



2024



CHICAGO POST OFFICE EMPLOYEES CREDIT UNION

ANNUAL REPORT

*"PEOPLE HELPING PEOPLE SINCE 1928-
A LEGACY OF CARE, A FUTURE OF HOPE!"*

CHARLES E. MAY
CHAIRMAN OF THE BOARD

BARBARA J. SINGLETON
VICE CHAIRMAN OF THE BOARD

DEBORAH FEARS
PRESIDENT/CEO



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CHAIRMAN AND PRESIDENT'S REPORT

2024 Year in Review – Message to our Members



**Charles E. May,
Chairman**

**Deborah Fears,
President/CEO**

The year 2024 certainly presented its share of challenges and new opportunities to support our members. It is no secret that the economy continued to struggle – with grocery and housing prices on the rise, interest rate pressures and unemployment concerns. However, as the old saying goes, ‘When life gives you lemons, make lemonade,’ and that is exactly what your Credit Union did.

Despite a somewhat volatile year, the Chicago Post Office Employees Credit Union remained resilient, ending with solid financial results in 2024.

- Net Income of \$190K in 2024
- Assets remained stable at \$28 million
- Granted over 420 loans in 2024; Outstanding loan balances ended at \$14.3 million
- Member Deposits grew by 1.3%, ending at \$21.8 million
- Welcomed nearly 447 new members to the Credit Union family
- Net Worth ended strong at 21.2%; still one of the highest in our peer group

While the year ended with solid performance, the credit union saw a large increase in delinquency and uncollectable loans in 2024. Over the course of the year, our Leadership team worked hard to make necessary adjustments in underwriting, staffing and pricing strategies, and were able to continue our focus on meeting the borrowing needs of our more credit-challenged members.

The year 2024 also saw the introduction of new products and services. Our Membership Birthday Rewards program celebrated members during their birthday months with special discounts. Additionally, through a collaboration with Member First Mortgage, the Credit Union introduced a new mortgage program to help our members realize home ownership. The program provides various incentives and mortgage options, along with homeownership courses and additional services.

Encouraging homeownership is just a portion of our continued efforts to strengthen our communities. In 2024, the Credit Union maintained its focus on giving back through various annual and new initiatives.

CHAIRMAN AND PRESIDENT'S REPORT

(Continued)



**Charles E. May,
Chairman**

**Deborah Fears,
President/CEO**

- The continuation of our \$3000 scholarship program; and the addition of a 'Deck Your Dorm' contest which provided the winner with a basket full of dorm room essentials
- Donating funds to Autism Speaks to help families affected by Autism
- Donating backpacks and school supplies to children in need through Volunteers of America IL (thanks to the wonderful support of our members!)
- Celebrating our members with our Annual Membership Dinner
- Hosting various financial education seminars for both youth and adults throughout the year
- The introduction of our 'Helping Hands' holiday program, which granted Christmas wishes to a number of members in need

Financial education and giving back has become an integral part of our existence over the past several years. That said, we are happy to announce that in 2024, the Credit Union received grant funds totaling \$25,000 to continue our efforts working with foster care girls and other underserved groups in the community. We have worked diligently to partner with area non-profits to provide financial education training including understanding and building credit, savings basics, and responsible borrowing.

As we prepare for a new year, we are excited about our service prospects and product offerings for 2025. Members will see technology upgrades to make it easier to bank with us, including upgrades to our membership app, updated debit cards and more. And as always – your financial safety and security remain our highest priority.

There is no doubt that none of this would be possible without our amazing team, our supportive Board of Directors, and of course – our loyal members. We thank you for your trust in our team and your support in helping CPOECU grow and thrive. We can't wait to serve you in 2025!

Sincerely,

Charles May, Chairman, Board of Directors

Deborah Fears, President/CEO

SUPERVISORY COMMITTEE REPORT



LaNeda Pitts, Supervisory Committee Chairperson

Despite economic challenges, we are pleased to report that the financial statements reflect the credit union's strong performance. Additionally, the audit revealed no significant operational findings, and the internal controls were reviewed and found to be effective in safeguarding member assets.

The CPOECU Supervisory Committee is responsible for overseeing the integrity of CPOECU's financial statements and the company's accounting and financial reporting processes, financial statement audits and the performance of information technology security audits. We provide the necessary oversight for the board of directors, management, staff, membership committee and external auditors.

Over the past year, we have worked diligently to ensure that CPOECU's financial operations are fully compliant with regulations and are aligned with the best interests of the membership. We remain committed to providing essential oversight, which includes reviewing financial audits and the performance of information technology security audits.

This year, Selden Fox, Ltd., an independent certified accounting firm, conducted its annual audit of the credit union's financial records for the fiscal period from October 1, 2023, through September 30, 2024. Despite economic challenges, we are pleased to report that the financial statements reflect the credit union's strong performance. Additionally, the audit revealed no significant operational findings, and the internal controls were reviewed and found to be effective in safeguarding member assets.

One significant update for CPOECU's financial procedures is the implementation of the Current Expected Credit Losses (CECL) standard. This change in accounting procedure requires us to estimate future potential loan losses rather than relying on historical data. The CECL format, which was introduced in 2016, is a significant shift in how we project potential credit losses, and its adoption marks one of the most substantial changes in financial accounting since the Check 21 Act of 2003. This change had been delayed, but CPOECU has now fully transitioned to the new standard, ensuring the credit union remains fiscally sound by appropriately setting aside funds to offset potential losses from member delinquencies.

The Supervisory Committee is confident that CPOECU remains in good financial health and that member assets are being well-managed. We are dedicated to ensuring that the internal controls related to the credit union's financial stability are both effective and well-established for the continued benefit of our members – and we will continue to uphold the highest standards of integrity and accountability moving forward.

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

LaNeda Pitts, Chairman

Frankie Bauldrick, Secretary

Lesla Edwards-Fletcher, Committee Member

MEMBERSHIP COMMITTEE REPORT

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Tyrone Lewis. Sr., Chairperson

During calendar year 2024, our membership increased by 447 new members for a total of 4923. The average age of all members is 51. The average age of new members is 40.

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.

Because of the extraordinary recruitment efforts of the Membership Committee and Credit Union employees, membership continues to increase annually.

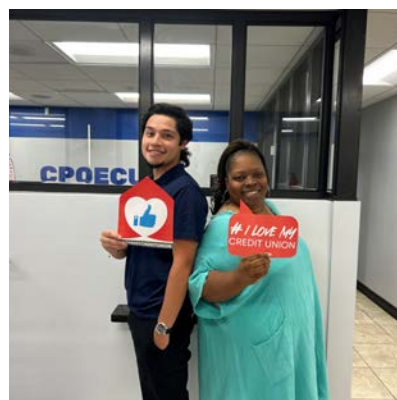
During calendar year 2024, our membership increased by 447 new members for a total of 4923. The average age of all members is 51. The average age of new members is 40.

The Membership Committee is committed to increasing our membership in 2025. 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 97 years.

Respectfully submitted,
CPOECU Membership Committee
Tyrone Lewis Sr., Chairperson
Michelle Johnson, Member
Ken Williams, Member

2024 YEAR IN REVIEW



2024 YEAR IN REVIEW



BALANCE SHEET COMPARISON

ASSETS :	2024	2023	\$ Variance	Variance %
Cash on Hand and in Banks	1,513,392	1,278,785	234,607	18.35%
Loans to Members	14,314,895	15,253,131	(938,236)	-6.15%
LESS: Allowance for Loan Loss	(661,950)	(608,938)	(53,013)	8.71%
Investments	11,691,491	10,761,015	930,476	8.65%
Building and Land - Net	604,870	640,725	(35,855)	-5.60%
Furniture and Fixtures - Net	33,044	40,956	(7,912)	-19.32%
Computer and Technology - Net	67,195	72,213	(5,018)	-6.95%
Income Receivable	76,809	55,109	21,701	39.38%
Other Assets	418,978	649,650	(230,672)	-35.51%
Total Assets	28,058,723	28,142,646	(83,923)	-0.30%
Liabilities and Members Equity :				
Members Savings	21,792,147	21,509,377	282,770	1.31%
Accounts Payable & Other Liab.	132,608	361,916	(229,308)	-63.36%
Accrued Expenses	146,725	134,666	12,059	8.95%
Unclaimed Property	33,264	23,504	9,759	41.52%
Reserves	751,706	751,706	0	0.00%
Undivided Earnings	5,011,476	5,045,051	(33,575)	-0.67%
Current Earnings - YTD	190,797	316,425	(125,628)	-39.70%
Total Liabilities and Equity	28,058,723	28,142,646	(83,923)	-0.30%
Loans to Members :				
New Vehicle	2,873,614	3,082,025	(208,410)	-6.76%
Used Vehicle	3,119,198	3,872,557	(753,359)	-19.45%
Participation Loans	2,586,704	1,893,348	693,356	36.62%
Quick Cash	109,425	111,275	(1,850)	-1.66%
Unsecured Loans	3,234,010	3,472,909	(238,900)	-6.88%
Holiday/Vacation/ 3K/ Priority 5K	417,618	707,404	(289,786)	-40.96%
Student Loans	0	0	0	0.00%
Savings and Certificate Secured	94,254	177,263	(83,009)	-46.83%
Visa Gold	1,880,072	1,936,350	(56,278)	-2.91%
Total Loans	14,314,895	15,253,131	(938,236)	-6.15%
Members Savings :				
Regular Savings	12,862,036	12,722,289	139,747	1.10%
Consumer Savings Secured Loans	200,559	260,442	(59,883)	-22.99%
Checking	3,665,611	3,690,760	(25,149)	-0.68%
Money Market	962,837	1,108,956	(146,119)	-13.18%
Christmas Club	62,547	38,521	24,026	62.37%
Vacation Club	315,314	396,635	(81,321)	-20.50%
Youth & My Future	80,975	82,184	(1,209)	-1.47%
VISA Savings Secured Loans	22,305	24,278	(1,972)	-8.12%
Total Certificates	3,619,963	3,185,312	434,651	13.65%
Total Savings	21,792,147	21,509,377	282,770	1.31%

STATEMENT OF INCOME AND EXPENSE

CHICAGO POST OFFICE EMPLOYEES CREDIT UNION STATEMENT OF INCOME AND EXPENSE				
	2024	2023	\$ Variance	% Variance
Interest on Loans	1,461,874	1,487,884	(26,009)	-1.75%
Interest on Investments	392,090	215,671	176,420	81.80%
Non-Interest Income				
Fee Income on Loans	263,283	280,454	(17,171)	-6.12%
Fee Income on Savings	288,400	299,287	(10,887)	-3.64%
Fee Income on ATMs	162,927	174,527	(11,601)	-6.65%
Other Misc. Income	126,242	140,274	(14,032)	-10.00%
Total Non-Interest Income	840,851	894,542	(53,691)	-6.00%
Total Income	2,694,816	2,598,097	96,719	3.72%
Operating Expenses				
Compensation and Benefits	923,494	781,540	141,954	18.16%
Travel and Conference	80,674	75,369	5,305	7.04%
Office Occupancy	210,745	207,005	3,741	1.81%
Office Operations	561,689	556,307	5,383	0.97%
Education and Promotional	35,789	68,684	(32,895)	-47.89%
Loan Servicing	169,183	147,273	21,911	14.88%
Professional and Outside Services	32,501	34,300	(1,799)	-5.25%
Professional Dues and Fees	15,078	16,258	(1,179)	-7.25%
Staff and Board	27,091	16,482	10,610	64.37%
Insurance and Bond	40,674	54,191	(13,517)	-24.94%
Misc. Expenses	22,782	14,841	7,941	53.51%
Total Operating Expenses	2,119,700	1,972,247	147,453	7.48%
Income (Loss) from Operations	575,116	625,850	(50,734)	-8.11%
Provision for Loan Loss	227,991	214,713	13,278	6.18%
Income (Loss) after PLL	347,125	411,137	(64,012)	-15.57%
Cost of Funds				
Dividends	156,328	94,711	61,616	65.06%
Interest on Borrowed Funds	0	0	0	0.00%
Total Cost of Funds	156,328	94,711	61,616	65.06%
Net Gain or (Loss)	190,797	316,425	(125,628)	-39.70%

CPOECU 96TH ANNUAL MEETING

(VIRTUAL FORMAT) ANNUAL MEETING MINUTES

MARCH 15, 2024

Board of Directors Present

Charles May (Chairman)
Barbara Singleton (Vice Chairman)
Carol Cook (Secretary)
Kenneth Allen (Treasurer)
Eddie Todd
LaNeda Pitts (Supervisory Committee)

Tyrone Lewis, Sr.,
Chairperson

Board of Directors Absent

N/A

Roll Call

Mr. Charles May called the 96th Annual Membership Meeting to order at 6:03 pm and introduced the Board of Directors. Roll call was performed.

Approval of Minutes

Mr. Charles May asked if there were any questions regarding the minutes from the March 2023 Annual Membership Meeting. There were no questions asked. Mr. May asked for a motion to accept the minutes from the March 2023 Annual Membership Meeting.

Barbara Singleton made a motion to accept the minutes from the March 2023 meeting. The motion was seconded by Carol Cook and the motion was passed.

New Business

Nicole Jennings went over the Meeting Info and Housekeeping Tips. All questions should be entered via chat box to be answered at the end of the call.

The meeting was turned over to President/CEO Deborah Fears at 6:15 pm. Mrs. Fears introduced the CPOECU board and staff and acknowledged another great year. Mrs. Fears reviewed the Chairman and President's report for the year ending in 2023. CPOECU remains one of the strongest financial institutions among our peer groups, with net assets remaining stable at \$28M. Mrs. Fears also discussed our community events and agenda for 2024.

The supervisory committee chair, LaNeda Pitts, presented her report stating that there were no significant findings noted from Seldon Fox audits. In addition, Tyrone Lewis, the chair of the membership committee, gave his report noting that the credit union gained 649 new members in 2023. We are looking forward to seeing the credit union continue to grow.

Mr. Charles May discussed current board vacancies noting that there were two candidates on the slate (1): Carol Cook and (2): Barbara Singleton.

Mr. May asked if there were any nominations from the floor, there were no nominations presented by our members. Attending members and Board of Directors will be emailed their number proxies to cast their votes via email.

A raffle was conducted by Mrs. Ebony Price. Four (4) \$25 Visa gift cards were awarded and one (1) grand prize award consisting of a \$96 Visa gift card.

Following the raffle, Q & A's from the chat were read and addressed.

After Q & A was complete, Mr. Charles May asked for a motion to adjourn meeting. Barbara Singleton (Vice Chair) made a motion to adjourn meeting. The motion was seconded by LaNeda Pitts. The motion passed and meeting adjourned at 7:03 pm.

Minutes Reviewed and Approved by:

Mr. Charles May
Chairman of the Board

Ms. Carol Cook
Secretary of the Board

Board of Directors and Staff

BOARD OF DIRECTORS

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

COMMITTEE MEMBERS

Supervisory Committee

LaNeda Pitts, Chairman
Lesa Fletcher-Edwards, Secretary
Frankie Bauldrick, Committee Member

Membership Committee

Tyrone Lewis Sr., Chairman
Michelle Johnson, Committee Member
Ken Williams, Committee Member

MANAGEMENT/STAFF

Management Team

Deborah Fears, President / CEO
Nicole Jennings, VP, Operations
Eric Gibbs, VP, Lending
Vincentia Owens, VP, Finance

Staff

LaBrenda Dillard, Teller
Veronica Hairston, Loan Officer
Julieta Montes De Oca, Member Services/Teller
Ebony Price, Loan Officer
Lauren Stepney, Team Lead, Member Services
Nicole Todd, Marketing Assistant
Jarrett Tribble, Finance Associate
Lisa Williams, Collections Specialist

Tyrone Lewis, Sr.,
Chairperson

STAY CONNECTED

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., 2nd Floor
Chicago, IL 60699-3916
312.431.8945-47
Fax: 312.566.0334

LOBBY HOURS

Southside Branch (Main)

Monday & Tuesday, 8:30 a.m. – 5:00 p.m.
Wednesday - CLOSED
Thursday & Friday, 8:30 a.m. – 5:30 p.m.
Saturday & Sunday - CLOSED

Downtown Branch

Monday, 8:30 a.m. – 5:00 p.m.
Tuesday & Friday- CLOSED.
Thursday - 8:30 a.m. – 5:30 p.m.
Wednesday - CLOSED
Saturday & Sunday - CLOSED

INTERNET/ONLINE BANKING

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- Automatic Withdrawals



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