



# 2023

## ANNUAL REPORT

**CEFCU**

Not a bank. Better.®

## Report To Members

Your Credit Union has always had one mission: Understand members' individual needs and provide quality service and products to improve their financial well-being. I'm proud to report 2023 was another successful year for CEFCU® in delivering on that goal.

A few CEFCU highlights from 2023 include:

	2023	Variance over 2022
Assets	\$7,458,555,000	-2.9%
Savings	\$6,531,487,000	-4.3%
Loans	\$5,840,818,000	5.9%
Net Worth	\$ 824,911,000	3.4%

- **Expanded the Illinois field of membership** to now include Champaign, DeWitt, Douglas, Ford, Piatt, Iroquois, and Vermilion counties; membership now totals nearly 393,000 strong.
- **Returned a \$40 million Extraordinary Dividend** in December, thanks to the Credit Union's strong financial position, staff dedication to effectively manage expenses, and the continued trust and support from CEFCU members. Including this dividend, CEFCU has returned a total of \$455 million in Extraordinary Dividends to members over the last 23 years.
- **Introduced a new online insurance product offering through CEFCU Insurance Services, Inc.**, a service that allows members to easily compare highly rated insurance carrier quotes. Bundled pricing for auto, home, business, and other types of insurance can provide significant savings for members, offering another advantage of being a CEFCU member!

Consumer Lending had another strong year, with over \$1.6 billion loaned to members for products like Vehicle Loans, Home Equity Loans, Student Loans, and Credit Cards. The Home Loan Department received over 5,000 mortgage applications, modification requests, and preapprovals with over \$305 million closed or modified. Of those loans, 89% were for purchases, and 41% of those purchases were First-Time Home Buyers — the highest ever! The Business Services Department provided \$249 million in new Member Business Loans — the second highest year on record! This led to Member Business Loans reaching a new record with \$709 million in outstandings. CEFCU's California market ended the year with strong loan volume of \$196 million, which included a second-best year for both Business and Consumer Loan volume. This helped to increase the overall California book of business by over \$54 million!

CEFCU also launched TruStage Perpetual Offers in the fall of 2023. This new online resource showcases various offers and money saving options individually tailored to members and displays when logged into their CEFCU On-Line® and Mobile Banking account. The opportunities shown will be updated throughout the year, to best serve member needs.

In closing, CEFCU is a community of people working together to make a difference. Together, in 2023, we were able to again deliver exceptional member service, financial performance, and community impact. And, we're well positioned to continue doing just that going forward, even in the midst of the evolving challenges that face the financial services industry, as well as member/owners. On behalf of your volunteer Board of Directors, thank you for your continued support

For the Board of Directors,



Kavita Sachdev, Chairperson

## Consolidated Statements of Financial Condition

December 31, 2023 and 2022

(Dollars in Thousands)

### ASSETS

Cash and cash equivalents	
Interest bearing time deposits in financial institutions	
Investments available for sale	
Loans, net of allowance for loan losses	
Accrued interest receivable	
NCUSIF deposit	
Restricted stock	
Property and equipment, net	
Other assets	
Total assets	

### LIABILITIES AND MEMBERS' EQUITY

Members' savings accounts	
Accrued interest payable	
Accrued pension and postretirement benefits	
Other liabilities	
Total liabilities	
Members' equity	
Total liabilities and members' equity	

	2023	2022
Cash and cash equivalents	\$ 397,810	\$ 280,838
Interest bearing time deposits in financial institutions	3,306	495
Investments available for sale	1,059,521	1,706,171
Loans, net of allowance for loan losses	5,781,563	5,477,747
Accrued interest receivable	27,611	19,683
NCUSIF deposit	62,218	64,423
Restricted stock	5,000	5,000
Property and equipment, net	73,458	78,244
Other assets	48,068	45,054
Total assets	<u>\$7,458,555</u>	<u>\$ 7,677,655</u>
Members' savings accounts	\$6,531,487	\$6,824,554
Accrued interest payable	4,007	1,504
Accrued pension and postretirement benefits	45,469	38,166
Other liabilities	87,527	85,424
Total liabilities	6,668,490	6,949,648
Members' equity	790,065	728,007
Total liabilities and members' equity	<u>\$7,458,555</u>	<u>\$ 7,677,655</u>

## Consolidated Statements Of Income

Years ended December 31, 2023 and 2022

(Dollars in Thousands)

Interest income:	
Loans receivable	
Investments	
Interest bearing time deposits	
Total interest income	
Interest expense:	
Savings accounts	
Net interest income	
Provision for loan losses	
Net interest income after provision for loan losses	
Non-interest income:	
Administrative insurance fees	
Interchange income	
Gain on sale of loans	
Other	
Total non-interest income	
Non-interest expense:	
Compensation and benefits	
Occupancy and equipment	
Communications	
Marketing	
Other	
Total non-interest expense	
Net income	

	2023	2022
Loans receivable	\$ 275,781	\$ 215,572
Investments	35,347	18,272
Interest bearing time deposits	85	62
Total interest income	<u>311,213</u>	<u>233,906</u>
Savings accounts	117,830	63,958
Net interest income	193,383	169,948
Provision for loan losses	26,503	17,188
Net interest income after provision for loan losses	<u>166,880</u>	<u>152,760</u>
Administrative insurance fees	2,883	2,436
Interchange income	29,569	28,232
Gain on sale of loans	29	0
Other	24,352	27,486
Total non-interest income	<u>56,833</u>	<u>58,154</u>
Compensation and benefits	96,911	89,758
Occupancy and equipment	21,686	20,581
Communications	6,149	5,967
Marketing	9,693	10,004
Other	40,724	37,786
Total non-interest expense	<u>175,163</u>	<u>164,096</u>
Net income	<u>\$ 48,550</u>	<u>\$ 46,818</u>

Audited consolidated financial statements are available from the Credit Union for the fiscal years ended December 31, 2023 and 2022. To review statements or for more information, call 309.633.7000 or 1.800.633.7077.

