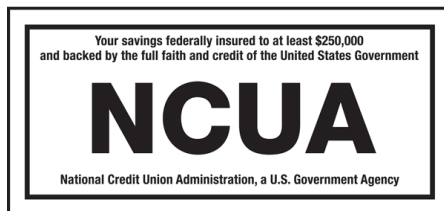




2022 Annual Report

Champion Credit Union Mission Statement

Champion Credit Union, Inc. is a member-owned financial cooperative whose mission is to be progressive in providing the best in a full range of services to our members while maintaining financial stability.



AMERICA'S
CREDIT UNIONS™

Where people are worth more than money.™

**2023 Champion Credit Union, Inc.
81st Annual Meeting
Saturday, April 22, 2023
Monclova Community Center, Monclova OH**

MEETING AGENDA

*Call to Order
Ascertain a Quorum
Roll Call of Officers
Approval of 2022 Annual Meeting Minutes
Chairman's Report
Treasurer's Report
Supervisory Committee Report
Credit Committee Report
Old Business
Election of Officials
New Business
Adjournment*

ROSTER OF OFFICIAL FAMILY MEMBERS

Board of Directors

Terry Benton, Chairman
David Bobak, Vice Chairman
Judy Buck, Secretary
Steven M. Grindle, Treasurer
Sheryl Birch
John Eisenhower
Jill Siebert
Rosalie Sneider
Akrum Youssef

Supervisory Audit Committee

Dee Geer, Chairman
Sally Blevins
James Jennings
Mark Mayfield
Judy Spade

Credit Committee

Benny Rutherford, Chairman
David Beisel
Michael Cherry

Staff

Steven M. Grindle	President/CEO	Jill Dietrick	Member Services
Jennifer Ahern	Vice President	Patty Helm	Member Services
Cathy Moore	Branch Manager	Julie Landis	Member Services
Sheena Harteis	Branch Manager	Brogan Layman	Member Services
Cassie Adney	Member Services	Micah Lewis	Member Services
Micki Buck	Member Services	Jordan Pluszczynski	Member Services
Brian Conley	Member Services	Kody Sargent	Member Services
Dana Copciac	Member Services	Amanda Weissenberger	Member Services

Chairman's Report

Champion Credit Union is a community of those who care about their financial futures. Our common bond is what makes us the financial institution we are. As a cooperative, every member is involved on some level to help the group grow and prosper. From those who invest in the credit union, to those who borrow, to everyone who exercises their right to vote, and those who serve as volunteers within the credit union; each of us plays an important role. By spreading the word to family, friends, neighbors, and co-workers we strengthen and expand our credit union.

Through the years our commitment to our members and communities has not wavered. Our unflinching belief in the credit union philosophy of "people helping people" has allowed us to remain dedicated and steadfast in our mission to serve you and our local communities. The credit union will continue to partner with community groups and organizations like Children's Miracle Network, Family House Homeless Shelter, Cystic Fibrosis Foundation, and local schools to serve and educate our members and those in the communities that we impact.

We look forward to the future, and with your help, we can become an even greater asset to you and our community.

The credit union's volunteer Board of Directors will continue to meet once a month to plan, supervise, and provide for the safety and soundness of the credit union. In addition to those regular, scheduled meetings, other responsibilities of Board members include serving on some of the following committees: Education, Marketing, Nominating, Strategic Planning, Annual Meeting, IT Steering, and Executive. The members of these committees bring suggestions and recommendations to the full Board of Directors for consideration and action.

As always, the credit union's most important asset is you, the member. Congratulations on a great 81 years and Thank YOU for your support!

Terry Benton, Chairman

Treasurer's Report

Your credit union depends on you – “the member” and we are committed to providing you a full range of services while maintaining financial stability. We encourage you to utilize the products and services of your credit union and recommend your credit union to others.

We closed out 2022 with 5,822 members, total loans were \$22,547,735, total shares were \$66,798,902, assets were \$73,603,672 and net worth was \$7,615,152. Your credit union remains safe, sound, and secure. Our capital ratio (Net Worth to Assets) was 10.36%, which exceeds the amount required by regulation. For added protection, the National Credit Union Administration (NCUA), a U.S. Government Agency, insures your credit union shares to at least \$250,000.

It finally seems that the COVID Pandemic is winding down. While COVID will remain with us, it should not impact us the way it has in the past. During 2022 the Federal Reserve Bank started to raise rates which has had a positive impact on credit union financials. With that said, your credit union continues to offer very competitive loan rates. If you are thinking of making a purchase for a new house, new or new to you car, motorcycle, boat, or RV, please check with your credit union to see if we can help you with your financing needs. The credit union can also help with a home equity loan or a debt consolidation loan. Did you know you can apply for a loan online? Simply go to our website: www.ChampionCU.org and click on “Apply for a Loan”, then click “Apply Now”, and complete the requested information and follow the prompts. If you have any questions or if you would like to apply in person or via telephone, please contact any member of our lending services staff for more information or to apply for a loan.

Did you know that your credit union has several remote products and services including: Virtual Branch, Downloadable App featuring Remote Deposit Capture, Digital Wallets, and Card Management Apps for both our MasterCard MasterMoney Debit Cards and our CCU Platinum Rewards Visa Credit Cards?

With Virtual Branch you can access your statements electronically with eStatements. You can pay bills online with our Bill Pay product. We have enhanced our Person-to-Person payments with Zelle. Members can now transfer funds in real time to anyone on the Zelle platform. In 2023, the credit union will participate in a new instantaneous payment service offered by The Clearing House. Once activated credit union members will be able to receive “Real Time Payments”.

With our downloadable app you can now deposit checks into your account by simply taking a picture within the app and clicking deposit. Make a deposit anywhere at any time. Visit the Apple App Store or Google Play to download the app.

Security is extremely important and to help you manage your credit card transactions and notifications we have SecurLock Equip available. SecurLock can be downloaded from your phone's app store. To help manage your debit card, we have the CardValet App. With CardValet, once you register your Debit Card, you can view transactions as they post, turn your card on or off if lost or stolen, set alerts, view your balances, and more.

For more information on any of our products or services please feel free to contact a credit union staff member.

Thank you for the opportunity to serve you and thank you for your support of Champion Credit Union. It's your credit union and it's where you belong!

Steven M Grindle, Treasurer

Statement of Financial Condition

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
ASSETS		
Loans to Members	\$22,547,734.96	\$19,791,338.75
Allowance for Loan Losses	(\$146,902.14)	(\$185,550.71)
Cash	\$955,731.31	\$1,026,910.35
Overnight Investments	\$891,687.71	\$2,930,717.67
Investments	\$44,985,424.69	\$46,766,312.38
NCUA Share Insurance	\$655,397.86	\$636,750.66
Building & Improvements	\$1,457,727.27	\$1,514,092.69
Furniture, Fixtures, & Equipment	\$114,327.08	\$147,732.62
Prepaid & Deferred Expenses	\$178,946.63	\$25,753.99
Other Assets	\$1,847,765.29	\$2,164,594.08
TOTAL ASSETS	\$73,487,840.66	\$74,818,652.48
LIABILITIES & EQUITY		
Accounts Payable	(\$147,101.67)	\$1,159,898.97
Shares	\$38,983,146.77	\$37,470,471.94
Money Management Shares	\$7,597,233.87	\$8,207,051.74
Club Shares	\$745,365.27	\$804,613.96
Share Drafts	\$15,164,617.35	\$15,846,357.93
Share Certificates	\$1,512,081.33	\$1,868,258.49
IRA Accounts	\$2,796,457.80	\$2,805,400.70
Undivided Earnings (Note 3)	\$6,781,343.46	\$5,193,723.31
Equity From Merger (Note 6)	\$833,808.48	\$833,808.48
Other Comprehensive Income (Note 2)	(\$779,112.00)	(\$618,533.04)
Statutory Reserves (Note 3)	\$0.00	\$1,247,600.00
TOTAL LIABILITIES & EQUITY	\$73,487,840.66	\$74,818,652.48
INCOME		
Interest on Loans	\$887,176.71	\$821,133.96
Refunds to Borrowers	\$0.00	\$0.00
Investment Income	\$636,825.58	\$559,788.28
Fee Income	\$340,374.57	\$285,649.36
Other Income	\$951,824.39	\$600,080.83
GROSS INCOME	\$2,816,201.25	\$2,266,652.43
EXPENSES		
Employee Compensation	\$701,547.05	\$639,766.90
Employee Benefits (Note 2)	\$260,159.63	\$237,454.18
Travel & Education/Conference	\$4,198.21	\$149.89
Association Dues	\$18,176.18	\$17,203.48
Office Occupancy	\$177,671.78	\$186,140.03
Office Operations	\$214,204.69	\$213,408.38
Education and Promotion	\$31,490.21	\$27,104.23
Loan Service	\$30,408.00	\$35,712.30
Professional & Outside Services	\$936,535.16	\$810,101.25
Member Insurance	\$32,125.95	\$28,983.52
Operating Fees	\$15,054.00	\$12,978.00
Annual Meeting	\$7,200.00	\$7,200.00
Provisions for Losses	\$12,234.27	\$11,379.27
Other Operating Expenses	\$87,460.45	\$66,106.53
TOTAL EXPENSES	\$2,528,465.58	\$2,293,687.96
Total Interest/Dividend Expense	\$61,603.56	\$61,279.45
Gain/(Loss) on Sale of Assets	\$0.00	\$0.00
Goodwill from Merger	\$0.00	\$0.00
Other Non-Operating Income	\$113,468.04	\$119,576.04
	\$339,600.15	\$31,261.06
Transfer to (from) Undivided Earnings	\$339,600.15	\$31,261.06

Notes to Statement of Financial Condition December 31, 2022

Note 1: Nature of Business and Significant Accounting Policies

Nature of Operations: Champion Credit Union, Inc. was chartered 1942. The Credit Union holds savings deposits and provides loans to employees and family members of Champion Spark Plug Company, as well as communities and select groups within Lucas County, Ohio and surrounding areas. Select groups share a common bond of employment, association, or community. Membership is also extended to those individuals with household relationships to members.

Investments: The credit union follows an accounting standard which requires certain investment securities to be carried at fair value.

Loans to Members and Allowance for Loan Losses: Loans are stated at the amount of unpaid principal. Interest on member loans is recognized over the term of the loan and is calculated using the simple interest method on principal amounts outstanding.

The Allowance for Loan Losses is established through a Provision for Loan Losses charged to operational expenses. Loans are charged against the Allowance for Loan Losses when management believes that the collection of the principal is unlikely. The allowance is an amount that management believes will be adequate to absorb potential losses on existing loans that may become not collectible, based on evaluations of the ability to collect loans and prior loan loss experience.

Accrual of interest is discontinued on a loan based on a formula prescribed by the regulatory agencies predicted on historical loan-loss trends.

Deposit in NCUSIF: Champion Credit Union, Inc. is required to maintain a deposit with the National Credit Union Share Insurance Fund based upon a formula prescribed by the National Credit Union Administration. The deposit may be adjusted on an annual basis. Earnings are not guaranteed and are contingent on fund management.

Depreciation: Property and equipment are stated at cost, less accumulated depreciation. Depreciation and amortization are accumulated on a straight-line basis over the estimated economic useful life of the related asset.

Members' Share (Savings) Accounts: Members' shares are subordinated to all other liabilities of the credit union upon liquidation. Interest on members' share (savings) accounts is based on available earnings at the end of an interest period and is not guaranteed by the credit union. Interest rates on members' share (savings) accounts are set by the Board of Directors, based on an evaluation of current and future market conditions.

Income Taxes: The credit union is exempt, by statute, from federal income taxes and state corporate business tax.

Note 2: Employee Benefits

The credit union provides employees with a wide range of employee benefits. A number of the programs, such as; Social Security, Medicare, Workers Compensation, and Unemployment Insurance cover all employees in the manner prescribed by law. Other employee benefits which are provided to eligible employees, include (but are not limited to); vacation benefits, personal or sick day benefits, holiday benefits, life insurance, long-term disability insurance, and retirement plans.

Retirement Plans: Champion Credit Union, Inc. has a money purchase defined benefit pension plan and 401(k) retirement plan covering all eligible employees. Employees become eligible upon reaching a certain age and working a minimum number of hours during the year. Employees become fully vested after five (5) years of service. Champion Credit Union contributes a percentage of employees' eligible compensation to the plan each year. Champion Credit Union established the defined benefit pension plan in September 1974 and a 401(k) pension plan in January 1997. Both plans cover substantially all employees. In 2022, the 401(k) employer match expense was \$21,966.09 and in 2021 the 401(k) employer match expense was \$16,236.76. The actual funding status of the defined benefit pension plan is reflected on the balance sheet as a net asset or liability. Previously unrecognized items are brought to the balance sheet as "Other Comprehensive Income", which is a component of equity.

Note 3: Members' Equity: Due to a regulation change in 2022, the Statutory Reserve account was closed and moved into the Undivided Earnings account. Champion Credit Union, Inc. is subject to various regulatory capital requirements. To be considered "well capitalized" under the regulatory framework the Credit Union must maintain a minimum net worth ratio of 7.00% of assets. As of December 31, 2022, the Credit Union's net worth ratio was 10.36%.

Note 4: Commitments and Contingent Liabilities: The credit union grants lines of credit in the ordinary course of business to members who qualify. Outstanding unused lines of credit as of December 31, 2022, are as follows:

Overdraft Line of Credit Loans	\$ 273,243
Credit Card Loans	\$ 3,059,009
Home Equity Loans	\$ 2,049,842
Overdraft Protection Program Commitments	\$ 1,517,182
TOTAL	\$ 6,899,276

These amounts are not reflected on the Credit Union's financial statements.

Note 5: Related Party Transactions: As members of Champion Credit Union, Inc., certain employees and officials maintain share and loan accounts. All transactions on these accounts are done in the ordinary course of business and are done at normal and customary rates and terms.

Note 6: Business Combination: In October 2018 the credit union completed a merger with Toledo Postal Employees Credit Union. As a result of this merger the credit union expects to be better positioned to serve the financial needs of its members. The business combination was by mutual agreement. The equity from that merger is included in Undivided Earnings but listed separately.

Supervisory Audit Committee Report

During the past year, the Supervisory Audit Committee performed periodic examinations of credit union records. The examinations consisted of a test of the accounting records and other office statements that were considered necessary.

It is the responsibility of the Supervisory Audit Committee to audit all functions of the credit union. In 2022, the Supervisory Audit Committee retained the services of William Arvo, CPA, to assist with the audit functions. The committee believes that by utilizing a Certified Public Accounting firm, which specializes in credit union audits, the Supervisory Audit Committee's responsibility has been fulfilled. The audit conducted by William Arvo, CPA was a year end audit, which included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements at that time. The audit also included a positive individual shareholder account verification at the end of the fourth quarter of 2022 and an investment verification. An audit confirmation letter from William Arvo, CPA is included in this report for membership review.

Included within the annual report is a Statement of Financial Condition for December 31, 2021 and December 31, 2022, for membership review. The preparation of these financial statements are the responsibility of credit union management.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Champion Credit Union, Inc. and are in conformity with accounting principles generally accepted in the United States of America.

Dee Geer, Chairman
Sally Blevins
James Jennings
Mark Mayfield
Judy Spade





**Financial
Standards
Group, CPA LLC**

PMB 377
31408 Harper Ave.
St. Clair Shores, MI
48082
(248) 467-4879

April 11, 2023

Attn: Board of Directors
Champion Credit Union, Inc.
Toledo, OH 43623-3758

We have performed and completed an audit of the financial statements of Champion Credit Union, Inc. as of December 31, 2022 and 2021 and have issued the final reported dated April 11, 2023. Our audited opinion on these financial statements reads as follows:

Opinion

We have audited the accompanying statement of financial position of Champion Credit Union, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of earnings, statements of comprehensive income, statements of 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 Champion Credit Union, Inc., 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.

Please feel free to contact me by phone: 248-467-4879 or by email: barvo@financialstandardsgroup.com for any questions regarding my audit. I encourage questions and participation by the Board of Directors and Supervisory Committee.

Sincerely,

William Arvo, CPA

Financial Standards Group CPA LLC

Credit Committee Report

The Credit Committee meets each month to fulfill its responsibility of reviewing all loans granted by the credit union. Loans are reviewed to verify compliance with the loan policies and resolutions approved by the Board of Directors.

During 2022 the Credit Committee reviewed 657 loan applications, totaling \$13,533,869, which were approved by the loan officers. Also reviewed were 39 Visa credit card applications totaling \$146,350. This is a grand total of 696 approved applications totaling \$13,680,219. This is an average of \$1,140,018 in loans approved monthly.

The credit union offers competitive interest rates and will consider loan applications for any worthwhile purpose. Loan applications can be made at a credit union office, by mail, by telephone, via the credit union website, and even through area auto dealerships. The credit union also offers Platinum Rewards Visa credit cards with no annual fee and if the balance is paid within the grace period, no finance charges. Any credit union member is eligible to submit a loan application and all information is handled in strict confidence.

When you are considering a loan or a credit card, please contact any credit union office and ask a member of our lending services staff to compare the rates, rebates, terms, and benefits of a Champion Credit Union loan product to other loans you may be considering. As members, we are the future of our credit union. Borrowing from our credit union helps to ensure we continue to receive the competitive rates, great products and services, and personal service we have come to expect. The credit union is here to serve you, the staff would be happy to compare and help you make the best decision on which loan is the best option for you.

Benny Rutherford, Chairman

David Beisel

Mike Cherry

Nominating Committee Report

The Nominating Committee of Champion Credit Union, Inc. submits the following as candidates for the Board of Directors and Credit Committee.

BOARD OF DIRECTORS CANDIDATE BIOGRAPHIES

SHERYL BIRCH

Ms. Birch has been a member of Champion Credit Union since 1989. Ms. Birch served as a member of the Supervisory Audit Committee from 1999 through 2007. Ms. Birch worked at Champion Spark Plug Company from 1987 through 1995 as Coordinator of Special Events ("Queen of Motor Sports"), until the company moved that division. She was employed after the division moved as Director of Promotions at Omnicare. In 1997, Ms. Birch became the Executive Director/Chief Operating Officer of the Northwest Ohio Tennis Association, where she is currently employed as CEO. Ms. Birch has two children and six grandchildren. (Incumbent)

JUDY BUCK

Ms. Buck retired from an area credit union after serving for 30 years. During this period, she was CEO, CFO and Secretary/Treasurer of the Board. She has worked and volunteered in the credit union movement for nearly 50 years. Volunteer positions included a direct on the Board of the Ohio Credit Union League servings in many positions including Chairman of the Board. In addition to her involvement in the credit union, she serves as board member for Neighborhood Properties – a non- profit providing supportive housing for homeless individuals with mental illness and addiction disorders; and is actively involved in her church. Judy is married to her husband, Gary. They have three grown children, 7 grandchildren and several great grandchildren. She has been an active member of Champion Credit Union since 1985. (Incumbent)

DAVE SOWINSKI

Mr. Sowinski has been a member of Champion Credit Union since 1967. He started working at Champion Spark Plug Company in 1967 as a machine operator before moving into the Aviation Department, where he worked until the division was moved out of the Toledo area. Mr. Sowinski has an Associate Degree in Business Administration with a focus on Accounting from the University of Toledo. He retired as Production Superintendent in 2008 from another automobile supplier. Mr. Sowinski has volunteered with the Boy Scouts of America for the past 30 years and with the Knights of Columbus for the past 25 years. He and his wife Annette have four children and 12 grandchildren.

CREDIT COMMITTEE CANDIDATE BIOGRAPHIES

MICHAEL CHERRY

Mr. Cherry has been a member of Champion Credit Union since 1971 and has served on the Credit Committee since 2022. He worked for Champion Spark Plug as a Lathe Machinist from 1971 until the plant closed in 1991. Mr. Cherry attended Owens Community College for CAD/CAM technology and retired in 2007. He and his wife Therese have been married for 61 years and have a very large family. (Incumbent)

Some Of Your Credit Union Services and Benefits

- ◆ **CCU App** - Account information and access optimized for your mobile device
- ◆ Mobile Deposit Capture - Using the CCU App, make a check deposit from anywhere, anytime
- ◆ Virtual Branch - Online access to all your CCU accounts and the ability to send money through Zelle
- ◆ Card Valet - Manage your debit card from wherever you are using your mobile device
- ◆ SecurLOCK- Manage your CCU Rewards Visa from wherever you are using your mobile device
- ◆ eStatements - Get your statements fast and easy, the paperless way
- ◆ Bill Payment Service - Easy and convenient way to pay your bills
- ◆ Virtual Loan - Apply online for a competitive rate CCU loan
- ◆ **Vehicle Loans** - Your best choice for competitive rates on new and used vehicles
- ◆ Motorcycle Loans - Same great rates as new and used vehicles
- ◆ Personal Loans - For any worthwhile purpose
- ◆ Consolidation Loans - Consolidate several payments into one easy payment
- ◆ Home Equity Lines of Credit - Let your home work for you
- ◆ Recreational Vehicle Loans
- ◆ Boat Loans
- ◆ Platinum Rewards Visa Credit Cards - No annual fee and Scorecard Rewards
- ◆ Sallie Mae Smart Options Student Loan - Smart options for college students
- ◆ Overdraft Lines of Credit - Protection when you need it
- ◆ Mortgage Loans - First Mortgages and Land Loans
- ◆ Debt Protection - Life, Disability, Involuntary Unemployment, GAP, & Mechanical Repair Coverage
- ◆ Shared Branching Service - Access your CCU account where you see the shared branching logo
- ◆ Cashiers Checks / Official Checks / Money Orders
- ◆ Members Financial Services - Financial planning help for all members
- ◆ Share (Savings) Accounts - Regular, Holiday, Vacation, or whatever your savings needs call for
- ◆ Share Draft (Checking) - Dividend bearing, no monthly service fees
- ◆ Young Savers Club and Youth Share Certificates - Something special for our young savers
- ◆ Money Management Account - Tiered rate account means more yield and less tie up
- ◆ MasterCard ATM/Debit Card & Automated Teller Machines
- ◆ Individual Retirement Accounts - Traditional and Roth
- ◆ Coverdell Education Savings Accounts - Save for education expenses
- ◆ Share Certificates - A variety of terms with great dividend rates
- ◆ Audio Response - 24-hour account access via telephone
- ◆ Direct Deposit - The most secure way to deposit your money
- ◆ Discount Amusement Park, Toledo Zoo, and Cinema Tickets
- ◆ Visa Gift Cards and Reloadable Visa Pre-paid Cards
- ◆ Signature Guarantees - Only for CCU members
- ◆ Notary Services - Free of charge to members
- ◆ **MUCH MORE!**

CHAMPION

CREDIT UNION, INC.

IT'S WHERE YOU BELONG!

Three Locations to Serve Members

Main

4140 West Laskey Road
Toledo, OH 43623
419/407-4140 * 800/650-5444
Fax: 419/407-8909

Sylvania

7525 Sylvania Avenue
Sylvania, OH 43560

South

1347 South Detroit Avenue
Toledo, OH 43614

Office Hours (All Locations)

Monday—Thursday 9:00 am to 4:30 pm
Friday 9:00 am to 5:45 pm

Audio Response

24 - Hour Telephone Access: 800/285-2830

Virtual Branch / Bill Pay / Virtual Loan / Branded App / Card Valet

www.ChampionCU.org

Your savings federally insured up to \$250,000

NCUA

National Credit Union Administration,
a U.S. Government Agency

