

**!nTouch**  
CREDIT UNION

**ANNUAL  
REPORT**



**2024**

Federally insured by NCUA.



## REPORT OF THE CHAIRMAN

In 2024, the Credit Union celebrated its 50th anniversary, marking five decades of trust, financial stability, and community support. Celebrations in Texas, Nevada, and Michigan highlighted our history and successes. This milestone reaffirmed our position as a key community pillar, committed to providing quality financial services, supporting local causes, and building strong member relationships.

The annual Member Survey showed record-high satisfaction scores, the best in twenty years. We continue to strive and exceed your service experience expectations.

The Board of Directors, leadership team, and staff thank you for choosing ITCU and giving us the privilege to serve you. We will continue to remain dedicated to your financial well-being.

Sincerely,

A handwritten signature in black ink that reads "Nancy Pressel".

Nancy Pressel  
Chairman, Board of Directors





## REPORT OF THE AUDIT COMMITTEE



As part of the Audit Committee's role to assist the Board of Directors in fulfilling its fiduciary responsibilities, in 2024 the Audit Committee continued to oversee the Credit Union's financial reporting, internal controls, legal and regulatory compliance, business continuity preparedness and cybersecurity.

At the Audit Committee's direction, audit firms, including Doeren Mayhew, Cornerstone Resources, Waypoint Advisory Services, Harold Antao & Company and TraceSecurity, performed several audits and tests on critical operational areas and functions to assess operational safety and soundness.

Doeren Mayhew, a certified public accounting firm, conducted the required comprehensive annual financial audit. The Audit Committee noted no material internal control weaknesses related to the financial reporting process. The Audit Committee believes the Credit Union's financial statements are reported accurately and fairly. A complimentary copy of the audited financial statements may be obtained at any branch, by contacting the Credit Union's Contact Center at (800) 337-3328, or by submitting an email request to reports@itcu.org.

Cybersecurity threats continued to impact multiple industries in 2024; in response, the Credit Union increased cybersecurity testing and training as part of its commitment to provide members with a safe and secure digital service experience. Social engineering tests, penetration testing, and technology protocol audits were conducted by TraceSecurity to validate the Credit Union adheres to technology standards designed to protect member data.

In addition, the Risk Management department conducted controls reviews and risk assessments as measures to monitor regulatory compliance. Risk Management also performed on-going tests of the Credit Union's business continuity preparedness to ensure readiness in the event of a disruption to key member services, such as a branch closure due to inclement weather.

The Audit Committee is pleased to confirm the internal audits, risk assessments, internal controls and testing conducted in 2024 confirmed the Credit Union functions in an operationally secure manner.

Respectfully,

Theresa M. Tschirky  
Chairman, Audit Committee





## REPORT OF THE PRESIDENT

InTouch Credit Union individual accomplishments aside, 2024 will be remembered as a challenging year. The inflation we all experienced hurt paychecks, wallets, secondary incomes, and everyone's purchasing power. Plus, the year's environmental disasters combined with some dramatic price increases in insurance, grocery, and housing costs reintroduced "financial stresses" similar to those felt during the pandemic. As a result, many concluded that "economic normalcy" would not return anytime soon and adjusted their approach to banking, shopping, and spending. ITCU did the same.

During the year, we launched new technology tools to combat fraud, identify theft, and website imposters (with dozens of successful takedowns). In April, we launched a new mobile banking application and online banking system to make it easier to do business with us while protecting your information. Offerings in June included new text, chat, and video features for more secure communications. We introduced "Goalsetter" in September, the most adaptive and advanced financial education platform available in the market with an introductory quiz titled, "Are you financially smarter than a 12th grader?" that proved to be an invaluable learning experience for members of all ages. In December, we upgraded our online lending and account opening platforms, substantially reducing application completion time, funding options, and complexity. Lastly, ITCU's multi-year "You and Us, Fighting Hunger Together" initiative topped over 1 million meals provided.

Despite the financial challenges experienced during the year, we remain committed to delivering service excellence in a manner that best serves the interests of the entire membership. Therefore, on behalf of all ITCU employees and the Board of Directors, thank you for your loyalty, trust, and commitment to InTouch Credit Union. We will never take your business for granted and remain dedicated to helping you achieve your financial goals and objectives.

Sincerely,

Kent L. Lugrand  
President & Chief Executive Officer



## STATEMENT OF FINANCIAL CONDITION

ASSETS	2024	2023
January through December		
Cash and Cash Equivalents	\$ 21,577,146	\$ 13,917,035
Investments	\$ 128,490,088	\$ 121,795,388
Loans to Members, Net	\$ 624,386,358	\$ 721,297,228
Accrued Interest Receivable	\$ 2,573,095	\$ 2,796,397
Property and Equipment	\$ 28,578,648	\$ 30,952,045
National Credit Union Share	\$ 7,057,626	\$ 10,078,500
Other Assets	\$ 21,690,760	\$ 19,572,441
<b>Total Assets</b>	<b>\$ 834,353,721</b>	<b>\$ 920,409,034</b>

## LIABILITY AND MEMBERS' EQUITY

Liabilities		
Member Shares	\$ 753,560,097	\$ 784,697,196
Accrued Expenses and Other Liabilities	\$ 14,272,017	\$ 57,465,765
<b>Total Liabilities</b>	<b>\$ 767,832,114</b>	<b>\$ 842,162,961</b>

## MEMBERS' EQUITY

Liabilities		
Unrealized Gain (Loss) on Investments	\$ (1,716,134)	\$ (2,482,829)
Reserves	\$ 68,237,741	\$ 80,728,902
<b>Total Liability and Members' Equity</b>	<b>\$ 834,353,721</b>	<b>\$ 920,409,034</b>

## STATEMENT OF INCOME

INTEREST INCOME	2024	2023
January through December		
Interest on Loans to Members	\$ 32,879,345	\$ 35,862,923
Interest on Investments	\$ 13,212,608	\$ 10,913,978
<b>Total Interest Income</b>	<b>\$ 46,091,953</b>	<b>\$ 46,776,901</b>
INTEREST EXPENSE		
Dividends on Members' Shares	\$ 11,045,601	\$ 9,193,725
Interest on Borrowed Funds	\$ 11,629,195	\$ 11,641,569
<b>Total Interest Expense</b>	<b>\$ 22,674,796</b>	<b>\$ 20,835,294</b>
<b>Net Interest Income</b>	<b>\$ 23,417,157</b>	<b>\$ 25,941,607</b>
<b>Provision for Loan Loss</b>	<b>\$ 8,199,839</b>	<b>\$ 6,088,109</b>
<b>Net Interest Income After Provision for Loan Loss</b>	<b>\$ 15,217,318</b>	<b>\$ 19,853,498</b>
NON-INTEREST INCOME		
Service Charges, Fees, and Other Operating Income	\$ 6,542,938	\$ 6,730,959
Unrealized Gains (Losses) from Asset Market Value Changes	\$ 4,759,616	\$ 4,606,077
Realized Gains (Losses) from Sales/Disposal of Assets	\$ (406,409)	\$ 5,571,188
<b>Total Non-Interest Income</b>	<b>\$ 10,896,145</b>	<b>\$ 16,908,224</b>
NON-INTEREST EXPENSE		
Compensation and Benefits	\$ 17,627,365	\$ 16,789,906
Operations	\$ 20,977,259	\$ 21,263,102
<b>Total Non-Interest Expense</b>	<b>\$ 38,604,624</b>	<b>\$ 38,053,008</b>
<b>Net Income</b>	<b>\$ (12,491,161)</b>	<b>\$ (1,291,286)</b>



## PRODUCTS AND SERVICES

InTouch Credit Union is proud to work for the financial well-being of our members, and we do so through an encompassing range of products and services. Visit [ITCU.org](https://www.itcu.org) for more information and relevant disclosures.

### Products include:

- Auto Loans (new and used)
- Motorcycle, Boat and RV Loans (new and used)
- Checking and Savings Accounts
  - Personal
    - Prime Checking
    - High-Yield Checking
    - Value Checking
    - Debit Card
    - Regular Savings
    - Save to Win® Savings Accounts (*Not Available in All States*)
    - Money Fund Accounts
    - Health Savings
    - IRAs
    - Holiday Club Savings
  - Business
    - Regular Checking
    - Business High-Yield Checking
    - Nonprofit Checking
    - Business
    - Regular Business Savings
    - Business Money Fund Savings
    - Nonprofit Savings
- Youth & Young Adult Checking and Savings Accounts
  - Chip's Kids Club (Ages 0-12)
  - Geared Up! (Ages 13-17)
  - On My Own (Ages 18-24)
- Share Certificates of Deposit (CDs)
  - 3- to 60-mo. Terms
  - Business CDs
  - IRA CDs
  - High-Yield Checking CDs
  - Youth & Young Adult CDs
- Credit Cards
  - achieve!
  - celebrate!
  - connect!
  - Business
- Real Estate Loans
  - Mortgage
  - Home Equity
  - Home Equity Line of Credit
- Personal Loans
- Business Loans

## PRODUCTS AND SERVICES (CONTINUED)

### Services include:

- InTouch Teller® Interactive Teller Machines
- Video Banking
- Automobile Protecton
  - PPA/Debt Protection
  - Guaranteed Asset Protection
  - Mechanical Breakdown Protection
  - Depreciation Protection
- ACH and Wire Transfers
- Apple Pay®, Google Pay™ and Samsung Pay™
- Debit and Credit Card Rewards
- Electronic Services
  - eReceipts
  - eStatements
  - eNewsletters
- Online chat and SMS assistance
- Digital Banking
  - Bill Pay
  - Credit Sense
  - Instant Balance (*Mobile-Only*)
  - Mobile Deposit Capture (*Mobile-Only*)
  - Money Management Financial Management Tool
  - MyCards digital card management support
  - Touch ID® (*Mobile-Only*)
  - Zelle®
- HomeAdvantage® Real Estate Services
- Business Merchant Services
- Business Credit Card Processing
- Investment and Retirement Services
- Safe Deposit Boxes (*Where Available*)
- Shared Branch Network Services
- Other Products and Services
  - Accidental Death & Dismemberment Insurance
  - Credit Recovery Resources
  - Member Discounts
  - InTouch Auto Finder
  - Retirement Simplified
  - Trust and Will Services
- Insurance
  - Auto
  - Home
  - Life
  - Accidental Death & Dismemberment
  - Pet
  - Renters
  - Health

## BYLAWS, DIRECTORS AND MANAGEMENT

**Bylaw Changes: None**

### BOARD OF DIRECTORS

<b>Nancy Pressel</b>	Chairperson, term ends in 2025
<b>John Roberts</b>	Vice-Chairperson, term ends in 2027
<b>Jodie Robinson</b>	Secretary, term ends in 2026
<b>Dan Crouse</b>	Treasurer, term ends in 2027
<b>Theresa Tschirky</b>	Director, term ends in 2026
<b>Terri Bryant-Harrell</b>	Director, term ends in 2025
<b>John Shinneman</b>	Deputy Secretary, term ends in 2025
<b>Jon Hardesty</b>	Deputy Treasurer, term ends in 2027
<b>Michael Gallo</b>	Director, term ends in 2026

### ADVISORY DIRECTORS

**Charleen Barnwell**  
**Leanne Ferdig**  
**Ryan Bowen**  
**Donnie Shepherd**  
**Mark Chezem**

### SENIOR MANAGEMENT

<b>Kent Lugrand</b>	President/Chief Executive Officer
<b>Robert McDonald</b>	Sr. Vice President/Chief Financial Officer
<b>Sammie Cantrell</b>	Sr. Vice President/Chief Risk Officer
<b>Tom Condos</b>	Sr. Vice President/Chief Information Officer
<b>Kristen Schmieg</b>	Sr. Vice President/Chief Digital Officer
<b>Bridger Robinson</b>	Sr. Vice President/Chief Lending Officer
<b>Tim McCoy</b>	Sr. Vice President/Chief Marketing Officer
<b>Gloria Smith</b>	Sr. Vice President/Chief Branch Officer
<b>Matt Santee</b>	Vice President of I/T
<b>Chris Oglesbee</b>	Vice President of Retail Operations
<b>Dan Maldonado</b>	Region Vice President/Chief Retail Executive MI
<b>Karessa Pewtress</b>	Region Vice President/Chief Retail Executive NV
<b>Valerie Williams</b>	Region Vice President/Chief Retail Executive TX
<b>Ria Henning</b>	Vice President Contact Center

### SENIOR MANAGEMENT DEPARTURES IN 2024

**Justin Trosclair** Vice President Contact Center



## We're on a Mission... and Together We're Making a Difference!

In January 2022, we launched "You and Us, Fighting Hunger Together," a significant initiative aimed at combating food insecurity within our communities. This initiative represents a partnership between the Credit Union (ITCU), its employees, and our valued members, working collaboratively to tackle hunger in the areas where we live and work.

This effort is uniquely funded by the contributions from our members who choose ITCU for their lending needs and who utilize ITCU credit and debit cards for their purchases. A designated portion of the proceeds from anticipated loan interest and the income from card transactions is allocated to support local food banks. This collaborative approach allows both the members and the Credit Union to effect meaningful change in the lives of those around us, reminding us that those we help could easily be any one of us under different circumstances.

As of now, the choice of our members to rely on ITCU for their loan and card requirements has facilitated the donation of \$356,250 to local food banks. We are deeply grateful for our members' ongoing support; however, our journey is far from over. With an initial donation target of \$1 million, there is still a considerable distance to cover. The employees of ITCU are fully dedicated to reaching this goal and are committed to ensuring that InTouch Credit Union remains the preferred choice for our members seeking loans, credit cards, or checking accounts accessible with a debit card.

