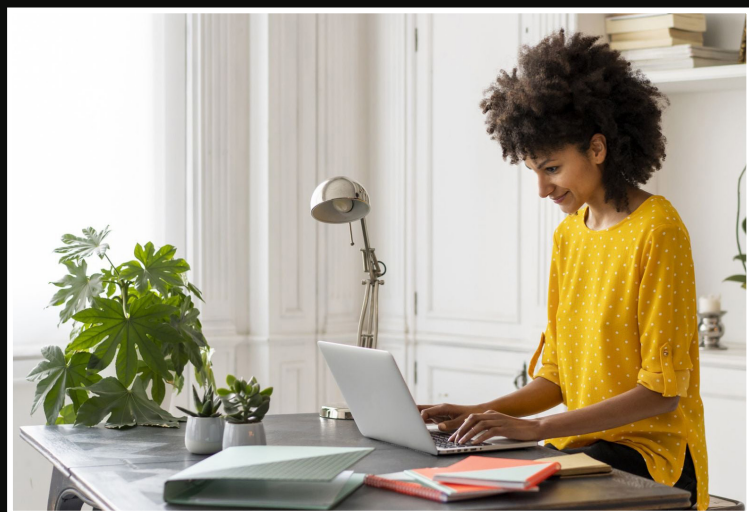


*Annual Meeting/
Member Appreciation Day*
March 30, 2023

*Servicing the
Financial Needs
of our Members
at All Times...*



Annual Report

The ***Educated*** Financial Choice

Federally insured by NCUA.

Supervisory Committee Report

Lisa Boone, CHAIRMAN

The Supervisory Committee monitors the Credit Union's operations and procedures on behalf of the membership. Our responsibilities include overseeing the direction and focus of the internal audit function, initiating an annual external audit of the Credit Union's financial records and control structure, commissioning member account verification, and ensuring an ongoing review of closed accounts.

Each year we have an annual audit performed by an independent CPA firm to ensure that the Credit Union's financial statements accurately and fairly present the financial condition of the Credit Union, and that Management practices and procedures safeguard

members' assets. This past year, we contracted with Nearman, Maynard, Vallez CPAs to conduct the annual financial audit. The financial statements as of the audit date of September 30, 2022 fairly present, in all material respects, the Credit Union's financial position, results of operations, and cash flows.

I extend my thanks to the members of the Supervisory Committee, the Board of Directors and the Credit Union staff for their cooperation, assistance, and support.

Members: Dr. Veronique Frucot, Kimberly Powell, Ann Shoemaker

Board of Directors' Report

Thomas Cline, CHAIRMAN

The year 2022 ushered in unprecedented impacts on the economy with the significant interest rate increases implemented by the Federal Reserve to deter inflationary factors. Virginia Educators Credit Union (VECU) remains secure, financially sound, and committed to the financial well-being of our members. Since first established in 1954, VECU has taken the fiscal responsibility of protecting member assets very seriously. VECU is regularly examined by regulators to ensure our credit union is adhering to required compliance standards. The credit union's net worth capital ratio (which is used to gauge the "health" of a financial institution) ended the year at 13% — well above the standard which considers 7% to be "well capitalized." Our credit union continues to maintain a strong financial position with the support of the dedicated employees, volunteers, and members of the credit union. Although VECU's overall loan volume was less than the prior year, we are pleased to have disbursed close to \$2 million in new loans to support the financial goals of our members.

Credit unions were originally founded to provide individuals with an opportunity to receive credit (loans) at reasonable and manageable rates. VECU does and will continue to provide low and competitive rates on loans to ensure members' financial goals can be achieved, which may include vehicle and home ownership. Please consider and support your credit union as your first choice for all your lending needs. Additionally, your credit union is committed to providing support to our members to ensure your financial health. We have several available solutions to meet your financial needs, such

as refinancing loans at a lower interest rate to reduce payments from other lenders, and free credit and financial reviews. We also have a full array of convenient services to ensure you have access to your account 24/7; these services enable you to access your account wherever you are at any time.

As an education-based credit union, Virginia Educators knows the importance of providing financial educational opportunities for our members and students. VECU was awarded the Desjardins First Place State Award for credit unions in our asset size for promoting youth financial literacy within our field of membership. VECU also continued to provide financial support with both student and educator scholarships. We want to thank the schools and educators for inviting us to participate in supporting classroom and other financial events!

Virginia Educators Credit Union belongs to the member owners. We are a financial cooperative operating within the philosophy of "people helping people." The Board of Directors, management, and staff thank you for making the "educated" financial choice through your membership. Please share the benefits of membership with your family and co-workers who are also eligible to join, as our credit union is committed to assisting with the financial well-being of educators and their families in 2023!

Members: Carolyn Chittenden, Anne Edison (*Vice-Chairman*), Thomas Fisher, Reginald Fox, Dennis Jarrett (*Treasurer*), Steven Kanehl (*Secretary*), Doretha Spells, Dr. Thomasena Woods

Treasurer's Report

Dennis Jarrett, TREASURER

Financial Statistics for Year Ending December 31

ASSETS

	2022	2021
Cash	25,732,443	22,141,121
Investments	42,175,762	43,267,583
Loans, Net of Allowance for Loan Losses	9,670,800	11,399,691
Total Other Assets	2,236,443	2,174,591
TOTAL ASSETS	79,815,448	78,982,986

LIABILITIES

Accrued Dividends & Other Liabilities	368,220	261,099
Total Shares & Deposits	69,086,662	69,248,901
TOTAL LIABILITIES	69,454,882	69,510,000

EQUITY

Undivided Earnings	9,380,987	8,493,407
Regular Reserves	979,579	979,579
TOTAL EQUITY	10,360,566	9,472,986
TOTAL LIABILITIES, SHARES AND EQUITY	79,815,448	78,982,986

INTEREST INCOME

Interest on Loans	587,069	742,012
Income from Investments	1,101,752	127,670
TOTAL INTEREST INCOME	1,688,821	869,682

INTEREST EXPENSE

Dividends on Shares	33,770	47,459
Interest on Borrowed Money	0	0
TOTAL DIVIDEND/INTEREST EXPENSE	33,770	47,459

NET INTEREST INCOME

Provision for Loan Loss	1,655,051	822,223
	(22,506)	46,508
NET INTEREST INCOME AFTER PROVISION	1,632,545	868,731

TOTAL NON-INTEREST INCOME	639,722	719,410
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NON-INTEREST EXPENSE

Employee Compensation & Benefits	371,242	442,750
Office Occupancy Expense	163,642	162,357
Office Operations Expense	201,604	201,770
Educational & Promotional Expense	30,858	37,005
Other Professional Operating Expenses	572,963	547,228
TOTAL NON-INTEREST EXPENSES	1,340,309	1,391,110

NET INCOME	931,959	197,031
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Board of Directors



Mr. Thomas Cline
CHAIRMAN



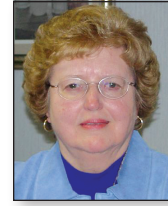
Dr. Anne Edison
VICE-CHAIRMAN



Mr. Dennis Jarrett,
CPA, CPFO
TREASURER



Mr. Steven Kanehl, CPA
SECRETARY



Ms. Carolyn Chittenden



Mr. Thomas Fisher



Mr. Reginald Fox



Ms. Doretha Spells



Dr. Thomasena Woods



Ms. Sharon Conti, CPA
PRESIDENT/CEO

Supervisory Committee

Lisa Boone
CHAIRMAN

Dr. Veronique Frucot

Kimberly Powell

Ann Shoemaker

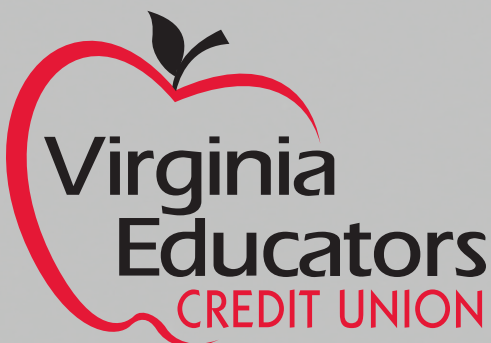
Leadership

Sharon Conti, CPA, CGMA
PRESIDENT/CEO

Jeslyn Hughes
ACCOUNTING MANAGER

Meredith Lochstampfor
BRANCH SUPERVISOR

Marilyn Voigt
BRANCH SUPERVISOR



NETTLES DRIVE OFFICE
12626 Nettles Drive, Newport News, VA 23606

MAIN STREET OFFICE
812 Main Street, Newport News, VA 23605

