



HEARTLAND
CREDIT UNION



2024
ANNUAL REPORT

Joint Message *from the Chairman of the Board and President*

As we reflect on 2024, we are honored to share this message with you — our valued members. 2024 marked a historic milestone as we celebrated our 85th anniversary.

From our humble beginnings in 1939 as Farmers Union Employees Credit Union, serving the employees of the Farmers Union Central Exchange in St. Paul and South St. Paul, to today—where we proudly serve nearly 11,000 members across 10 Minnesota counties and employees, retirees, and families from CHS Inc., Land O’Lakes Inc., Genex, Chart, and more, we remain dedicated to helping you reach your financial goals.

Reflecting on the past 85 years, we’ve weathered storms, embraced new technologies and stood tall amidst challenges, always focused on helping you get the most from your money. We’re proud to be one of the oldest credit unions in Minnesota and thankful you’ve been along for the ride.

Economic Landscape and Impact

2024 was a year of challenges and opportunities. The U.S. economy continued its complex recovery from inflationary pressures and fluctuating interest rates. Consumers felt the effects of higher living costs, particularly in housing and essential goods, making financial security more important than ever. In response, we remained committed to offering competitive rates, financial guidance, and member-focused services to support you in achieving your financial goals.

Despite economic uncertainties, we remained healthy and well-capitalized with a net worth of 9.39%, total assets ending the year at \$177 million and a loan to share ratio of 69.47%.

New Products and Services

In 2024 we expanded our offerings to better serve you, including:

- **Business Lending** to provide tailored loan solutions to support our business members.

- **Online Chat** to offer assistance and support through our website.
- **Contactless Cards** to give you a faster more secure way to pay with your Heartland credit or debit card.
- **High-Yield Checking Account** featuring a competitive rate to help you earn more on the money you work hard for.
- **Partnership with TruLync Medicare Advisors** who will help you understand the Medicare process and explain your options.

Looking Ahead

As we look ahead, we’re excited to announce the building of a new branch in New Prague in 2025. This expansion will provide a larger dedicated space for improved service, a community room for special meetings and events and improved accessibility with convenient parking and easier drive-thru access.

Additionally, we’re working to enhance your digital experience with a new online and mobile banking platform — putting everything you need at your fingertips.

Thank you for your trust, loyalty, and membership. We are excited to continue growing together in the years ahead.

Rex Carlson
Rex Carlson
Chairman

Kathy Harrington
Kathy Harrington
President

Board of Directors

Rex Carlson
Chairman

Gene Traxler
Vice Chairman

Nanci Lilja
Secretary

Dale Lieb
Board Member

Ann Young
Board Member

Jeff Schuetz
Associate Board Member

Eric Spandl
Board Member

Noel Larson
Board Member

Supervisory Committee Report

The Supervisory Committee is responsible for ensuring that proper controls are in place and operating as intended to ensure that your credit union is managed professionally, efficiently, and confidentially. The Supervisory Committee has established an annual audit plan and performs audit functions throughout the year in accordance with that plan. In addition, in 2024 we hired a CPA to assist us with a financial statement opinion audit. Your credit union is also required to follow all Minnesota Department of Commerce and National Credit Union Administration (NCUA) regulations. To ensure full compliance with these regulations, we file semi-annual reports with the Department of Commerce and the credit union participates in regulatory agency audits.

To protect your interests in the credit union, the Supervisory Committee functions independently of the board of directors and staff. We acknowledge and appreciate the fine job that everyone has done this past year.

Please contact us at supervisory@heartlandcu.com if you have an issue with the credit union that you feel needs our attention. We recommend for efficiency, you utilize normal channels in contacting staff to resolve any credit union problem. However, if that proves unsuccessful, please contact us.

Thank you for the opportunity to be of service and for your continued support of your credit union.

- Greg Sippl** - Chairman
- Connie LaCombe** - Committee Member
- Shaun Van Deurzen** - Committee Member
- Gary Haider** - Committee Member

STATEMENT OF INCOME AND EXPENSE DECEMBER 31, 2024 and 2023 (Unaudited)

Income	2024	2023
Interest from Loans	\$ 6,230,120	\$ 5,146,666
Interest from Investments	1,461,849	1,320,128
Total Interest Income	\$ 7,691,969	\$ 6,466,795
Interest and Dividend Expense		
Dividends on Shares	\$ 437,155	\$ 325,291
Interest on Deposits	1,727,310	1,009,971
Interest on Borrowed Money	610,872	588,668
Total Interest Expense	\$ 2,775,337	\$ 1,923,930
Net Interest Income	\$ 4,916,632	\$ 4,542,864
Provision for Loan Losses	462,072	145,837
Net Interest Income After Provision	\$ 4,454,560	\$ 4,397,027
Non-Interest Income		
Fee Income	\$ 715,072	\$ 692,771
Other Operating Income	1,264,951	1,155,768
Gain (Loss) on Investments	-	-
Gain (Loss) on Fixed Assets	-	-
Other Non-Operating Income (Exp.)	-	-
Total Non-Interest Income	\$ 1,980,023	\$ 1,848,540
Non-Interest Expense		
Compensation and Benefits	\$ 2,943,535	\$ 2,621,443
Travel and Conference	49,127	42,588
Office Occupancy	422,202	418,731
Office Operations	1,123,598	1,107,161
Education and Promotion	320,091	265,712
Loan Servicing	444,049	406,606
Professional and Outside Services	719,161	629,712
Member Insurance	3,830	4,980
Operating Fees	27,443	-
Fraud Losses	31,220	26,481
Miscellaneous Operating	169,925	116,663
Total Non-Interest Expense	\$ 6,254,180	\$ 5,640,046
Net Income	\$ 180,403	\$ 605,521



In celebration of our 85th Anniversary and the values that led us to that milestone, we asked you to nominate Heartland employees, community members and organizations who live the “Here When You Need Us” spirit. You answered the call and we featured a variety of heroes throughout the year. Here are a few:



Derek, Scott County Director of Veteran Services.



Tom, dedicated hospital volunteer for 17 years.



Hugo Lions Club

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2024 and 2023 (Unaudited)

Assets	2024	2023
Loans to Members	\$ 107,428,280	\$ 118,369,451
Allowance for Loan Losses	(688,836)	(913,342)
Net Loans	\$106,739,444	\$ 117,456,109
Loans Held for Sale	\$ -	\$ -
Cash and Equivalents	3,957,722	4,275,313
Investments	53,269,702	54,460,197
Land and Buildings	5,613,368	5,479,400
NCUA Share Insurance Deposit	1,514,910	1,466,426
Other Assets	6,524,012	6,752,619
Total Assets	\$177,619,157	\$189,890,064
Liabilities		
Notes Payable	\$7,895,000	\$ 16,607,834
Dividends Payable	581	571
Accounts Payable & Other Liabilities	2,628,287	1,478,372
Shares and Deposits	154,636,088	159,873,869
Total Liabilities	\$165,159,956	\$177,960,645
Members' Equity		
Undividend Earnings	\$14,040,180	\$ 13,434,660
Regular Reserves	2,338,125	2,338,125
Equity Acquired in Merger	123,188	123,188
Other Reserves	(4,222,695)	(4,572,075)
Net Income	180,403	605,521
Total Members' Equity	\$12,459,201	\$11,929,419
Total Liabilities and Members' Equity	\$177,619,157	\$189,890,064

Products and Services

Savings Accounts

Membership Savings Account
Business Savings Account
Youth Savings Accounts
Automatic Savings Account
Money Market Account
Certificate of Deposit
Individual Retirement Accounts

Checking Accounts

Free Checking
Free 55 Checking
High-Yield Checking
eChecking
Business Checking
Youth Checking

Investments

Loans

New and Used Auto Loans
Recreational Vehicle Loans
Personal Loans
Student Loans
Ready Cash Plus Loan
Home Loans
Home Free Refinance Loan
Home Equity Loans
Home Improvement Loans
Business Loans

Visa® Credit Cards

Online and Mobile Services

Online Banking
Mobile Banking with Mobile Deposit
Card Manager App for Credit/Debit Cards
e-Statements
Online Bill Pay
View Cleared Checks Online
Online Visa® Statements and Account Access
Online Mortgage Account Access
Scheduled Transfers
Account Alerts
Secure Messaging
Check Reorders

Convenient Services

Fee-Free ATM Network
Shared Service Centers
Saturday Hours
Direct Deposit
Night Deposit
Notary Service
Money Orders
Wire Transfers
Overdraft Protection
Visa® Gift Cards
Safe Deposit Box

Making a Difference

Collectively, our staff volunteered **444 hours** in our communities in 2024 — setting a new Heartland record.



Federally insured by NCUA.



Equal Housing Lender.
NMLS #422990