Audit
Daniel Harms	10	Loan Administration
Sandra Easley	10	Greenwood Branch
Sharon Hopkins	10	Anderson 81 Branch
Koren Pringle	10	Technology Systems and Services
Sharon Mack	10	Orangeburg Branch
Michelle Baker	10	Marketing
Donna Albert	10	Plastics
Sherry Burkett	10	Clemson Branch
Shanita Mood	10	Orangeburg Branch
Knicoa Johnson	5	Member Relations
Melissa Mast	5	Spartanburg Branch
Shanna Wicker	5	Plastics
Kathy Risinger	5	Member Relations
Jarad Fields	5	Technology Systems and Services

Membership

State Credit Union is a member-owned financial institution providing services to state, city, county and school district employees, as well as anyone eligible to participate in the SC State Retirement System. It serves those employed by or attending any school in the South Carolina Technical College System or state-chartered college or university. Anyone who is related to another member by blood or marriage may also join the credit union.

In addition, any individual who lives, works or attends school in Aiken, Anderson, Florence, Greenwood, Oconee, Orangeburg, Pickens or Spartanburg counties is eligible to join.

Members retain their membership for life even though they may change employment or retire.

Officials and Staff

The following is not a complete list of responsibilities, but an overview of the various functions of the elected officials and staff members.

The **Board of Directors** consists of nine members, each of whom serves a three-year term of office. Terms are staggered; three directors are elected for a full term each year. Others may be elected to fill unexpired terms or any vacancies. The Board may appoint any person to fill a vacancy until the next election. From its own number, the board elects a Chairman, 1st Vice Chairman, 2nd Vice Chairman, Secretary, and Treasurer. These five officers make up the Executive Committee.

The **Executive Committee** may meet as often as necessary and the board must meet no less than monthly. Board members serve without compensation.

It is the responsibility of the Board of Directors to make policy. The Board also employs a CEO to manage the day-to-day operations of the credit union and to implement its policies.

The **Supervisory Committee** consists of three to five members, each of whom serves a one-year term of office. From its own number, the committee elects a Chairman and a Secretary. The committee meets as often as necessary, but no less than quarterly. Its members serve without compensation.

The Supervisory Committee has the responsibility to make, or have made, an annual audit of the records and business of the credit union, and to make reports to the Board of Directors of its findings. If necessary the committee may seek outside assistance to perform its duties. Should a vacancy occur, the Supervisory Committee shall appoint a person to fill the vacancy until the next election.

The **Nominating Committee** consists of three members. The committee is appointed by the Chairman of the Board of Directors and elects a Chairman from its members.

It is the responsibility of the Nominating Committee to seek and nominate persons who are interested in serving the credit union to fill any elected position which is vacant. In making its selection, the Nominating Committee is charged with the responsibility of selecting qualified persons who represent a cross section of the members.

The Nominating Committee serves without compensation and is dissolved after making its official report.

The **CEO** is employed by the Board of Directors. It is the duty of the CEO to act on behalf of the elected officials in the day-to-day operations of the credit union.

The CEO is charged with the responsibility of employing and training the staff. He is also responsible for proposing and implementing policy. The CEO is responsible for representing the members' interests, the elected officials' interests and the staff members' interests at all times. He is responsible for research, development and implementation of new and improved services.

The CEO is a full-time employee and is compensated for services.

The **Staff** is employed by the CEO. It is the responsibility of the staff to deliver service to the members in an efficient and professional manner.

Staff members are full-time and part-time employees and are compensated for their services.