



Expanding our Digital Landscape

2022 Annual Report

Federally insured by NCUA

IUCU

CHAIR AND PRESIDENT'S REPORT



Dennis Cromwell
Board Chair



Bryan Price
President & CEO

We are pleased to report that 2022 was another outstanding year for the IU Credit Union. Thanks to the ongoing support and loyalty of our members and dedicated staff, we achieved a number of significant financial results.

Key accomplishments in 2022 included completing a digital marketing audit and strategy; initiating installation of a chatbot function within digital banking; conducting an analysis of artificial intelligence solutions; implementing mortgage loan digitization; conducting an employee engagement survey and finalizing action plans; and introducing a new low rate credit card.

IU Credit Union has an unwavering commitment to community involvement and support. We are proud to annually provide more than \$300,000 in sponsorships and financial contributions in our community. Through our scholarship program, we awarded more than \$30,000 in financial assistance to college students. Additionally, IU Credit Union and its employees contributed \$40,000 to the local United Way Campaign and received the Community Builder Award in recognition of our ongoing support.

We are proud to have received The Greater Bloomington Chamber of Commerce's Community Anchor Award at the Chamber's 2022 Annual Meeting. This award recognizes a business or organization that has contributed positively to the local community over a sustained period. We were also named one of the Best Places to Work in Indiana in the Indiana Chamber of Commerce's Best Work Places to Work program.

We thank our members for voting IU Credit Union as "Best Credit Union" and "Best Mortgage Company" in the Herald-Times Best of Btown!

IU Credit Union achieved impressive financial results in 2022. Total retail loan balances increased \$76 million. We remained a leader in real estate lending and originated \$129 million in residential mortgages. Total real estate balances increased \$37 million. Total business loan balances increased by a record \$91 million. Combined, these results produced loan growth of \$167 million, with total loan balances increasing to \$1 billion. Total share balances increased \$14 million.

***IU Credit Union
remains well
positioned for
continued strong
financial
performance.***

Net income in 2022 was \$16 million. Total assets increased to \$1.6 billion. Net worth, a key indicator of safety and soundness, was \$173 million, or 12.30% of total assets. IU Credit Union remains well positioned for continued strong financial performance.

IU Credit Union Investment Services achieved the second highest level of gross commissions, \$580,000, and continues to serve as a trusted provider of professional and personalized investment services.

Moving into 2023, we will continue our delivery of exceptional member experiences and meet the needs of our members and community. Key objectives include adding a customized debt protection service; providing members access to credit scores and personalized loan offers within our mobile banking app; enhancing our disaster recovery infrastructure; leveraging AI technology to expand availability of credit while enhancing member experience through faster loan decisioning; and continuing our commitment to sustaining strong communities.

On behalf of our Board of Directors, Senior Leadership Team and our employees, we thank you for your membership and continued confidence in IU Credit Union. We look forward to serving you.

TREASURER'S REPORT

Scott Smart
Treasurer



IU Credit Union achieved impressive financial results in 2022. Total retail loan balances increased \$76 million. We remained a leader in real estate lending and originated \$129 million in residential mortgages. Total real estate balances increased \$37 million. Total business loan balances increased by a record \$91 million. Combined, these results produced loan growth of \$167 million, with total loan balances surpassing \$1 billion in 2022. Total share balances increased \$14 million.

Net income in 2022 was \$16 million. Total assets increased to \$1.6 billion. Net worth, a key indicator of safety and soundness, was \$173 million, or 12.30% of total assets. IU Credit Union remains well positioned for continued strong financial performance.

Statement of Condition in \$1,000s as of December 31, 2022 and 2021

Assets	2022	2021
Cash and due from banks	\$6,666	\$7,074
Interest bearing deposits with other financial institutions	72,341	155,184
Securities available for sale, at market value	273,654	313,410
Federal Home Loan Bank stock, at cost	4,725	3,804
Loans held-for-sale	-	148
Loans to members (Note 1)	1,135,738	969,188
Accrued interest receivable	3,311	2,479
Premises and equipment, net	17,651	18,399
Business owned life insurance	34,534	33,599
National Credit Union Share Insurance Fund capitalization deposit	11,941	11,437
Prepaid expenses and other assets	4,914	3,348
TOTAL ASSETS	\$1,565,475	\$1,518,070

Note 1 - Net of allowance for possible loan losses

Liabilities and Members' Equity	2022	2021
Accrued expenses and other liabilities	\$14,182	\$9,878
Shares and certificates	1,297,874	1,283,536
Borrowings	80,000	50,000
Statutory reserves	66,862	61,208
Undivided earnings	125,742	115,541
Unrealized gain (loss) on securities, net	(19,185)	(2,093)
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$1,565,475	\$1,518,070

Statement of Income in \$1,000s for the years ended December 31, 2022 and 2021

	2022	2021
Interest income	\$43,918	\$37,323
Interest expense	6,444	4,136
Net interest income	37,474	33,187
Provision for possible loan losses	657	384
Net interest income after provision	36,817	32,803
Other income	13,059	13,907
Other expenses	34,021	31,435
Net income	\$15,855	\$15,275

SUPERVISORY COMMITTEE REPORT

Marcy Shepardson
Supervisory Committee Chair



The primary objective of the Supervisory Committee is to determine that members' assets are adequately safeguarded. This objective is carried out through reviews and evaluations of IU Credit Union's operating, financial reporting, and internal control systems. These responsibilities are administered through the combined efforts of the Audit Services Department, independent certified public accountants and others. The findings and recommendations of these audits are communicated to the Supervisory Committee, Management and the Board of Directors on a regular basis.

IU CREDIT UNION OFFICIALS

Board of Directors

Dennis Cromwell (Chair)	Retired, Associate Vice President, Indiana University; Adjunct Faculty member in the O'Neill School of Public and Environmental Affairs, Indiana University
Doris Sims (Vice Chair)	Retired, Housing and Neighborhood Development Director, City of Bloomington
Veda Walcott (Secretary)	Vice President of Global Regulatory Affairs & Compliance, Catalent Pharma Solutions
Scott Smart (Treasurer)	Clinical Professor of Finance; Fettig/Whirlpool Finance Faculty Fellow, Kelley School of Business, Indiana University
Jon Barada	Vice President, IU Ventures
Denvil Duncan	Associate Professor, Paul H. O'Neill School of Public and Environmental Affairs, Indiana University
Brad Heim	Professor and Executive Associate Dean, Paul H. O'Neill School of Public and Environmental Affairs, Indiana University
Kim Milford	Executive Director, Research and Education Network Information Sharing and Analysis Center (REN-ISAC), Indiana University
Andrea Mobley	Principal, Unionville Elementary School, Monroe County Community School Corporation
Shatoyia Moss	Safe and Civil City Director, City of Bloomington
Neil Powell	Lecturer and Strategic Finance Academy Director, Kelly School of Business, Indiana University

Supervisory Committee

Marcy Shepardson (Chair)	Assistant Professor of Accounting, Kelley School of Business, Indiana University
Jacob Farmer	Director of Client Services, University Information Technology Services (UITS), Indiana University
Yadav Gopalan	Assistant Professor of Accounting, Kelley School of Business, Indiana University
DJ Masson	President, The Treasury Academy; Associate Clinical Professor of Finance, Kelley School of Business, Indiana University; Instructor and Curriculum Developer, Association for Financial Professionals, Association of Corporate Treasurers in the U.K., and Citibank's Global Transactions Services Unit
Tina Sherrard	Department Chair of Accounting and an Associate Professor, Ivy Tech Community College, Bloomington

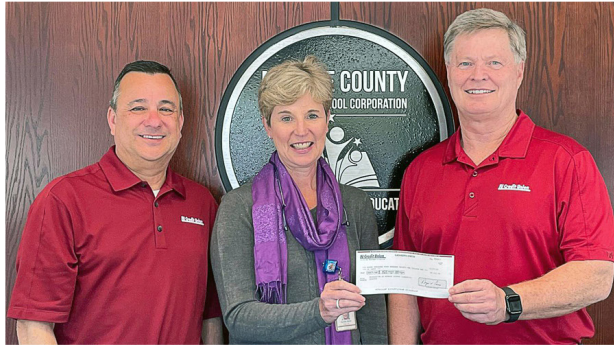
Director Emeriti

Hannah Buxbaum	Vice President for International Affairs, Indiana University; John E. Schiller Chair in Legal Ethics and Professor of Law, Indiana University
Roy Elkes	Professor of Accounting, Ivy Tech Community College
Bruce Jaffee	Emeritus Professor of Business Economics and Public Policy, Indiana University
Larry Polley	Retired, Controller, Dynamic Medical Practice Services
Emily Springston	Associate Vice President, Equal Opportunity & Civil Rights, University of Virginia
Greg Udell	Chase Chair of Banking & Finance, Kelley School of Business, Indiana University

Senior Management

Bryan Price	President & Chief Executive Officer
Andy Allard	Senior Vice President, Chief Operating Officer
Julie Ragsdale	Senior Vice President, Chief Administrative Officer
David Sipes	Senior Vice President, Chief Marketing Officer
Chris Hawk	Senior Vice President, Chief Financial Officer
Teddie Gambler	Senior Vice President, Chief Information Officer

COMMUNITY MATTERS



Community matters. In fact, it matters a great deal to IU Credit Union since serving our community is at the heart of what we do. Community is not a buzzword or a feel good word for us. It's about what we do as individuals and as an organization to show what is important. We're passionate about the communities we serve, particularly in the areas of education and financial literacy.

We invite you to visit iucu.org often to see firsthand the community matters the IU Credit Union participates in.

www.iucu.org



PURPOSE & VISION STATEMENTS

IU Credit Union Purpose Statement

To provide financial solutions for everyone, consistent with the not-for-profit cooperative spirit on which we were founded, by creating value for our members, promoting financial education and well-being, and contributing to the betterment of our community.

IU Credit Union Vision Statement

To build long-term relationships with our members as a trusted financial partner.

IU Credit Union

We started a credit union
and created a community.