

TALERIS CREDIT UNION  
2023  
ANNUAL REPORT

PRESENTED AT THE TALERIS CREDIT UNION ANNUAL  
MEETING SATURDAY, MARCH 23, 2024 | 1:00 PM, EDT

**BOARD OF DIRECTORS**

DONALD SALSBUURY CHAIRPERSON

BENJAMIN CARNAHAN VICE CHAIRPERSON

MARY BRUMBAUGH TREASURER

JEFF CLAWSON SECRETARY

WES TAYLOR DIRECTOR

MICHAEL GILDENMEISTER DIRECTOR

MICHAEL HOLDEN DIRECTOR

**ADVISORY BOARD**

SCHONDA GRAYS MEMBER

LENEE WILLIAMS MEMBER

**OFFICERS**

ROBIN THOMAS PRESIDENT / CEO

KRISTEN KILFOYLE VP - LENDING & BRANCH OPERATIONS

RICHARD ZIMMERMAN DIRECTOR - SALES, MARKETING & BUSINESS  
DEVELOPMENT

## BOARD CHAIRPERSON REPORT

2023 was a year of recovery and adaptation for all of us. With a rising interest rate environment, soaring inflation and lingering effects from the Covid Pandemic, 2023 was a challenging year. Yet, thanks to the efforts of our dedicated staff and continuing to follow our strategic plan, 2023 proved to be another profitable year for Taleris Credit Union despite those economic challenges.

Looking forward into 2024 and beyond, we intend to continue to follow our strategic plan which provides the best opportunities for future growth and profitability. In 2024, Taleris also plans to seek more opportunities to enhance and improve upon the current Member experience, as well as continue to offer members:

- Prompt, Courteous and Professional Service
- Competitive Deposit Interest Rates and Loan Interest Rates
- Business Services and Business Loans
- Educational Resources and Exclusive Member Benefits
- A Growing List of Quality Financial Products and Services
- Easy Access to Manage Accounts including visiting the Seven Hills Service Center, Mobile Branch, Teller 24e Online Services, Audio Access Program, Nationwide ATM Network and Nationwide Shared Branching Network

Taleris Credit Union continues to be well capitalized, and your deposits are safely insured for up to \$250,000 per member, per account. We encourage members to recommend that relatives, neighbors, friends, and co-workers, who live, work, worship or attend school in any of our 14 chartered counties join Taleris and enjoy the benefits of membership.

On behalf of the Board of Directors and all Volunteers, I'd like to say "Thank You" to our wonderful Staff for their hard work and dedication. But most of all to you, our LOYAL Members ... "Thank you" for your continued support of Taleris Credit Union. Without YOU, there would be no US.

Sincerely,

**Donald M Salisbury, Chairperson**

## TREASURER REPORT

In 2023, Taleris remained focused on its core mission of creating opportunities for its members and their families to improve their quality of life for generations. In 2023, inflation and the lingering effects of the COVID-19 pandemic impacted the global economy and financial market conditions. During 2023 interest rates continued rising which provided an opportunity for Taleris to reassess its deployment of capital. Taleris finished 2023 with a Net Worth ratio of 12.32%, and a Capital Ratio of 10.56%. Taleris' financial measurements of Net Worth and Capital remain above the national average and strong compared to market peers. In 2023, Taleris recorded net income of \$20,000, which is a decline year over year from 2022 when a \$197,000 employee retention credit tax refund was received.

Taleris focused its efforts on controlling operating costs and maximizing loan growth, while navigating the changing interest rate environment and adapting to the rapid changes brought on by interest rate changes throughout 2023. Operating expenses increased by \$47,000, a 1.6% increase. In 2023, Taleris paid \$254,200 in dividends to its members (a 264% increase) and member deposits decreased by \$3.4 million.

In 2024, Taleris will continue to focus its efforts to maximize interest income generated by strategic lending efforts and focusing on opportunities for membership growth. On behalf of the Board of Directors, I would like to thank you for the trust you place in Taleris Credit Union.

Looking forward, your Board of Directors will continue to guide the credit union in the best interests of its members to insure each of you has access to the innovative, leading products and services, and financial opportunities that will enable you to achieve your financial goals.

Sincerely,

**Mary K. Brumbaugh, Treasurer**

## **INDEPENDENT AUDIT REPORT (Page One)**

We have performed an audit of the financial statements of Taleris Credit Union, Inc. as of December 31, 2023, and 2022 and for the years then ended. Our report on these financial statements reads as follows:

### **Opinion**

We have audited the financial statements of Taleris Credit Union, Inc., which comprise the statements of financial condition as of December 31, 2023, and 2022, and the related statements of operations 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 Taleris Credit Union, Inc. as of December 31, 2023, and 2022, 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 Audit of the Financial Statements section of our report. We are required to be independent of Taleris Credit Union, Inc. 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 Taleris Credit Union, Inc.'s ability to continue as a going concern for 12 months beyond the issuance of the financial statements.

### **Auditor's Responsibilities for the Audit 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.

## INDEPENDENT AUDIT REPORT (Page Two)

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 an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 audit 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 the Credit Union's internal controls. 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 Taleris Credit Union, Inc.'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 audit, significant audit findings, and certain internal control related matters that we identified during the audit.

The audited financial statements and report of Independent Certified Public Accountants may be viewed at the main office located at 6111 Oak Tree Boulevard, Suite 110 - Independence, Ohio 44131

**Lillie and Company, LLC Certified Public Accountants**

## **A MESSAGE FROM THE PRESIDENT / CEO**

TCU's Mission Statement expresses the desire and dedication of everyone here at Taleris as we conscientiously strive to fulfill our calling to "Create opportunities for our members, their families, communities and staff to thrive financially and improve their quality of life for generations."

At Taleris, we pledge to assist, serve, and operate in the best interest of our members. We are committed to uncover and identify ways to "create opportunities" that enrich the lives of our members, their families, and the communities in which they live, work, worship or attend school.

"People Helping People" (the well-known credit union creed) is the foundation for Taleris Credit Union. We continually seek new opportunities and options for our members by providing a variety of services which include, but not limited to, auto, home, and personal loans along with a variety of deposit products and other financial services, all at competitive rates and with reasonable terms. Our web-based account access and remote services continue to evolve, resulting in greater convenience, time savings, easier navigation, and up-to-date security measures for our members.

We believe that by providing a diverse selection of financial products, services, and tools, we are also delivering the essential support necessary to provide our members and their families the with the power to achieve their financial goals, "thrive financially" and "improve their quality of life for generations."

Success for Taleris is achieved by realizing and fulfilling our mission. This mission continues to be our foremost important objective, as we continue to experience this challenging economic and regulatory environment, which seems never ending. Particularly challenging are the seemingly endless hurdles created by ongoing economic uncertainty and ever-increasing regulatory burdens and overreaching oversight, all of which materially impact our operations and affect the cost of providing products and services to our members. Nonetheless, we remain committed and vigilant, always seeking new opportunities to better serve our members, as we continue to forge ahead through these challenges.

On behalf of Taleris Credit Union, we are grateful for your patronage and loyalty. It has been, and continues to be, our privilege to serve you, providing you and your family with the resources, tools, and opportunities to achieve your financial goals.

Sincerely,

**Robin D. Thomas CCCE, President / CEO**

	2021	2022	2023
<b>BALANCE SHEET</b>			
Total Assets	76,150,785	72,461,510	68,952,079
Loans (Gross)	49,178,508	50,253,279	48,752,303
Allowance for Loan Losses	(214,280)	(343,594)	(126,288)
Primary Shares	35,754,127	34,923,793	30,129,560
Certificates and Other Savings	27,840,571	27,699,161	29,050,003
Total Member Savings	63,594,698	62,622,954	59,179,563
Statutory Reserves	3,705,778	3,705,778	3,705,778
Undivided Earnings	4,828,016	4,767,238	4,787,053
Total Reserves / Undivided Earnings	8,533,794	8,473,016	8,492,831
<b>INCOME / EXPENSE</b>			
Gross Income	2,702,062	3,023,058	3,143,786
Operating Expenses	2,845,253	2,787,243	2,945,271
Dividends to Members	75,816	69,744	254,193
Net Income	(107,141)	125,398	19,814
<b>STATISTICAL DATA</b>			
Number of Members	6,829	6,481	5,972
Number of Loans	1,967	1,852	1,611
Average Earnings per Member	(15.69)	19.35	3.32
Average Dividends per Member	11.10	10.76	42.56
Average Savings per Member	9,312	9,662	9,909
Average Loan Outstanding per Member	24,893	27,378	30,362
<b>RATIOS</b>			
Capital	10.68%	10.01%	10.56%
Net Worth	11.21%	11.69%	12.32%
Loans to Assets	64.58%	69.35%	71.03%
Loans to Shares	77.33%	80.25%	82.76%
Return on Average Assets	-0.14%	0.17%	0.03%
Dividends to Gross Income	2.81%	2.31%	8.25%
Charged-Off Loans to Average Loans	0.09%	0.03%	-0.01%
Charged-Off Loans to Gross Income	-1.15%	0.58%	-0.22%
Delinquency Ratio	0.54%	0.49%	0.26%



## **TALERIS MISSION STATEMENT**

Create Opportunities for  
Our Members, Their  
Families, Communities and  
Staff to Thrive Financially  
and Improve Their Quality  
of Life for Generations