

2024

ANNUAL
REPORT

April 24th, 2025

BEST-IN-STATE
CREDIT UNIONSForbes
2024

POWERED BY STATISTA

3-YEAR CHAMPION

RECOGNIZED SINCE 2022

STATEMENTS OF FINANCIAL CONDITIONS

STATEMENTS OF INCOME & EXPENSE

SUPERVISORY COMMITTEE REPORT

DECEMBER 31, 2024 AND 2023

2024

2023

DECEMBER 31, 2024 AND 2023

2024

2023

Meeting the Needs of Our Members

As your Supervisory Committee, it is our responsibility to ensure that the financial practices and operations of the credit union are in compliance with all applicable regulations and standards. Our primary focus is on protecting the assets of the members and maintaining the integrity of the credit union's financial reporting.

Over the past year, the Supervisory Committee has carried out its duties with due diligence and in accordance with the credit union's bylaws and applicable regulatory requirements. The committee has conducted a series of reviews and audits to assess the effectiveness of internal controls and to ensure that the financial statements present a true and accurate picture of the credit union's financial position.

To help conduct a thorough examination of Ideal CU's financial condition, the Supervisory Committee selected CliftonLarsonAllen, LLP, to conduct an external audit of the credit union. In addition, the Supervisory Committee utilizes the services of CliftonLarsonAllen, LLP to conduct internal audits. These audits include account verification, internal control reviews, regulation compliance, security policy review and business continuity planning.

From our examinations, and from reviewing the 2024 auditor's report, it is our opinion that Ideal Credit Union is operating in accordance with the bylaws of the credit union, statutes of the State of Minnesota and the policies set forth by the Board of Directors.

Your questions are researched and answered by this committee. You are encouraged to report any apparent errors or omissions on your statement to us. This enables us to evaluate the effectiveness of your credit union's policies and procedures.

We feel that Ideal Credit Union is an exceptionally well operated and managed financial institution. We look forward to continued growth and success.

Laura Port
Laura Port
Chair

Rick Osborn
Rick Osborn
Sara Maruska
Sara Maruska

Sara Racine
Sara Racine
Marco Buchmayer
Marco Buchmayer

ASSETS

Cash and Cash Equivalents	\$ 125,835,030	\$ 133,208,852
Deposits in Other Financials	\$ -	\$500,235
Securities - Available-for-Sale	\$ 9,583,686	\$ 10,277,754
Other Investments	\$ 5,385,897	\$ 4,803,213
Loans Held-for-Sale	\$ 2,025,757	\$ 4,630,769
Loans, Net	\$ 841,518,266	\$ 813,177,600
Accrued Interest Receivable	\$ 3,246,655	\$ 2,851,238
Premises & Equipment, Net	\$ 19,418,221	\$ 20,787,297
NCUSIF Deposit	\$ 8,150,564	\$ 8,120,031
Other Assets	\$ 23,345,365	\$ 23,685,694
Total Assets	\$ 1,038,509,441	\$ 1,022,042,683

LIABILITIES AND
MEMBERS' EQUITY

Liabilities		
Members' Share and Savings Accounts	\$ 854,069,100	\$ 848,920,958
Notes Payable	\$ 64,825,000	\$ 56,675,000
Accrued Expenses and Other Liabilities	\$ 10,792,021	\$ 12,821,307
Total Liabilities	\$ 929,686,121	\$ 918,417,265
Members' Equity		
Undivided Earnings	\$ 109,295,128	\$ 105,969,475
Accumulated Other Comprehensive Loss	\$ (471,808)	\$ (2,344,057)
Total Members' Equity	\$ 108,823,320	\$ 103,625,418
Total Liabilities and Members' Equity	\$ 1,038,509,441	\$ 1,022,042,683

INTEREST INCOME

Loans	\$ 44,157,947	\$ 38,664,729
Securities and Interest Bearing Deposits	\$ 7,205,241	\$ 5,606,531
Total Interest Income	\$ 51,363,188	\$ 44,271,260

INTEREST AND DIVIDEND EXPENSE

Member Deposits	\$ 15,772,396	\$ 8,885,434
Special Dividend	\$ -	\$ 301,720
Borrowed Funds	\$ 2,148,640	\$ 1,430,270
Total Interest and Dividend Expense	\$ 17,921,036	\$ 10,617,424
NET INTEREST INCOME	\$ 33,442,152	\$ 33,653,836

PROVISION FOR CREDIT LOSSES

Net Interest Income After Provision for Credit Loss	\$ 27,955,616	\$ 29,804,162
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NON-INTEREST INCOME

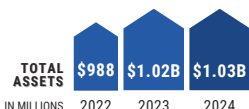
Service Charges and Fees	\$ 5,538,305	\$ 5,589,357
Other Non-Interest Income	\$ 6,050,890	\$ 6,105,428
Gain (Loss) on Sale of Loans, Net	\$ 166,908	\$ 212,080
Total Non-Interest Income	\$ 11,756,103	\$ 11,906,865

NON-INTEREST EXPENSE

General and Administrative:		
Employees Compensation and Benefits	\$ 20,147,500	\$ 19,966,916
Office Occupancy and Operations	\$ 6,290,002	\$ 6,553,040
Other Operating Expenses	\$ 9,948,564	\$ 9,651,532
Loss on Sale of Investments, Net	\$ -	\$ -
Total Non-Interest Expense	\$ 36,386,066	\$ 36,171,488

NET INCOME

NET INCOME	\$ 3,325,653	\$ 5,539,539
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A MESSAGE FROM OUR PRESIDENT & CEO

In 2024, Ideal Credit Union proudly marked 99 years of serving members and the community. Our steadfast commitment to the credit union philosophy of “people helping people,” serves as the foundation of our work to empower members to Live the Ideal Life.

We proudly serve over 49,379 members in six branch locations across the Twin Cities. We're committed to delivering a more personalized experience for our members while also leading our industry as one of the top ten credit unions as determined by asset size in Minnesota.

Resilient Growth

In 2024, our financial results demonstrate the resilience of our credit union. Despite slow deposit growth, we achieved over 3% loan growth in 2024 while maintaining \$1 billion in assets, managing risk prudently and delivering solid financial outcomes. Our financial net worth ratio shows we are well capitalized at 10.52%. Together, we achieved a net income of \$3.3 million.

Even with the challenges faced by financial institutions this year, Ideal Credit Union continued to offer competitive loan and savings rates for members. Ideal's loan-to-share ratio reflects healthy demand from members across our loan products.

Most importantly, we've continued to ensure that our members have access to the products and services that help them navigate the economic challenges they face—whether it's financing a home, managing debt, or building a secure financial future.

Advancing Digital Innovations

One of our proudest accomplishments in 2024 was the development of advanced AI and automation. Ideal ramped up our usage of artificial intelligence (AI) and machine learning for a variety of purposes, from enhancing customer service to improving fraud detection. Automation also streamlined back-office operations, leading to cost savings and improved efficiency.

We continue to focus on our members' digital experience. In response to the growing demand for online and mobile banking, we've made significant investments in technology to improve your banking experience. From a streamlined mobile app to enhanced security features, we are focused on making banking with us as easy and secure as possible.

Specifically, we launched debit card controls in the fall of 24 and we also developed and launched a self-funding unsecured loan product. Our commitment to digital innovation doesn't stop here; we're excited to continue enhancing these tools in the coming year, giving you more flexibility and control over your financial life. We've worked hard to ensure that all our members—both new and long-standing—receive personalized service, whether through face-to-face interactions at our branches or through our virtual channels.

Building on Success

Amara Mackey was promoted to Chief Financial Officer succeeding Dennis Bauer who retired. Amara's exceptional finance team leadership over the past 16 years at Ideal Credit Union made for a seamless transition as we build on the success of our credit union.

With the strong support of our members, Ideal Credit Union received top industry honors from Forbes as a Best-in-State Credit Union in Minnesota, Ranked #1 for the second year in a row. Ideal Credit Union was also recognized with a Five-Star Superior rating from Bauer Financial Inc., the nation's foremost independent rating service for financial institutions. This recognition reflects Ideal's commitment to a safe and secure financial institution for our members.

Commitment to Community

Ideal Credit Union took a leadership role in fighting fraud that targets seniors through educational programming and community partnership. Together, with the Minnesota Department of Commerce, Ideal hosted the "Safe Seniors" educational workshop series to develop fraud awareness and share actions to prevent financial exploitation.

A Century of Service

On behalf of everyone at Ideal Credit Union, we extend our deep appreciation for your continued membership. It's our greatest privilege to serve your families, your businesses and the community. We look forward to the opportunity to celebrate a century of service together in 2026.

Brian G. Sherrick

Brian G. Sherrick, President & CEO

CHAIRMAN'S REPORT

As Chairman of the Board of Directors, it is my honor to share with you a recap of our achievements in 2024, a year that presented both challenges and opportunities for growth. As a member-owned financial institution, we remain deeply committed to providing our members with stability, trust, and personalized service—principles that guided us through an ever-changing economic landscape.

In 2024, the financial sector faced continued pressure from high inflation rates, rising interest rates, and economic uncertainties. These factors shaped consumer behavior and impacted borrowing and lending activity, presenting hurdles for credit unions and financial institutions across the country. However, despite these challenges, our credit union has not only weathered the storm but emerged stronger, focused on long-term sustainability and continued service excellence.

Our management team and staff worked diligently to navigate this complex environment while maintaining the financial health of our institution. Under the leadership of our CEO, the board of directors, and our dedicated employees, we saw steady growth in key areas, including total assets. This reflects the trust and confidence you, our valued members, place in us. In 2024, the Board placed a strong emphasis on maintaining robust governance practices to ensure that we remain aligned with the evolving needs of our membership and the broader financial landscape. Our commitment to fiscal responsibility, transparency, and accountability has been unwavering. Throughout the year, we monitored the credit union's performance, evaluated emerging risks, and made strategic decisions to strengthen our financial position, ensuring that we can continue to provide the best possible service to you.

Additionally, we have been focused on the strategic development of our credit union's technology infrastructure. We recognize that the future of banking is digital, and we are committed to modernizing our systems and tools to meet the growing expectations of our members. This investment in technology not only enhances your banking experience but also ensures the continued security and efficiency of our operations.

Our credit union has always been more than just a financial institution—it is a cornerstone of our community. In 2024, we continued to prioritize our community involvement through charitable donations, financial literacy initiatives, and volunteer programs. Our mission to support and uplift those we serve remains at the heart of everything we do.

Looking forward, we are confident in the path we have set. While we remain cautious in response to the broader economic climate, we are optimistic about the opportunities that lie ahead. We will continue to invest in our people, our technology, and our member-focused initiatives to ensure we can help you achieve your financial goals, regardless of what the future holds.

On behalf of the Board of Directors, I want to express our sincere gratitude for your continued trust and membership. Together, we will continue to build a strong, sustainable future for our credit union and for all the members we serve. Thank you for being part of our credit union family. We look forward to what we will achieve together in the coming year.

Peter Olsen

Peter Olsen, Chairman of the Board

CREDIT MANAGER'S REPORT

In 2024 your credit union was able to assist our members by originating 4,505 consumer loans (auto, RV, personal loans and credit cards), 844 first and second mortgage loans and 98 business loans. Our loan originations increased by 18% over 2023 with a 3.3% increase in loans outstanding.

While these are good statistics, we recognize that each “number” is much more than that. It's a member who is able to finance a car, make their first home purchase or lower their payments to ease their monthly financial burden. We are thankful every time a member trusts us to help them achieve those goals.

During the year new personal and business lines of credit were launched, along with a streamlined approval and signing process for our personal loans and credit cards. At the end of 2024 we lent out 99.44% of our deposits! Putting our members' funds back into the community has long been the focus of our credit union and is something we strive to do each year.

Your credit union strives to provide a fair and responsible lending program that balances the needs of our members while managing our risk. However, if a member believes that his or her application was unfairly denied, that person is advised to have the application reviewed by the Credit Manager. If still dissatisfied, he or she can submit a written request to the board of Directors.

Rick Blood

Rick Blood, Credit Manager