



89TH ANNUAL MEETING

Capital Educators Federal Credit Union
89th Annual Meeting • Thursday, February 27, 2025



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 89-year legacy of supporting teachers. In 1936, it was 13 teachers pulling together to support each other. Today, we are over 103,000 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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BOARD OF DIRECTORS

- JOE KELLY** **CHAIR**
RETIRED, WEST ADA SCHOOL DISTRICT
- RANDY DEWEY, CPA** **VICE CHAIR**
DIRECTOR OF FINANCE, NAMPA SCHOOL DISTRICT
- LIZ CORREA** **TREASURER**
TAX ACCOUNTANT, KNUFF CPAS
- ALLISON WESTFALL** **SECRETARY**
COMMUNICATION DIRECTOR, KUNA SCHOOL DISTRICT
- DR. LINDA CLARK** **MEMBER**
RETIRED, WEST ADA SCHOOL DISTRICT
- MARK EISENMAN, CPA, CFE** **MEMBER**
STATEWIDE CHIEF AUDIT EXECUTIVE, IDAHO STATE BOARD OF EDUCATION
- DR. PHIL GORE** **MEMBER**
CHIEF LEARNING OFFICER, IDAHO SCHOOL BOARDS ASSOCIATION
- JANE KINN BUSER** **MEMBER**
RETIRED, BOISE STATE UNIVERSITY
- DAVE LAWRENCE** **MEMBER**
RETIRED, MERIDIAN SCHOOL DISTRICT
- DR. LARRY NEZNANSKI** **MEMBER**
RETIRED, BISHOP KELLY HIGH SCHOOL
- BARBARA OLIC-HAMILTON** **MEMBER**
RETIRED, BOISE SCHOOL DISTRICT

ASSOCIATE BOARD

- GREG LOVELL** **MEMBER**
RETIRED, FOUNDER & CEO, IDAHO FIRST BANK, PEAK BANCORP

SUPERVISORY COMMITTEE

- DR. CLAY LONG** **CHAIR**
DIRECTOR, BUSINESS ADMINISTRATION, PUBLIC WORKS, CITY OF NAMPA
- GORDON BIRD** **MEMBER**
RETIRED, BOISE CASCADE
- JONATHAN GILLEN, MBA, CPA** **MEMBER**
REGIONAL DIRECTOR, CHARTER IMPACT
- RANDY DEWEY, CPA** **MEMBER**
DIRECTOR OF FINANCE, NAMPA SCHOOL DISTRICT

89TH ANNUAL MEETING AGENDA

WELCOME | RANDY DEWEY, BOARD VICE CHAIR

BUSINESS MEETING | RANDY DEWEY

- ◆ CALL TO ORDER
- ◆ DETERMINATION OF A QUORUM
- ◆ MINUTES OF 2024 ANNUAL MEETING
- ◆ UNFINISHED BUSINESS
- ◆ NEW BUSINESS

REPORTS

- ◆ PRESIDENT/CEO
- ◆ SUPERVISORY COMMITTEE

ELECTIONS

- ◆ INTRODUCTION OF NOMINATING COMMITTEE MEMBER | RANDY DEWEY
- ◆ ELECTION OF BOARD MEMBERS | BARBARA OLIC-HAMILTON

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

CALL FOR ADJOURNMENT | RANDY DEWEY

ADJOURNMENT

88TH ANNUAL MEETING MINUTES

FEBRUARY 29, 2024

Board Chair Joe Kelly welcomed 23 members to the 88th Annual Meeting of Capital Educators Federal Credit Union that was held in person at the Administrative Office located at 275 S. Stratford Drive in Meridian, Idaho.

Business Meeting: Chairman Kelly called the Business Meeting to Order at 3:30 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.

Chairman Kelly advised that a quorum (15 members required) was present.

Minutes: Chairman Kelly referred members to the minutes of the 87th 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 Kelly asked if there were any questions or comments on these reports. As there were none, the reports stood as printed.

Elections: Chairman Kelly asked Nominating Committee Chair, Allison Westfall, to present the Board nominations.

Allison Westfall stated that there were four open Board positions, and the Nominating Committee's four nominees for three-year terms on the Board of Directors were: Dr. Linda Clark, Randy Dewey, Jane Kinn Buser, and Dr. Larry Neznanski.

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

Motion passed unanimously to elect by acclamation to three-year terms the four nominees submitted by

the Nominating Committee.

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

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

CEO Erickson thanked the members for participating in the meeting. He thanked the members of our Board and Supervisory Committee and noted that as we are a not-for-profit cooperative chartered by the National Credit Union Administration (NCUA), our Board and Supervisory Committee members are volunteers. He also thanked the Executive Team and other Leaders of the Credit Union for their work over the past year.

CEO Erickson reflected on his 15 years as CEO, which began with his first challenging year as CEO in 2008 with the financial crisis, the possibility of losses due to the failure of WesCorp, and our uncertain future. He stated that we were very fortunate in that we did not lose even one dollar from our real estate portfolio.

CEO Erickson stated that we enjoyed 12 years of unprecedented growth with lots of deposits, loans, and good profitability. Then came the pandemic in 2020, which set us back. There were government stimulus payments, business failures, and the Paycheck Protection Program for businesses, which we participated in. Our employees' safety was critical, so we adapted and purchased equipment to allow many to work from home. He commended our Information Technology Department led by Chief Information Officer Toby King. CEO Erickson noted that we closed our branch lobbies and found innovative ways to continue to serve our members.

CEO Erickson said that 2023 was a year of increased cost of goods causing inflation accompanied by the Fed raising interest rates, which slowed our member deposits. He noted that, even with the economic conditions, we recently passed \$1.5 billion in assets. He commended the 290+ employees of CapEd who daily exemplified our Core Values and culture of providing memorable service to our members, showed resiliency, and utilized their high level of experience.

CEO Erickson stated that, although it was a tough decision, CapEd raised dividends on our rewards accounts to help our members through the difficult economic times. He noted that the dividend increase for qualified rewards accounts cost the Credit Union \$1 million. He mentioned that we added a High Yield+ rewards account, which allows a member to receive higher dividends on their checking and savings account in tandem when qualifications are met. He also mentioned that our money market and certificate rates were, and still are, very competitive. CEO Erickson stated that he is seeing some glimmer of hope as member deposits are showing a positive growth in February 2024.

CEO Erickson advised that, in response to a request from the membership for financial support in all stages of life, CapEd has started the CapEd Insurance Service LLC Credit Union Service Organization (CUSO). We have hired a very experienced person who provides guidance regarding Medicare. He suggested that any member who would like to review their Medicare options should contact Chris Ingram, whose contact information is on our website.

CEO Erickson noted that we are expanding our reach to serve more people in the Treasure Valley with the opening of our Cleveland Branch located in Caldwell. The branch, led by Branch Manager Lee Birch, has been very successful, and they are one of our higher performing branches. We are looking to build two branches in 2023 in the Treasure Valley and are striving to build one branch every year thereafter with a goal of \$150 million in deposits per branch.

CEO Erickson was pleased to announce that, after a very long search, we have partnered with a third party vendor to help with the overflow of member calls to our Contact Center. He commended Chief Retail Officer Jessica Bevis and her team for their work on getting this accomplished. Jessica mentioned that the third party vendor went live on Monday, February 26, and we are seeing very good results.

CEO Erickson mentioned that we started a Risk Management Department in 2023, which is headed by Vice President Melanie DeLashmutt. This Department is tasked with overseeing the management of risk for the Credit Union to include: credit, interest rate, liquidity, transaction, strategic, and reputation risk. He went on to say that the Credit Union's risk appetite

may best be described as controlled risk.

CEO Erickson reviewed some of the Credit Union's community partnerships to include: Idaho 4th of July Parade from Boise, Spirit of Boise Balloon Classic, and Gowen Thunder Airshow. He stated that we made a sizeable donation to the wing expansion for the renamed Children's Museum of Idaho powered by CapEd. Chief Marketing Officer Todd Christensen stated that the Museum's expansion opens on Friday, March 8.

CEO Erickson advised that CapEd elevated our partnership with the YMCA, and we are the title sponsor of their new downtown location, which will be located across the street from their current location and will be called the CapEd Credit Union Downtown Boise Y. He also advised that CapEd will have a branch in the new building.

CEO Erickson asked if there were any questions; there were none. He 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 turned the floor back to Chairman Kelly.

Chairman Kelly asked if there was any other business to discuss. Hearing none, he stated that, all business having been attended to for the 88th Annual Meeting of CapEd, he needed a motion to adjourn.

Motion passed unanimously to adjourn the meeting.

The meeting adjourned at 3:58 p.m.

DocuSigned by:

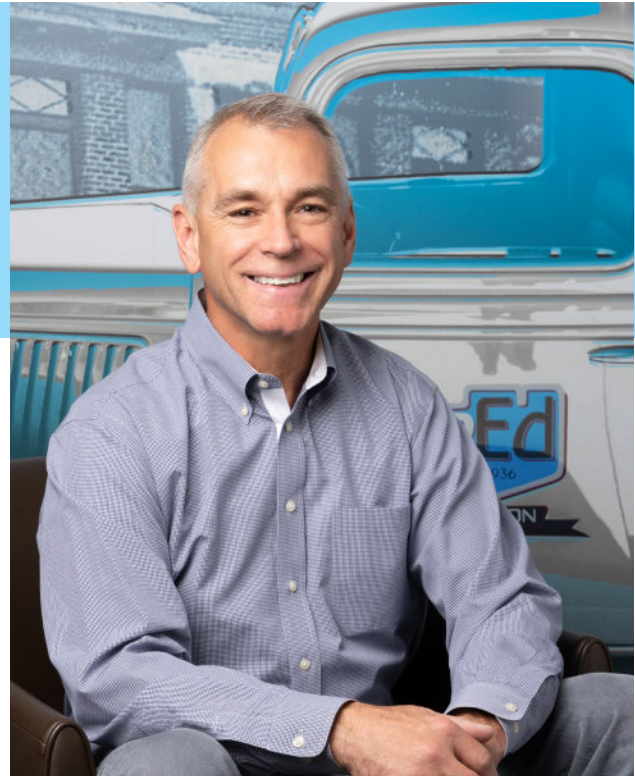
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Randy Dewey, Board Vice Chair

Signed by:

70A2B12FF0F045F
Allison Westfall, Board Secretary

PRESIDENT/CEO REPORT

TODD ERICKSON



Hello, CapEd membership. I am pleased to present this 2024 annual report 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 2024 performance and outlook for the future. I want to thank Joe Kelly for his work as CapEd's Board Chair. Joe is a seasoned executive with not only the knowledge and experience to help CapEd navigate the complexities of the financial services industry but also is a joy to work with. CapEd is fortunate to have a professional like Joe Kelly to lead from the Board Chair position.

I also want to recognize Dave Lawrence, who is retiring from the Board after 18 years of volunteer service. I have known Dave for a long time and value his friendship and the commonsense approach he has brought to the Board. I thank Dave for his many years of service on the Board, and I wish him well in his future pursuits.

Also, I would like to thank Rainey Pieters, another long-time Board member and Supervisory Committee member, for her many years of service to CapEd. Rainey announced her resignation from the Board late last year.

With all the changes occurring, they provide the opportunity for new faces to arrive at CapEd. Although we are sad to see friends and colleagues depart, we relish the opportunity for new ideas and perspectives to join us in the volunteer leadership positions at CapEd. The new faces that have been added to replace Dave and Rainey are Dr. Phil Gore and Greg Lovell. CapEd is fortunate to have these professionals as part of the Board of Directors. They bring unique and diverse

talents along with experience to CapEd, and we look forward to their contributions as we move into the future.

I want to thank all the professionals who voluntarily serve on our Board of Directors and Supervisory Committee. They are listed in your booklet, and I can attest that their experience and insight is crucial in helping CapEd navigate the challenges and opportunities we see in the financial services industry. I also want to thank Board Vice Chair Randy Dewey for jointly serving on the Supervisory Committee with Dr. Clay Long, Gordon Bird, and Jonathan Gillen in addition to his Vice Chair responsibilities on the Board. I also would like to thank Dr. Clay Long for stepping up to Chair the Supervisory Committee in 2024.

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.

I would be remiss if I did not thank all the CapEd employees who provide EPIC and memorable experiences to our members each day as they transact business through the Contact Center, back office, in a branch, online, on their smartphones, or using 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 centers 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 2024, CapEd was successful in finding two new branch locations that will be great spots to expand our branch network. Since negotiations are still ongoing on these locations, I won't name them. We are optimistic that the negotiations will come to fruition, and we will see these locations added to our branch network.

We continue to look for ways to expand our branch footprint and are moving forward with a partnership with the Treasure Valley YMCA. CapEd has made a significant donation to the new downtown YMCA capital project, and as a result, the downtown Y will be named the "CapEd Downtown Boise YMCA." This partnership will give CapEd access to space in the new building for a branch to serve our CapEd members in north Boise.

In 2024, banks and credit unions in Idaho and around the nation experienced challenges in core deposit growth, which brought the necessity to obtain additional funds at a higher cost to meet loan demand. Also, consumers endured another year of inflation, high borrowing rates, and high housing costs, which led to higher-than-normal loan charge offs.

CapEd has also seen an increase in its credit risk profile in 2024 from these scenarios, and this, along with industry regulations, has caused us to look for options to strengthen our capital. After reviewing options, it was decided to sell and leaseback some of CapEd's buildings to utilize the dormant capital equity they possessed. These

transactions will give us a bump in profitability and capital at a much lower cost than obtaining what is known as subordinated debt. We finished part of this project in 2024 and will be completing the sale-leaseback of the remaining identified buildings in the first quarter of 2025. Traditionally, leasing buildings was not a strategy of CapEd in securing locations, but we will be looking at that option more in the future.

Finally, after 30 years of employment and nearly 17 years as its CEO, I will be retiring from CapEd later this year to pursue other interests. I have thoroughly enjoyed my time at CapEd and the experiences I have had in leading CapEd for these many years have been both rewarding and fulfilling. I cannot express sufficiently my thanks to CapEd's Board of Directors and Supervisory Committee, the CapEd Executive Team, and my Executive Assistant, Mary Perhac, for their support. I have been blessed to work with such a great group of professionals during my time at CapEd. I again want to thank all the other employees at CapEd for their dedication to serving our members and helping us successfully advance our Vision and Mission over the years. I am confident that CapEd's commitment to excellence in member service will continue to be elevated with the new leadership, so thank you for the opportunity to be your CEO.

Thank you, and all my best!!!



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.

SUPERVISORY COMMITTEE ANNUAL REPORT

DR. CLAY LONG, CHAIR

According to the National Credit Union Administration (NCUA), the Supervisory Committee (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 achieves these goals by attending monthly Board and Asset Liability Management Committee (ALCO) meetings as well as partnering with the Board on the Internal Audit Committee (IAC) meetings. In March 2024, the IAC was merged into the SC to continue the efforts of the Internal Audit Function.

2024 Supervisory Committee Members: Chair: Dr. Clay Long; Members: Gordon Bird, Randy Dewey, and Jonathan Gillen.

To fulfill their responsibilities, the SC performed and monitored internal controls and financial reporting. 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:

Financial Statement Audit:

Eide Bailly, a local audit firm, completed the annual financial statement audit for the fiscal year ending 2023 with the purpose of expressing an opinion as to CapEd's compliance with Generally Accepted Accounting Principles (GAAP). No significant deficiencies or material weaknesses were noted.

Internal Audits:

The Internal Audit Function, as part of the Risk Management Department, 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. The following 2024 audits were performed by the auditing firm Moss Adams:

- Consumer and Indirect Lending File Review
- Fixed Assets
- Automated Clearing House (ACH)
- Wire Transfers
- Information Technology
- Advertising Compliance

- Corporate Credit Cards and Employee Expense Reimbursement
 - Debit Card Services
 - Investments
 - Mobile Banking
 - Real Estate Settlement Procedures Act
 - Home Ownership Protection Act
 - Secondary Market Sales
 - Unfair, Deceptive, or Abusive Acts or Practices (UDAAP)
 - Deposit Compliance
 - Compliance Management Systems
 - Electronic Banking and Cash Management
 - Overdraft Protection
 - Remote Deposit Capture
 - Social Media
 - Website Compliance and Administration
 - Advertising Compliance
 - Corporate Governance and Succession Planning
 - Electronic Funds Transfer Act – Reg E, Reg D, Reg DD, Reg GG
 - Anti-Money Laundering (BSA, USA PATRIOT Act, OFAC)
- Trace Security completed the Information Technology audit in September 2024 with no significant findings.

RECOGNIZING DAVE LAWRENCE

David Lawrence is retiring from the CapEd Board of Directors after 18 years of service. During his time on the Board, Dave served for 3 years as Board Secretary and served on or actively participated in several Board committees including the Retirement Plan Trustees Committee, Nominating Committee, Teacher Grant Selection Committee, and Asset-Liability Committee (ALCO). Dave also volunteered his time as part of a group of Idaho credit union ambassadors who traveled to Moldova as part of a partnership established through the World Council of Credit Unions.

Dave received his B.S. in Math and M.S. in Earth Science from Boise State University. He was published in Oregon: Oregon Geology, Geological Society of America abstracts with Programs, and Continental Magmatism abstracts. Dave is a retired teacher having spent 20 years as a high school math and physics science teacher at Centennial High School. Dave's work experience also includes 21+ years in the road construction and mining industries. For 15+ years, he volunteered as a math and science tutor for the Bogus Basin Ski Racing Team through the sponsorship of the Bogus Basin Education Foundation (formerly known as BBSRA).

In recognition for his loyal service, CapEd will be donating \$1,000 to the Bogus Basin Sports Education Foundation (BBSEF) in Dave's honor.



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 five Board positions:

Mark Eisenman CPA, CFE is the Statewide Chief Audit Executive for the Idaho State Board of Education. He is the former Chief Audit Executive for Boise State University. Prior to joining Boise State in 2005, Mark worked as an auditor for Idaho's Legislative Services Office. In addition to his state experience, Mark had two years of public accounting experience with a local CPA firm. Mark earned both a Master of Accountancy and a B.S. in Business Administration with a double emphasis in accounting and finance from the University of Montana. Mark is a Certified Public Accountant (CPA) and a Certified Fraud Examiner (CFE). He is a founding member and past president of the Boise Chapter of the Association of Certified Fraud Examiners. In 2011, Mark was one of twenty auditors selected to participate in the ACUA Leads program. Mark was appointed to the CapEd Board in April 2012.

Dr. Phil Gore is the Chief Learning Officer for the Idaho School Boards Association. He is in his 18th year working in school board development nationally. A champion for exceptional governance, Phil is co-editor of *Improving School Board Effectiveness: A Balanced Governance Approach*. He is a nationally known researcher, author, and speaker. Prior to working in school governance, Phil was a pastor and youth minister for twenty years. When he is not assisting school boards and superintendents, Phil enjoys hiking, mountain climbing, kayaking, and long-distance running with his wife, children, and grandchildren.

Greg Lovell is the founder of two Idaho Community Banks--First Bank of Idaho and Idaho First Bank. He served as Chairman, CEO, and President of both successful banks. He began his career with Idaho First National Bank. He was the SVP for Commercial and Private Banking for Bank of America Idaho. He was a consultant with FIMAC where he performed credit examination services for FarmerMac, banks, and credit unions. He retired from Idaho First Bank on January 1, 2022. His community involvement includes Rotary Clubs, Pacific Coast Banking School, American Bankers Association, Independent Community Bankers Association, Boise Neighborhood Housing, Valley Adams Regional Housing Authority, Warhawk Air Museum, and Lee Pesky Learning Center. Greg was appointed to the CapEd Associate Board in November 2024.

Dr. Larry Neznanski became a member of Capital Educators Federal Credit Union in 1992. Larry received his bachelor's degree from Michigan Technological University and his master's and Ph.D. Degrees from Purdue University, all in electrical engineering. He is also a graduate of the Defense Systems Management College. Larry served as a regular officer in the United States Air Force from 1964 to 1990 where he was a Research and Development Engineer, Chief Engineer, and Program Manager. He taught physics and mathematics at Bishop Kelly High School for 20 years, retiring in 2010. He received the Presidential Award for Excellence in Science Teaching in 2005 and the Siemens Award for Advanced Placement Teaching in 2009. He is the 2014 Idaho Credit Union League Volunteer of the Year, and the 1974 Military Airlift Command Junior Officer of the Year. Larry is married to Shirley who taught first grade at St. Mark's School for 21 years. They have four grown children and six grandchildren. Larry served on the CapEd Supervisory Committee from September 1998 to December 2000. He has served on the Board of Directors of the Credit Union since January 2001 and served as the Chair from February 2007 to February 2023.

Allison Westfall has nearly 30 years of experience in public school communications and community engagement at the local and state levels serving six school district superintendents and three elected state superintendents from both political parties. In 2024, she was awarded the Leadership in Education Award from the Idaho Association of School Administrators. Prior to her education career, Allison was an award-winning newspaper journalist. Currently, she serves as the Communication Director for the Kuna School District. She also is a consultant for the Idaho School Boards Association. She earned a bachelor's degree in journalism from Seattle University and a master's degree in public administration from Boise State University. Allison was appointed to the CapEd Board in February 2019.

STATEMENT OF CONDITION (UNAUDITED)

Assets	<u>12/31/2024</u>	<u>12/31/2023</u>
Cash and cash equivalents	\$ 51,239,687	\$ 16,894,624
Accounts receivable	22,022,235	7,734,347
Investments in marketable securities		
Available-for-sale	151,718,665	119,304,704
Loans to members, net	1,219,710,820	1,325,303,970
Foreclosed and repossessed assets	3,656,863	2,438,952
Accrued interest receivable	5,769,412	5,885,162
Property and equipment, net	40,008,038	34,633,596
Cash surrender value of life insurance policies	17,381,460	10,981,796
NCUSIF deposit	11,910,792	11,875,033
Membership capital	12,993,500	11,772,700
Other assets	36,017,851	38,511,778
	<u>1,572,429,323</u>	<u>1,585,336,662</u>
	<u><u>1,572,429,323</u></u>	<u><u>1,585,336,662</u></u>
 Liabilities and Members' Equity		
Liabilities		
Borrowed funds	245,000,000	229,825,226
Secondary capital funds	21,000,000	22,500,000
Accounts payable	9,666,257	4,709,468
Other liabilities	15,968,468	16,283,908
	<u>291,634,725</u>	<u>273,318,602</u>
	<u><u>291,634,725</u></u>	<u><u>273,318,602</u></u>
 Members' Equity		
Members' shares and savings accounts	1,019,319,692	1,018,016,432
Non-member deposits	186,858,703	216,783,732
Undivided earnings	88,822,104	90,883,202
Accumulated other comprehensive loss	(14,205,901)	(13,665,306)
	<u>1,280,794,598</u>	<u>1,312,018,060</u>
	<u><u>1,280,794,598</u></u>	<u><u>1,312,018,060</u></u>
	<u><u>\$ 1,572,429,323</u></u>	<u><u>\$ 1,585,336,662</u></u>

2024 audited financials will be available upon request by 04.30.2025

INCOME STATEMENT (UNAUDITED)

	Year of 2024	Year of 2023
Interest Income		
Interest on loans	\$ 76,455,429	\$ 65,466,370
Interest on investments	14,262,678	4,258,092
Total Interest Income	<u>90,718,107</u>	<u>69,724,462</u>
Interest Expense		
Interest on borrowed funds	17,282,069	7,836,560
Members shares and savings accounts	28,360,764	21,999,744
Total Interest expense	<u>45,642,833</u>	<u>29,836,304</u>
Net Interest Income	45,075,274	39,888,158
Provision for loan losses	<u>15,269,782</u>	<u>8,712,000</u>
Net Interest Income After Provision for Loan Losses	<u>29,805,492</u>	<u>31,176,158</u>
Non-Interest Income		
Service fees and charges	16,827,922	16,448,432
Other operating income	1,715,321	547,809
Realized gain (loss) on life insurance policies	409,664	110,417
Realized gain (loss) on investments	39,563	-
Gain on sale of participations	449,230	-
Gain (loss) on disposition of assets	4,960,734	(204,916)
Non-operating gains	<u>1,339,233</u>	<u>870,630</u>
Total Non- Interest Income	<u>25,741,667</u>	<u>17,772,372</u>
Non-Interest Expense		
General and administrative		
Compensation and benefits	27,255,945	25,456,562
Travel and conference	245,271	246,742
Association dues	242,520	225,478
Office occupancy	1,106,773	1,036,089
Office operations	3,638,648	3,070,252
Educational and promotional	1,505,428	1,558,435
Loan servicing expense	5,270,061	4,853,561
Share deposit expense	4,801,200	4,368,717
Professional and outside services	3,612,317	3,806,890
Card fraud expense	495,000	170,000
Operating fee	280,322	173,887
Cash over/short	39,201	(17,517)
Misc. operating	66,753	73,480
Depreciation	<u>2,761,818</u>	<u>2,658,719</u>
Total Non-Interest Expense	<u>51,321,257</u>	<u>47,681,295</u>
Net Income	<u>\$ 4,225,902</u>	<u>\$ 1,267,235</u>

2024 audited financials will be available upon request by 04.30.2025

IT'S MORE THAN BANKING, IT'S MAKING A DIFFERENCE.

The Credit Union is deeply committed to supporting quality education and working to help enrich our communities. For the last thirteen years, financial support has directly aided area non-profits and school districts to strengthen early childhood learning. In 2024, this support continued. The following outlines these dedicated community investments:

Children's Museum of Idaho – Portable Planetarium	\$ 6,000
Kuna School District – Resources for Early Learning Collaborative	\$ 10,000
Lee Pesky Learning Center – Childcare and Parent Training Resources	\$ 15,000
Idaho Association for the Education of Young Children (AEYC) – READY!	\$ 25,000



The Credit Union also partnered with the Children's Museum powered by CapEd providing resources to ensure the successful expansion of the interactive learning space. The expanded Museum opened in March 2024. This partnership ensures youth from across the region have a fun, engaging space to learn with family and friends.



The Treasure Valley Family YMCA embarked on a once-in-a-generation, transformational project to build a new Boise Y roughly a decade ago. CapEd stepped forward with a visionary partnership to ensure the new location becomes a reality. The new location will expand Y services and connections to our growing community. The dream and vision are becoming a reality. A groundbreaking of the CapEd Credit Union Downtown Boise YMCA took place on October 29, 2024. The CapEd Downtown Y is anticipated to open in late 2026 and will include a branch location.



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	1957 - 1972	Al Pantry
1938	D. H. Hunt	1973 - 1974	Ed Gill
1939	Jennie M. Haley	1974 - 1980	Mike Lyon
1940 - 1943	Harold Hines	1980 - 2007	A.H. Chatburn
1944 - 1945	Harry Rice	2007 - 2010	Hylon Plumb
1946	Frank O. Hudson	2010 - 2011	Robert Rudkin
1946 - 1948	Donald Calkin	2011 - 2018	David Marquart
1949 - 1950	Milton Small	2018 - 2024	Rainey Pieters
1951	Lloyd Wilson	2024 - Present	Liz Correa
1952 - 1956	Paul O. Blair		

PRESIDENTS

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

**TOP
WORK
PLACES**
2022-2024



CapEd Credit Union is a 2024 Top
Workplace!
3 Years Running



Idaho CapEd

F O U N D A T I O N

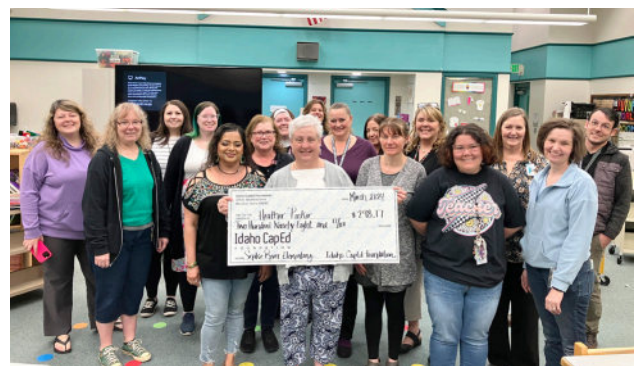
The following is the financial support provided to Idaho school teachers by the Idaho CapEd Foundation in calendar year 2024:

2024 Teacher Grants 69 Grants Issued Total \$45,000.00

Through the Teacher Grant Program, in addition to two years of the now retired School Grant Program, over \$650,000 in financial support has been provided to the education community.

In 2008, CapEd Credit Union started the Teacher Grant Program. The program awarded monthly grants to teachers and educators.

Teachers seeking a grant applied to the Credit Union and provided information, including the proposed use of the grant money, number of students impacted, how the request fit the current school district curriculum, and the dollar amount of the grant requested.



Each month, a selection committee of 3 to 4 former teachers and education administrators reviewed the applications and recommended recipients to CapEd.

In 2012, the Idaho CapEd Foundation was formed and assumed ownership of the Teacher Grant Program. The program retains its original qualifications, purpose, and structure, and continues to award grants to Idaho teachers and educators for specific educational student projects or programs in the classroom.



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