

# Chicago Post Office Employees Credit Union



## 92<sup>nd</sup>

# Annual Meeting March 13, 2020



*Charles E. May, Chairman of the Board*  
*Barbara J. Singleton, Vice Chairman of the Board*  
*Deborah Fears, President/CEO*

*The Chateau Bu-Sche', 11535 S. Cicero Ave, Alsip, Illinois 60803*  
*708.371.6400 • Fax: 708.371.3836*

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# *Annual Meeting*

## *Agenda*

*March 13, 2020*

- I Introduction of Board of Directors*
- II Introduction of Committee Members*
  - A. Supervisory*
  - B. Membership*
- III Approval of Annual Meeting Minutes – 3/15/19*
- IV Opening Remarks / Report – Chairman*
- V President’s Report*
- VI Supervisory Committee Report*
- VII Credit Manager’s Report*
- VIII Membership Committee Report*
- IX Election of Board of Directors*
- X New Business*
- XI Adjournment*

**CPOECU 91<sup>st</sup> ANNUAL MEMBERSHIP MEETING**  
**Annual Meeting Minutes**  
**March 15, 2019**

**Board of Directors Present**

Charles May (Chairman)  
Barbara J. Singleton (Vice Chairman)  
Eddie T. Todd  
Ervin Gardner (Treasurer)  
LaNeda R. Pitts

**Board of Directors Absent**

Carol Cook (Secretary)

**I. Roll Call**

Mr. Charles May called the 91<sup>st</sup> Annual Membership Meeting to order at 7:00 p.m. and introduced the Board of Directors. Roll call was performed.

**II. Approval of Minutes**

Mr. May asked if there were any questions regarding the minutes of the March 16, 2018 Annual Membership Meeting. There were no questions asked. Mr. May asked for a motion to accept the minutes of the March 16, 2018 Annual Membership Meeting.

Mrs. Barbara J. Singleton made a motion to accept the minutes from the March 16, 2018 meeting, and Ms. Yvonne Dotson (Membership Committee) seconded the motion. The motion passed.

**III. Introductions**

Mr. May introduced the Supervisory Committee, including Ms. LaNeda Pitts (Chairman of the Supervisory Committee) and Ms. Zenobia Russell-Clenna (Committee Member). Ms. Beverly Williams (Committee member), was not in attendance.

Mr. May introduced the Membership Committee, including Mr. Ervin Gardner (Chairman of the Membership Committee), Ms. Yvonne Dotson (Committee Member), and the newest Committee Member, Mr. Tyrone Lewis.

Mr. May made note that the Board of Director's annual report would be available on the CPOECU website. He thanked the Board and Staff for their support and thanked the CPOECU Leadership team for their hard work over the past few years. He then introduced the Staff, and gave special thanks to President/CEO Robert Palumbo, who was unable to attend, for his great stewardship and leadership.

Mr. May then encouraged members to embrace the electronic information as the Credit Union moves toward a more digital environment. He also noted that paper copies of the annual meeting report have been given to members at the meeting and would be available at both CPOECU branches for members unable to access them electronically.

#### **IV. New Business**

Mrs. Barbara J. Singleton discussed the current Board vacancies, noting that three (3) Directors, Mr. Charles May, Mr. Eddie T. Todd, and Ms. LaNeda Pitts, were up for re-election for the three-year term beginning in 2019.

Mrs. Singleton asked three times if there were any nominations from the floor to replace either candidate up for re-election; there were no other nominations from the floor.

Mrs. Singleton asks members to cast their votes for the Board vacancies on their ballots at this time.

She then stated the voting on the 2019 ballot was now closed. The Chairman declared a "no contest" vote and that the entire share ballot be cast for those candidates nominated by the board. Mr. Charles May then announced that the meeting would adjourn for dinner.

**\*\*\*7:15 p.m. Meeting adjourned for dinner break\*\*\*\***

**\*\*\*8:30 p.m. Meeting resumed\*\*\***

After the meeting resumed, Mr. May presented the raffle prizes. The credit union raffled one (1) framed piece of artwork donated by President/CEO Bob Palumbo, five (5) \$50 gift cards and one (1) \$91 gift card to represent its 91<sup>st</sup> year.

Following the raffle giveaways, Mr. May asked if there were any additional questions or concerns.

No questions were asked. Mr. May asked for a motion to adjourn the meeting.

Mrs. Barbara J. Singleton (Vice Chairman) made a motion to adjourn the meeting; it was seconded by Ms. Deborah Fears (member). The motion passed and the meeting adjourned at 8:35 p.m.

**Minutes reviewed and  
Approved by:**

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**Charles E. May  
Chairman of the Board**

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**Carol Cook  
Secretary of the Board**

*Chicago Post Office Employees Credit Union*  
*92<sup>nd</sup> Annual Meeting*  
*March 13, 2020*

*Board of Directors*

*Charles E. May, Chairman*  
*Barbara J. Singleton, Vice Chairman*  
*Carol L. Cook, Secretary*  
*Ervin Gardner, Treasurer*  
*LaNeda R. Pitts, Board Member*  
*Eddie T. Todd, Board Member*  
*Kenneth C. Allen, Board Member*

*Committee Members*

*Supervisory Committee*

*LaNeda R. Pitts, Chairman*  
*Beverly Williams, Committee Member*  
*Zenobia Russell-Clenna, Committee Member*

*Membership Committee*

*Tyrone Lewis Sr., Chairman*  
*Yvonne Dotson, Committee Member*  
*Kenneth C. Allen, Committee Member*  
*Michelle Johnson, Committee Member*

*Chicago Post Office Employees Credit Union*  
*92<sup>nd</sup> Annual Meeting*  
*March 13, 2020*

*Management*

*Deborah Fears, President/CEO*

*Nicole Jennings, Vice President, Operations*

*Eric G. Gibbs, Credit Manager*

*Staff (. . . in alphabetical order)*

*LaBrenda Dillard, Teller*

*Ashley Evans, Member Services*

*Veronica Hairston, Loan Officer*

*Sedora M. Hawthorne, Teller*

*Shawntae Johnson, Loan Officer*

*Ebony Price, Finance Associate*

*Lauren Stepney, Member Services*

## *Chairman of the Board's 2019 Annual Report*

*Welcome to the Chicago Post Office Employees Credit Union's 92<sup>nd</sup> Annual Meeting. I am proud to report that the Chicago Post Office Employees Credit Union is continuing to have strong financial performance. I am happy to again report that the working environment for the staff is adding to the overall financial health of the organization.*

*We are continuing to make gains in controlling our operating cost. We are continuing to work on reducing the amount of printed material we are providing to you by using our online platform. As many organizations have stopped providing hard copies to reduce their cost, likewise, we are moving toward paperless statements. Over the next few years, the Chicago Post Office Employees Credit Union will continue moving its statements and reports to an electronic environment. This year's annual report is being provided online with a very limited number being available at the annual meeting.*

*I would like to thank Mr. Robert Palumbo, former President/CEO for the several years he worked at the Chicago Post Office Employees Credit Union. The knowledge he shared with the staff and board will benefit the Chicago Post Office Employees Credit Union for many years to come. Additionally, the staff continues to be the bedrock of the organization, providing great service to our members. My special thanks to Mrs. Deborah Fears for stepping up to the plate to serve as acting President/CEO for the past several months.*

*Our main goal continues to be to increase membership in the Credit Union by offering an array of financial services that cater to the next generation of members to help them reach their financial goals. The Board and Management Team hope that the Chicago Post Office Employees Credit Union will continue to be your financial institution of choice. Additionally, we will continue to do our best to remain worthy of your trust. Thank you for your loyalty and continued membership.*

*Charles E. May  
Chairman, Board of Directors*



## President's 2019 Annual Report

Chicago Post Office Employees Credit Union celebrates its 92<sup>nd</sup> Annual Meeting in 2020. In the past 10 months of my new role, I have been both energized and inspired by our loyal membership, the dedication and creativity of the staff, and the guidance of our volunteer Board of Directors - who generously donate their time and energy to ensure the success of our organization. I am happy to report that in 2019, CPOECU experienced another year of solid growth, great initiatives, product enhancements and new services that resulted in another successful year.

The Credit Union ended 2019 with total assets of \$20.3 million, up \$746K (3.82%) from last year. Total Savings balances ended the year at \$14.5 million, up \$492k (3.53%) from a year ago with \$2.5 million in savings certificates and \$1.1 million in money market savings. Net Income, for the fourth year in a row, came in very profitably – ending at \$314k. Our capital position remains one of the highest in the industry, ending the year at 27.34%.

In addition to the financial growth, CPOECU successfully implemented and enhanced several product and service offerings in 2019, including: streamlined loan and membership online applications, E-Signature option for remote loan processing, instant issue ATM and debit cards at both branches, as well as additional equipment upgrades to our core operating system to further enhance financial control and cyber security threats.

The Credit Union also increased its communication footprint through new online channels, including the launch of our Social Media presence on Facebook, Instagram and Twitter.

Last, in 2019, the Credit Union strengthened its focus on opportunities to give back and volunteer. Some highlights include:

- A Donation to the Postal Relief Fund, which provides assistance to Postal Employees affected by floods, fires, hurricanes and other natural disasters.
- CPOECU's Backpack and School Supply Drive - With the generous help of our members, we partnered with Volunteers of America Illinois to donate over 100 backpacks full of school supplies for children in need.
- One Warm Winter - CPOECU worked with Mercy Home for Boys and Girls and UCAN to provide winter coats for those in need.
- Operation Santa - The Credit Union participated in Operation Santa with the U.S. Postal Service, fulfilling Christmas wishes for children around the country.

As we move forward, we aim to position your credit union for the future while remaining financially and operationally sound. Expect new developments for 2020, including building upgrades to our main branch location, additional product and service offerings, and continued technology improvements to increase member safety and security.

Once again, we thank you for conducting your financial business with Chicago Post Office Employees Credit Union. We look forward to serving you in 2020 and beyond.

Deborah D. Fears  
President and CEO

## *Supervisory Committee 2019 Annual Report*

*The CPOECU Supervisory Committee is the watchdog for the organization. We continually provide the necessary oversight for the board of directors, management, staff, the credit committee, membership committee and auditors.*

*This past year was a challenge for us as we lost a key member of the committee. Zenobia Clenna requested an extended absence from her duties as a member of the Supervisory Committee due to personal concerns. We were unable to find a temporary replacement to assume her duties. She will be resuming her duties starting this month.*

*This past year we divided the auditing functions between two firms. Desmond & Ahern completed the quarterly audits for the CPOECU. The audit results found no operational or loan exceptions. Selden Fox, our new firm, was highly recommended by our former CEO as a viable option and potentially would provide a cost saving. Selden Fox performed the year-end audit for the CPOECU. This was our second year using this new firm and they performed the year-end audit with no operational exceptions noted. The committee will continue to review this for a few years to monitor its effectiveness and cost savings benefits to the credit union and the need to continue with two auditing firms.*

*The Supervisory Committee is committed to continually maintaining integrity and accountability to ensure that the internal controls related to the credit union's financial stability are effective in order to retain and/or increase our camel rating.*

*We consider it an honor and a privilege to serve the members of the CPOECU.*

*LaNeda Pitts, Chairman*

*Beverly Williams, Committee Member*

## *Credit Manager's 2019 Annual Report*

*The Credit Manager oversees the Credit Union's lending functions and operational processes. This Position - along with the Credit Union's Loan Officers- takes great pride in ensuring that the lending products and processes are fair and equitable to all members. The Credit Union's By-Laws state that "the Credit Union shall create a source of credit to its members. . . in order to improve their economic and social conditions". The Credit Manager is pleased to report that the membership has embraced the Credit Union's lending products as all product categories had solid activity throughout 2019.*

*For the year ended December 31, 2019, the Credit Union lending highlights are as follows:*

- Total Number Loans Outstanding = 1,169, Total outstanding balance = \$9,196,022  
> Number of Loans disbursed in 2019 = 569, Amount = \$3,332,329*
- Total Number of Vehicle Loans = 225, Total outstanding balance = \$3,561,721  
> Number of Vehicle loans disbursed in 2019 = 53, Amount = \$1,269,250*
- Total Number of Unsecured Loans = 767, Total outstanding balance = \$4,174,185  
> Number of Unsecured loans disbursed in 2019 = 487, Amount = \$1,888,420*
- Total Number of Quick Cash Advances = 3,900, Total Amount of Advances = \$2,618,882*
- Total Credit Card Accounts = 361, Total outstanding balance = \$1,217,290  
> Number of transactions = 12,847, Total amount of transactions = \$983,213*

*We were excited to introduce new Lending Products, Promotions and Services for Members throughout 2019:*

- E-Signature Service - A safe, secure and convenient way to sign and send loan documents for members who can't make it into the office. This quick and easy-to-use service is accessible from your desktop, tablet or smartphone – wherever you can receive email.*
- The Credit Union's Visa Credit Card Product reflected several exciting special promotions during 2019 such as; Low Rate offer for balance transfers with zero (\$0.00) transfer fees. Once again, we retained our Visa Credit Card's fixed-rate - saving members money when other financial institutions' variable interest-rate credit card products continued to rise.*
- A special Holiday Loan was offered at the end of 2019... a short-term, fixed rate option to provide financial assistance through the Holiday Season. 50 loans were disbursed during the 2 month promotion for a total of \$60,000.*

*The Lending Department's strong focus is to continue to provide exceptional value and service to members which includes lending products and services to meet their needs. We encourage all members to look to the Credit Union first when it comes to borrowing needs. We thank you for your trust and confidence in the Chicago Post Office Employees Credit Union and wish you much success in 2020.*

*Eric Gibbs, Credit Manager  
Veronica Hairston, Loan Officer  
Shawntae Johnson, Loan Officer*

# *Membership Committee 2019 Annual Report*

*Mission Statement: To organize, recruit and encourage membership in the Chicago Post Office Employees Credit Union*

*This report reflects the yearly activities of the Chicago Post Office Employees Credit Union's Membership Committee. The Membership Committee is dedicated to expanding the membership of the Chicago Post Office Employees Credit Union. As a Committee, we conduct several recruitment drives during the year and continually promote the many benefits of being a member.*

*In 2019, CPOECU continued to attract new members, with over 335 new accounts opened. In spite of our best efforts, the membership decreased from 4195 in 2018 to 4168 at year's end of 2019. Most of the decrease can be contributed to the elimination of many dormant accounts due to inactivity. The average age of the total enrolled membership is 52.*

*The Membership Committee is committed to increasing our membership in 2020. We ask for your assistance in achieving this goal by reaching out to fellow co-workers, relatives and retirees of the U. S. Postal Service.*

*We value every member and thank you for giving us the opportunity to serve you and your families. The Chicago Post Office Employees Credit Union takes pride in and will continue to provide excellent service to our membership and their families, as we have for the past 92 years.*

*Respectfully submitted,*

*CPOECU Membership Committee*

*Tyrone Lewis Sr., Chairperson*

*Yvonne Pat Dotson, Member*

*Michelle Johnson, Member*

## CHICAGO POST OFFICE EMPLOYEES CREDIT UNION

### BALANCE SHEET COMPARISON

<b>ASSETS</b>	<b>2019</b>	<b>2018</b>	<b>Dollar Variance</b>	<b>Percent Variance</b>
Cash on Hand and in Banks	\$1,267,986	\$1,025,436	\$242,549	23.65%
Loans to Members	9,196,021	9,440,060	(244,038)	(2.59%)
LESS: Allowance for Loan Loss	(298,568)	(372,771)	74,203	(19.91%)
Investments	9,546,620	8,866,021	680,599	7.68%
Building and Land - Net	134,129	152,047	(17,918)	(11.78%)
Furniture and Fixtures - Net	54,874	66,688	(11,814)	(17.71%)
Computer and Technology - Net	98,321	90,867	7,454	8.20%
Income Receivable	42,083	35,680	6,403	17.95%
Other Assets	243,127	234,160	8,967	3.83%
<b>Total Assets</b>	<b>\$20,284,592</b>	<b>\$19,538,188</b>	<b>\$746,405</b>	<b>3.82%</b>
<b>LIABILITIES AND MEMBERS EQUITY</b>				
Members Savings	\$14,455,823	\$13,963,384	\$492,440	3.53%
Accounts Payable & Other Liab.	127,444	142,436	(14,992)	(10.53%)
Accrued Expenses	128,409	163,635	(35,226)	(21.53%)
Unclaimed Property	26,531	36,559	(10,028)	(27.43%)
Reserves	751,706	751,706	0	0.00%
Undivided Earnings	4,794,679	4,480,468	314,211	7.01%
<b>Total Liabilities and Equity</b>	<b>\$20,284,592</b>	<b>\$19,538,188</b>	<b>\$746,405</b>	<b>3.82%</b>
<b>Loans to Members</b>				
New Vehicle	1,488,315	\$1,646,784	(\$158,469)	(9.62%)
Used Vehicle	2,073,406	2,136,713	(63,307)	(2.96%)
Quick Cash	104,094	109,290	(5,196)	(4.75%)
Unsecured Loans	4,174,184	4,470,113	(295,929)	(6.62%)
Savings and Certificate Secured	138,732	83,958	54,774	65.24%
Visa Credit Cards	1,217,290	993,202	224,088	22.56%
<b>Total Loans</b>	<b>\$9,196,021</b>	<b>\$9,440,060</b>	<b>(\$244,039)</b>	<b>(2.59%)</b>
<b>Members Savings</b>				
Regular Savings	8,481,997	\$8,332,069	\$149,928	1.80%
Consumer Savings Secured Loans	214,329	\$155,073	\$59,256	38.21%
Checking	1,814,662	\$1,816,943	(\$2,281)	(0.13%)
Money Market	1,120,075	\$1,264,157	(\$144,083)	(11.40%)
Christmas Club	28,766	\$43,969	(\$15,203)	(34.58%)
Vacation Club	192,973	\$181,907	\$11,065	6.08%
Youth & My Future	74,104	\$68,335	\$5,768	8.44%
Share Savings Certificates	2,528,919	\$2,100,929	\$427,990	20.37%
<b>Total Savings</b>	<b>\$14,455,823</b>	<b>\$13,963,384</b>	<b>\$492,440</b>	<b>3.53%</b>

# CHICAGO POST OFFICE EMPLOYEES CREDIT UNION

## Statement of Income and Expense

INCOME	2019	2018	Dollar Variance	Percent Variance
Interest on Loans	1,059,284	\$1,032,346	\$26,938	2.61%
Interest on Investments	212,343	149,730	62,613	41.82%
<b>Non-Interest Income</b>				
Fee Income on Loans	249,083	254,205	(5,122)	(2.02%)
Fee Income on Savings	266,837	282,662	(15,825)	(5.60%)
Fee Income on ATMs	193,598	209,062	(15,464)	(7.40%)
Other Misc. Income	119,403	112,848	6,556	5.81%
<b>Total Non-Interest Income</b>	<b>828,921</b>	<b>858,777</b>	<b>(29,856)</b>	<b>(3.48%)</b>
<b>Total Income</b>	<b>2,100,548</b>	<b>\$2,040,852</b>	<b>\$59,695</b>	<b>2.93%</b>
<b>EXPENSES</b>				
Compensation and Benefits	669,485	\$700,712	(\$31,227)	(4.46%)
Travel and Conference	45,303	47,407	(2,104)	(4.44%)
Office Occupancy	161,145	161,277	(132)	(0.08%)
Office Operations	499,395	476,569	22,825	4.79%
Education and Promotional	35,155	24,591	10,564	42.96%
Loan Servicing	88,949	85,994	2,956	3.44%
Professional and Outside Services	31,600	30,837	763	2.47%
Professional Dues and Fees	11,637	11,045	592	5.36%
Staff and Board	19,870	20,805	(934)	(4.49%)
Insurance and Bond	39,712	35,215	4,497	12.77%
Misc. Expenses	8,063	13,487	(5,424)	(40.21%)
<b>Total Operating Expenses</b>	<b>1,610,316</b>	<b>\$1,607,938</b>	<b>\$2,377</b>	<b>0.15%</b>
<b>Income (Loss) from Operations</b>	<b>\$490,232</b>	<b>\$432,914</b>	<b>\$57,318</b>	<b>13.24%</b>
Provision for Loan Loss	106,650	160,729	(54,079)	(33.65%)
<b>Income (Loss) after PLL</b>	<b>\$383,582</b>	<b>\$272,185</b>	<b>\$111,397</b>	<b>(40.93%)</b>
<b>Cost of Funds</b>				
Dividends	\$69,371	\$40,312	\$29,059	72.08%
Interest on Borrowed Funds	0	0	0	0.00%
<b>Total Cost of Funds</b>	<b>\$69,371</b>	<b>\$40,312</b>	<b>\$29,059</b>	<b>(9.91%)</b>
<b>Net Gain or (Loss)</b>	<b>\$314,211</b>	<b>\$231,873</b>	<b>\$82,338</b>	<b>35.51%</b>

# ***Branch Listings***

**Main Branch:** 10025 S. Western Avenue  
Chicago, IL 60643-1925  
773.881.2500  
Fax: 773.238.3592

**Downtown Branch:** 433 W. Harrison St., 2<sup>nd</sup> Floor  
Chicago, IL 60699-3916  
312.431.8945-47  
Fax: 312.566.0334

## **BUSINESS HOURS**

### **Southside Branch (Main)**

Mon. & Tues., 8:30 a.m. – 5:00 p.m.  
Wednesday ~ CLOSED  
Thurs. & Fri., 8:30 a.m. – 5:30 p.m.  
Saturday & Sunday ~ CLOSED

### **Downtown Branch**

Mon. & Tues., 8:30 a.m. – 5:00 p.m.  
Wednesday ~ CLOSED  
Thurs. & Fri., 8:30 a.m. – 5:30 p.m.  
Saturday & Sunday ~ CLOSED

## **Internet Website & Internet Banking**

**[www.cpoecu.com](http://www.cpoecu.com)**

*Loan applications accepted online*

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**@CPOECU1928**



**@CPOECU1928**

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