



CREDIT UNION  
OF  
COLORADO®

## 2023 Annual Report



## Board of Directors' Report



On behalf of the Credit Union of Colorado Board of Directors, I am pleased to report that 2023 was a year of continued growth and strong performance.

The Board of Directors is responsible for the credit union's corporate governance, fiscal soundness, accountability, and strategic direction. Our most important duty is to provide the highest level of service to our members. We're here to help make our members' financial lives easier and to actively contribute to and enhance the communities where they live, work, and play.

Our members are also co-owners – and are treated as such – with respect and genuine friendliness. In addition to providing personalized service and the latest convenience banking, members also share in our profits. The money we earn from interest and fees goes back to members through better interest rates, lower fees, and dividends.

The Credit Union of Colorado continues to be fiscally sound and stable. Throughout the year, our economic stability has allowed us to adapt to the changing environment and continue to help our members achieve their financial goals.

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**Will Fleckenstein, Ph.D.**  
*Board Chairperson*



Our high member satisfaction rate demonstrates our commitment to members.

**79%**  
recommend

In 2023, 79% of our members reported being willing to recommend the credit union to their friends and family.

**77%**  
members  
for life

We have one of the lowest member attrition rates in the industry. According to the most recent survey results, 77% of our current members plan to remain members for life.

**7.5%**  
growth

Our membership grew at a rate of 7.5% in 2023. This rate is consistent with last year and far exceeded the annualized national membership growth of 3.3% reported by the Credit Union National Association.

“Here to help” defines the credit union’s mission and culture. We take a hands-on approach – actively contributing and giving back to the communities we serve throughout the state. Our commitment to community, with a focus on equity, education, and the environment, reflects our promise to make a lasting impact. The communities we serve are geographically and demographically diverse. With direct input from those we serve, we provide support that is beneficial to both our members and the community. Our Foundation’s mission is to support education through college scholarships and educator grants.

We also support giving back locally by granting our team members paid time off for personal volunteerism. Every day, our team members live out our shared commitment to giving back and doing good. This year, the credit union team also made a considerable impact through our fifth annual Here to Help (H2H) Day – a day when our team members take time out to volunteer at nonprofit organizations across the state. The credit union also supported Colorado Springs Pikes Peak Pride Fest on June 10 and underwrote Denver Pride’s art installation-Love is Love- displayed at Civic Center Park on June 24 and 25.

**Volunteering and Fundraising**

We supported 180 community organizations.

Our team donated more than 1860 hours to volunteer efforts.

During our annual Here to Help Day in October, more than 200 team members volunteered at 19 nonprofit partner organizations.

**Credit Union of Colorado Foundation**

In 2023, 14,016 members joined the Foundation.

Nearly \$116,500 in general grants was awarded to 70 nonprofit organizations across Colorado.

10 scholarships totaling \$50,000 were awarded to Colorado students pursuing college and technical degrees.

The combined grants and scholarships awarded in 2023 totaled \$217,335.

**COMMUNITY IMPACT**

**Education**



**\$58,552**

EMPLOYEES: 88

HOURS VOLUNTEERED: 425

ORGANIZATIONS SERVED: 33

**Environment**



**\$7,402**

EMPLOYEES: 79

HOURS VOLUNTEERED: 266

ORGANIZATIONS SERVED: 14

**Equity**



**\$285,205**

EMPLOYEES: 310

HOURS VOLUNTEERED: 1169

ORGANIZATIONS SERVED: 133

**TOTAL**

**\$351,160**

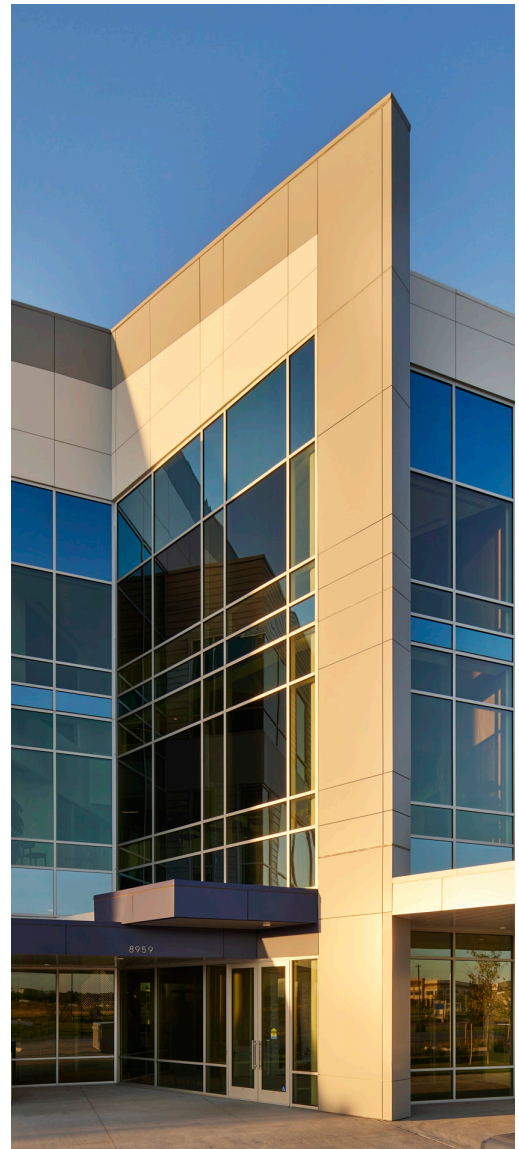
# Thank you, Terry Leis, CEO

After 36 years with Credit Union of Colorado, Terry Leis, CPA and Credit Union of Colorado's chief executive officer, began his last full year and will transition to retirement in the spring of 2024.

Terry has touched all facets of our organization over nearly four decades and has created a culture that will carry Credit Union of Colorado forward for decades to come.

Terry began his career at the credit union in 1987 as Vice President of Finance. Since 2001, Terry has served as CEO overseeing tremendous growth and expansion. In 2007, Terry navigated the expansion from a focused credit union serving state employees to a federal credit union serving all Coloradans, and then in 2022, Terry led the credit union's expansion to welcome members nationwide. From 2021 to 2023, he oversaw the building and recent move into our new company headquarters in the Central Park neighborhood after nearly 60 years in our downtown location.

Under Terry's leadership, the credit union has grown as an organization that lives up to its values with authentic service to our members. A servant-leader, Terry's authentic leadership style is rooted in doing right by members 100% of the time, team collaboration, and relationship building. After 36 years of living out his values daily, Terry's reflection has become our culture. Thank you, Terry! We are dedicated to following your example of giving back and focusing on taking care of employees, members, and finances - and doing it all well.



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## Credit Officer's Report *Chad Wilcox, Senior VP of Lending/Credit Officer*

In 2023, we helped our members navigate a financial landscape that was marked by inflation and continued high and fluctuating interest rates, including mortgage rates. Our member-focused team assisted members with lending needs to provide guidance and financial support. We saw renewed interest in home equity loans, personal loans, credit cards, and limited interest in home financing assistance.

- We assisted **23,584** members with their lending needs throughout 2023.
- Loans grew at **10.2%** or **\$153,982,547 million** in 2023.
- Home financing assistance of **\$45,979,584 million** was provided to **166** members.

# Treasurer's Report *Joe Montoya, Interim Secretary/Treasurer*

Despite continued high interest rates and elevated inflation, the economy remained resilient in Colorado and nationally in 2023. The credit union's strong financial position helped us adapt to the fluctuating economic conditions. We remained focused on our mission and kept our members' financial needs at the forefront. Equipped with a variety of innovative products and services, market-leading credit card offerings, and the ability to efficiently manage loan demand, the credit union generated steady and positive results this year.

## Key Financial Highlights

- We had more than **\$2.84 billion** in total assets at the end of 2023.
- Deposits declined **0.14%**.
- Loans grew at **10.24%**.
- Net loan charge-offs were **0.43%** of average loans.
- Our return on assets was **0.41%**.

Financial Highlights	2023	2022	% Change
Members	168,332	156,611	7.48%
Deposits	\$2.11 billion	\$2.11 billion	(0.14%)
Loans	\$1.66 billion	\$1.50 billion	10.24%
Net Income	\$10.55 million	\$11.41 million	(7.52%)
Net Charge-Offs	0.43%	0.22%	0.21%
Total Assets	\$2.84 billion	\$2.34 billion	21.03%

## Financial Stability

Credit Union of Colorado is a fiscally responsible and financially stable institution. This became even more evident throughout 2023 as we helped our members continue to traverse inflation and the resulting fluctuating interest and mortgage rates. We continue to earn the highest regulatory compliance ratings possible and to deliver stable, above-average financial growth.

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## Supervisory Committee Report *Ron Hinton, Chairperson*

The credit union's supervisory committee ensures that Credit Union of Colorado's policies, procedures and reporting meet both regulatory requirements as well as our members' needs. We're pleased to report that we are in compliance with all regulatory requirements, having once again earned the highest regulatory rating possible. Thank you to our management team and our internal audit department for their important work to ensure our success. We also acknowledge the important contribution of our external CPA firm, SingerLewak. This team of professionals ensures we meet the voluminous requirements placed on financial institutions while always protecting the interests of our member shareholders.

## President's Report *Phil Smith, President*

In my first full calendar year as president, I'm honored to foster Credit Union of Colorado's and Terry's legacy to actively support our members, employees and the communities we serve while positioning the credit union for continued growth and expansion.

### **New Central Park Branch and Corporate Headquarters**

The credit union officially moved into our new headquarters in Denver's Central Park neighborhood in early April and celebrated the grand opening of both the Central Park corporate headquarters and branch on Saturday, September 16.

The new headquarters building is centrally located, providing convenient, easy access to the greater Denver metropolitan area and proximity to light rail. The building is energy efficient, follows best practices in environmental construction and includes a full-service branch with drive-up and ATM services. It also provides more space for our growing workforce which proudly serves more than 160,000 members throughout the state of Colorado. The space is forward-thinking, designed to support a hybrid working environment and provide our team with a more collaborative atmosphere. The building grounds include green space, a walking path and electric vehicle charging stations. This new location allows us to keep our contact center local while increasing productivity and efficiency. It gives members access to another branch location and we've also incorporated a dedicated community meeting space to support community collaboration.

### **New Tremont Branch**

On August 14th, we opened a branch at 1275 Tremont Place in Downtown Denver to replace the previous branch located in our old headquarters, which will be sold, and maintain our presence downtown.

The open layout of the new Downtown Denver branch provides an integrated approach to helping members. The Downtown Denver branch features a full-service office with a lobby service center and drive-up tellers. The credit union's expanded presence in Denver reflects our growing workforce and membership base and our commitment to serving members throughout the state of Colorado.

*Photos of the new Central Park Branch and Corporate Headquarters are included throughout this report*



Statement of Financial Condition <small>(unaudited)</small>	2023	2022
Loans	\$1,657,844,693	\$1,503,862,146
Loans in Process	38,739	312,285
Deferred Net Loan Origination Costs	9,492,900	10,873,508
Allowance for Loan Losses	(13,140,979)	(3,721,352)
<b>TOTAL LOANS, NET</b>	<b>1,654,235,354</b>	<b>1,511,326,587</b>
Other Assets Held For Sale	1,368,710	270,564
Other Real Estate Owned	0	0
Cash	17,115,188	19,604,425
Investments	982,877,185	639,885,127
Fixed Assets	83,145,996	75,298,454
Other Assets	98,092,613	97,430,332
<b>TOTAL ASSETS</b>	<b>\$2,836,835,046</b>	<b>\$2,343,815,489</b>
Notes Payable	\$465,050,000	\$0
Other Liabilities	50,224,085	30,078,133
Shares	648,174,716	797,664,289
Money Market	490,691,179	573,120,310
IRA/HSA Shares	31,666,550	34,148,260
Checking	484,219,791	507,030,349
Certificates	453,338,364	199,092,767
<b>TOTAL DEPOSITS</b>	<b>2,108,090,601</b>	<b>2,111,055,975</b>
Regular Reserves	15,465,739	15,465,739
Retained Earnings - Business Combinations	6,758,780	6,758,780
Gains - Business Combinations	1,245,123	1,245,123
Undivided Earnings	196,352,982	199,335,766
Unrealized Gain (Loss)	(16,903,979)	(20,124,027)
<b>TOTAL EQUITY</b>	<b>213,470,360</b>	<b>202,681,381</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$2,836,835,046</b>	<b>\$2,343,815,489</b>



## Statement of Financial Condition (unaudited)

2023

2022

Loan Interest	\$92,547,697	\$61,861,477
Net Loan Origination Costs	(6,681,232)	(5,285,387)
Investment Income	62,860,703	20,660,415
<b>TOTAL INTEREST INCOME</b>	<b>148,727,168</b>	<b>77,236,505</b>
Interest on Borrowed Money	42,682,740	8,353,759
Deposit Dividends	23,733,090	5,917,363
<b>TOTAL COST OF FUNDS</b>	<b>66,415,830</b>	<b>14,271,122</b>
<b>NET INTEREST INCOME</b>	<b>82,311,338</b>	<b>62,965,383</b>
Fee Income	6,548,871	6,693,711
Other Income	19,885,285	18,932,440
<b>TOTAL NON-INTEREST INCOME</b>	<b>26,434,156</b>	<b>25,626,151</b>
Salaries and Benefits	42,416,308	38,949,362
Conferences and Training	906,742	696,952
Office Occupancy	8,428,708	6,136,698
Office Operations	3,522,598	3,024,421
Marketing	2,139,956	2,400,588
Technology	10,861,295	9,059,220
Loan Servicing	1,552,705	1,702,065
Professional/Outside Services	3,905,393	3,580,179
Insurance	455,286	419,909
Plastic Cards	9,972,914	6,780,683
Payment Processing	1,617,491	1,175,452
Loan Origination Costs	(1,272,533)	(1,321,484)
Miscellaneous Operating Expenses	428,361	1,861,241
<b>TOTAL OPERATING EXPENSES</b>	<b>84,935,225</b>	<b>74,465,286</b>
Provision for Loan Loss	13,328,626	3,209,301
Gain (Loss) on Disposition of Assets	70,074	493,351
<b>NET INCOME</b>	<b>\$10,551,717</b>	<b>\$11,410,298</b>

We would like to thank all of our valued employees who helped Credit Union of Colorado grow and who provided excellent member service throughout 2023.



## 2023 Credit Union of Colorado Officials

### **Board of Directors:**

Dr. Will Fleckenstein, *Chairperson*  
JoAnn Vondracek, *Vice Chairperson*  
Cindy DeGroen, *Secretary/Treasurer*  
John Brantley, *Director*  
Dann Milne, Ph.D., *Director*  
Joe Montoya, *Director*  
Wendell Pryor, *Director*  
Stephan Schweissing, *Director*  
Cynthia Thayer, *Director*  
Russ VanNostrand, *Director*  
Lloyd Wicke, *Director*  
Dan Fox, *Advisory Board Member*

### **Supervisory Committee:**

Ron Hinton, *Chairperson*  
Marilyn North, *Secretary*  
Gabe Hesse, *Member*  
Jeff Romeo, *Member*  
Jing Ye, *Member*

## Contact

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