

# 2022 ANNUAL REPORT

**CEFCU**  
Not a bank. Better.®

## Report To Members

In 2022, CEFCU® remained committed to enhancing the financial well-being of members, and continuing to invest in the communities we serve. Despite continued economic uncertainties and rising inflation, CEFCU has been steadfast in our growth and strength, which is a testament to the loyalty of CEFCU's more than 380,000 members. Looking forward, the Credit Union will continue with our focus on doing the right thing for member/owners; that's what makes us *better*.

The following are just a few Credit Union highlights from 2022:

	2022	Increase over 2021
Assets	\$7,677,655,000	-0.5%
Savings	\$6,824,554,000	-0.7%
Loans	\$5,513,217,000	11.6%
Net Worth	\$ 797,630,000	6.2%

- Introduced Hybrid HELOC, which provides members with a Home Equity Line of Credit at a variable rate, while allowing them to lock in portions of their balances at fixed rates and payments. The HELOC portion gives members the flexibility to advance only what they need when they need it, and the ability to lock in a balance at a fixed rate offers peace of mind and ease of budgeting.
- Continued member support and loyalty resulted in the return of a \$35 million Extraordinary Dividend in December; this marks \$415 million in Extraordinary Dividends returned to members since 2000.
- Introduced the CEFCU Cash Back Credit Mastercard®, a credit card product that earns cash back on all eligible purchases.

Consumer Lending had a record-breaking year, with almost \$1.8 billion loaned to members for their Consumer Loan needs, including Vehicle Loans, Student Loans, and Credit Cards. The Home Loan Department received over 6,400 Mortgage applications, modification requests, and preapprovals with more than \$458 million closed or modified. Of those loans, the Home Loan Department had the highest ever in purchases at almost \$350 million closed. The Business Services Department provided \$257.6 million in Member Business Loans — a new record! This led to Member Business Loans reaching a new record with over \$596 million in outstandings. CEFCU's California market ended the year with strong loan volume of more than \$275 million, which included a record year for both Business and Consumer Loan volume. This helped to increase the overall California book of business by \$132 million!

The support we give to the communities CEFCU serves is more important than ever. In October of 2022, CEFCU and Illinois State University (ISU) partnered for the naming of CEFCU Arena on ISU's campus. The new "CEFCU Arena — Home of the Redbirds" is a proud testament to our longstanding support of not only ISU, but higher education in the communities we serve.

On behalf of your volunteer Board of Directors, thank you for trusting CEFCU with your financial needs. We're honored to serve you and appreciate your loyalty throughout the years.

For the Board of Directors,

*Angel Martinez*  
Angel G. Martinez, Chairman

## Consolidated Statements Of Financial Condition

December 31, 2022 and 2021

(Dollars in Thousands)

	2022	2021
<b>ASSETS</b>		
Cash and cash equivalents	\$ 280,838	\$ 650,603
Interest bearing time deposits in financial institutions	495	5,107
Investments available for sale	1,706,171	1,953,993
Loans, net of allowance for loan losses	5,477,747	4,907,243
Accrued interest receivable	19,683	16,366
NCUSIF deposit	64,423	62,409
Restricted stock	5,000	5,000
Property and equipment, net	78,244	81,468
Other assets	45,054	31,768
Total assets	<u>\$7,677,655</u>	<u>\$7,713,957</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Members' savings accounts	\$6,824,554	\$6,873,757
Accrued interest payable	1,504	1,107
Accrued pension and postretirement benefits	38,166	107,868
Other liabilities	85,424	69,618
Total liabilities	<u>6,949,648</u>	<u>7,052,350</u>
Members' equity	728,007	661,607
Total liabilities and members' equity	<u>\$7,677,655</u>	<u>\$7,713,957</u>

## Consolidated Statements Of Income

Years ended December 31, 2022 and 2021

(Dollars in Thousands)

	2022	2021
<b>Interest income:</b>		
Loans receivable	\$ 215,572	\$ 200,846
Investments	18,272	12,089
Interest bearing time deposits	62	168
Total interest income	<u>233,906</u>	<u>213,103</u>
<b>Interest expense:</b>		
Savings accounts	63,958	51,334
Net interest income	169,948	161,769
Provision for loan losses	17,188	8,261
Net interest income after provision for loan losses	<u>152,760</u>	<u>153,508</u>
<b>Non-interest income:</b>		
Administrative insurance fees	2,436	3,485
Interchange income	28,232	26,679
Gain on sale of loans	0	1,552
Other	27,486	26,551
Total non-interest income	<u>58,154</u>	<u>58,267</u>
<b>Non-interest expense:</b>		
Compensation and benefits	89,758	90,978
Occupancy and equipment	20,581	19,654
Communications	5,967	5,775
Marketing	10,004	8,899
Other	37,786	37,533
Total non-interest expense	<u>164,096</u>	<u>162,839</u>
Net income	<u>\$ 46,818</u>	<u>\$ 48,936</u>

Audited consolidated financial statements are available from the Credit Union for the fiscal years ended December 31, 2022 and 2021. To review statements or for more information, call 309.633.7000 or 1.800.633.7077.

