

2024 ANNUAL REPORT



GREAT LAKES
credit union
Banking for a Greater Good



87th Annual Meeting

Tuesday, April 15, 2025

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 86th Annual Meeting
5. Approve Reports:
 - a. Report of the Chairman of the Board & President/CEO
 - b. Report of the Supervisory Committee
 - c. Report of the Credit Committee
 - d. Report of the ALM Committee
 - e. Report of the Membership Committee
 - f. Report of the Board Governance & Nominations Committee
 - g. Report of Bylaw Amendment
 - h. Report of the Nominating Committee
 - i. Report of the Proxy Votes
6. Elect Directors
7. New Business
8. Director Milestone Anniversaries
9. Adjournment

Annual Meeting Minutes

Great Lakes CU

Apr 16, 2024 at 5:00 PM CDT

@ CHQ Training Room 1 & Teams

The 86th Annual Meeting of the Members was held via teleconference call on Tuesday, April 16, 2024. Twenty five (25) members were in attendance. The meeting was called to order by Stephen Park, Chair, at 5:00 p.m.

Stephen Park declared that a quorum was present and that 70,668 of the 85,130 outstanding GLCU members or 83.0% were represented either in person or by proxy. The Chair declared that it was a legal meeting.

- I. Meeting Agenda, Annual Report & Meeting Script  [Annual Report Packet 2023.pdf](#);  [Annual Script 2024.pdf](#)

Motion: A motion was made and seconded to dispense with the reading of the minutes of the previous Annual Meeting. Carried.

Motion: A motion was made and seconded to accept the Board Chair, Committee and President/CEO reports as printed. Carried.

The Chair reported on the amendments made to the Bylaws during 2023.

The Chair presented the Nominating Committee's slate of candidates for Directors for three-year terms. The nominees were Cathy Corbi, Jim Fabrie, Jim March.

The Chair reported 70,668 proxies would be voted for each nominee that was presented by the Nominating Committee.

Motion: A motion was made and seconded to instruct the Secretary to cast a unanimous ballot for the slate of nominees. Carried.

With respect to the New Business agenda item, the Chair reported several questions were submitted by GLCU members when they registered for the Annual Meeting. The Q&A will be published to GLCU's website for member review, and are included herein as follows:

Q1: How much "profit" did GLCU generate last year after the cost of direct services to members, or what would have been profit if GLCU were a bank? What were those profits used for?

Response: In 2023, GLCU achieved total revenue of \$65.2 million, translating into a net income of \$2.7 million and a return on assets (ROA) of 20 basis points. Banks in a similar asset range typically averaged over 100 basis points in ROA. GLCU's net income plays a crucial role in bolstering vital areas such as sustainability, compliance and regulatory adherence, pioneering innovation in new products and services, and providing funding for strategic initiatives.

Q2: What type of blockchain/crypto assets will you be supporting and when can we expect to see consumer products, keeping in mind upcoming regulations?

Response: GLCU continues to explore cryptocurrency options for members through a variety of 3rd parties and has been working with several on developing an alternative for members that are interested and understand cryptocurrency risks and rewards. No definitive timeline has been determined.

Q3: Can you take check deposits by pictures?

Response: Our Mobile App allows members to utilize our Mobile Deposit feature. It is available under the Payments and Transfers category and is listed as Mobile Deposit.

Q4: Do you foresee offering higher priced investment tools such as CDs?

Response: GLCU directly offers a variety of share certificate options along with money market accounts and IRAs through our online account option, in branch and by calling our Member Contact Center. GLCU also offers investment and financial planning solutions under the GLCU Financial Advisory Center by financial advisors that can meet you at any location.

Q5: When using your GLCU app on your phone, when will they add free checking status so you can confirm how many transactions you have conducted towards achievement of the 5% tier?

Response: We are currently assessing the feasibility of incorporating the Free Checking Grid into our mobile app. While the information is currently available through our online banking platform, we understand the importance of offering seamless access to the Free Checking status via mobile devices. No definitive timeline has been determined.

Q6: What are your plans to support the business of worker-owned cooperatives?

Response: One of the core principles of a cooperative is "cooperation among cooperatives". GLCU, as a non-for-profit financial cooperative that serves its members believes fully in living this principal in our action. Over the 86-years that the credit union has existed, GLCU has and continues to serve members of our partners, called SEGs (Select Employee Groups). One of our largest SEGs is IBEW Local 134, where we provide financial products, services, and financial literacy to their union members. We are equally excited to add multiple SEGs to our field of membership when encourage Financial Network Credit Union is merged into GLCU pending member and regulatory approvals later this year. EFNCU brings years of working closely with their SEGs, including S&C Electric Company an employee-owned company where financial products and services are offered to their employee-owners at their facilities. For example, in the future GLCU is excited to work directly with S&C leadership on expanding our reach to more of their employee owners at their multiple facilities and expanding GLCU products and services once EFNCU is part of our larger organization that can direct dedicated efforts to this cooperative collaboration. More information will be shared as the merger is finalized.

Q7: Your statements were down for almost the entire month of December. This caused me A LOT of problems. I know there were some "work arounds", but they did not work well for my needs. I kept being told it was a vendor issue. OK, so the vendor is down for a few days, then a week, then several weeks. Who is this vendor and why did you accept such lousy service from them? A few days sure, I get that problems occur, but over 20 days...really? Have you replaced that vendor with someone who is responsive to customer needs? I certainly hope so.

Response: We apologize for the inconvenience of not having statements available in a timely manner. GLCU, like many financial institutions, utilizes providers for statements and letters. Unfortunately, our statement partner experienced a system-wide event that limited their ability to process our monthly statements in a timely manner. We hold our providers to terms and conditions under their agreements. Due to their inability to rectify this system-wide event in a timely manner, GLCU has notified the provider we are seeking alternative solutions. GLCU is currently in the process of evaluating new partners and we are planning on a selection of a new partner later this summer for statements and letters.

Q8: What are your future expansion plans and if so what areas are you looking at?

Response: GLCU continues to evaluate our field of membership geography and demographics along with how our members interact with us through electronic and digital channels as well as through in branch. We have seen many members cross state lines to live and work so we continue to address geography constraints and how expansion into border states and in other Illinois counties could aid GLCU grow through and around the Great Lakes Region and within Illinois. Equally, our community based financial model is paramount to our vision and mission work. We continually look at where our members live and work along with growth opportunities that would present the ability for GLCU to enter new markets such as with the upcoming opening of our Leader's Network branch in Austin and the several branch locations we will add once the merger of encourage Financial Network Credit Union is approved and completed, which will add several locations in Cook County. GLCU aspires overtime to add locations within our field of membership and to expand our field of membership where distribution lacks with enhanced ATM services and GLCU branded branch locations throughout the Chicago market and new counties and states.

Mr. Park noted GLCU greatly appreciates the engagement and feedback from our members.

Motion: A motion was made and seconded to adjourn the meeting at **5:11 p.m.** Carried.

/s/ STEPHEN PARK

/s/ JIM MARCH

2024 REPORTS

Report of the Board Chair – Pat Price & President/CEO – Steven Bugg

2024 proved to be a year of remarkable expansion and transformation for Great Lakes Credit Union by investing financially in our future. Marked by a multitude of innovative technological and product and services advancements, community outreach, financial education, and an enhanced member experience, GLCU ushered in a year of dynamic progress while embodying its “Banking for a Greater Good” tagline.

Financial Results

In the year 2024, GLCU demonstrated remarkable growth, primarily fueled by a series of strategic mergers. The accounting rules governing these mergers necessitated that GLCU allocate loan loss reserves from the outset. This requirement, combined with other merger and conversion-related charges, led to a net loss position for the fiscal year. However, it is important to note that without these one-time charges, GLCU would have achieved a profit of approximately \$2.3 million.

These meticulously planned acquisitions have poised GLCU for a prosperous future, laying a robust foundation for continued success and expansion. The strategic foresight and diligent execution involved in these mergers have not only enhanced GLCU's current market position but also paved the way for sustained growth in the coming years.

Mergers, Acquisitions and Expansion

In January, GLCU and encourage financial network credit union (EFNCU) members alike announced their intent to merge together as one credit union. In May, the vote was passed based on a mutual dedication to our members, employees, communities, and a shared vision for the future. On June 1 the merger was official, with EFNCU bringing in more than 14,000 members and five branches, with more than \$200 million in assets.

This partnership provides EFNCU members with a wider range of financial products and services, as well as increased convenience via a larger branch network, advanced digital banking technology, and access to financial education and counseling services through the GLCU Foundation for Financial Empowerment. The merger is a true partnership that delivers an even greater community impact. GLCU gains additional branches and new EFNCU lending products.

On June 26, GLCU and The Leaders Network celebrated the grand opening of the Leaders Network Financial branch of GLCU in Chicago’s Austin neighborhood. The Leaders Network Financial location is the first credit union to open its doors in Austin, which has long been considered a financial services desert.

A group of multicultural, interfaith, and community leaders, The Leaders Network worked with the Illinois Credit Union League (ICUL) to identify the most sustainable way to bring a financial institution to Austin. The ICUL introduced The Leaders Network to partner with GLCU because of our shared values and focus on financial empowerment and community development. GLCU members now have access to their locations in Chicago.

Additionally, in November, GLCU announced its plan to expand our footprint to Central Illinois and Western Indiana through a strategic purchase of a branch from Vibrant Credit Union located in Danville, Illinois. The acquisition will allow GLCU to acquire nearly 12,000 accounts, \$66 million in deposits, and \$22 million in loans from Vibrant, effective February 28, 2025.

In addition to the new branches brought on by the merger with EFNCU and plans to acquire the Vibrant branch assets, GLCU rounded out the year with another merger in the works: Chicago Municipal Employees Credit Union (CMECU) members voted on December 31 in favor of merging with GLCU. GLCU will operate in partnership with CMECU to preserve its 98-year-old legacy and bring 23 locations under the GLCU umbrella.

With all of the above-mentioned growth and expansion, GLCU ended 2024 serving 105,000 members, with nearly \$1.5 billion in assets.

Hispanic Membership Enhancements

GLCU has long enjoyed serving a diverse membership and in 2024 we executed several initiatives to create a more inclusive organization for our substantial Hispanic base. We celebrated our Juntos Avanzamos designation (a Spanish phrase that translates to “Together We Advance”) in October by hosting a proclamation ceremony at our Waukegan branch. The Juntos Avanzamos designation recognizes credit unions committed to serving and empowering Hispanic and immigrant communities.

GLCU also revamped our nametags, business cards and email signatures to reflect our many team members who speak Spanish so members know whom to communicate with for their banking needs. The Consumer Lending department also added a Spanish application portal and Spanish loan documents. What’s more, GLCU’s AI assistant, Olive, became bilingual, speaking Spanish to help our Hispanic member base with their banking needs. Embracing technology, GLCU continues to enhance our members’ banking experience while enabling our member contact center to assist members with their more complex financial needs.

Products and Services

Products and services remain at the core of GLCU’s offerings. In 2024 we launched a host of new products, services and enhancements to ensure members have everything they need for a successful financial journey, including the following:

- Contactless debit cards – GLCU replaced all debit cards with improved contactless cards to also aid in fraud prevention
- New business share certificates and a business debit card
- Fast Cash Loan
- Quinceañera Loan
- Flex Line of Credit
- Credit Builder Loan
- Share Secured Plus
- Implemented loan servicing self-service tool for loan due date changes and skip-a-payment requests
- Updated business checking accounts (Business Checking and Business Advantage) with treasury management services

Innovation

In our continuing efforts to improve security and member experience, GLCU launched Voice Authentication. This state-of-the-art feature transforms how members communicate with Olive, further streamlining members’ banking experience with GLCU. With Voice Authentication, the unique features of members’ voices securely verify their identity. This technology not only offers an extra level of protection but also simplifies authentication processes, making interactions with Olive faster and more effective and personalized than ever before.

GLCU’s innovative growth has won the organization numerous awards in 2024, including the following:

- ACU Diamond Award - Ongoing Event Award/GLCU Volunteer Program
- ACU Diamond Award – Public Relations Award/Leaders Network
- MAC Silver Award – Image Enhancement/Public Relations Award/Leaders Network
- 1st Place ACU Desjardin Youth Financial Education Award/Money Mammals
- 1st Place ACU Dora Maxwell Award/Leaders Network
- 2nd Place ACU Louise Herring Award/Credit Builder Loan
- *CU Times* Luminary Award Finalist – Innovation in Tech – AI/Cybersecurity/Mobile Banking/Olive
- *CU Times* Luminary Award Finalist – Rising Star/Matthew Rizzie

Community Outreach

GLCU continues to put our tagline of “Banking for a Greater Good” to work in our communities. In 2024, we made significant strides in achieving our commitment to build financial well-being for our members, employees, and communities. In partnership with the GLCU Foundation, we provided housing and financial counseling services to 1,169 individuals and families, contributed 4,384 hours of outreach in the community, presented \$17,500 in scholarships to six GLCU members and a GLCU employee who are continuing their education, and donated more than \$200,000 back to the community.

In the fall, the GLCU Foundation held its inaugural fundraising dinner, participated in Giving Tuesday, and held other fundraising campaigns, including the National Credit Union Foundation’s CUAid Disaster Relief to support communities affected by Hurricanes Milton and Helene. Additionally, in celebration of CU Kind Day on October 14, GLCU expanded its efforts to a Week of Volunteering where 146 GLCU employees volunteered 500 hours at 15 local organizations over the course of 20 events.

In addition to volunteering, financial education and community outreach, the GLCU Foundation partners with local organizations whose missions align with ours. This not only expands our reach but also makes a greater impact on the financial well-being of our communities. The GLCU Board of Directors selected its quarterly recipients of its partnership submissions: North Suburban Legal Aid Clinic, Bridge Communities, The National Credit Union Foundation’s CUAid Campaign, and Sarah’s Circle.

GLCU continued to make an impact in the communities we serve, hosting events for both members and the community alike. We offered shred events at our Waukegan and Country Club Hills branches, hosted a community event at the Crystal Lake branch for the benefit of another non-profit, Kids in Need in McHenry County, and reprised our Trunk or Treat event at the North Chicago branch, partnering with many local organizations for the betterment of the community. We also continued with our Fill the Boat school supply drive at all branches and rounded out the year with our Winter Coat & Gear drive, benefiting Cradles to Crayons, an organization that provides warm clothing for at-risk individuals in our local communities.

Looking Ahead

As we take stock of the momentous strides made in 2024, GLCU remains committed to providing the most innovative, convenient products and services to our members, while staying true to the credit union philosophy of ‘people helping people’ by giving back to and investing in the communities we serve. As always, we remain steadfast to our mission of banking for a greater good. Together, we look forward to moving forward and achieving our goals with unbridled enthusiasm and a resolute commitment to growth.

With our commitment to our expanding community (see attached *2024 Year-in-Review* for results of specific outreach initiatives), and our interdepartmental cooperation, along with supporting the credit union movement’s vision and values, GLCU takes considerable pride in *Banking for a Greater Good*. We thank you for your continued business.

Sincerely,

Pat Price, Board Chair

Steve Bugg, President & CEO

2024 Year in Review

Community Outreach Impact

222

Employees
Volunteered



4,384

Hours

156
Organizations



292

Events

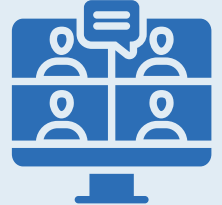
96
Youth Education
Events



Financial and Housing Counseling Impact

44

Workshops



653

Households
benefited from
group education

1,169
Households served
through education and
counseling services



327

Households
benefited from
1x1 counseling

\$7.9 million

in community assets
saved via foreclosure
intervention counseling



Supervisory Committee – David Goles, Chair

Consisting of three members elected by GLCU's Board of Directors, the Supervisory Committee ensures that a financially stable credit union operates in the best interest of its members.

It does this by monitoring the credit union's financial and risk reports, internal controls and operating policies and procedures. The Supervisory Committee also oversees the annual audit conducted by Doeren Mayhew & Co. P.C. (Doeren), a certified public accounting firm.

2024 was the second year that Doeren reviewed GLCU's business operations. The reviews include an assessment of the accounting, reporting and internal controls of GLCU operational areas. Based upon these reviews, recommendations are provided to the Supervisory Committee and Executive Leadership Team. The Supervisory Committee then evaluates the actions taken during the year by GLCU's Executive Leadership Team.

Additionally, Doeren conducted an annual audit of GLCU's consolidated financial statements for the year ending December 31, 2024, as required by the State of Illinois Department of Financial & Professional Regulation.

Based on its evaluation, the Committee is pleased to report that the audit results indicate GLCU exhibits sound financial performance and prudent management.

In the Supervisory Committee's opinion, GLCU's operations are compliant with state and federal regulations. The credit union has internal controls in place protecting the credit union, its members, management and employees.

Credit Committee – R. Lee Piekarz, Chair

The GLCU Credit Committee is appointed by the Board of Directors and is responsible for the general supervision of all loans and lines of credit to members. The Credit Committee delegates loan approval authority to the Credit Union's loan officers and meets as necessary to review special loan requests, observe lending trends and ensure members have access to numerous loan products, consistent with the lending policies established by the Board of Directors. The Committee remains dedicated to safe and responsible lending, adaptability to an evolving regulatory environment and maintaining a member-centric approach.

GLCU completed 2024 with a year-end portfolio balance of \$1.162 billion (net of allowance for loan loss). We continue the evolution of our product suite and are proud of our focus on fair lending practices. The Committee proudly presents these results and looks forward to continuing to meet the needs of GLCU's members.

ALM Committee – Jim Fabrie, Chair

The ALM Committee is appointed by the Board of Directors and meets at least quarterly and works in conjunction with the Pricing Committee to monitor GLCU's asset and liability positions. The Committee operates on an 'act and report' basis.

During 2024, the ALM modeling was completed by Performance Trust Capital Partners, LLC. Velligan-Blaxall Consultants, LLC completed a review and validation of the PT asset / liability management model and overall modeling process. In their executive summary, they stated in their opinion, the model inputs, assumptions, settings, results, procedures, and policies are reasonable in the context of the regulatory guidance, industry best practice standards, and internal policies. There were no high-level deficiencies or issues that would have a material, negative impact on modeling results and accuracy or render the model not usable. In addition, Performance Trust performed special model testing each quarter-end. In the first quarter, they stressed the prepayment assumptions on all prepayable assets. We were within the policy limits. The second quarter test

had lower asset spreads for both the reinvestment and discount spreads. They were lowered by 10 bps per 100 bp shift in rates. In the up 300 bp scenario, the standard and stressed testing were both out of policy. The policy was -30% and they were -30.24% and -34.00% respectively. One of the reasons for entering into the derivative was to help in rates up to help alleviate the interest rate risk. The third quarter tested the increased decay rates for non-maturity deposits. The fourth quarter stressed betas on non-maturity deposits. All stressed scenarios were within guidelines with the exception of the second quarter testing. Due to the unprecedented economic times and 11 rate hikes over the past 2 years, GLCU is experiencing extreme pressure with the net economic value of equity NEVE rate scenario shock tests. As a result, the -300 bp shock for all quarters and the +300 bp shock for two quarter-ends was outside the policy of 7%. These results are similar among the majority of institutions across the county due to the drastic rate increase. To help alleviate this issue, GLCU entered into a pay fix swap derivatives transaction in December 2023. The staff believes partnering with Performance Trust will aid GLCU into making smarter strategic decisions.

Membership Committee – Cathy Corbi, Chair

We had membership growth of 23,980 in 2024 (GLCU's merger with EFNCU brought us over 11,700 new members, and our merger with CMECU brought us over 11,600 new members). GLCU ended the year with 104,810 members and an annualized growth rate of 29.67%.

Board Governance & Nominations Committee – Cathy Corbi, Chair

In 2024, GLCU's Board Governance & Nominations Committee addressed a number of initiatives. We provided training for our Directors addressing Bond and Liability Coverages, Bank Secrecy Act, Anti-Money Laundering, Derivatives, and Cybersecurity. We continued to work on enhancements for our *Board of Directors Governance Manual*, a repository of policies and regulatory governance information for our Directors. We transitioned to a new Board Chair in April, and in conjunction with our merger with EFNCU added a new Director, Supervisory Committee Member, Associate Director and an Emeritus Director, with a longtime GLCU Director also transitioning to Emeritus Director status. In addition, we added an Associate Director in collaboration with our partnership with The Leaders Network. Initiatives for 2025 will include the planned addition of two (2) Non-Director Supervisory Committee members, an annual review of the *Board of Directors Governance Manual*, and the administration of a semi-annual governance survey assessment to the Board of Directors and President/CEO.

**Great Lakes Credit Union
2024 Bylaw Amendments**

The following bylaw amendment was approved in 2024 in connection with GLCU's merger with encourage financial network credit union:

ARTICLE III – MEMBERSHIP

Section 1.

...

- *The former encourage financial network credit union;*
- *S & C Electric Company, Chicago, Illinois;*
- *Natural person members of the Chicago Artists' Coalition, of Chicago, Illinois;*
- *Employees or members of the former Methode Federal Credit Union;*
- *Methode Federal Credit Union;*
- *Members of Production Workers Union of Chicago and Vicinity Local 707;*
- *Active Brothers and Alumni of the Loyola University;*
- *Employees, clients, and family members of Operation North Pole, Inc., Des Plaines, IL;*
- *Employees and members of the former Win-Hood Co-Op Credit Union; Members of the immediate family or household;*
- *Employees, clients, and customers of A and N Mortgage Services, Chicago, IL;*
- *The former C & NW Proviso Credit Union;*
- *Any employees of the former C & NW Proviso Credit Union;*
- *Employees, members, clients and family members of First Financial Servicing, Chicago, IL;*
- *Employees, members, and family members of MedPlan Credit, LLC;*
- *Employees, clients and family members of Statelty Credit, Dallas, TX;*
- *Employees, clients and family members of Chariot CU Services, LLC, O'Fallon, IL;*
- *Employees, customers and family members of Cambio Financial Health, Inc., Chicago, IL;*

...

2025 DIRECTOR NOMINEES

- **David Goles** – Partner, Swanson, Martin & Bell, LLP. Director since 2018. Supervisory Committee Chair. Currently serving a three-year term expiring April 2025.
- **Sarah Marshall** – Certified Credit Union Executive, former President/CEO of North Side Community Federal Credit Union, industry speaker and founder of Profound Hope Industries, a consulting firm focused on social impact and community development. Director since 2023. Supervisory Committee Member and Board Governance & Nominations Committee Member. Currently serving unexpired portion of a three-year term expiring April 2025.
- **Pat Price** – President, The Price Group, Inc. and President of Multi Print and Digital. Director since 2013. Board Chair, Executive Committee Member, 401(k) Committee Member and CEO Review & Compensation Committee Member. Currently serving a three-year term expiring April 2025.

GREAT LAKES CREDIT UNION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION DECEMBER 31, 2024 AND 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 75,107,852	\$ 78,351,268
Investment securities		
Equity	1,690,716	1,797,541
Available-for-sale	127,730,665	109,574,768
Investments in CUSOs	10,277,942	7,248,142
Loans, net of allowance for credit losses of \$9,163,964 and \$9,949,722 as of December 31, 2024 and 2023, respectively	1,159,606,723	1,049,778,933
Accrued interest receivable	4,793,284	3,847,270
Property and equipment	24,541,569	17,707,844
NCUSIF deposit	11,582,218	9,069,622
FHLB stock	7,964,723	9,684,253
Split dollar insurance	10,879,697	8,389,293
Credit union owned life insurance (COLI)	13,994,196	13,254,281
Goodwill	8,069,311	-
Core deposit intangible	4,520,567	53,749
Other assets	20,778,411	4,752,640
	<u>\$ 1,481,537,874</u>	<u>\$ 1,313,509,604</u>
<u>Liabilities and Members' Equity</u>		
Liabilities		
Members' shares and savings accounts	\$ 1,212,007,159	\$ 1,004,038,503
Borrowed funds	127,560,316	190,914,183
Uninsured secondary capital	14,405,254	10,000,000
Accounts payable and other accrued liabilities	31,786,840	16,723,799
	<u>1,385,759,569</u>	<u>1,221,676,485</u>
Commitments and contingent liabilities		
Members' equity		
Appropriated statutory	13,144,303	13,144,303
Undivided earnings	75,773,573	78,921,598
Equity acquired in mergers	17,430,616	11,315,706
Accumulated other comprehensive loss	(10,570,187)	(11,548,488)
	<u>95,778,305</u>	<u>91,833,119</u>
Total members' equity	<u>95,778,305</u>	<u>91,833,119</u>
Total liabilities and members' equity	<u>\$ 1,481,537,874</u>	<u>\$ 1,313,509,604</u>

GREAT LAKES CREDIT UNION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF EARNINGS YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Interest income		
Loans receivable	\$ 53,059,829	\$ 46,036,336
Investment securities	3,377,186	2,658,109
Interest bearing deposits	<u>11,226,450</u>	<u>4,800,937</u>
Total interest income	67,663,465	53,495,382
Interest expense		
Interest and dividends on members' shares and savings accounts	20,570,844	13,322,881
Interest on borrowed funds	<u>9,957,276</u>	<u>8,028,834</u>
Total interest expense	<u>30,528,120</u>	<u>21,351,715</u>
Net interest income	37,135,345	32,143,667
Provision for (recapture of) credit losses	<u>3,090,478</u>	<u>(306,729)</u>
Net interest income after provision for (recapture of) credit losses	34,044,867	32,450,396
Non-interest income		
Service charges on deposit	8,619,234	7,487,647
Interchange income	222,641	248,585
Loan servicing	1,544,933	925,486
Loan prepayment, late, origination, commitment fees	550,341	597,810
Other	<u>2,065,403</u>	<u>2,005,662</u>
Total non-interest income	13,002,552	11,265,190
Non-interest expenses		
Compensation and benefits	23,515,415	21,891,886
Office operations	6,735,137	5,219,187
Occupancy	842,770	680,340
Operating expenses	<u>19,102,122</u>	<u>13,216,566</u>
Total non-interest expenses	<u>50,195,444</u>	<u>41,007,979</u>
Net earnings (loss)	<u>\$ (3,148,025)</u>	<u>\$ 2,707,607</u>

