



2024 Annual Report



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Scan for a special message from our CEO to celebrate our 90th anniversary.

The year we celebrate Veridian's 90th anniversary is an appropriate time to renew our commitment to creating successful financial futures. Our efforts are guided by the five pillars of our strategic plan – member experience, employer of choice, growth, financial security and governance.

One of our highest priorities is to provide the best possible member experience. We're constantly evaluating and investing in ways to make every member interaction seamless and personal, whether online, on the phone or in a branch. Those efforts haven't gone unnoticed. In 2024, members nominated and voted for Veridian to be recognized in more than a dozen regional and national publications for such titles as "Best Credit Union," "Best Mortgage Lender" and more.

Exceptional member experiences start with being an employer of choice for exceptional employees. Veridian ended 2024 with 1,028 of the best and brightest. Our annual Employee Engagement Survey results remained strong, and employee feedback contributed to listing Veridian as a "Top Iowa Workplace" in the *Des Moines Register* and a "Best Credit Union to Work For" in *American Banker*.

Growth is vital because we know that any organization that isn't growing is stagnant. We're focused on keeping Veridian's growth balanced to ensure our long-term stability. In 2024, we achieved that with steady loan, deposit and membership growth, ending the year with 349,551 members – 16,767 more members than year-end 2023.

All Veridian's key financial metrics reflect our credit union's unwavering financial security, including many metrics that outperformed peer credit unions. Details are shared in the Treasurer Report and Financial Statements in the following pages.

"I'm grateful for the thoughtful action of our seven founding members in 1934, and I'm equally thankful for each of you."

Finally, our governance by a member-elected board is foundational to the credit union difference and vital to our cooperative structure. 2024 was the first full calendar year of our board's Associate Director program, designed to create additional opportunities for our future Directors to gain experience and professional development. Thank you to our Directors and Associate Directors for learning and growing to meet the ever-evolving needs of our membership.

I'm grateful for the thoughtful action of our seven founding members in 1934, and I'm equally thankful for each of you. Your participation in our credit union, whether as a Director, Associate Director, employee or member, is what makes our founders' vision a reality still today. Thank you for the role you play in our shared mission. Here's to the next 90 years!



Renee Christoffer

Renee Christoffer, President and CEO

2024 was a milestone year for Veridian Credit Union. Together, we celebrated the 90th anniversary of seven John Deere employees pooling their money to make needed financial services more accessible during The Great Depression. We reflected with gratitude on their vision, leadership and sacrifice, as well as on the countless contributions from our board, employees and members that have partnered to create successful financial futures in our communities in the 90 years since.

We’ve never been more committed to our founding purpose to make affordable financial products and services more accessible to all, including to those who experience barriers to mainstream financial services. Today, Veridian is nationally ranked by Callahan & Associates in the top 10 financial institutions in the U.S. for returning value to you, our members. We reinvest earnings to not only offer better rates and lower fees, but to develop customized financial products and services that help put a successful financial future within reach. This work benefits all of us, contributing to higher homeownership rates, lower reliance on predatory financial alternatives and stronger local economies.

We know that good financial guidance and access to the right financial tools can be life-changing. We see it in the financial literacy curriculum we provide in our community partnerships, in the members who become first-time homeowners because of our Financial Inclusion Mortgage, and in countless successes our members have achieved over the years.

“We’ve never been more committed to our founding purpose to make affordable financial products and services more accessible to all ...”

Thank you for the opportunity to serve as your Board Chair. I’m proud of the results we achieved together in 2024 and the difference they make for our members and communities. I look forward to building on that success with you in 2025.



Stephanie Atkin
Stephanie Atkin, Treasurer



North Waterloo Branch

In October, we entered into a purchase agreement for property in Waterloo, Iowa less than a mile from the former Veridian branch located inside the now shuttered Hy-Vee store on Logan Avenue. That branch was required to close with Hy-Vee’s decision to end store operations in June, creating a financial desert and broader economic concerns for the area’s future. Our investment in this new branch reflects our commitment to our communities, and we look forward to serving our members in this area in person again soon.

Financial Inclusion Mortgage

Veridian is certified by the U.S. Department of the Treasury as a Community Development Financial Institution (CDFI). That certification allows us to apply for competitive grant funding to support our Financial Inclusion Mortgages, helping us put homeownership within reach for those who experience barriers to qualifying for a traditional mortgage. By the end of 2024, our total Financial Inclusion Mortgage volume reached \$60.4 million on 511 homes for low-to-moderate income members. We were also notified that Veridian will be awarded a competitive CDFI grant of \$900,000 to continue fostering homeownership in our communities.

90th Anniversary Celebrations

We celebrated Veridian’s 90th anniversary with a series of celebrations that demonstrate our commitment to our communities and to the “people helping people” credit union philosophy. We set and exceeded a goal to impact 90 organizations with random acts of kindness for International Credit Union Day. And we commemorated Giving Tuesday with \$90,000 in donations to local nonprofit organizations across our field of membership.



Awards & Recognitions

**America's Best Regional Banks
and Credit Unions**
Newsweek

Des Moines' Best Credit Union
Des Moines Cityview Magazine

Best Credit Union
Omaha's B2B Magazine

Best Credit Union
Ankeny Register & Press Citizen

Best Mortgage Lender
Ankeny Register & Press Citizen

Best Credit Unions in Each State
Forbes

Best Credit Union
Des Moines Media Group

Best Credit Unions to Work For
American Banker

Best Credit Union
Waterloo-Cedar Falls Courier

**Best Customer Service -
Finance & Professional Services**
Waterloo-Cedar Falls Courier

Best Credit Union
Des Moines Business Record

Top Iowa Workplace
Des Moines Register

Favorite Credit Union
The Daily Nonpareil

Best Bank/Credit Union
*Iowa Living Magazine
(Des Moines Northwest Metro)*

Best Credit Union
Des Moines Register

Best Customer Satisfaction
Money Magazine

Best Place for Working Parents
Best Place for Working Parents



Members saved and earned an estimated **\$64.8 million** by using products and services at Veridian compared to what they would have paid at a for-profit bank.



We financially supported **430 nonprofit** and community organizations.



We invested more than **\$2 million** in donations, sponsorships, scholarships, grants and more in our communities.



Veridian employees volunteered more than **4,000 hours** to community service.

Milestone Anniversaries of 25 Years or More



Deb Campbell
40 years of service



Trina Becker
35 years of service



Carla Kisner
35 years of service



Angie Rael
35 years of service



Renee Christoffer
30 years of service



Joy Fieser
30 years of service



Jennie Reedy
30 years of service



Dawn Greenlee
25 years of service



Mirsada Ibradzic
25 years of service



Katie Ledtje
25 years of service



Sarah McGovern
25 years of service



Cindy Miller
25 years of service



Khristin Pfalzgraf
25 years of service



Stacy Phillips
25 years of service



Molly Schmidt
25 years of service

Veridian's most important promise to our members is to maintain unquestionable financial security. Doing so has allowed us to support our members and communities both in times of prosperity and through economic downturns over our 90-year history. In 2024, key performance metrics show that we upheld this promise, and our strength is creating value for our members and communities.

“In 2024, Veridian members collectively saved and earned an estimated \$64.8 million by using products and services at Veridian Credit Union rather than a for-profit bank.”

Our capital ratio reflects the percentage of Veridian's assets that are backed by capital and is a key indicator of overall financial health. The National Credit Union Administration (NCUA) considers a capital ratio of 7% or greater to be well-capitalized to meet the needs of members and weather any unforeseen adversity. Veridian's year-end net capital ratio was 10.90%.

Two metrics reflect Veridian's efficiency from different perspectives. Our operating expense ratio measures the efficiency of operations by expressing total expenses as a percentage of average total assets. And our efficiency ratio indicates how well we manage expenses relative to income and cost of funds. Veridian outperformed peer credit unions in both measurements this year with a 2.15% operating expense ratio and 58.31% efficiency ratio.

In 2024, Veridian members collectively saved and earned an estimated \$64.8 million by using products and services at Veridian Credit Union rather than a for-profit bank. This is possible because we're not-for-profit and cooperatively owned by you, our members. Our structure allows Veridian to offer the best-in-market rates on loans, certificates of deposit and Premium Checking Accounts. It also helped us invest \$2 million in our local community sponsorships, donations, grants, scholarships and more.

Our credit union is not only financially secure, but our security is benefiting our members and communities. That, among many other things, makes me proud to be a member and to serve as your Treasurer. Thank you for electing me to that honor.



Larry Loss
Larry Loss, Treasurer

Credit

This committee monitors lending policies and the performance of our lending portfolio, ensuring Veridian is always responding to the changing needs of our growing membership

Committee Chair
Emsad Begic

Committee Members
Aubrey Ward
Selvedina Samardzic

- Achievements & Highlights:**
- Achieved overall loan growth of 8.6%
 - Increased mortgage and home equity portfolios by 17% and 18%, respectively
 - Originated over 43,500 auto loans through our dealer partners
 - Maintained a strong delinquency and charge off ratio during a time when many financials are seeing increases
 - Implemented a new rate structure allowing Veridian to strategically offer rates and products that better align with the market needs

Audit & Risk

This committee helps ensure that Veridian's financial condition is accurately represented and its assets are protected

Committee Chair
Justine Bell

Committee Members
Reed Mick
Will Montgomery
Jeff Niemeier
Cindy Sprole

- Achievements & Highlights:**
- Evaluated financial statements and NCUA examination results
 - Completed the annual review and approval of board policies
 - Assessed quarterly enterprise risk management reports
 - Renewed the agreement for audit and tax services
 - Approved the 2024-2025 Audit Plan

Consolidated Statements of Financial Condition

December 31, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	\$ 450,934,406	\$ 543,362,255
Certificates of deposit	4,945,000	12,880,000
Debt securities available for sale	228,414,926	217,780,072
Equity securities	88,124,853	110,855,405
Loans held for sale	10,727,468	7,577,899
Loans receivable, net of allowance for credit losses and loan fees	6,795,399,178	6,236,599,658
Accrued interest receivable	23,271,325	20,143,871
Property and equipment:		
Land and land improvements	22,683,406	22,026,674
Buildings and improvements	81,371,966	75,917,996
Furniture and equipment	36,126,666	40,459,809
Construction in progress	818,659	4,955,020
Total property and equipment	141,000,697	143,359,499
Less accumulated depreciation	50,623,554	54,821,179
Net property and equipment	90,377,143	88,538,320
National Credit Union Share Insurance Fund (NCUSIF) deposit	53,186,907	50,574,945
Federal Home Loan Bank (FHLB) Stock	23,340,000	22,726,700
Beneficial interests in securitization	22,873,027	24,088,235
Goodwill	13,541,011	13,541,011
Other assets	155,022,161	100,334,689
Total assets	\$7,960,157,405	\$7,449,003,060

	2024	2023
Liabilities and Members' Equity		
Liabilities:		
Members' shares	\$ 6,582,483,785	\$ 6,180,418,267
Accrued interest payable	342,588	45,503
Borrowed funds	419,051,065	410,083,005
Accrued expenses and other liabilities	100,463,400	110,152,533
Total liabilities	7,102,340,838	6,700,699,308
Members' equity:		
Appropriated	289,739,357	262,923,540
Unappropriated	578,653,310	504,147,750
Accumulated other comprehensive loss	(10,576,100)	(18,767,538)
Total members' equity	857,816,567	748,303,752
Total liabilities and members' equity	\$7,960,157,405	\$7,449,003,060

Consolidated Statements of Income

Years Ended December 31, 2024 & 2023

	2024	2023
Interest income:		
Interest and fees on loans	\$ 352,836,957	\$ 298,999,932
Interest on investment securities	8,788,747	7,603,293
Interest on certificates of deposit and other investments	26,083,350	14,383,887
Total interest income	387,709,054	320,987,112
Interest expense:		
Members' shares	168,407,532	117,125,499
Borrowed funds	16,214,605	22,410,336
Total interest expense	184,622,137	139,535,835
Net interest income	203,086,917	181,451,277
Credit loss expense	16,585,696	28,432,333
Net interest income after credit loss expense	186,501,221	153,018,944
Noninterest income:		
Service charges	25,250,799	25,084,815
Insurance commissions	5,306,480	4,052,447
Debit and credit card interchange fees	38,891,957	36,970,161
Gains from the sale of loans	3,167	36,938
Realized (losses) gains on sales of equity securities, net	(336,476)	5,333,232
Unrealized gains on equity securities, net	4,056,770	8,702,114
Loss on sale of property and equipment	(317,805)	(29,341)
Realized loss on securitization	-	(2,274,016)
Other service charges and fees	13,585,061	12,711,869
Total noninterest income	86,439,953	90,588,219
Noninterest expenses:		
Salaries and employee benefits	96,613,291	88,959,759
Occupancy	9,937,164	9,644,867
Equipment and software	11,819,929	9,220,879
Advertising and promotion	5,551,817	4,874,263
Supplies and postage	2,937,435	2,831,816
Data processing	9,168,524	8,354,410
Other	35,591,637	34,743,511
Total noninterest expenses	171,619,797	158,629,505
Net income	\$ 101,321,377	\$ 84,977,658

Consolidated Statements of Comprehensive Income

Years Ended December 31, 2024 & 2023

	2024	2023
Net income	\$ 101,321,377	\$ 84,977,658
Other comprehensive income:		
Unrealized gains on debt securities available for sale	4,662,119	7,055,789
Unrealized (losses) gains on beneficial interests in securitization	(103,061)	83,328
Post-retirement benefit plans	3,632,380	(3,506,053)
Other comprehensive income	8,191,438	3,633,064
Comprehensive income	\$ 109,512,815	\$ 88,610,722

Consolidated Statements of Changes in Members' Equity

Years Ended December 31, 2024 & 2023

	Appropriated	Unappropriated		
	Legal reserve	Undivided earnings	Accumulated other comprehensive loss	Total
Balance, December 31, 2022	\$ 224,063,873	\$ 497,051,334	\$ (22,400,602)	\$ 698,714,605
Cumulative change in accounting principle	–	(39,021,575)	–	(39,021,575)
Balance, January 1, 2023 (as adjusted for change in accounting principle)	\$ 224,063,873	\$ 458,029,759	\$ (22,400,602)	\$ 659,693,030
Comprehensive income:				
Net income	–	84,977,658	–	84,977,658
Other comprehensive gain	–	–	3,633,064	3,633,064
Transfers, net	38,859,667	(38,859,667)	–	–
Balance, December 31, 2023	262,923,540	504,147,750	(18,767,538)	748,303,752
Comprehensive income:				
Net income	–	101,321,377	–	101,321,377
Other comprehensive gain	–	–	8,191,438	8,191,438
Transfers, net	26,815,817	(26,815,817)	–	–
Balance, December 31, 2024	\$ 289,739,357	\$ 578,653,310	\$ (10,576,100)	\$ 857,816,567

Consolidated Statements of Cash Flows

Years Ended December 31, 2024 & 2023

	2024	2023
Cash flows from operating activities		
Net income	\$ 101,321,377	\$ 84,977,658
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	5,849,950	5,434,042
Credit loss expense	16,585,696	28,432,333
Proceeds from sale of loans sold	251,617,151	265,774,180
Originations of loans held for sale	(254,763,553)	(268,975,252)
Gains from the sale of loans	(3,167)	(36,938)
Realized losses (gains) on the sales of equity securities, net	336,476	(5,333,232)
Unrealized gains on equity securities, net	(4,056,770)	(8,702,114)
Loss on sale of property and equipment	317,805	29,341
Realized loss on securitization	–	2,274,016
Net amortization of premiums on available for sale investment securities	508,946	641,856
Net change in:		
Accrued interest receivable	(3,127,454)	(3,171,301)
Other assets	(54,783,749)	1,193,833
Accrued interest payable	297,085	37,186
Accrued expenses and other liabilities	(6,056,753)	25,749,207
Net cash provided by operating activities	54,043,040	128,324,815
Cash flows from investing activities		
Proceeds from maturities of certificates of deposit	7,935,000	4,785,000
Purchase of certificates of deposit	–	(4,236,000)
Proceeds from sales of debt securities available for sale	6,393,482	9,411,965
Purchase of debt securities available for sale	(100,690,819)	(40,528,069)
Proceeds from maturities of debt securities available for sale	87,815,657	23,432,424
Purchase of equity securities	(3,424,270)	(396,696)
Proceeds from sales of equity securities	29,875,116	20,232,195
Purchase of Federal Home Loan Bank stock	(5,183,950)	(99,681,200)
Proceeds from sale of Federal Home Loan Bank stock	4,570,650	109,315,100
Net increase in loans receivable	(576,667,300)	(96,631,281)
Purchases of property and equipment	(8,031,578)	(13,508,649)
Proceeds from sale of property and equipment	25,000	28,750
Proceeds from disposition of foreclosed real estate	1,378,361	715,243
Net increase in NCUSIF deposit	(2,611,962)	(5,884,472)
Principal payments received on beneficial interests	1,112,146	1,182,647
Net cash paid in business combination	–	(23,185,190)
Net cash used in investing activities	(557,504,467)	(114,948,233)

Consolidated Statements of Cash Flows (continued)

Years Ended December 31, 2024 & 2023

	2024	2023
Cash flows from financing activities		
Proceeds from borrowed funds	217,235,603	2,965,000,000
Payments to borrowed funds	(208,267,543)	(3,221,789,365)
Net increase in members' shares	402,065,518	630,663,552
Net cash provided by financing activities	411,033,578	373,874,187
(Decrease) Increase in cash and cash equivalents	(92,427,849)	387,250,769
Cash and cash equivalents at beginning of year	543,362,255	156,111,486
Cash and cash equivalents at end of year	\$ 450,934,406	\$ 543,362,255
Supplemental disclosures of cash flow information, cash payments for		
Interest paid to members	\$ 168,110,447	\$ 117,088,312
Interest paid on borrowed funds	\$ 16,214,605	\$ 22,410,336
Supplemental schedule of noncash investment and financing activities		
Change in accumulated other comprehensive loss:		
Unrealized gains on securities available for sale, net	\$ 4,662,119	\$ 7,055,789
Unrealized (losses) gains on beneficial interests in securitization	\$ (103,061)	\$ 83,328
Post-retirement benefit plans	\$ 3,632,380	\$ (3,506,053)
Transfers from loans to foreclosed real estate	\$ 1,282,084	\$ 1,287,525
Supplemental schedule of noncash investing and financing activities:		
Adoption of ASC 326, reclassification from undivided earnings to allowance for credit losses	\$ -	\$ (39,021,575)
Supplemental schedule of noncash investing activities from business combination		
Noncash assets acquired:		
Investments	\$ -	\$ 9,411,965
Loans receivable	-	108,066,201
Property and equipment	-	6,065
Goodwill	-	13,541,011
Core deposit intangible	-	1,129,506
Other assets	-	2,949,786
Total noncash assets acquired	-	135,104,534
Liabilities assumed:		
Deposits	-	73,979,616
Borrowed funds	-	37,275,000
Other liabilities	-	664,728
Total liabilities assumed	-	111,919,344
Net cash paid in business combination	\$ -	\$ 23,185,190



Stephanie Atkin
Director
Committee
Executive (Chair)



Emsad Begic
Director
Committees
Board Governance
Credit (Chair)



Justine Bell
Director
Committee
Audit and Risk (Chair)



Bill Boevers
Director
Committees
Board Governance (Chair)
Executive (Secretary)



Cynthia Buettner
Director
Committee
Nominating (Chair)



Larry Loss
Director
Committee
Executive (Treasurer)



Traci McBee
Director
Committee
Executive (Chair Elect)



Will Montgomery
Director
Committees
Audit and Risk
Nominating



Cindy Sprole
Director
Committees
Audit and Risk (Secretary)
Board Governance



Aubrey Ward
Director
Committees
Credit (Secretary)
Nominating



Nick Waters
Director
Committee
Executive (Treasurer Elect)



Reed Mick
Associate Director
Committees
Audit and Risk
Board Governance



Jeff Niemeier
Associate Director
Committees
Audit and Risk
Board Governance



Selvedina Samardzic
Associate Director
Committee
Credit



Pam Ayres
Emeritus Director



Veridian Credit Union is federally insured by
the National Credit Union Administration.