

2022 ANNUAL REPORT



Hoosier Hills
CREDIT UNION

"Far and away the best prize that life offers is the chance to work hard at work worth doing." – Theodore Roosevelt



Chair of the Board

Keith Wilkinson

Despite the challenges of an extremely volatile socio-economic environment in 2022, Hoosier Hills Credit Union fulfilled its mission to make a positive difference in members' lives and communities. Our continued member-centric focus on quality service and solid products, combined with our commercial relationship building efforts and a concentration on delivering the second year of our five-year Strategic Plan, yielded assets topping \$880

million and membership hitting an all-time high of 36,500+. This reflects record 9.7% membership growth while achieving record Net Income over \$5.6MM. And thanks to the diligent work of our Compliance team, we had the most positive exam experience in our history!

Two notable mergers had a positive impact on the landscape of our organization. In April, the HHIA merger with Orleans-based Busick Insurance Agency doubled our insurance business, expanding the number of carriers and agents available to help serve client needs. Our November merger with Lawrenceburg, Indiana-based Dearborn County Federal Credit Union extended our footprint and allowed us to welcome nearly 2000 new members to our HHCU family.

Survey says . . . our members are happy and satisfied! Per the 4th quarter benchmark report, our net promoter score for the year landed solidly in the top quartile as compared to similarly sized Credit Union peers in the Relationship, Branch, Digital, Contact Center and New Product categories.

Though 2022 has drawn to a close, we continue to build on its momentum as we engage our members and deepen relationships to improve financial well-being for members of our newly broadened community.

Other significant accomplishments in 2022 include:

- We contributed over \$110,000 in charitable donations, which is 2% of our net income!
- Staff volunteered 2141 hours in our communities, surpassing our 2000 hour goal! That's equal to 267 workdays!
- We offered 14 college scholarships to graduating seniors at 12 high schools near our service centers.
- We achieved a Raddon Crystal Performance Award for the 2nd year in a row.
- Our Marketing efforts resulted in two CUNA Diamond Awards: Membership/Trade Communications and Complete Campaign in support of the DCFCU merger.

Board/Supervisory Committee Elections

Board of Directors

- Jay Brown was elected to serve another three-year term.
- Bryan Johnson was elected to serve another three-year term.

Supervisory Committee

- Don Brandt was elected to serve another three-year term.

Thank you to the dedicated HHCU Board of Directors and Supervisory Committee Members for their contributions and unwavering support of the membership. We appreciate you!

Board of Directors



Keith Wilkinson
Chair



Jay Brown
Vice Chair



Leo Meadows
Secretary



Bryan Johnson
Treasurer



Sally Gogel Fischer
Director



Jennie Edwards
Director



Alan Cummings
Director

Supervisory Committee



Janie Craig Chenault
Chair



Tara Jenkins
Secretary



April Glenn
Member



Chad Helming
Member



Don Brandt
Member

Agenda May 17, 2023

Call to Order: 6:00 p.m.

Call for Quorum

Minutes of the 88th Annual Meeting
Introduction of Volunteers

Reports:

Chair: Keith Wilkinson

Treasurer: Bryan Johnson

Supervisory

Committee: Janie Craig Chenault

President/CEO: Travis Markley

Election Results

Volunteer Years of Service

Unfinished Business

Adjournment of Business Meeting

Financial Statements

Assets	2022	2021
Cash and due from banks	\$7,654,521	\$7,755,000
Interest bearing deposits with other financial institutions	\$48,066,511	\$40,208,682
Certificates of deposit with other financial institutions	\$0	\$0
Mortgage-backed securities investments	\$95,835,882	\$100,179,477
Loans to members	\$699,596,236	\$625,152,750
Allowance for loan losses	-\$4,212,343	-\$3,929,767
Accrued interest receivable	\$2,930,417	\$2,376,029
Premises and equipment, net	\$14,220,578	\$14,740,251
NCUA share deposit insurance	\$4,875,793	\$4,436,227
Prepaid expenses and other assets	\$15,559,554	\$18,068,220
Total Assets	\$884,527,149	\$808,986,869

Liabilities and Equity	2022	2021
Notes payable	\$122,250,000	\$102,250,000
Accrued expenses and other liabilities	\$6,489,925	\$4,943,809
Total deposits	\$698,685,393	\$635,330,279
Total equity	\$57,101,831	\$66,462,781
Total Liabilities and Equity	\$884,527,149	\$808,986,869

Income Statement	2022	2021
Interest income	\$31,109,550	\$26,583,946
Interest expense	\$4,768,987	\$3,463,674
Net interest income	\$26,340,563	\$23,120,272
Provision for possible loan losses	\$533,191	\$143,216
Net interest income after provision	\$25,807,372	\$22,977,056
Other income	\$7,743,538	\$6,854,725
Operating expenses	\$27,898,441	\$24,826,762
Net income after NCUA Expense	\$5,652,469	\$5,005,019



Treasurer's Report Bryan Johnson

Hoosier Hills Credit Union's assets grew to \$884,527,149 as of December 31, 2022. This represents \$75,540,280 in growth or 9.34% growth for the year.

Loans increased by \$75.54 million to \$699,596,236, an 11.91% increase over 2021. Deposits increased by 9.97% to \$698,685,393, an increase of \$63.35 million compared to year-end 2021.

Our regulatory net worth percentage was 8.78%. This compares favorably to the 7.0% required for well-capitalized credit unions.



Supervisory Committee Report Janie Craig Chenault

The Supervisory Committee is responsible for choosing the firm that handles the annual audit of the Credit Union's records. FORVIS (previously BKD LLP), a large regional CPA firm, conducted the audit for 2022. We are pleased to report that our auditors found the Credit Union's financial statements to be in conformity with generally accepted accounting principles. Committee members are also responsible for numerous cash counts that were conducted at all Credit Union locations and for verifying Credit Union investments, new members' accounts, and closed accounts. We found all aspects to be in order.

Bedford
630 Lincoln Ave.
3311 Michael Ave.
812.279.6644

Ellettsville
3590 W. State Rd. 46
800.865.2612

French Lick
8487 W. College St.
812.936.7800

Jasper
3010 Newton St.
812.481.2282

Lawrenceburg
600 Wilson Creek Dr.
812.537.8153

Mitchell
45 Teke Burton Dr.
812.849.6006

Paoli
960 N. Gospel St.
812.723.4700

Spencer County
419 N. Main St.
812.362.7705

Tell City
923 Payne St.
812.547.7805