

## SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is appointed by the Board of Directors of Planites Credit Union [PCU] and operates in accordance with the rules and regulations of the Illinois Department of Financial Institutions and the National Credit Union Administration.

The Supervisory Committee is responsible for overseeing the integrity of PCU's financial statements and the company's accounting and financial reporting processes and financial statement audits. This oversight assists Management in establishing a system of internal controls and policies to ensure that the highest degree of integrity is maintained in the overall operations of the Credit Union.

The Supervisory Committee is also required to ensure that an independent review of PCU's financial statements is conducted annually. The Certified Public Accounting firm of Selden Fox, LTD was retained to perform an audit of Planites Credit Union's financial condition as of June 30, 2022, and rendered the following:

"In our opinion, the 2022 financial statements referred to in our report, present fairly in all material respects, the financial position of Planites Credit Union as of June 30, 2022, and 2021, and the results of its operation and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America."

**Joe Danahy**  
Supervisory Committee Chairman

## CREDIT COMMITTEE'S REPORT

The Credit Committee provides oversight of all lending activity, including the implementation, monitoring and evaluation of the overall loan programs to ensure compliance with Board-approved policies and conformity with the Illinois Credit Union Act. PCU offers a variety of loan products that include Auto Loans, First and Second Mortgages, Visa® credit cards, Personal (Unsecured) Loans, Student Loans and Share-Secured loans.

PCU had an outstanding year of loan growth. The loan portfolio increased by \$2.1M (14.8%), with \$6.6M in new loans, and ended the year with a loan portfolio balance of \$16.6M. In its second full year, the Second Mortgage Loan Program portfolio has

more than doubled in size, and nearly every loan product category experienced growth in 2022. Moreover, delinquencies and net charge-offs were low at 0.21% and 0.22% of total loans respectively.

PCU continues to maintain high ethical standards by consistently processing applications according to the PCU Loan Policy. Documentation included in the loan files is complete and accurate and decisions were made within policy guidelines.

**Scott Womack**  
Credit Committee Chairman

## TREASURER'S REPORT

As the Treasurer of Planites Credit Union, I am happy to report that 2022 was an overall successful year. As of December 31, 2022, the Credit Union reported \$36.5M in assets, with \$20M in investments and \$16.6M in loans. Share deposits balances decreased to \$32.1M.

PCU's net income was \$80K, bringing total capital to just over \$4M as of December 31, 2022. With an 11.05% capital ratio, the

Credit Union is considered "well-capitalized" by the National Credit Union Administration.

In summary, Planites Credit Union continues to be financially strong and operationally sound.

**Gabrielle Ruiz**  
Treasurer

## MEMBERSHIP COMMITTEE'S REPORT

It is the responsibility of the Membership Committee to promote the value-added benefits of membership with both current PCU members and HCSC employees. Regular promotions of our products and services were done via e-mail and HCSC Corporate Communication messages. The Committee also supported various Credit Union events including the Annual

Membership Meeting, Educational Webinars and International Credit Union Day. As of December 31, 2022, there were 7,256 deposit accounts, 1,847 loan accounts and 4,142 members.

**Jennifer Cernak**  
Membership Committee Chairperson

## 2022 BOARD OF DIRECTORS AND STAFF

### Executive Officers

James Burda  
Chairman of the Board  
Thomas Lubben  
Vice Chairperson  
Susan Gajda  
Secretary  
Gabrielle Ruiz  
Treasurer

### Board of Directors

Jennifer Cernak  
Geoff Credi  
Joe Danahy  
Daniel Gierke  
John Kosky  
Robert Majerus  
Wil Matthews  
Austin Waldron  
Scott Womack

### Staff

Danny Valkanos  
**President**  
Audrey Jones  
**Vice President – Operations**  
Maryann Dunn  
**Operations Administrator**  
Alex Porras  
**Loan Processor**  
Pamela Smith  
**Loan Officer**  
Madeline Sanchez  
**Member Services Supervisor**  
DeFranzo Williams Jr.  
**Member Services Representative**

**Planites  
Credit Union**  
*We belong to you!*

# 2022 ANNUAL REPORT



# CHAIRMAN AND PRESIDENT'S REPORT

On behalf of our dedicated staff and volunteer board, it is both an honor and privilege to present the 2022 Annual Report. Planites Credit Union (PCU) had a successful year that could not have been accomplished without the participation of our membership.

2022 presented some new challenges as the year started out with rates near record lows, only to be followed by soaring inflation and the prime rate increasing from 3.25% to 7.50% by year end. Although we had to increase our loan rates, we remained very competitive when compared to market rates. Our members continued to rely on us for their loan needs, which lead to a near-record year in loan growth.

In 2022, the loan portfolio grew to \$16.6 million, an increase of nearly 15%. A total of \$6.6 million in new loans was issued in 2022.

As of December 31, 2022, PCU had 80,000 in net income, \$4 million in capital and \$36.5 million in assets. The decrease in assets is attributed to members utilizing their share savings balances that had built up during the previous two years. Our net worth ratio increased to 11.05%, which is well above what is considered well-capitalized by the National Credit Union Administration [7%].

In 2022, we launched electronic tax documents. Members enrolled in e-statements can now view their tax forms online. In June of 2022 we partnered with a new debit card vendor, TransFund. Some new features available to our members include Apple Pay®, Google Pay™ and Samsung® Pay, as well as the ability to set transaction alerts, block/unblock their cards, receive fraud alerts and more! We are excited about our new partnership with TransFund as it not only provides members with program enhancements, but PCU also reduced the cost of the program compared to our previous vendor.

In 2023, Planites Credit Union will continue to look for opportunities to enhance and improve the member experience and our back office technology.

We appreciate the support, trust and loyalty of our members.

Respectfully submitted,

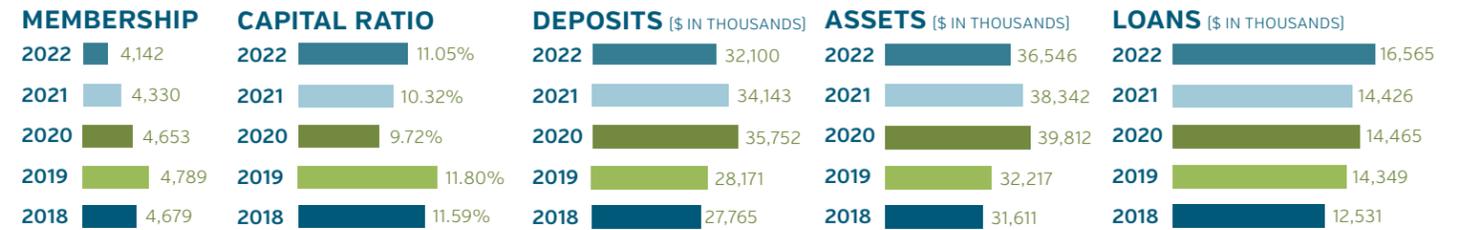
**James Burda**  
Chairman of the Board

**Danny Valkanos**  
President

## CONSOLIDATED INCOME & EXPENSE STATEMENT

Income	12/31/22	12/31/21	Variance \$	Variance %
Investment Income	\$345,380	\$283,011	\$62,369	22%
Interest Income (Loans)	\$698,621	\$671,233	\$27,388	4%
Fee Income	\$369,544	\$421,469	\$(51,925)	-12%
Other Operating Income	\$27,101	\$113,730	\$(86,629)	N/A
<b>Total Income</b>	<b>\$1,440,646</b>	<b>\$1,489,443</b>	<b>\$(48,797)</b>	<b>-3%</b>

Expenses	12/31/22	12/31/21	Variance \$	Variance %
Operating Expenses	\$1,163,577	\$1,134,889	\$(28,688)	-3%
Reserve for Loan Loss	\$24,000	\$34,000	\$10,000	29%
Dividend Expenses	\$173,122	\$230,714	\$57,592	25%
<b>Total Expenses</b>	<b>\$1,360,699</b>	<b>\$1,399,603</b>	<b>\$38,904</b>	<b>3%</b>
<b>Net</b>	<b>\$79,947</b>	<b>\$89,840</b>	<b>\$(9,893)</b>	<b>-11.01%</b>



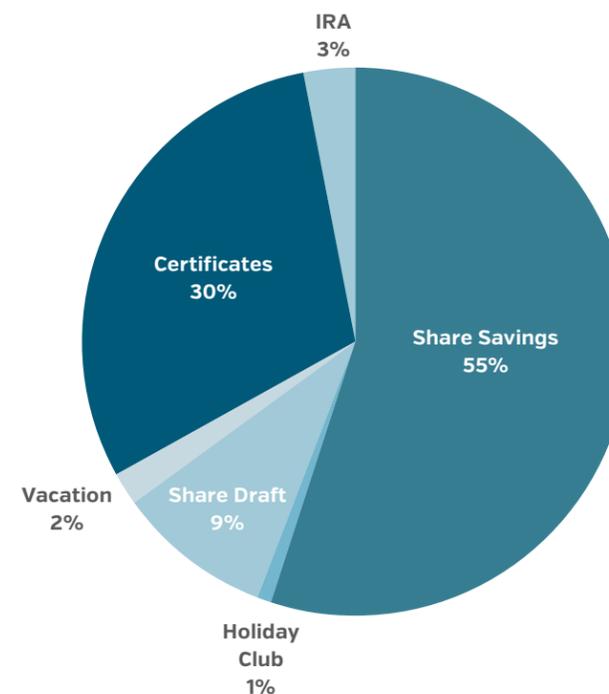
## 2022 FINANCIALS

### CONSOLIDATED BALANCE SHEET

Assets	12/31/22	% of Assets	12/31/21	% of Assets
Investments	\$20,056,450	54.9%	\$24,064,104	62.7%
Loans	\$16,565,334	45.3%	\$14,426,287	37.6%
Other Assets	\$157,938	0.4%	\$98,474	0.3%
Loan Loss Reserves	\$(233,886)	-0.6%	\$(246,744)	-0.6%
<b>Total Assets</b>	<b>\$36,545,836</b>	<b>100%</b>	<b>\$38,342,121</b>	<b>100%</b>

Liabilities & Equity	12/31/22	% of Liabilities	12/31/21	% of Liabilities
Shares	\$32,100,069	87.8%	\$34,143,066	89.1%
Dividends Payable	\$-	0.0%	\$-	0.0%
Accounts/Notes Payable	\$408,807	1.1%	\$242,042	0.6%
Reserves & Equity	\$3,957,013	10.8%	\$3,867,173	10.1%
Net Income	\$79,947	0.2%	\$89,840	0.2%
<b>Total Liabilities &amp; Equity</b>	<b>\$36,545,836</b>	<b>100%</b>	<b>\$38,342,121</b>	<b>100%</b>

### 2022 DISTRIBUTION OF DEPOSITS



### 2022 DISTRIBUTION OF LOANS

