



88TH ANNUAL MEETING

Capital Educators Federal Credit Union
88th Annual Meeting • Thursday, February 29, 2024



OUR STORY

CapEd has a rich history of serving our members. Our history started on February 1, 1936, when 13 teachers joined together to start Boise Teachers Federal Credit Union. This was just two years after the Federal Credit Union Act was signed by President Franklin Delano Roosevelt during the Great Depression. By the end of the first year, the fledgling Credit Union had a total of \$610 in loans and \$596 in deposits. Much has changed over the years.

On March 14, 1972, Boise Teachers Federal Credit Union merged with Meridian Teachers Credit Union to form Capital Educators Federal Credit Union. A few years later, the first branch was built on Thunderbolt Drive in Boise. The next merger came on June 13, 2005, when CapEd welcomed Canyon Teachers Credit Union. It was in 2008 that the company name of “CapEd Credit Union” was adopted to market the growing Credit Union.

Today, we are proud of our 88-year legacy of supporting teachers. In 1936, it was 13 teachers pulling together to support each other. Today, we are over 106,000 strong supporting teachers throughout Idaho. Through both the Idaho CapEd Foundation and WeLoveTeachers.org, we work together to support education as we seek to touch lives by financially empowering, educating, and enriching individuals and communities.

CapEd Vision

CapEd is committed to supporting quality education, financial empowerment, and the enrichment of individuals and communities.

CapEd Mission

We are a people-oriented Credit Union that provides personal and business financial services of superior quality and convenience. Our primary focus areas are member financial well-being, enrichment of community and promotion of quality education.

CapEd Promise

To make a difference – every member experience matters.

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CHAIRPERSONS OF THE BOARD OF DIRECTORS

1936 - 1938	Harold Hines	1967	Robert Waddel
1939	E.F. Grider	1968	James Shaffer
1940	Arthur Hayes	1969 - 1970	Max Urwin
1940	Emma Wilkins	1971 - 1973	Home Clough
1942	Roy Griffin	1974 - 1976	A.H. Chatburn
1943	J.N. Six	1977 - 1978	Max Urwin
1944	Esther Huse	1979	Anne Marie Nelson
1945	Velma Andrasen	1980 - 1982	Genevieve Smith
1946	Amy Mason	1983 - 1985	Hylon Plumb
1947	Elsie Geddes	1986 - 1988	James Reed
1948 - 1949	Harold D. Nelson	1989 - 1991	Jane Buser
1950	Fran Ilett	1992 - 1994	Nancy Amell
1951	Jessie Kiser	1995 - 1998	Mike Nussgen
1952 - 1957	Ken Grabner	1998 - 2000	Ab Vaughn
1958	Doris Soderbloom	2000 - 2007	Dr. Jerrie LeFevre
1959 - 1960	Martin Wolpert	2007 - 2023	Dr. Larry Neznanski
1961 - 1964	Jim Coleman	2023 - Present	Joe Kelly
1965 - 1966	Loyle Washam		

TREASURERS

1936 - 1937	Edward F. Grider	1952 - 1956	Paul O. Blair
1938	D. H. Hunt	1957 - 1972	Al Pantry
1939	Jennie M. Haley	1973 - 1974	Ed Gill
1940 - 1943	Harold Hines	1974 - 1980	Mike Lyon
1944 - 1945	Harry Rice	1980 - 2007	A.H. Chatburn
1946	Frank O. Hudson	2007 - 2010	Hylon Plumb
1946 - 1948	Donald Calkin	2010 - 2011	Robert Rudkin
1949 - 1950	Milton Small	2011 - 2018	David Marquart
1951	Lloyd Wilson	2018 - Present	Rainey Pieters

PRESIDENTS

1964 - 1972	Alfred E. Pantry
1973 - 1984	Bert Colwell
1984 - 2006	Allen Westhoff
2006 - 2008	Bradford D. Hill
2008 - Present	Todd Erickson

88TH ANNUAL MEETING AGENDA

WELCOME | JOE KELLY, BOARD CHAIR

BUSINESS MEETING | JOE KELLY

- ◆ CALL TO ORDER
- ◆ DETERMINATION OF A QUORUM
- ◆ MINUTES OF 2023 ANNUAL MEETING
- ◆ UNFINISHED BUSINESS
- ◆ NEW BUSINESS

REPORTS

- ◆ PRESIDENT/CEO
- ◆ SUPERVISORY COMMITTEE

ELECTIONS

- ◆ INTRODUCTION OF NOMINATING COMMITTEE CHAIR | JOE KELLY
- ◆ ELECTION OF BOARD MEMBERS | ALLISON WESTFALL

STATE OF THE CREDIT UNION | TODD ERICKSON, PRESIDENT/CEO

CALL FOR ADJOURNMENT | JOE KELLY

ADJOURNMENT

87TH ANNUAL MEETING MINUTES

FEBRUARY 23, 2023

Chairman Neznanski welcomed 26 members to the 87th Annual Meeting of Capital Educators Federal Credit Union that was held in person at the Administrative Office and virtually via teleconference.

Business Meeting: Chairman Neznanski called the Business Meeting to Order at 3:35 p.m. and explained the following: Robert's Rules of Order will govern the conduct of this meeting, and Mike Hill will serve as Parliamentarian.

It was determined that a quorum (15 members required) was present.

Minutes: Chairman Neznanski referred members to the minutes of the 86th Annual Meeting which were printed in their booklets that they were asked to read. He asked if there were any questions. There were none.

Motion passed unanimously to approve the minutes as printed.

Unfinished Business: None

New Business: The members were referred to the following printed reports in their booklets: President/CEO Report and Supervisory Committee Report. Chairman Neznanski asked if there were any questions or comments on these reports. As there were none, the reports stood as printed.

Elections: Chairman Neznanski asked Nominating Committee Chair, Jane Kinn Buser, to present the Board nominations.

Jane Kinn Buser stated that the Nominating Committee's three nominees for three-year terms on the Board of Directors were: Liz Correa, Joe Kelly, and Rainey Pieters.

As the number of nominees equals the number of open Board positions, Jane Kinn Buser made a motion to close the nominations and elect by acclamation.

Motion passed unanimously to elect by acclamation the three nominees submitted by the Nominating Committee to three-year terms.

Chairman Neznanski asked if there was any new business. There was none.

Chairman Neznanski asked CEO Erickson to present his report on the state of the Credit Union.

CEO thanked the attendees for participating whether in person or virtually.

CEO Erickson stated that 2022 was quite a year for CapEd, and we are very proud of our accomplishments. CEO Erickson thanked the 11 men and women who volunteer on our Board of Directors and the 4 members of the Supervisory Committee. We welcomed Amber Stensland and Clay Long as new Supervisory Committee members and appreciate the depth and strength that they will add to that Committee. CEO Erickson stated that the service of the volunteers is invaluable to the growth and viability of the Credit Union, and they epitomize the cooperative nature of the credit union industry.

CEO Erickson recognized the 7 members of the Executive Team who work collectively to move the Credit Union forward using the objectives and goals that are outlined in our Business Plan.

CEO Erickson commended the 270+ employees of CapEd who daily exemplified our Core Values and culture of providing memorable service to our members through the Member Contact Experience Center, at a branch, through our back office, or even via various digital platforms.

CEO Erickson presented Dr. Larry Neznanski with a wall clock and plaque for his 16 years of service as Board Chair. CEO Erickson explained that in 2021, the Board implemented a procedure which limits the Board Chair and the Board Vice Chair to two consecutive 1-year terms in their respective positions. CEO Erickson thanked Dr. Larry for his leadership. CEO Erickson also noted that Dr. Larry has challenged CapEd to increase our community involvement, and he is also very involved in the community. As such, CapEd has made a \$2,500 donation to the Jannus Refugee Outreach Program in Dr. Larry's honor, and CEO Erickson presented Dr. Larry with a certificate acknowledging this donation.

CEO Erickson shared that CapEd had another tremendous year financially. He noted that in the fourth quarter of 2022, CapEd passed Westmark Credit Union to become the third largest credit union in Idaho as we reached nearly \$1.4 billion in assets. For comparison, he stated that when he became CapEd's CEO in 2008, CapEd was the seventh largest credit union in Idaho. In 2008, Westmark CU was the second largest and had almost twice the amount of assets that CapEd had at that time. He provided this as a perspective of just how much CapEd has grown.

CEO Erickson stated that due to our asset size, we are in a peer group that consists of 400 credit unions across the nation with assets ranging from \$1 billion to \$10 billion. He said that he compared our 2022 performance to the other credit unions in this peer group and also to the 4 Idaho credit unions that are in this peer group with the following results. In 2022, CapEd ranked first in asset growth in Idaho with 22.61% compared to our Idaho peers at an average of 14.67%. In loan growth, we were second in Idaho with 25.5% compared to our Idaho peers at an average 26.00% growth rate. He noted that, had we not sold \$50 million in loans, our percentage would have been higher. Across the nation, the average loan growth was 7.00%. We ranked first in deposit growth in Idaho at 15.78% compared to our Idaho peer's average of 8.7% and the nationwide average of 4.5%.

CEO Erickson went on to explain the need for growth. He stated that 10 years ago, there were approximately 6,800 credit unions and 5,800 banks in the United States. Now there are 4,800 credit unions and 4,200 banks. He sees this decrease in numbers as a profitability matter meaning that a larger institution has the luxury of economies of scale relating to being able to afford paying higher dividends, charging lower interest rates, and realizing better operating efficiencies. He stated that as we continue to grow, we will continue to see greater economies of scale. He shared that CapEd paid higher dividends to our members in 2022 than our competitors.

CEO Erickson noted that we also invested in our employees by performing two salary market adjustments by position in 2022 and increased employer paid benefits for health and retirement. These focuses on our employees earned us a reward as a Top Workplace, and we are seeing greater employee retention.

CEO Erickson shared that our information technology infrastructure continues to be upgraded to allow our members to conveniently access their accounts. He stated that we have recently upgraded our phone system to allow members to connect with staff more easily. He also mentioned that the Member Contact Experience Department has been given the authority to hire proactively as needed.

CEO Erickson stated that we are still actively looking for locations and building branches with our Caldwell location slated to open in April 2023. We strategically place our branches and realize about \$140 million in assets per branch which is very efficient.

CEO Erickson reviewed our community involvement. He noted that our 6-state Association accumulates data regarding credit union involvement in the community to present to our legislators to show the financial impact that credit unions make. Our Association recognizes CapEd as a large community involvement contributor.

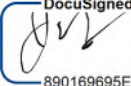
CEO Erickson thanked everyone for their membership in CapEd and again encouraged everyone to talk with their family members, friends, neighbors, and co-workers about the Credit Union and the benefits we have. He noted that a full run down of our products and services may be found--in addition to what we are doing to advance our Vision and Mission--on our website at <https://www.capedcu.com>.

CEO Erickson answered questions from the members and then turned the floor back to Chairman Neznanski.

Chairman Neznanski stated that, all business having been attended to for the 87th Annual Meeting of CapEd, he needed a motion to adjourn.

Motion passed unanimously to adjourn the meeting.

The meeting adjourned at 4:05 p.m.

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Joe Kelly, Board Chair

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Allison Westfall, Board Secretary

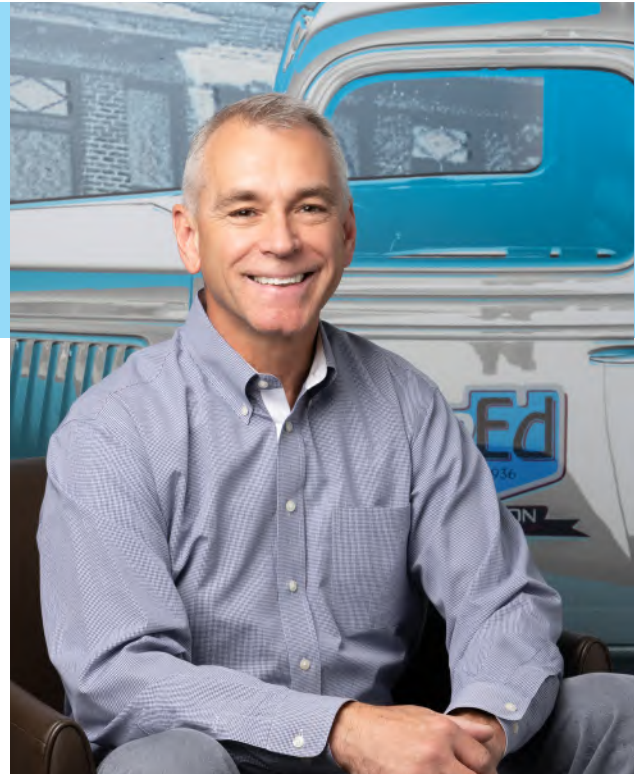
PRESIDENT/CEO REPORT

TODD ERICKSON

Hello. I am pleased to present this 2023 annual report to the membership of CapEd Credit Union. This report is a joint report from Joe Kelly, CapEd's Board Chair, and me to give you insights into CapEd's performance and work during 2023.

I want to thank Joe for the outstanding way he is fulfilling his Board Chair responsibilities after taking over for Dr. Larry Neznanski. CapEd has not missed a beat with Joe Kelly as the leader, and we have benefitted from his executive experience and knowledge during his term as Chair.

I want to thank all who serve on our Board of Directors and Supervisory Committee for their work and engagement in 2023. The Board is comprised of 11 volunteers who give of their time and have extensive and deep experience in governing CapEd with many of them having over 20 years of CapEd Board experience. You can see their names in this booklet, and I can attest that their experience is crucial in helping CapEd navigate the challenges and opportunities we see in the financial services industry. I also want to thank Randy Dewey for serving on the Supervisory Committee with Jonathan Gillen, Dr. Sam Alessi and Clay Long in 2023 and doing this



in addition to his Vice Chair responsibilities on the Board. I also thank Jonathan Gillen for stepping up to Chair this Committee in 2023. The women and men who serve as volunteers are a great strength to CapEd and epitomize the cooperative nature of the credit union industry. Many Board and Supervisory Committee members serve on a variety of important CapEd committees that are crucial to our operations, and they are always willing to give of their time and experience to help us. Finally, let me thank all the CapEd employees who provide EP!C and memorable experiences to our members each day as they transact business through the Contact Center or back office, in a branch, online, and on their smartphones or other devices. To work each day with the staff of CapEd is a joy to me as the CEO.

Each year, CapEd's Business Plan goals center around financial stability, member growth, organizational excellence, and member and community experience. The Business Plan strategies are designed to achieve the goals and objectives in these areas, which in turn advance the Mission and Vision of CapEd. In 2023, CapEd was successful in opening its 11th branch on Cleveland Blvd. in Caldwell. I am happy to report that this branch is performing very well in serving our Caldwell and surrounding area members' financial service needs. We continue to gather new members to join with the over 106,000 current CapEd members at all branch locations, and



Pictured Above: Team members celebrating CapEd's award for Idaho Press Top Workplace.

we will continue to expand our branch network in the Treasure Valley and throughout Idaho as we move forward in serving our members. One of the initiatives in our current Business Plan is to expand our services to assist in our members' financial well-being. Early in 2023, we successfully started a service organization called CapEd Insurance Services, Inc., which offers Medicare products and Medicare counseling to members who need those services. We recognize that Medicare can be a frustrating and sometimes confusing experience to navigate. By bringing professional expertise to our members through this service organization, we can help make the process a little easier. We have many other member financial well-being products and services available to our members that are accessible on the CapEd website.

Like many banks and credit unions in Idaho and around the nation, 2023 brought challenges for CapEd in gathering low-cost member deposits as CapEd experienced the full weight of the Federal Reserve's rate increases, which caused higher funding costs and declines in our margins. While CapEd was still profitable in 2023, our profits did not keep up with our 14% growth rate. As a result, CapEd will pursue net worth support options in 2024 to allow us to continue to serve our members and keep us in line with our risk requirements and regulatory standards.

We remain committed to successfully advancing our Vision and Mission, which direct staff to support quality education, member and employee financial empowerment projects, and projects that enrich the community. As always, we remain dedicated to the health and strength of CapEd Credit Union for our employees and members to enjoy for decades to come. We are confident that our products and services, our staff, and our commitment to service compare favorably with other financial institutions. We encourage each member to invite friends and family to come join us and enjoy the benefits of membership.

Thank you for your membership in CapEd!



Pictured Above: CapEd's Executive Team. Trudi Mayes, Chief Deposit Officer; Jessica Bevis (seated), Chief Retail Officer; Todd Christensen, Chief Marketing Officer; Toby King (seated), Chief Information Officer; Michele Sandberg, Chief People Officer; Todd Erickson (seated), President/CEO; Mike Hill, EVP/COO; and Richard Arnold, Chief Financial Officer.



Pictured left: Team and community members celebrating CapEd's ribbon cutting of the new Cleveland Blvd., Caldwell location. The "Juntos Avanzamos" designation was also celebrated with Mexican Consulate General Ricardo Gerardo.

SUPERVISORY COMMITTEE ANNUAL REPORT

JONATHAN GILLEN, CHAIR

According to the National Credit Union Association (**NCUA**), the Supervisory Committee (**SC**) is responsible for determining if, "The policies and procedures established by the Board of Directors (**Board**) are properly administered and adequate to safeguard the Credit Union's assets while allowing for quality of service and the safety of members' funds." To fulfill this responsibility, the SC performed or monitored the results of the following 2023 internal controls, financial reporting, and policy execution activities to ensure the well-being of member accounts at Capital Educators Federal Credit Union (**CapEd**).

2023 Supervisory Committee Members: Jonathan Gillen, Chair, Dr. Sam Alessi, and Clay Long.

The SC can function with as little as 3 or as many as 5 members at any one time. Open SC positions occur when a member resigns his/her position either during or at the end of their specified term. SC members are appointed by the Board who specifies terms in 1- to 3-year increments. Membership approval of SC appointments is not required.

Current members bring to the SC a broad range of experiences in accounting and finance, auditing, and information technology.

Auditing

The SC is responsible to assess if internal controls are established and effectively maintained. This objective is achieved through audits/examinations, which are performed to provide assurance on the efficiency and effectiveness of operations, safeguarding of assets, appropriate financial reporting, and compliance with laws and regulations. The SC monitored the assurance activity performed by the following groups:

Internal Audit:

A significant enhancement to CapEd governance in 2020 was the addition of an Internal Audit Function. The Internal Audit Function designed testing plans, developed risk matrices, performed a risk assessment of the applicable Credit Union operations, and adopted and implemented a testing plan utilized throughout the year. For the Credit Union, the Internal Audit Function plays a key role in not only assessing the internal controls of the organization, but also acting as a strategic partner in the education and development of an effective internal control structure as well as ensuring policies and procedures are not only followed but that they are efficient and appropriate for the organization.

In conjunction with the work of the Internal Audit Function, in 2021 the Board and SC came together and developed an Internal Audit Charter and Internal Audit Committee (IAC) that meets quarterly to review the audit reports provided by the Credit Union's Risk Management Department. These Committee meetings include reviews of the internal audit reports presented based on the identified testing plan, reports that include a breakdown of the scope and results of testing, and if applicable, areas where improvement can occur.

External Audit:

- Eide Bailly, a local audit firm, completed the following audit in 2023:
 - An annual financial statement audit for the fiscal year-end 2022 with the purpose of expressing an opinion as to CapEd’s compliance with Generally Accepted Accounting Procedures. No significant deficiencies or material weaknesses were noted.
- Moss Adams completed the following audit in 2023:
 - An annual review of the Bank Secrecy Act/Anti-Money Laundering/OFAC (BSA/AML) procedures. This audit was performed in November 2023 with no significant findings.
 - Vendor Management and Accounts Payable — Performed in September 2023 with no significant findings.
 - Remote Deposit Capture — Performed in September 2023 with no significant findings.
 - Automated Clearing House (ACH) and Wire Transfers — Performed in October 2023 with no significant findings.
 - Payroll Audit — Conducted in October 2023 with no significant findings.
 - Lending Compliance (Reg B, Flood Protection, Reg Z, SCRA, MLA) — conducted in November 2023 with no significant findings.
- Trace Security completed the Information Technology audit in September 2023 with no significant findings.

Supervisory Committee

Meetings:

The SC meets throughout the year, both in conjunction with the Board as part of our IAC quarterly meetings, as well as an individual Committee to discuss items pertinent to the SC.

The SC is responsible for ensuring that the Board and Management meet required financial reporting objectives and establish policies sufficient to safeguard members’ assets. The SC achieved these goals by attending monthly Board and Asset Liability Management Committee meetings as well as partnering with the Board on the Internal Audit Committee meetings and function.

Training:

In December 2023, Dr. Sam Alessi attended Filene Research’s Big, Bright Minds conference.

CapEd is very fortunate to have high caliber employees at all levels who have been very flexible and professional in maintaining focus on member service while taking care of their families and communities.

Thank you to all of the individuals involved in the accomplishments noted. It has been a pleasure to work with the Board, Management, staff of CapEd, and the members whom all of us serve.

ELECTION OF BOARD MEMBERS

As the number of nominees equals the number of positions to be filled, the elections will not be conducted by ballot, and there will be no nominations from the floor.

The following are the Nominating Committee's nominations for the four Board positions:

Dr. Linda Clark is a career educator who served 43 years as an Idaho teacher, principal, central office administrator, and superintendent. Prior to her retirement, she served as Superintendent of the West Ada School District (Meridian) from 2004 – 2015. Dr. Clark has a B.A. from Boise State University, an M.Ed. from the University of Idaho, and an Ed.D. from the University of San Francisco. She has served on numerous boards and advisory committees, including: the Boise and Meridian Chambers of Commerce; Northwest Evaluation Association; the Discovery Center of Idaho; and on the K-12 and Higher Ed Task Forces. She currently serves on the Board of Full Circle Health (formerly FMRI), as a member of the Board of Governors for the Andrus Center, and as a member of the Governor's Workforce Council. She was appointed to the State Board of Education in 2015 and is currently serving her third term as its President. Dr. Clark was elected to the CapEd Board of Directors in 2006.

Randy Dewey has been the Director of Finance since June 2013 for the Nampa School District, which is the fourth largest District in the state of Idaho with a total budget of approximately \$170 million. Before joining the Nampa School District, Randy worked for Eide Bailly LLP specializing in government and credit union audits for ten years rising to the level of senior audit manager. Randy is married and has two teenage kids. When he isn't working or volunteering with several local non-profits, he is spending time with his family camping, skiing, or playing tennis. Randy was elected to the CapEd Board of Directors in 2021.

Jane Kinn Buser retired as the Executive Director, Human Resource Services, for Boise State University having served in this capacity for over 37 years. During this time, her responsibilities in Human Resource Services included: Affirmative Action, Learning and Development, Employment, Human Resource Information Systems in addition to Benefits, Compensation, Classification, and Employee Relations. Jane has served the Boise community as a volunteer on several boards, is President of the Emeriti Board for Boise State University, and has been a member of the Board of Directors for CapEd since December 1983. She served as the Board Chair for three years.

Barbara Olic-Hamilton spent 35 years teaching high school English in small towns and big cities in Illinois, Iowa, and Idaho. She earned a B.A. in Secondary Education with a major in English and a minor in Speech and Drama from the University of Illinois in Urbana, IL. A few years later, she garnered an M.A. in English with an emphasis on Twentieth Century American Literature from Loras College in Dubuque, IA. She then moved to Idaho, joining CapEd in 1976. In 2005, she retired after spending 25 years as an English teacher and 10 years as English Department Chair at Boise High School. From 2007 through 2010, she worked as an adjunct instructor at Boise State, instructing future teachers of English regarding ways to teach literature in grades 7-12. From 2011 through 2016, she worked part-time as a bookseller at a local, independent bookstore. She has served on the Boards of the Idaho Council of Teachers of English and her homeowners' association as well as chairing a Curriculum Committee for the Osher Institute at Boise State. Currently, she volunteers for the Friends of the Boise Public Library and the Osher Institute. From 2006 to 2012, she was a member of CapEd's Supervisory Committee, serving as Chair for two years. She was elected to the CapEd Board of Directors in 2012. Currently, she serves as a member of the Internal Audit Committee and on the Board of the Idaho CapEd Foundation.

BOARD OF DIRECTORS

JOE KELLY **CHAIR**
RETIRED, WEST ADA SCHOOL DISTRICT

RANDY DEWEY, CPA **VICE CHAIR**
DIRECTOR OF FINANCE, NAMPA SCHOOL DISTRICT

RAINEY PIETERS **TREASURER**
RETIRED, BOISE SCHOOL DISTRICT

ALLISON WESTFALL **SECRETARY**
COMMUNICATION DIRECTOR, KUNA SCHOOL DISTRICT

DR. LINDA CLARK **MEMBER**
RETIRED, WEST ADA SCHOOL DISTRICT

LIZ CORREA **MEMBER**
TAX ACCOUNTANT, KNUFF CPAS

MARK EISENMAN, CPA, CFE **MEMBER**
STATEWIDE CHIEF AUDIT EXECUTIVE, IDAHO STATE BOARD OF EDUCATION

JANE KINN BUSER **MEMBER**
RETIRED, BOISE STATE UNIVERSITY

DAVID LAWRENCE **MEMBER**
RETIRED, MERIDIAN SCHOOL DISTRICT

DR. LARRY NEZNANSKI **MEMBER**
RETIRED, BISHOP KELLY HIGH SCHOOL

BARBARA OLIC-HAMILTON **MEMBER**
RETIRED, BOISE SCHOOL DISTRICT

SUPERVISORY COMMITTEE

JONATHAN GILLEN, MBA, CPA **CHAIR**
CHIEF OPERATIONS OFFICER, WEST ADA SCHOOL DISTRICT

DR. SAM ALESSI **MEMBER**
PRESIDENT, ALMANAC SYSTEMS, LLC

CLAY LONG **MEMBER**
ADMINISTRATOR, STATE OF IDAHO DIVISION OF CAREER TECHNICAL EDUCATION

STATEMENT OF CONDITION (UNAUDITED)

Assets	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash and cash equivalents	\$ 16,894,624	\$ 15,205,940
Accounts receivable	7,734,347	7,384,033
Investments in marketable securities		
Available-for-sale	119,304,704	93,415,235
Loans to members, net	1,325,303,970	1,176,541,454
Foreclosed and repossessed assets	2,438,952	984,890
Accrued interest receivable	5,885,162	3,868,069
Property and equipment, net	34,633,596	31,382,789
Cash surrender value of life insurance policies	10,981,796	5,936,379
NCUSIF deposit	11,875,033	10,041,767
Membership capital	11,772,700	8,487,400
Other assets	38,511,778	29,152,274
	<u>1,585,336,662</u>	<u>1,382,400,230</u>
Total assets		
	<u>1,585,336,662</u>	<u>1,382,400,230</u>
Liabilities and Members' Equity		
Liabilities		
Borrowed funds	229,825,226	162,836,805
Secondary capital funds	22,500,000	22,500,000
Accounts payable	4,709,468	5,183,969
Other liabilities	16,283,908	11,125,353
	<u>273,318,602</u>	<u>201,646,127</u>
Total liabilities		
	<u>273,318,602</u>	<u>201,646,127</u>
Members' Equity		
Members' shares and savings accounts	1,018,016,432	1,039,322,898
Non-member deposits	216,783,732	73,157,814
Undivided earnings	90,883,202	87,258,967
Accumulated other comprehensive loss	(13,665,306)	(18,985,576)
	<u>1,312,018,060</u>	<u>1,180,754,103</u>
Total members' equity		
	<u>1,312,018,060</u>	<u>1,180,754,103</u>
Total liabilities and members' equity		
	<u>\$ 1,585,336,662</u>	<u>\$ 1,382,400,230</u>

2023 audited financials will be available upon request by 04.30.2024

INCOME STATEMENT (UNAUDITED)

	Year of 2023	Year of 2022
Interest Income		
Interest on loans	\$ 65,466,370	\$ 42,360,750
Interest on investments	4,258,092	2,403,751
	<u>69,724,462</u>	<u>44,764,501</u>
Interest Expense		
Interest on borrowed funds	7,836,560	3,930,739
Members shares and savings accounts	21,999,744	4,680,392
	<u>29,836,304</u>	<u>8,611,131</u>
Net Interest Income	39,888,158	36,153,370
Provision for loan losses	6,125,000	2,800,000
Net Interest Income After Provision for Loan Losses	<u>33,763,158</u>	<u>33,353,370</u>
Non-Interest Income		
Service fees and charges	16,448,432	17,284,704
Other operating income	547,809	834,195
Realized gain (loss) on life insurance policies	110,417	108,400
Realized gain (loss) on investments	-	-
Gain on sale of participations	-	609,863
Gain (loss) on disposition of assets	(204,916)	(247,528)
Non-operating gains	870,630	1,838,592
	<u>17,772,372</u>	<u>20,428,226</u>
Total Non- Interest Income	<u>17,772,372</u>	<u>20,428,226</u>
Non-Interest Expense		
General and administrative		
Compensation and benefits	25,456,562	23,272,492
Travel and conference	246,742	200,527
Association dues	225,478	183,037
Office occupancy	1,036,089	893,984
Office operations	3,070,252	2,851,425
Educational and promotional	1,558,435	1,353,926
Loan servicing expense	4,853,561	3,703,567
Share deposit expense	4,368,717	4,353,375
Professional and outside services	3,806,890	2,885,487
Card fraud expense	170,000	100,000
Operating fee	173,887	138,765
Cash over/short	(17,517)	(17,104)
Misc. operating	73,480	90,628
Depreciation	2,658,719	2,061,004
	<u>47,681,295</u>	<u>42,071,113</u>
Total Non-Interest Expense	<u>47,681,295</u>	<u>42,071,113</u>
Net Income	<u>\$ 3,854,235</u>	<u>\$ 11,710,483</u>

2023 audited financials will be available upon request by 04.30.2024

Idaho CapEd

F O U N D A T I O N

In 2008, CapEd Credit Union started the Teacher Grant Program. This Program gives monthly grants to teachers and educators.

Teachers seeking a grant apply to the Credit Union and provide information including the proposed use of the grant money, how many students will be impacted, how the request fits in the current school district curriculum, and the amount of the grant requested.



Each month, a selection committee of three or four former teachers and education administrators reviews the applications and recommends recipients to CapEd.

In 2012, the Idaho CapEd Foundation was formed. It assumed ownership of the Teacher Grant Program. The Program retains its original purpose of awarding grants to Idaho teachers and educators to be used for specific educational projects or programs for their students.

CapEd has earned **gold!**



The Top Workplace in Idaho award is based entirely on the employee feedback captured from the engagement survey results from March.

Results were also compared nationally, and we have been awarded five Cultural Excellence Awards and the Financial Services Industry Award in 2023.

These Top Workplace awards are a reflection of our culture, which is comprised of everyone working together to ensure CapEd is a great place to work and thrive.



TOP WORK PLACES 2022-2023



CapEd Credit Union is a 2023 Top
Workplace!
2 Years Running





Insured by NCUA

