

# 2022 Annual Report

**ICCU's 87<sup>th</sup> Annual Meeting**





A Message from the

# Chairman & President

*Welcome to Annual Meeting of the Members—Celebrating 87 years!*

Dear Members,

This past year we continued to work hard to fulfill our Mission Statement: “To improve the financial well-being of our members.” We accomplished many projects on our way to strong earnings with Return on Average Assets reporting at 1.21%. With a full year on the new core operating platform, we were able to improve the home and mobile banking systems, implemented a text banking feature, reduced operational expenses, and implemented a continuous “go green” initiative. Members continued to find outstanding value in our extraordinary service as well as our excellent deposit and loan product offerings. Last year we enrolled 974 new members, increased deposits by over \$6.5 million, and originated 1,349 loans totaling over \$35 million. With improved access to the data in our core system, we were able to better identify products and services based on our members’ needs. We also implemented a new small business deposit program which includes business checking and business money market accounts.

Your financial well-being is our top priority, so we are pleased to report that even more members were protected on their loan products with GAP (Guaranteed Asset Protection), MRC (Mechanical Repair Coverage), and Debt Protection (Credit Life, Disability and Unemployment coverage) in 2021. Though it is our hope that you never have to use one of these products, know that they are available to protect you and your family should the need arise.

In 2021, our credit protection products paid out 78 claims and saved our members and their families \$137,742 from unexpected costs. Additionally, the voluntary insurance products offered through our partnership with TruStage paid out another \$52,418. In total, our members received \$190,160 in benefits during the year!

While we are proud of our accomplishments this past year, we still have more work to do! Some of the more exciting changes coming include a remodel of our

DeKalb branch, a new and improved phone system, and completion of the credit card conversion that not only includes new cards, but also 24 x7 cardholder support, and an enhanced rewards program. Additionally, we are completely updating our website which will include a full Spanish version of all content to better serve our Latino community members.

We want to acknowledge the tremendous effort of our staff in their pursuit of providing you with the absolute best service. With the difficulties of Covid still prominent and an ever-changing workforce, they have stood tall and banded together to be there when you need us. We are immensely proud of the staff and management for continuing to live our mission each and every day, as well as the rest of our volunteer Board of Directors and Supervisory Committee members who help steer the course of our organization.

Most importantly, we want to thank you, our members, for your continued patronage and the trust you place with us each day.

On behalf of the Board of Directors, Supervisory Committee, Management and Staff of Illinois Community Credit Union, we thank you for the opportunity to serve you.

Sincerely,



Dave Thurwanger  
*Chairman of the Board*



Thor Dolan  
*President/CEO*

## Income Statement

	For the Year Ending 2020	For the Year Ending 2021
<b>INCOME</b>		
Interest on Loans	\$4,039,574	\$3,822,517
Interest on Investments	\$75,982	\$127,346
Other Income	\$1,586,308	\$1,822,477
<b>TOTAL INCOME</b>	<b>\$5,701,864</b>	<b>\$5,772,340</b>
<b>EXPENSES</b>		
Compensation	\$2,087,821	\$2,287,863
Operating Expenses	\$2,035,011	\$1,783,992
Occupancy Expenses	\$276,442	\$276,442
<b>TOTAL EXPENSES</b>	<b>\$4,399,274</b>	<b>\$4,348,298</b>
Provision for Loan Loss	\$180,000	\$10,000
Dividends Paid	\$759,537	\$415,330
Non-Operating (Income)/Expense	(\$100,043)	(\$394,466)
<b>NET INCOME</b>	<b>\$463,096</b>	<b>\$1,393,178</b>
<b>BALANCE SHEET</b>		
Loans	\$86,060,112	\$86,531,256
Allowance for Loan Loss	(\$378,602)	(\$255,642)
<b>NET LOANS</b>	<b>\$85,681,510</b>	<b>\$86,275,614</b>
Cash & Investments	\$10,260,752	\$15,924,004
Fixed Assets	\$3,542,444	\$3,469,128
Other Assets	\$6,592,304	\$6,795,930
<b>TOTAL ASSETS</b>	<b>\$106,077,011</b>	<b>\$112,464,675</b>
<b>LIABILITIES, RESERVES &amp; UNDIVIDED EARNINGS</b>		
Current Liabilities	\$3,234,852	\$1,235,939
Total Member Deposits	\$90,352,571	\$97,373,143
Reserves & Undivided Earnings	\$12,489,588	\$13,855,593
<b>TOTAL LIABILITIES, RESERVES &amp; UNDIVIDED EARNINGS</b>	<b>\$106,077,011</b>	<b>\$112,464,675</b>

## Credit Manager's Report

The Credit Manager reports that 1,658 loans were granted totaling \$35,473,952. We processed 4,746 loan requests, an increase of 724 over 2020. ICCU ended the year with a loan portfolio of \$86,506,423 slightly higher from the prior year.



Lynette Lopez, Credit Manager

## Membership Manager's Report

ICCU welcomed 974 new members in 2021. ICCU ended the year with 10,356 active members (down from 10,587 at the end of 2020).



Matt Esquivel, Retail Director

## 2021 Treasurer's Report

Total Assets finished the year at \$112,464,675, a \$6.3 million increase from the prior year. Total Deposits increased by \$7 million, and Total Reserves & Undivided Earnings increased by \$1.37 million. Outstanding Loan balances increased by \$471 thousand, as ICCU originated over \$35 million in loans during the year, while charged-off loans slightly increased by \$6 thousand.

ICCU reported Net Income of \$1,393,178, an improvement of \$930 thousand over 2020's Total Net Income of \$463,096. Included in 2021 Net Income is \$397 thousand in distributions from our federal regulator, NCUA, that represents a recovery of premium capital assessments that were charged in 2009 and 2010 as a result of the Great Recession of 2007 - 2011.

Loan Interest Income decreased by nearly \$217 thousand over the prior year, as 2021 mirrored 2020's low interest rate environment. The yield on the loan portfolio, at 4.38%, declined from the 4.53% realized for 2020. This is the result of low market interest rates during 2021, as the Federal Reserve Bank kept interest rates near historic lows to spur economic growth. Investment Income increased by \$51 thousand over the prior year, as we received \$64 thousand in dividends from our investment in CU\*Answers, the company that provides our core processing system. Meanwhile, Dividends Paid decreased by \$344 thousand, as we adjusted our deposit rates to reflect the market conditions.

Non-Interest related income increased by \$110 thousand year-over-year. As consumer spending rebounded from the lows during the first year of the pandemic, and the government-provided stimulus payments ended, income from NSF fees increased.

Operating Expenses decreased slightly year over year. While Employee Compensation was up from the prior year, we realized significant savings from the implementation of the new core processing system at the end of 2020.

ICCU's Capital Ratio finished the year at 12.32%, a 0.55 percentage point increase from the 2020 ratio of 11.77%, and significantly above the 7% level that our regulatory agency considers to be "well capitalized." This strong capital position has allowed ICCU to invest in the tools that help us improve service to our members, as well as positioning us for future growth while remaining financially stable.

Overall, ICCU is in excellent financial shape, and positioned well to serve our members today and into the future.



Rich Ott, Treasurer

## Supervisory Committee Report

The Supervisory Committee is a group of volunteers selected from the credit union membership. One of the main responsibilities of the Supervisory Committee is to ensure that the financial statements fairly represent the Credit Union's financial condition. Other responsibilities are to see that the practices and procedures of management and the Board of Directors safeguard the members' assets, respond to member complaints, and supervise all external audits.

The chair of the Supervisory Committee routinely attends Board meetings and other committee meetings as needed to ensure that the Board of Directors plans and policies are in your best interest, and that they protect the safety and soundness of the Credit Union.

In 2021, the Supervisory Committee engaged the public accounting firm Wipfli, LLP to perform an audit of the financial records and statements. That audit was completed as of June 30, 2021. The opinion letter accompanying the audit report presented to the Supervisory Committee noted that the financial statements as of June 30, 2021 and 2020 fairly represented the financial position of the credit union, and did not identify any areas of material concern.

Steve Garland, Chairman



### Sycamore Branch

508 W. State Street, Sycamore, IL 60178

### DeKalb Branch

1500 Barber Greene Road, DeKalb, IL 60115

### Plano Branch

6 W. Main Street, Plano, IL 60545

**(815) 895-4541 • [myICCU.org](http://myICCU.org)**

Insured by NCUA, ESI • Equal Housing Lender

## Management



**Thor Dolan**  
*President/CEO*



**Brian Mann**  
*Executive Vice-President/  
Chief Financial Officer*



**Adam Ferguson**  
*Vice President of Operations*



**Lynette Lopez**  
*Lending Director*



**Matt Esquivel**  
*Retail Director*



**Dan Hoffmann**  
*IT Director*

## Board of Directors

**Dave Thurwanger**  
*Chairman*

**Steve Elsik**

**Douglas Lindgren**  
*Vice-Chair*

**Dana Crowley**

**Richard Ott**  
*Treasurer*

**Kristin Cardinali**

## Supervisory Committee

**Steve Garland**  
*Chairman*

**Tom Bohler**

**John Linderoth**