



2022 ANNUAL REPORT



Our Commitment to Serve

We're a member-owned financial institution.

Unlike the big banks, we work for our members, not stockholders. We operate by the guiding philosophy of the credit union movement: *people helping people*.

We are proud to serve nearly 42,000 members. Your story matters and our team is committed to making every experience memorable.

Core Values

Dedication

To embrace the spirit of the credit union movement.

Integrity

To be trustworthy and sincere in all interactions.

Service

To exceed expectations through service excellence.

Care

To demonstrate genuine concern for the community.

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A Message from the President

2022 was a year of incredible growth for DuPage Credit Union highlighted by the growth of our membership, consumer loan volume, and the growth of our team. In addition, the Credit Union broke ground on two major technology upgrades to be completed in April of 2023: A new core banking platform that will allow us to build a more agile and scalable data-driven architecture, and a new Digital Banking platform that is faster, more intuitive, and allows members a more holistic view of their finances across devices.

Membership and Consumer Lending Growth

2022 was one of the best years on record for new member growth. In 2022, 5,184 new members joined the Credit Union. Of those new members, 44% began their membership with a vehicle loan.

We funded a record 5,724 auto loans in 2022. And while this number is impressive—especially consider the ongoing vehicle microchip shortage—what I am most impressed with is our Consumer Lending team’s dedication to delivering a personal experience to our members.

Team Member Growth

In order to support member growth and future initiatives, it is essential that we grow our team. We hired over 50 new team members in 2022 for a wide range of positions from member support to technology to marketing.

Residential Lending

While fewer new homeowners entered the marketplace in 2022, we saw a great opportunity to help existing homeowners take advantage of their home’s equity. We funded 567 new home equity loans which members used for home improvements, debt consolidation, and more. In addition, for the ninth consecutive year we were honored as the number one credit union mortgage lender in DuPage and Kane counties according to the Home Mortgage Disclosure Act (HMDA).*

Card Services

We continued to enhance our strong credit card portfolio in 2022, approving over 1,200 new credit cards and helping members transfer over \$4 million in balances to our cards from other financial institutions.

We ran several “spend and get” promotions for our cardholders throughout the year, giving our cardholders an additional incentive to use their DuPage Credit Union credit card.

We’re excited to release the new DuPage Credit Union mobile app in April 2023, which for the first time members will be able to manage all of their accounts and cards together in one new mobile app.

Giving Back

As a credit union founded by teachers, education is near and dear to our hearts. Thanks to the generous support of our members, sponsors and team our annual “We’ve Got Your Back” fundraiser raised over \$9,000 to purchase school supplies for DuPage County students in need. Thanks to the generosity of our team and members the credit union was able to donate over \$6,400 to the United Nations Children’s Fund (UNICEF) to assist with the relief efforts in Ukraine.

*DuPage Credit Union ranked the number one credit union mortgage lender in DuPage and Kane Counties according to the 2013 – 2021 HMDA data (Home Mortgage Disclosure Act). 2022 HMDA data not yet published.

A Look to the Future

The Credit Union achieved tremendous success in 2022, success that wouldn't be possible without such a dedicated team that always puts our members first.

We're excited to unveil new technologies in 2023 that will improve efficiencies for our team and enhance the member experience.

To our fantastic members: On behalf of our Board of Directors, Committee Members and the entire DuPage Credit Union team, thank you for your continued support, trust, and ownership in our Credit Union.



Sincerely,

A handwritten signature in black ink that reads "Diane Shelton".

Diane Shelton
President/CEO

A Message from the Board Chair

The Board of Directors is comprised of a group of Credit Union members who serve in a volunteer capacity and receive no compensation in return for their time and efforts. They are elected by the Credit Union membership to represent their interests in the operation of the Credit Union. These volunteers dedicate their time, energy, and talents with the common goal of maintaining a thriving cooperative financial institution that is operated to serve the membership in the best way possible.

As the Board Chair, it is my responsibility to lead the Board of Directors in reviewing the objectives outlined in the Credit Union's Strategic Plan. Foremost to the Plan was the selection of a new core banking system and digital banking platform.

Core Banking System

In 2022, the Board approved the Credit Union's proposal to upgrade to a new core banking system. A core banking system is a back-end system that processes daily banking transactions and posts updates to accounts and other financial records. Upgrading to a new core banking system is a complex process that involves the time and talent of most every team member, in addition to most third-party vendor systems.

After a rigorous vetting process, the Credit Union selected a core system that will meet the organization's needs for many years to come—a reliable, secure, agile, and scalable system that will benefit both team members and members. This project is set to be completed in April 2023.

Digital Banking Platform

In 2022, the Board approved the Credit Union's proposal to upgrade to a new digital banking platform. This upgrade comprises both browser-based banking and a new mobile banking app. This new digital banking platform offers members a faster, more intuitive, and more holistic banking experience while providing the Credit Union greater agility, scalability, and team member support. This project is set to be completed in April 2023.

Growth and Member Support

DuPage Credit Union prides itself on delivering exceptional member services while investing in technology that makes members' lives easier. As our membership continues to grow, the Credit Union hired a record number of team members in 2022 to support members and to support its strategic plan.

Conclusion

On behalf of the Board of Directors, Committee members, and the DuPage Credit Union team, I thank you for the confidence that you have shown in us. I hope you continue to provide us with the opportunity to be your financial partner in 2023 and beyond.



Sincerely,

Debra Ragusa
Chairman On Behalf of the Board of Directors

Supervisory Committee Report

Earning member trust & confidence for 66 years and counting.

The Supervisory Committee consists of five Credit Union members who are elected annually by the Board of Directors of DuPage Credit Union. The Committee has oversight responsibility for monitoring the business affairs of the Credit Union. In that capacity, the Committee met quarterly during the 2022 term year and also attended various Board of Directors meetings. The Supervisory Committee received regulatory, share insurance and CPA examination reports and reviewed findings in relation to audits and exams of the Credit Union's operations and internal controls.

DuPage Credit Union is an Illinois state-chartered credit union, governed by the Illinois Credit Union Act with regulatory oversight by the Illinois Department of Financial and Professional Regulation's (IDFPR) Division of Financial Institutions, Credit Union Section. By law, the Credit Union is required to undergo an annual internal audit and external audit of its books and business affairs. An independent public CPA Firm, engaged by the Supervisory Committee, performs the external audit and participates in the completion of the internal audit.

Annual External Audit

Selden Fox, Ltd. performed the external audit and then presented to the Supervisory Committee their independent auditor's unqualified report. This audit included a review of the Credit Unions' statement of financial condition, income statement, and members' equity and cash flows as of September 30, 2022. Selden Fox, Ltd. also thoroughly reviews all lending and collections reports, as well as all balance sheet account reconciliations. The audit results were submitted in January of 2023 to the IDFPR's Credit Union Section and American Share Insurance (ASI), the Credit Union's share savings insurer.

The reports were also thoroughly reviewed by DuPage Credit Union's Board of Directors and Management Team. The Credit Union team was enthusiastically commended by the auditors for its cooperation and conscientiousness in the maintenance of the books and records of the Credit Union. As has been the case for the past several years, there were no financial or accounting audit adjustments.

Regulatory Exam

DuPage Credit Union is also required by law to undergo a regulatory examination. The IDFPR's Credit Union Section normally conduct a joint examination each year. The full IDFPR examination was completed in January of 2022 and was based on September 30, 2021 operational and financial results. The examination results were reviewed and discussed with the Board of Directors and Management at the February 17, 2022 meeting. ASI conducted their examination in August 2022 based on June 30, 2022 operational and financial results. The ASI exam report was presented and reviewed by the Board at the November 17, 2022 Board Meeting.

Internal Audit

In addition to the annual audit and regulatory examinations, the Credit Union's Internal Auditor and Compliance Manager conducted numerous compliance, internal, and quality control reviews during the year. Their reports and findings were reviewed quarterly by the Supervisory Committee.

These reviews, and the corrective action taken when appropriate, are repeatedly lauded for their effectiveness by external auditors and regulators. The Internal Auditor also conducts audits at our branch locations throughout the year. The internal audit is to determine that branch operations are in compliance with state and federal law and regulatory requirements.

Internal and External Data and Infrastructure Security Audits

Internal and external data and infrastructure security audits were performed in 2022 by an independent firm specializing in data processing security. These included manual reviews of information handling processes and user practices, automated processes that scanned the financial institution's computer systems and network for commonly exploited vulnerabilities, and simulated attacks on the computer systems with the intention of identifying security weaknesses. The Credit Union received an excellent report for its technology security systems and processes as it has for many years. Members can be assured that their personal information is secure and protected from those with nefarious intent.

I would like to thank my fellow Supervisory Committee Members: Dennis Andre, Kraig Knudsen, Robert O'Kelly, and William Shields for their time and commitment throughout the year. On behalf of the Committee, I would also like to commend the Board of Directors, Management, and the entire DuPage Credit Union team for continuing to provide extraordinary value to members.



Sincerely,

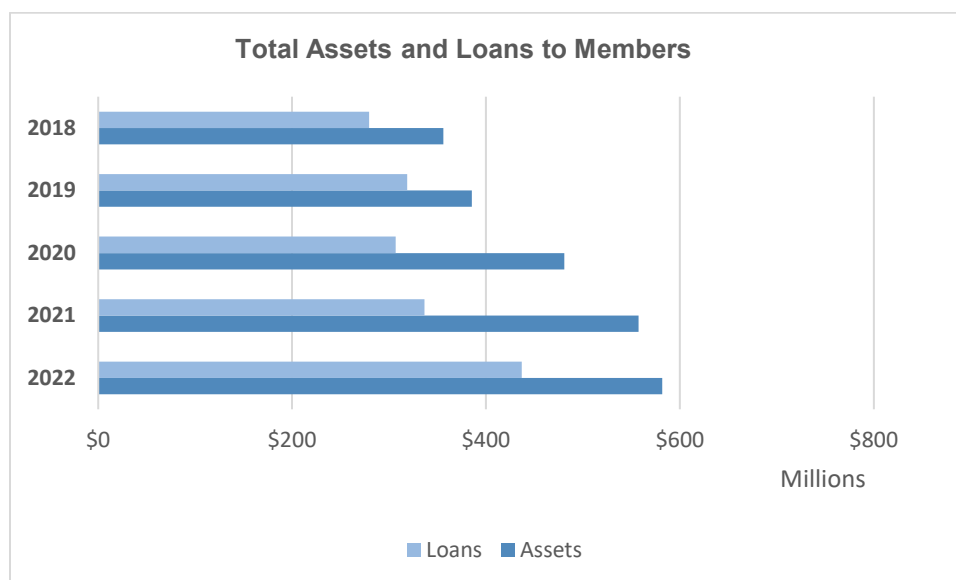
John Patterson
Supervisory Committee Chairman

2022 Financial Statements

Balance Sheet

Assets	2022	2021	Liabilities & Member Equity	2022	2021
Cash & Cash Equivalents	-\$3,770,985	\$69,286,812	Total Borrowings	\$35,600,000	\$0
Investments	\$118,869,184	\$122,751,129	Accounts Payable	\$2,193,709	\$1,628,550
Loans to Members	\$436,851,597	\$336,501,904	Other Liabilities	\$3,102,684	\$2,562,275
Allowance For Loan Loss	-\$4,164,567	-\$3,104,085	Member Savings	\$507,959,219	\$511,847,945
Fixed Assets	\$8,508,116	\$8,045,289	Reserves & Undivided Earnings	\$32,859,188	\$41,224,688
Accrued Interest on Loans	\$1,549,521	\$1,126,746	TOTAL LIABILITIES & EQUITY	\$581,714,800	\$557,263,458
Other Assets	\$23,871,934	\$22,655,663			
TOTAL ASSETS	\$581,714,800	\$557,263,458			

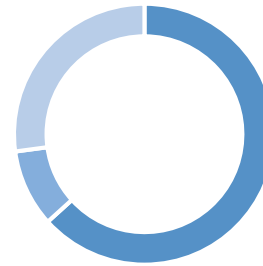
2018 – 2022 Total Assets and Loans to Members



Income & Expenses

Income	2022	2021
Interest on Loans	\$19,372,553	\$16,227,902
Interest on Investments	\$2,935,865	\$1,771,164
Operating Fees & Other Income	\$8,433,314	\$9,759,802
TOTAL INCOME	\$30,741,732	\$27,758,868

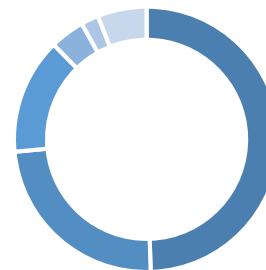
Sources of Income



- Interest on Loans
- Interest on Investments
- Other Income

Expenses	2022	2021
Dividends on Member Savings	\$1,219,916	\$1,338,551
Interest on Borrowed Funds	\$764,904	\$56,720
Provision for Loan Loss	\$2,732,142	\$835,581
Employee Compensation & Benefits	\$11,611,808	\$10,757,440
Travel & Conference	\$40,972	\$44,274
Office Occupancy	\$986,582	\$905,344
Office Operations	\$5,628,818	\$5,465,992
Education & Marketing	\$503,977	\$537,176
Loan Servicing	\$3,319,003	\$3,514,638
Professional & Outside Services	\$439,465	\$365,222
Regulatory Fees	\$114,055	\$108,000
Misc. Operating	\$763,859	\$735,418
TOTAL EXPENSE	\$28,125,501	\$24,664,356

Distribution of Operating Expenses



- Employee Compensation & Benefits
- Office Operations
- Loan Servicing
- Office Occupancy
- Education & Marketing
- Other Operating Expenses

NET INCOME **\$2,616,231** **\$3,094,512**

2022 Board of Directors and Executive and Supervisory Committee Members

Board Members

Debra Ragusa, Chairperson
Kaitlin Plucinski, Vice Chairperson
Mike Dzugan, Secretary
Gretchen Lewis, Treasurer
Bryan Jones
Robert O'Kelly
Gary Saake

Executive Committee

Debra Ragusa, Chairperson
Kaitlin Plucinski, Vice Chairperson
Mike Dzugan, Secretary
Gretchen Lewis, Treasurer

Supervisory Committee

John Patterson, Chairperson
Dennis Andre
Kraig Knudsen
Robert O'Kelly
William Shields

Asset Liability Management Committee (ALCO)

John Dumas, Chairperson
Amy Brandt
Roberta Kozlowicz
Diane Shelton
Sue Welsh
Frank Sposito, First Alternate
Diana Hughes, Second Alternate

Contact Us

Branches and ATMS

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Downers Grove, IL 60515

Naperville

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YOUR SAVINGS INSURED TO \$250,000 PER ACCOUNT



AMERICAN SHARE INSURANCE

By members' choice, this institution is not federally insured.