

82ND ANNUAL

# Meeting

March 17, 2020





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

March 17, 2020

<b>Call to Order</b>	Susan Willis
<b>Quorum Declaration</b>	Barbara Humphrey
<b>Introduction</b>	Susan Willis
<b>2019 Annual Meeting Minutes</b>	Susan Willis
<b>Chairman's Report</b>	Susan Willis
<b>President's Report</b>	Mike Lantrip
<b>Committee Reports</b>	
a. Credit Committee	Barbara Humphrey
b. Supervisory Committee	Mark Peterson
Unfinished Business	Susan Willis
<b>New Business</b>	
Election of Directors	Susan Willis
<b>Adjournment</b>	Susan Willis

## Mission Statement

To be the trusted provider of financial services for member owners.

## Vision Statement

To be the primary provider of financial services, building a lifetime partnership with all current and future members.

# 2019 Chairman & President's Report

As we celebrate our 82nd anniversary, 2019 was a welcome return to “business as usual” with SIU Credit Union. With our core conversion project of 2018 behind us, we have started to reap the benefits of our efforts -- building upon the new technology that we have in place to provide a better, more efficient experience for our members. Our mission statement challenges us to be the trusted provider of financial services for our member-owners, and this upgrade has already started to provide our membership these advantages through quicker, more efficient service, with the expectation of more to come. As your president and chief executive officer, I am honored to report that 2019 was an outstanding year for our member-owners, and we are well-positioned to serve our membership and our region's evolving needs well into the future.

## Some highlights from 2019:

- As a not-for-profit, member-owned, financial cooperative, providing financial benefits to our members is of utmost importance. Per our 2019 CUNA Membership Benefits Report, it is estimated that SIU Credit Union provided \$4,769,741 in direct financial benefits to its members during the 12 months ending in September 2019.
- Fulfilling our promise to provide credit to our membership, we had a 7.1% growth in loans over the prior year. SIUCU continues to serve its expanding membership, whether it be through auto or business loans, home purchasing, refinancing, personal loans or other needs.
- Selected as one of “America's Best-In-State Credit Unions” by a Forbes magazine study.
- Voted as the Best Credit Union in The Southern Illinoisan Readers' Choice Awards (the sixth year in a row!).
- Recognized for providing financial education to the largest number of individuals statewide by the National Youth Involvement Board (NYIB).
- Implemented texting as another opportunity for members to receive account alerts and marketing messages quickly.

## Giving Back

In 2019, our employees donated over \$7,900 to our “Jeans Because We Care” fund, another record amount collected. This year, we expanded the scope of our program to include five charities that touch the communities where we work and live. The employees at each branch voted on which charity they wanted their branches to support, and these proceeds directly benefited Gum Drops LLC, The Herrin House of Hope, The Night's Shield, Weekend Blessings and CASA of Saline County.



*Staff supported This Able Veteran's Annual Really Close to Almost 5k Color Run/Walk*

Reducing hunger continues to be a focus for SIUCU. We've continued our sponsorship of the annual "Sack Hunger" series with WSIL-TV3 which helped over 12 local food pantries across southern Illinois by collecting over 20,000 pounds of food. We also contributed to local food banks at the VA Hospital and at the SIUC campus throughout the year.

We've continued grow our relationship with Southern Illinois University Carbondale East's new sign being installed in 2019. through volunteering and donating to their annual Day of Giving, sponsorship of the new student Welcome Fest, Business Fairs, Touch of Nature activities and varying seminars hosted on campus throughout the year.



Providing gifts at our annual Centerstone Holiday party is a particularly gratifying time we get to share, along with helping our local Special Olympics chapter with their annual Ducky Derby and other events throughout the year.

As the national notoriety from the NYIB shows, our commitment to providing financial education at local schools remains a top priority. There are now over 10,932 students at over 200 area schools receiving financial education and training with Banzai, a national award-winning financial literacy program sponsored and presented by SIU Credit Union.

## Moving Forward

In 2020, we will see some changes that will benefit membership in our core communities, as well as within our newer regions. We'll be implementing some self-service kiosks within select branches. These will help our members and our staff by incorporating some basic functionality and allowing members quicker access to accounts. After these are deployed within our branches, we will look to place these in strategic locations throughout our counties to grow membership and help those communities who are underserved. We also plan a revamp of our checking account product line, with the main focus being an enhanced effort to protect members' personal information. Reports of identity theft are growing nationwide every year, and we want to provide peace of mind to our members and assure them that they're protected with SIU Credit Union. We've completed and submitted all documentation to be a Community Development Financial Institution (CDFI) certified credit union that will assist us in helping our low-income designated areas in the future. Finally, I'd like to thank our volunteer Board of Directors and Committee members for their continued leadership, vision and commitment to serving our membership. As members, you elect these individuals to represent your best interests, and they fulfill this important duty for your financial cooperative every day. We are equally appreciative of our talented credit union employees, and we thank them for their outstanding member service and commitment. We continue to be proud of our past, prepared for the future and, as always, 'We're Working for You!'

Mike Lantrip,  
President/CEO

Susan Willis,  
Chairman

## Board of Directors

Susan Willis, Chairman	Jeff McGoy
William Capie, Vice Chairman	Deb Nelson
Richard Parrish, Treasurer	Mark Peterson
Barbara Humphrey, Secretary	Chris Sievers
Keith McDannel	

## 2019 Nominations for the Board of Directors

### Term Expiring March 2020

William Capie	Chris Sievers	Susan Willis
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### Term Expiring March 2021

Keith McDannel	Jeff McGoy	Richard Parrish
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### Term Expiring March 2022

Barbara Humphrey	Deb Nelson	Mark Peterson
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## Credit Union Officers

Mike Lantrip, President/CEO	Tracy Ingersoll, Vice President of Human Resources
Sandy Taylor, Vice President of Finance/CFO	Brian Maurizio, Vice President of Information Technology
Stacy Callahan, Vice President of Lending	Mark Dynis, Vice President of Marketing
Erica Pankey, Vice President of Operations	Tammy Sullins, Compliance Officer
Kim Babington, Vice President of Community Outreach	

## Branch Managers

Eric Burd, Carbondale West	Greg Stevens, Energy
Amber Hannahs, Carbondale East	Erica Hencke, Harrisburg
Trish Jennings, Marion	Cheryl Stewart, Call Center
Cassie Wright, Metropolis	

# Employee Donations

Our staff loves to give back! Each year, our employees raise money and give their time to many deserving charities and organizations such as the Special Olympics of Southern Illinois and food pantries.



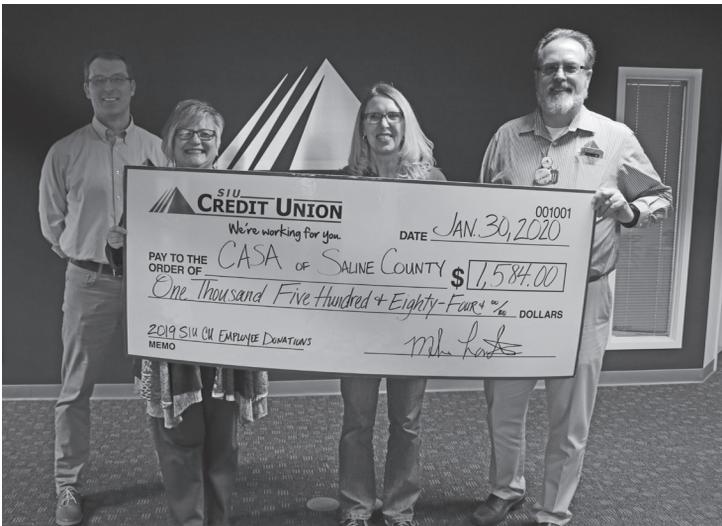
OVER  
**\$7,900**

In 2019, our employees raised over \$7,900 for 5 charities by wearing their jeans.

This is an optional program, and our employees vote for charities each year to donate to.

## 2019's Recipients

- CASA of Saline County
- Weekend Blessings
- The Night's Shield
- Herrin House of Hope
- Gumdrops



# Supervisory Committee Report

The Supervisory Committee, a volunteer committee comprised of SIU Credit Union members, is appointed by the Board of Directors. The Committee is responsible for ensuring the soundness of credit union operations, the safety of the members' deposits, the fairness and legality of credit union policies, and compliance with applicable state and federal regulations.

The Federal Credit Union Act identifies two major activities that must be fulfilled by the committee to meet its responsibilities.

First, the Committee must take or cause to be made an annual audit. The Committee selected an accounting firm with proven knowledge of credit union operations -- Stephen Lang & Associates, LLC. The Committee then works with the Board and management to address any areas of concern identified by the audit.

Second, the Committee must verify members' accounts with the credit union's records at least once every two years. That verification was done as part of the annual audit by the independent accounting firm.

It is the opinion of this Committee that SIU Credit Union's records management is satisfactory, that the policies and procedures set by the Board of Directors and management are being followed, and that the enclosed financial statements fairly represent SIU CU's audited financial position and results of operations for the year ended December 31, 2019.

On behalf of myself and the other members of the Supervisory Committee, it has been our pleasure to serve you.



Mark Peterson, Chairman

## Committee Members

Mark Peterson, Mark Kronen, Keith McDannel, Jeff McGoy & Deb Nelson

# Credit Committee Report

The volunteer Credit Committee meets monthly to review all disbursed and denied loan requests for members and individual loans for employees, committee and board members. They regularly review audit reports and make recommendations to the Board of Directors about approval of loan policy changes. Our goal is always to approve policy changes which benefit our members as well as keep the credit union safe and sound.

The mortgage department delivered a solid year processing and closing over \$11 million in-house and secondary market mortgage loans.

Our indirect dealer program disbursed over \$40 million dollars in new and used vehicle loans for our members.

Our lending department closed over \$112 million in loans during 2019, with a total outstanding of \$258,396,184 in net loans. This is an increase of \$16.8 million in loans from the previous year.

On behalf of all of the Credit Committee members, thank you for allowing us to serve you and your lending needs in 2019.



Barbara Humphrey, Chairman

## Committee Members

Barbara Humphrey, Angela Barke, Stacy Callahan, William Capie, Carolin Harvey, Richard Parrish & Lisa Winthrop

# Balance Sheet

as of December 31, 2019

<b>Assets</b>	<b>2018</b>	<b>2019</b>
Cash	\$6,493,643	\$8,231,506
Interest Bearing Deposits in Other Institutions	\$20,897,030	\$32,725,285
Investments Available for Sale	\$37,927,837	\$19,799,096
Loans Held for Sale	\$0	\$0
Loans to Members (Net Allowances)	\$238,555,505	\$255,405,684
Accrued Interest Receivable	\$781,099	\$978,727
Premises and Equipment, Less Depreciation	\$6,249,335	\$5,987,677
Federal Home Loan Bank Stock	\$55,700	\$209,500
Share Insurance Fund Deposit	\$3,003,534	\$2,876,328
Other Assets	\$13,338,930	\$8,725,658
<b>Total Assets</b>	<b>\$327,302,613</b>	<b>\$334,939,461</b>

<b>Liabilities</b>	<b>2018</b>	<b>2019</b>
Member Savings	\$293,582,678	\$296,326,553
Accounts Payable	\$798,012	\$1,861,251
Accrued Expenses & Other Liabilities	\$968,643	\$833,660
Accrued Interest Payable	\$835	\$1,350
<b>Total Liabilities</b>	<b>\$295,350,168</b>	<b>\$299,022,813</b>

<b>Member's Equity</b>	<b>2018</b>	<b>2019</b>
Regular Reserve	\$3,774,062	\$3,774,062
Undivided Earnings	\$28,713,377	\$32,101,655
Available for Sale	\$(534,995)	\$(40,930)
<b>Total Member's Equity</b>	<b>\$31,952,445</b>	<b>\$35,916,648</b>
<b>Total Liabilities &amp; Member's Equity</b>	<b>\$327,302,613</b>	<b>\$334,939,461</b>

# Statement on Consolidated Earnings

Income & Expenses	2018	2019
Interest on Loans	\$10,136,202	\$11,662,122
Interest on investments	\$1,569,291	\$1,287,691
Total Interest Income	\$11,705,493	\$12,949,813
Dividends & Interest on Member Deposits	\$1,186,741	\$1,275,475
Net Interest Income	\$10,518,751	\$11,674,338
Provision for Loan Losses	\$2,869,283	\$1,888,008
Net Interest Income After Provisions for Loan Loss	\$7,649,468	\$9,786,330
Other Income	\$6,372,433	\$6,368,285
Compensation & Benefits	\$5,647,162	\$5,678,997
Office Operations	\$2,833,134	\$2,708,959
Office Occupancy	\$702,539	\$700,455
Other	\$2,953,109	\$3,655,106
Operating Expenses	\$12,135,944	\$12,743,517
Net Operating Income	\$1,885,957	\$3,411,098
Non-Operating Gains/Losses	\$10,178	\$(22,818)
<b>Net Income</b>	<b>\$1,896,675</b>	<b>\$3,388,280</b>

Statement of Members' Equity	2018	2019
Beginning Balance	\$30,164,321	\$31,952,445
Net Income	\$1,896,675	\$3,388,280
Net Change in Credit Union Merger	\$0	\$0
Net Change in Unrealized Losses on Investments Available for Sale	\$(108,551)	\$575,925
<b>Ending Balance</b>	<b>\$31,952,445</b>	<b>\$35,916,650</b>



# Independent Auditor's Report

February 6, 2020

To the Board of Directors and Supervisory Committee  
of SIU Credit Union

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheets of SIU Credit Union as of December 31, 2018 and 2019, and the related statements of income and comprehensive income, changes in members' equity and cash flows (not presented herein), for the years then ended. In our report dated February 6, 2020, we expressed an unqualified opinion on those financial statements.

In our opinion, the information set forth in the accompanying condensed financial statements, when read in conjunction with the financial statements from which it has been derived, is fairly stated in all material respects in relation thereto.

Stephen Lang & Associates, LLC  
Certified Public Accountants  
St. Louis, Missouri

# Annual Meeting Minutes

## 81st Annual Membership Meeting

March 19, 2019

395 N. Giant City Road, Carbondale IL

### I. Call to order

The 81st Annual Membership Meeting of SIU Credit Union was held at SIU Credit Union East Branch, 395 N. Giant City Road, Carbondale, IL, on March 19, 2019. The meeting was called to order at 5:15 pm by Susan Willis, Chairman of the Board. 36 members were present.

### II. Quorum Declaration

Interim Secretary, Bill Capie, reported to the Chairman that a legal quorum of members was present (36 members). Number of shares outstanding at the record date of the annual meeting was 42,778 and the number of shares represented at the annual meeting including proxies was 32,643. At this determination, the Chairman declared the meeting open for business.

### III. Introduction of Board of Directors by Chairman, Susan Willis

All Board of Directors present raised their hand as their name was called.

### IV. Reading, Approval and Signing of the minutes from March 20, 2018

The minutes of the previous Annual Membership Meeting held on March 20, 2018, were distributed in print form. Motion was made by Stacy Callahan, seconded by Richard Parrish, to approve the minutes as presented. Vote was taken and the motion carried to accept the minutes as presented.

### V. Director's Report

Chairman, Susan Willis, reviewed the Director's Report. Susan welcomed all to the 81st annual meeting. This year, our team worked diligently implementing new software while simultaneously continuing to provide excellent member service, which demonstrates the commitment we show our members, staff, and local community. Susan asked any employee present to stand and thanked them for all their hard work and time spent on this project (applause). With SIU Credit Union's six physical branches in the area, 20 local ATM locations, thousands of ATMs across the country through our Allpoint and Co-Op ATM Networks, we are working for you! As an SIUCU member, you can visit any credit union that displays the Co-Op Shared Branch logo and conduct a transaction just like you were at home. We have mobile and online services. And the list goes on which our President/CEO, Mike Lantrip will discuss. As we move forward, we continue to focus on service and technology. Our primary goal is to be the first choice when people think of a financial institution by providing our members with the best member service and protection of their assets. The Director's Report was distributed in print form.

# Annual Meeting Minutes (continued)

## VI. Reading and Approval of the Committee Reports

The Supervisory Committee Report and Credit Committee Report were distributed to the membership in print form. Presentations of each report were made to the membership by the Chairman of the Board and the Chairs of the Supervisory and Credit Committees. Stacy Callahan made a motion to accept the reports with a second by Ken Burnett. All were in favor of accepting the reports.

## VII. President's Report

Susan Willis introduced Mike Lantrip, President/CEO of SIU Credit Union. Mike Lantrip welcomed all to the 81st Annual Membership Meeting. Mike reviewed the items in the President's report. All members received this in print form. 2018 was a year of significant change with SIU Credit Union undergoing a 10-month conversion process of our core technologies. We upgraded to Buzz Points- our new rewards program that is highly community based. One of our members even won the grand prize- a Disney World trip- through this program. Our employees donated over \$7,200 to our Jeans Because We Care Fund. These proceeds directly benefited three local organizations: The Veterans Honor Flight, The Amy Schultz Child Advocacy Center and St. Francis C.A.R.E. Animal Shelter. We've significantly deepened our commitment providing financial education to local schools. There are now over 10,000 students at over 200 area schools receiving financial literacy education and training with Banzai, a national award-winning financial literacy program sponsored by SIU Credit Union. Even during our core conversion, we continued to grow with 611 new members in 2018. Our website was updated and the increased methods of communications such as text messaging for members is on the horizon. Mike thanked the volunteer board and committee members for their dedication to the credit union. He also thanked the staff at SIU Credit Union for everything they do to keep things running smoothly daily.

## VIII. Unfinished Business

None

## IX. New Business

The Chairman announced the first order of new business being the election of Directors for 2019. The Chairman called for the report from the Nominating Committee. The report read as follows: the Nominating Committee placed in nomination for election as Directors of SIU Credit Union for 2019, the names of Kyle Harfst, Deb Nelson, Barb Humphrey and Mark Peterson. The Chairman asked for any nominations from the floor three consecutive times. Richard Parrish made a motion to close the nominations and Bill Capie seconded this motion. Tracy Ingersoll made a motion to elect those placed in nomination. Sandy Taylor seconded the motion to elect Kyle Harfst, Deb Nelson, Barb Humphrey and Mark Peterson. Vote was taken and motion carried.

## X. Adjournment

The Chairman asked for questions, comments, or observations from the floor and encouraged discussion on all phases of SIU Credit Union's operation. She thanked the staff for their hard work and dedication. Susan mentioned that the best compliment came recently when she was chatting with an employee. Through the conversation, this employee revealed that she had worked for the credit union a few years ago but left because she relocated. She was extremely happy to be here again. Susan explained that when she asked why, this employee stated, "Because you don't get treated anywhere else like you get treated here." Susan emphasized how that speaks volumes of the culture at SIUCU-serving our members. Serving our community. Serving our employees. That is what SIUCU is all about. With no further business to conduct, Barb Humphrey made a motion to adjourn, and Ken Burnett seconded to adjourn the meeting at 5:30 pm





**800.449.7301 | siucu.org**

**Carbondale East**

395 N. Giant City Rd.  
Carbondale, IL 62902

**Carbondale West**

1217 West Main St.  
Carbondale, IL 62901

**Marion**

2809 Outer Dr.  
Marion, IL 62959

**Energy**

300 S. Pershing  
Energy, IL 62933

**Harrisburg**

777 Ford St.  
Harrisburg, IL 62946

**Metropolis**

704 E. 5th St., Ste. 1  
Metropolis, IL 62960



Membership required. Federally Insured by NCUA. Equal Housing Opportunity.