



# 2017

## ANNUAL REPORT

# 65 YEARS

*serving the community!*



**PARKSIDE**  
CREDIT UNION

Federally Insured by NCUA



# Table of Contents

Mission, Vision, Values.....	2
Board of Directors and Executive Team.....	3
Minutes of the 64th Annual Meeting.....	4
2017 Highlights.....	5
A Joint Message from the President and the Chairman.....	6
A Vision Forward.....	7
Treasurer’s Report.....	8
Credit Committee’s Report.....	9
Audit Committee’s Report.....	10
Nominating Committee’s Report.....	11
Consolidated Statement of Income & Comprehensive Income.....	12
Consolidated Statement of Financial Condition.....	13
2017 in Pictures.....	14-17



# Parkside Credit Union

**Mission:** Our commitment is to improve the financial well-being of our members and the communities we serve.

**Vision:** Parkside Credit Union will be recognized by our members as a trusted provider of professional financial guidance.

*We promise to...*

Strive for excellence in everything we do by taking ownership of each request.

Constantly seek new and better ways to improve the overall member experience.

Provide quality products and exceptional service through every delivery channel.

Work to enhance financial literacy and independence in the communities we serve.

Treat everyone with dignity and respect.

Support one another in a helpful, friendly environment.

# Board of Directors

William M. Sackett, Chairman

Clyde A. Ghee, Secretary

Michael E. Rawson, Treasurer

Cynthia Grimwade, Director

Jerry Miller, Director

Richard Pokerwinski, Director

Vincent Quinn, Director

# Executive Team

Janet Thompson, President & CEO

Connie Gladki, Chief Financial Officer

Doris Graham, Chief Resource Officer

Heather Colonius, Chief Development Officer

Heathor Balazy, Vice President of Branch Services

Jan Hendrie, Executive Vice President/COO

Joy Bobby, Vice President of Lending and Deposits

# Minutes of the 64th Annual Membership Meeting

---

Livonia Branch

April 12, 2017

**Board Members Present:** William Sackett, Chairman; Michael Rawson, Treasurer; Clyde Ghee, Secretary; Richard Pokerwinski, Vincent Quinn, Cynthia Grimwade.

**Board Members Absent:** Edward Leshinsky, Vice Chairman; Richard Savale, Jerry Miller

**Others Present:** Janet Thompson, President/CEO; Executive Team, Management Team, and Staff

The meeting was called to order at 5:30 p.m.

Secretary, Clyde Ghee, confirmed a quorum was present.

- Chairman William Sackett delivered opening comments.
- Treasurer's report was presented by Treasurer Michael Rawson.
- Audit Report was presented by Michael Rawson, Chairman of the Audit Committee.
- Credit Committee Report was presented by Joy Bobby, VP of Lending and Deposits.
- President's Report was presented by Janet Thompson, President/CEO.

Motion to approve minutes of the 63rd Annual Meeting was made by Clyde Ghee and supported by Vincent Quinn. Motion carried.

Nominating Committee: Chairman Vincent Quinn made a motion coming out of committee to elect: Cindy Grimwade, Edward Leshinsky and Jerry Miller to three-year terms to the Board of Directors at Parkside Credit Union. Motion was supported by Clyde Ghee. Motion carried.

Old Business: None

New Business: None

A motion to adjourn the meeting at 5:48 p.m. was made by Michael Rawson and supported by Richard Pokerwinski. Motion carried.

# 2017 HIGHLIGHTS

*technology - culture - lending*

1

## ADMINISTRATIVE BUILDING

The addition and renovation to our Westland branch helped to bring our administrative departments together in a meaningful and efficient way. The building offers a modernized, high tech approach to serving our members.

2

## MOBILE DEPOSIT

Launched in April 2017, mobile deposit truly gives our members "anytime, anywhere" access to their accounts. One year after launch, we have 900 active users.

3

## LENDING

Our Lending team has accomplished many "behind-the-scenes" enhancements, streamlining tasks and processes. Members have the ability to quickly apply for loans at any of our four locations and may apply in person, over the phone, or online.

4

## SERVICE

Parkside welcomed eight new team members in 2017 and has cultivated a workforce of adaptive employees, each of whom is confident and adept at providing a wider range of tasks to efficiently serve each member who calls, emails, or walks in the door at any of our branches.

5

## TEAM

Parkside's Board of Directors, management, and staff worked to implement a strategic plan to ensure the continued development of our organization and to reinforce our commitment to provide outstanding service at every member interaction.

6

## ACCESS

In October 2017, Parkside began offering Saturday lobby hours at our Livonia branch. These additional hours provide our members with added convenience and access to personal service.

7

## COMMUNITY

Parkside continues to support our communities via our annual scholarship competition, contributions to organizations, and engagement with our local chambers of commerce.

8

## WEBSITE

Parkside's redesigned website went live in March 2017. Our goal was to provide a secure and engaging online experience to our members. The user-friendly website offers robust search capabilities, mobile compatibility, and ease of navigation.

The past year proved to be another successful year defined by many achievements and milestones. A primary focus of 2017 was on building: building relationships with our members, building a great organizational culture, and building a solid foundation for the future.

As we pursued various opportunities for developing our organization in 2017, it was necessary to identify a way to bring together our administrative departments. The 12,000-square-foot addition and renovation to our Westland branch not only accomplishes this, but it offers a modernized approach to serving our members. We are proud to have created a welcoming environment that resonates with our members and helps to establish a sense of community.

In addition to the visible changes to our organization illustrated by the construction of our new headquarters, Parkside has undergone subtle, but consequential changes to our internal structure. We have aligned teams and departments, created new positions, welcomed numerous industry-experienced staff to our team, and made continuous training a priority. Parkside staff has the expertise to provide personalized service to each member who calls, emails, or visits our branches.

Technology continues to be a driving force in our growth. After much anticipation, we were thrilled to launch mobile check deposit in April 2017. In the twelve months following launch, 1,400 members have enrolled in mobile deposit and there are nearly 900 active users. In March 2018, we launched MACO—multiple authentication convenience options—to our membership. The ability to log in to online banking via our mobile app using fingerprint, voice recognition, face recognition, or PIN is indicative of the convenience and personal control we strive to offer our members through our products and services.

The “people helping people” philosophy plays a meaningful role in our organization. Parkside’s 12th Annual Charity Car Show raised money for the Lyman Foundation, benefiting the Burger School for Students with Autism. We received nearly 80 applications to our 8th Annual Scholarship Competition, and were pleased to award \$1,000 to each of three goal-oriented, service-driven student leaders. As we move forward, we will be sharpening our vision for giving with a focus on contributing to environmental, health, and wellness efforts within the communities we serve.

It is gratifying to work with a dedicated Board of Directors and staff who remain committed to making a positive impact. Each day we are tasked with making decisions that impact the financial lives of our members. All decisions are made with integrity and honesty, and in full consideration of the financial well-being of Parkside’s diverse membership. Moving into 2018, Parkside’s 65th year serving local communities, we are confident that we have the resources to continue to make a difference in the lives of our members.

We thank you for your loyalty and for entrusting us as your financial institution.

William M. Sackett  
*Board Chairman*

Janet B. Thompson  
*President/Chief Executive Officer*



# A VISION FORWARD

Parkside strives to have a positive impact on the environmental efforts within our community and on the health and wellness of its residents.

As we move forward, we will be developing a strategy and focus for contributing to these efforts.



# Treasurer's Report

---

Parkside Credit Union remains financially and operationally sound after closing 2017 and moving into 2018.

Listed below is a comparison of key numbers and ratios between the years 2016 and 2017. These numbers and ratios demonstrate Parkside's financial strength.

	2017	2016
<b>Total Assets</b>	\$112,657,174	\$110,054,227
<b>Total Loans</b>	\$56,755,796	\$48,364,950
<b>Net Income/Loss</b>	\$1,034,030	\$884,296
<b>Equity Total</b>	\$16,266,599	\$15,394,691
<b>Delinquent Loans</b>	\$436,042	\$374,478
<b>Total Income</b>	\$7,961,558	\$7,389,955
<b>Return on Average Assets</b>	.93%	.80%
<b>Net Worth</b>	14.71%	13.18%

Parkside anticipates progress and growth throughout 2018 and we remain confident in our ability to provide positive financial support to our members.

Michael E. Rawson  
*Treasurer*

# Credit Committee's Report

---

2017 was a very successful year of lending for Parkside Credit Union as we surpassed many of our goals. The Credit Committee met throughout 2017 to act on loan applications.

Number of Disbursed Loans	4,995
Total Disbursed Loans	\$24,448,932
Outstanding Loan Balances	\$57,176,071
Disbursement Increase (over 2016)	31% (\$5,700,000)

A key factor in the Lending Team's success was their work to streamline processes and introduce new tools and technology. These enhancements have made the loan application process easier, quicker, and more accessible to our membership. We continue to offer a variety of loan products to meet the diverse needs of our membership and we maintain a focus on deepening our member relationships.

Thank you to the Parkside Credit Union Credit Committee and Lending Team for your contributions throughout the past year. We appreciate your dedication and commitment to fulfilling our members' lending needs.

Joy-Michelle Bobby  
*Credit Committee Chairperson*

# Audit Committee's Report

---

For the year ending in 2017, the Audit Committee engaged the services of Financial Standards Group (FSG) to conduct a comprehensive audit for Parkside Credit Union. Financial Standards Group has more than 20 years of management experience in all aspects of credit union auditing and completes auditing services for over 250 credit union clients of all asset sizes.

The purpose of the audit is to ensure that risks are being properly monitored and do not pose financial, operational, or regulatory threats. The audit performed by FSG is done as a safeguard for our membership and for Parkside Credit Union to ensure practices and policies are in accordance with Generally Accepted Accounting Principles (GAAP).

From the tests performed, FSG was able to conclude that the financial statements fairly and accurately represent the condition of Parkside Credit Union.

Jerry Miller  
*Audit Committee Chairman*

# Nominating Committee's Report

---

The Nominating Committee presents the following candidates for positions on the Board of Directors. Candidates have been listed in alphabetical order and all nominees listed are incumbents and will serve a three-year term.

**Michael E. Rawson**

**William M. Sackett**

We respectfully submit our report to the membership for your consideration. We thank you for the opportunity to serve on this committee.

Cynthia Grimwade

*Nominating Committee Chairman*

# Consolidated Statement of Income and Comprehensive Income

As of December 31, 2017

## INTEREST INCOME

Interest on loans to members .....	\$3,380,113
Interest on investments and cash equivalents .....	\$806,944
	<hr/>
	<b>\$4,187,057</b>

## INTEREST EXPENSE

Dividends on member shares .....	\$188,867
Interest on borrowed funds .....	\$1,228
	<hr/>
	<b>\$190,095</b>

## NET INTEREST INCOME

	\$3,996,962
Provision for loan losses .....	\$195,000
	<hr/>
Net income after provision for loan losses .....	<b>\$3,801,962</b>

## NON-INTEREST INCOME

Fee and other income .....	\$3,774,501
----------------------------	-------------

## GENERAL AND ADMINISTRATION EXPENSES

Salaries and benefits .....	\$2,694,918
Other general and administration expenses .....	\$2,458,992
Professional and outside services .....	\$294,409
Occupancy .....	\$313,583
Marketing, promotional and dues .....	\$364,814
Loan processing .....	\$415,717
	<hr/>

<b>NET INCOME</b> .....	<b>\$1,034,030</b>
-------------------------	--------------------

# Consolidated Statement of Financial Condition

As of December 31, 2017

## ASSETS

Cash and cash equivalents .....	\$6,509,546
Investments Available-for-sale/Held-to-maturity .....	\$25,312,858
All other investments .....	\$15,543,194
Loans to Members, net .....	\$56,755,796
Accrued interest receivable .....	\$311,955
Property and equipment .....	\$5,434,377
National Credit Union Share Insurance Deposit .....	\$469,200
Other Assets .....	\$2,320,248
<b>Total Assets</b> .....	<b>\$112,657,174</b>

## LIABILITIES AND MEMBERS' EQUITY

Liabilities	
Member Shares .....	\$94,896,057
Borrowed Funds .....	\$0
Accrued expenses and other liabilities .....	\$1,428,410

## MEMBERS' EQUITY

Undivided earnings .....	\$13,240,873
Regular reserve .....	\$3,091,834

**Total liabilities and members' equity** ..... **\$112,657,174**



**Annual Staff Training**



**Halloween**



**Lions Day**



**Michigan Credit Union League Award**



**Westland Shopping Center Halloween**





**Teamwork Award**



**Parkside Billboard**



**Tigers Day**



**Scholarship Winners**



**Parkside Oscars**



**Schoolcraft Fall Festival**



**Tigers Day**



**MetroWest Bingo**



**Deck the Rec Contest**



**Charity Car Show**



**Michigan vs. MSU Day**



**Community Giving**

**Westland Construction**





**PARKSIDE**  
CREDIT UNION