

# GREAT LAKES

credit union



## ANNUAL MEETING

June 2, 2020 | 5:00 p.m.



## **82<sup>nd</sup> Annual Meeting**

**Tuesday, June 2, 2020**

**5:00 p.m.**

### **MEETING AGENDA**

1. Call to Order.
2. Determine Quorum and Majority Requirements.
3. Introduction of Directors and Executive Leadership Team.
4. Approve Minutes of the 81<sup>st</sup> Annual Meeting.
5. Report of the Chair of the Board.
6. Report of the Supervisory Committee.
7. Report of the Credit Committee.
8. Report of the ALM Committee.
9. Report of the Membership Committee.
10. Report of the Board Membership & Governance Committee.
11. Report of the President/CEO.
12. Report of Bylaw Amendments.
13. Report of the Nominating Committee.
14. Report of the Proxy Votes.
15. Elect Directors.
16. New Business.
17. Director Milestone Anniversaries.
18. Adjournment.

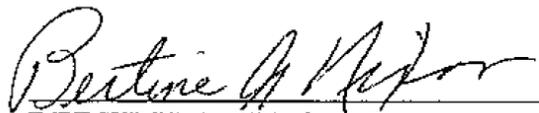
**GREAT LAKES CREDIT UNION**  
**81<sup>st</sup> ANNUAL MEETING**  
**April 16, 2019**

1. The 81<sup>st</sup> Annual Meeting of the Members was held at the Greenbelt Cultural Center, North Chicago on Tuesday, April 16, 2019. Sixty four (64) members were in attendance.
2. The meeting was called to order by Stephen Park, Chair, at 5:05 p.m.
3. Bertine Nixon, Secretary, declared that a quorum was present and that 68,406 of 81,839 or 83.6% of the outstanding members were represented either in person or by proxy. The Chair declared that it was a legal meeting.
4. Motion was made and seconded to dispense with the reading of the minutes of the previous Annual Meeting. Carried.
5. Stephen Park presented his Report as the Chair.
6. The following reports were presented:
  - A. Supervisory Committee Report – James March
  - B. Credit Committee Report – James Fabrie
  - C. Membership Committee Report – Bertine Nixon
  - D. President/CEO Report – Steven BuggMotion was made and seconded to accept all reports as printed and discussed. Carried.
7. The Chair reported amendments made to the Bylaws during 2018. A motion was made and seconded to dispense with the reading of the Bylaw amendments and to approve the Bylaw amendments made in 2018. Carried.
8. Cathy Corbi, Nominating Committee Chair, presented a slate of nominees for Directors for three-year terms. The nominees were Bertine Nixon, Pat Price and David Goles.
9. Bertine Nixon, Secretary, reported that 68,406 proxies would be voted for each nominee that was presented by the Nominating Committee.
10. Motion was made and seconded to instruct the Secretary to cast a unanimous ballot for the slate of nominees. Carried.
11. Stephen Park asked if there was any new business or comments from the floor. There was none.
12. A motion was seconded and carried to adjourn the meeting at 5:45 p.m.
13. A drawing was held for meeting attendees, and \$700 in cash prizes, along with several gift card awards, were awarded to members.



---

**STEPHEN PARK, Chair**



---

**BERTINE A. NIXON, Secretary**

**Great Lakes Credit Union  
2019 Bylaw Amendments**

**ARTICLE III – MEMBERSHIP**

**Section 1.**

The following Select Employee Groups were added to GLCU's Bylaws:

*Lake County Federation of Teachers Local 504 (LCFT)*  
*ZF Services*  
*BAC Administrative District Council of Illinois*  
*Advocate Illinois Masonic Medical Center, Chicago, IL;*  
*Bickerdike Redevelopment Corp., Chicago, IL;*  
*Heartland Alliance, Chicago, IL;*  
*Weiss Memorial Hospital, Chicago, IL;*

In addition, the following field of membership expansion was approved:

*Anyone who lives or works in the area bounded by the Chicago city limits on the north, Damen Avenue on the west, Diversey Parkway on the south, and Lake Michigan on the east;*

...

**Section 8.**

Section 8 was amended to add the following language:

...

*A member may be expelled by a majority vote of a quorum of directors if the board has adopted a policy providing for expulsion for any of the acts found in 205 ILCS 305/15(4).*

*The policy may delegate the expulsion authority to the senior management officials of the credit union. If a member is expelled by a senior management official of the credit union, the member may, within 30 days after the expulsion, seek reinstatement by appealing the action in writing to the board of directors of the credit union. The board may affirm, disaffirm, or modify the action, and the board's decision is final.*

## 2020 DIRECTOR NOMINEES

- **Kevin Leman** – Director, Foundation Operational Readiness, Abbvie, Inc. Director since 2015. Executive Committee Member and Supervisory Committee Chair. Currently serving a three-year term expiring June 2020.
- **Stephen Park** – Ret. Principal, S.M. Park & Associates Consulting. Director since 2005. GLCU’s Board Chair, Executive Committee Member, Credit Committee Member and CEO Review & Compensation Committee Member. Currently serving a three-year term expiring June 2020.
- **Richard “Lee” Piekarz** – Vice President of Finance, Cancer Treatment Centers of America. Director since 2001. Supervisory Committee Member and CEO Review & Compensation Committee Member. Currently serving a three-year term expiring June 2020.

GREAT LAKES CREDIT UNION  
BALANCE SHEETS  
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Cash and due from financial institutions	\$ 63,272,729	\$ 35,559,121
Interest bearing deposits in other financial institutions	<u>3,552,510</u>	<u>2,320,097</u>
Total cash and cash equivalents	66,825,239	37,879,218
Interest bearing time deposits in other financial institutions	14,309,000	11,425,000
Securities available-for-sale	86,185,747	108,080,608
Federal Home Loan Bank stock	5,226,832	5,000,662
Loans held for sale	1,895,250	901,790
Loans to members, net of allowance of \$7,009,620 and \$6,582,781 as of December 31, 2019 and 2018, respectively	651,396,810	640,091,376
Accrued interest receivable	2,873,332	2,591,591
Premises and equipment, net	21,957,736	25,003,009
Land held for sale	-	427,693
Share insurance deposit	6,548,928	6,388,665
Servicing rights	369,927	430,262
Real estate owned	72,294	242,184
Corporate owned life insurance	12,020,828	11,735,501
Intangible assets	614,952	847,237
Other assets	<u>13,475,423</u>	<u>9,469,644</u>
	<u>\$ 883,772,298</u>	<u>\$ 860,514,440</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Members' shares	\$ 687,660,533	\$ 667,109,080
Borrowings	106,954,205	111,125,818
Accrued interest payable and other liabilities	<u>9,574,993</u>	<u>9,120,142</u>
Total liabilities	804,189,731	787,355,040
Members' equity:		
Undivided earnings	66,936,257	62,832,904
Equity acquired in merger	11,315,706	11,096,933
Accumulated other comprehensive income (loss)	<u>1,330,604</u>	<u>(770,437)</u>
Total members' equity	<u>79,582,567</u>	<u>73,159,400</u>
	<u>\$ 883,772,298</u>	<u>\$ 860,514,440</u>

GREAT LAKES CREDIT UNION  
STATEMENTS OF INCOME  
Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Interest and dividend income		
Loans	\$ 31,444,471	\$ 27,786,702
Securities	2,473,104	2,024,349
Other financial institutions	<u>1,033,481</u>	<u>968,960</u>
Total interest income	34,951,056	30,780,011
Interest expense:		
Members' shares	4,969,554	3,664,597
Borrowed funds	<u>2,663,317</u>	<u>1,896,793</u>
Total interest expense	<u>7,632,871</u>	<u>5,561,390</u>
<b>Net interest income</b>	27,318,185	25,218,621
Provision for loan losses	<u>4,804,847</u>	<u>5,518,886</u>
<b>Net interest income after provision for loan losses</b>	22,513,338	19,699,735
Non-interest income:		
Service fees	4,939,855	5,210,323
Credit card and ATM card income	4,135,056	3,962,625
Gain on the sale of loans	1,248,599	833,432
Loss on the sale of securities	(146)	-
Other	<u>2,571,125</u>	<u>2,608,542</u>
Total non-interest income	12,894,489	12,614,922
Non-interest expense:		
Salaries and employee benefits	15,799,292	16,389,415
Occupancy and operations	8,755,862	8,846,718
Loan collection and real estate owned	636,398	360,034
Credit card and ATM card	1,691,252	1,274,419
Depreciation	2,456,429	2,972,154
Advertising	856,012	539,340
Professional and outside services	388,176	514,038
Other	<u>721,053</u>	<u>726,817</u>
Total non-interest expense	<u>31,304,474</u>	<u>31,622,935</u>
<b>Net income</b>	<u>\$ 4,103,353</u>	<u>\$ 691,722</u>

