

2023

Annual Report

YOUR TRUSTED
FINANCIAL PARTNER
IN ARIZONA SINCE 1951

CREDIT UNION
WEST 

Message from the Board Chair and CEO

As we reflect on the past year, we are pleased to share with you the achievements and milestones that have defined our journey together. In a year that posed many challenges, our collective resilience and commitment have been sources of strength.

Credit Union West not only weathered the challenges, but has emerged stronger than ever. Our success is attributed to our unwavering commitment to our mission, “To inspire our members, employees, and communities to achieve their financial goals and enhance their quality of life.”

In 2023, we are proud to report a remarkable 4.96% growth in membership, bringing us to 90,131 members as of year-end. We experienced an increase of 5.67% in loans. This demonstrates our commitment to empowering members to achieve their goals, whether it be home ownership, education, or other personal undertakings. We generated over \$13 million in net income, reflecting our sound financial management and prudent decision-making.

Credit Union West was recognized once again as a ‘Top Company to Work For in Arizona’ by BestCompaniesAZ. This was our 11th consecutive year earning this award, affirming our commitment to be a great place to work. Our Employee Volunteer Program continues to grow as we remain dedicated to our communities.

In 2023, Credit Union West employees provided over 500 hours of volunteer time. We are proud of launching the CU West CARES Charitable Foundation, supporting a total of 53 sponsorships and over \$121,000 in donations.

As we celebrate these achievements, we remain dedicated to providing you with the highest level of service and support to achieve your financial goals. The future holds exciting opportunities, and we are committed to exploring new ways to enhance your experiences and your financial well-being. In 2024, our focus will be on enhancing our infrastructure for a reimagined Credit Union West that supports your financial journey. This includes growing our team and adding 36 positions, overhauling our account opening system and processes to provide a seamless omni-channel experience, continued branch expansion opportunities, increased digital delivery channels, and much more!

From the bottom of our hearts, we thank you for your membership and trust in Credit Union West. We look forward to another successful year serving you.

“In 2023, we are proud to report a remarkable 4.96% growth in membership, bringing us to 90,131 members as of year-end.”



Gary Larberg

Gary Larberg
BOARD CHAIR



Karen Roch

Karen Roch
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Our Mission

To inspire our members, employees, and communities to achieve their financial goals and enhance their quality of life.

Our Vision

To be your primary trusted financial services provider for life.

Our Values

- Security
- Excellence
- Respect
- Vision
- Integrity
- Commitment
- Empowerment




2023 Highlights


We are proud to serve as a not-for-profit credit union where our members are our highest priority – not profits. In fact, any money that remains after expenses are paid, is given back to our members and communities. Each year, we strive to provide financial products and services that will help each person in our community grow their financial stability and success.

LOANS ORIGINATED

 **1,571**
NEW AUTO
LOANS

 **3,097**
USED AUTO
LOANS

 **2,776**
RECREATIONAL
VEHICLE LOANS

1,540 
CREDIT CARDS
ISSUED

 **582**
HOME EQUITY LOANS

MEMBERSHIP

New Members:
4,263
Total Members:
90,131

ASSETS

Total assets:
\$1,206,329,192

LOANS FUNDED

Funded **12,214**
in loans, totaling over
\$343,500,000



Platinum Rewards card holders redeemed **44,668,362** reward points – that’s over **\$446,000** in cash, gift cards, travel, and merchandise.

VOICE OF THE MEMBER PROGRAM

BRANCH
OVERALL
SATISFACTION
9.44

DIGITAL
OVERALL
SATISFACTION
9.24

MCC
OVERALL
SATISFACTION
9.11

NEW MEMBER
OVERALL
SATISFACTION
9.48

NEW PRODUCT
OVERALL
SATISFACTION
9.64

Member Support and Financial Assistance

Many of our members experienced financial challenges over the last year and we quickly identified key areas where assistance initiatives would positively impact their financial well-being. Our new Down Payment Assistance Program offered first-time homebuyers grants up to \$50,000 to use towards their down payment and closing costs. We created income replacement solutions for military and federal workers in the event of a government shutdown, and revamped our Skip-a-Pay Program that helps members preserve their credit report health and keep their collateral while temporarily lowering their monthly payments. We also implemented operational updates within our collections process that provided additional resolution options for members experiencing hardship.

\$20,000 Member Give Back

In 2023, we held two 'Spend to Win' promotions that offered our members a life-changing cash prize. Members who completed at least 10 transactions with their Credit Union West debit and/or credit card during the months of May and November were automatically entered to win. Two members drawn at random were awarded \$10,000 each for their participation.

New Branch Openings in Prescott Valley and Phoenix

In April, we celebrated the grand opening of the newly built 2,200 square foot branch in Prescott Valley with a ribbon cutting ceremony and donation to the Firefighter Angel Foundation that helps at-risk families in Yavapai County. Jack FM radio station, community leaders, credit union members, and the local Prescott Valley Chamber of Commerce were in attendance. The new branch is conveniently located in the Glassford Hill Marketplace near popular retailers. It features a large, open-space lobby with high ceilings, three drive-thru lanes, and expanded parking options.

In May, we opened our new Papago branch near Arcadia in the metro Phoenix area. The move relocated our Osborn branch, formerly located on the HonorHealth hospital campus in Scottsdale. The new location has an open and modern look with a drive-up ATM for convenient service. A grand opening and ribbon cutting ceremony was held in July and featured an EmployeesCARE check presentation to the Arizona Chapter of the American Foundation for Suicide Prevention.



Papago Branch Grand Opening



Member Appreciation Spend to Win Winner



Holiday Spend to Win Winner



Prescott Valley Branch Grand Opening

Treasurer's Report

Kelly Poldoski | Vice President, Chief Financial Officer

As your Treasurer, it is with great pride that I share our financial achievements and milestones over the past year. Our members' commitment and trust has been instrumental in our success, and I am excited to highlight the progress we have made together.

In 2023, Credit Union West achieved strong financial results despite the continued economic uncertainties marked by inflationary pressures and interest rate fluctuations. We saw healthy growth in assets, loans, deposits, and capital demonstrating our resilience and sound financial management.

Our total assets increased by 7.92% compared to the previous year of 5.52%. This brought Credit Union West to a record high of \$1.2 billion in total assets. Expansion in assets has enabled us to help our members achieve their financial goals and enhance their quality of life while maintaining the financial strength and stability of our credit union.

We funded \$365 million in new loans, contributing to the expansion of our loan portfolio and meeting the financial needs of our members. This growth signifies the credit union's role as a trusted financial partner. It also highlights our dedication to responsible lending practices, ensuring that we uphold the highest standards of member service and financial stewardship.

Deposits increased by \$104 million, reflecting our members' confidence in Credit Union West and the competitive rates, products, and services we offer. This growth in deposits strengthens our liquidity position which enables us to invest in our members and communities through expanded lending, enhanced services, and community development initiatives.

Total capital increased by \$18 million in 2023, demonstrating our commitment to maintaining a strong and resilient financial foundation. This capital growth also positions us to expand our offerings and initiatives that directly benefit our membership and community.

Building on our strong foundation with risk management and strategic decision-making, we aim to achieve continued success and stability that prioritizes the long-term financial well-being of the credit union. This positive momentum will make a meaningful difference in the lives of our members and the communities we serve. Thank you for your continued support and trust in Credit Union West.

“Our total assets increased by 7.92%.... This brought Credit Union West to a record high of \$1.2 billion in total assets.”



Kelly Poldoski
VICE PRESIDENT
CHIEF FINANCIAL OFFICER

Supervisory Committee Report

Cynthia Griffin | Supervisory Committee Chair

Annually, the Board of Directors appoints a Supervisory Committee to safeguard Credit Union West's financial well-being by overseeing its internal controls and processes. Comprised of dedicated volunteers, the committee ensures proper maintenance and accuracy of financial records, as well as compliance with relevant laws and regulations. Regular audit reviews are arranged to uphold financial practices. The Supervisory Committee affirms the accuracy of both external and internal audits conducted in 2023, concluding that these condensed financial statements are precise. Be assured that your credit union's finances and affairs are managed in a secure and consistent manner with adherence to generally accepted accounting principles in the United States of America.



Cynthia Griffin
CHAIR



Craig Heiser
VICE CHAIR



RaAnn Wood
SECRETARY/MEMBER



Nancy Linxwiler
MEMBER



Richard Arroyo
MEMBER

Chief Credit Manager's Report

Bob Birr | Vice President, Chief Lending Officer

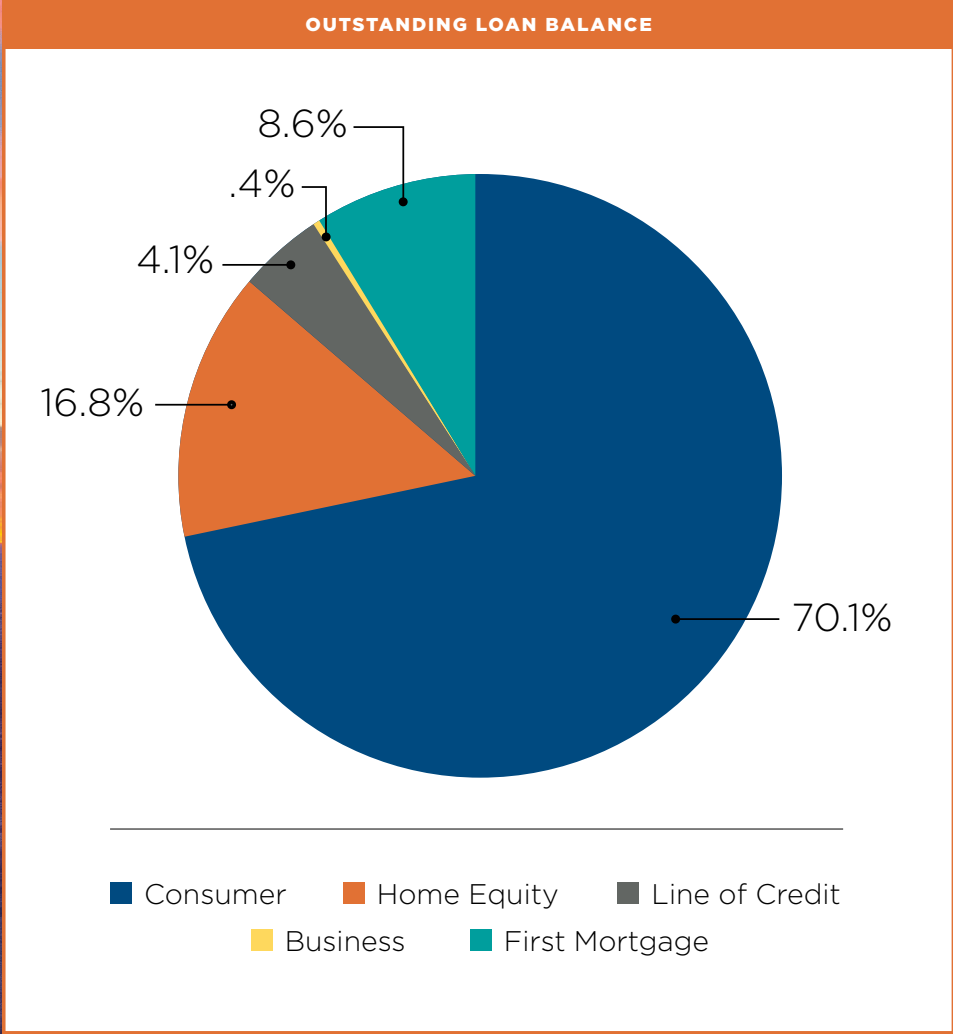
Credit Union West achieved record loan volumes and gains in 2022, finishing the year with a very high loan-to-share ratio. With that in mind, the goal for 2023 was steady, yet sustainable, growth in loans. The credit union did an exceptional job in implementing this strategy and finished 2023 exceeding its loan growth goal of 5% with a total growth of 5.67%. Most of the loan growth was internally generated with strong increases in several categories. Vehicle loans grew 4%; Home Equity loans grew 13.28%; Personal loans grew 44.24%; Personal Lines of Credit plus credit cards grew 13.28%. Credit Union West focuses on maintaining a diversified lending portfolio of secured and unsecured loans with fixed and variable rate loans, helping to safeguard against potential credit and interest rate risks. Sound underwriting and effective collection practices resulted in a low combined delinquency and charge-off rate of .96% at year-end.



Bob Birr
VICE PRESIDENT
CHIEF LENDING OFFICER



Financial Report

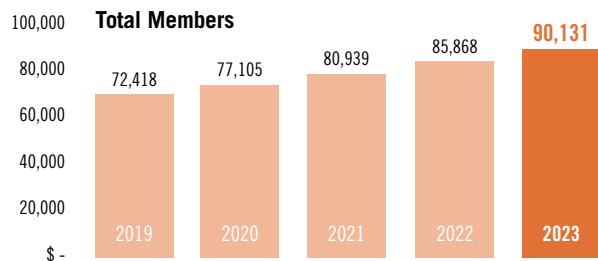
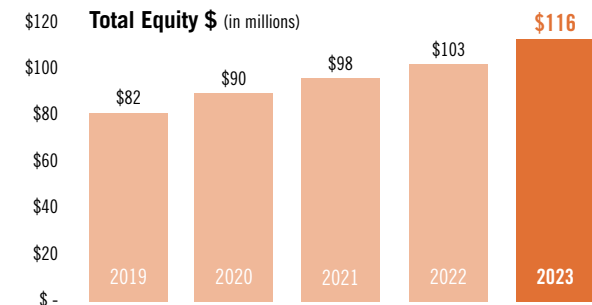
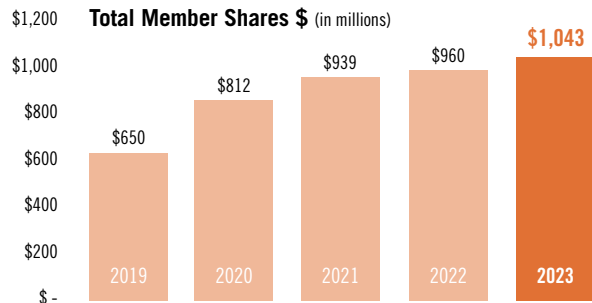
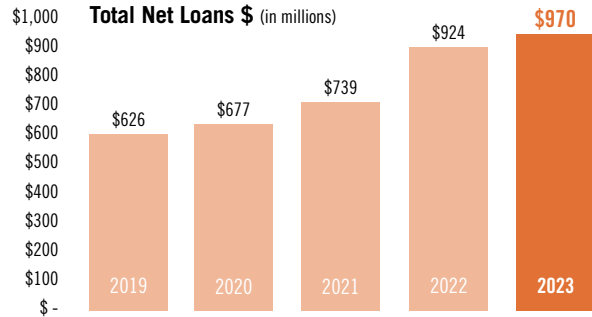
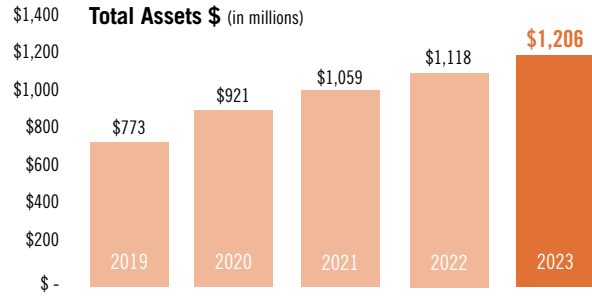


STATEMENT OF FINANCIAL CONDITION

	December 31, 2023	December 31, 2022
Assets		
Net Loans	\$ 970,193,168	\$ 923,760,339
Cash and Investments	\$ 178,307,857	\$ 143,231,171
Total Net Fixed Assets	\$ 31,806,769	\$ 31,498,034
Other Assets	\$ 26,021,398	\$ 19,267,775
Total Assets	\$ 1,206,329,192	\$ 1,117,757,319
Liabilities and Members' Equity		
Liabilities	\$ 26,323,331	\$ 54,155,435
Shares and Certificates	\$ 1,064,260,166	\$ 960,337,011
Members' Equity	\$ 115,745,695	\$ 103,264,872
Total Liabilities and Capital	\$ 1,206,329,192	\$ 1,117,757,319

STATEMENT OF INCOME

	December 31, 2023	December 31, 2022
Income		
Interest on Income	\$ 56,927,458	\$ 40,327,267
Investment Income	\$ 3,800,238	\$ 2,214,627
Other Income	\$ 12,212,951	\$ 12,595,529
Gross Income	\$ 72,940,647	\$ 55,137,423
Expenses		
Compensation & Benefits	\$ 19,525,988	\$ 18,229,095
Office Operating Expenses	\$ 6,861,660	\$ 6,297,269
Education & Advertising	\$ 1,060,687	\$ 831,895
Loan Servicing	\$ 4,733,443	\$ 5,497,253
Professional Services	\$ 3,279,501	\$ 3,569,401
Provision for Loan Loss	\$ 8,022,807	\$ 2,537,349
Other Expenses	\$ 369,531	\$ 242,561
Total Operating Expenses	\$ 43,853,617	\$ 37,204,823
Income from Operations	\$ 29,087,030	\$ 17,932,600
Less Dividends Paid to Members	\$ 15,130,999	\$ 3,123,615
Less Interest Paid on Borrowed Funds	\$ 473,396	\$ 539,362
Less Loss on Disposition of Assets	\$ -	\$ -
Net Income	\$ 13,482,635	\$ 14,269,623



Award-Winning Credit Union

Company:

- **Ranking Arizona: Top 10 Credit Unions for 2023** by AZ Big Media
- **Excellence in Banking - 2023 Credit Union of the Year** by AZ Big Media
- **Best of the Best - West Valley** by Peoria Times
- **Best of Glendale 2023** by The Glendale Star
- **Top Companies to Work for in Arizona 2023** by Best Companies Group, Bridgetower Media, Arizona Capitol Times, and BestCompaniesAZ
- **Arizona's Top of the Hill Advocacy Award** by GoWest Credit Union Association
- **Community Enhancement - Community Excellence Awards** by Prescott Valley Chamber of Commerce
- **JAG Pathway Makers Award** by Jobs for Arizona's Graduates (JAG)
- **Annual Report MAC Award** by Marketing Association of Credit Unions

Individual:

- **Karen Roch - AzBusiness Leaders 2023** by AZ Big Media
- **Ning Duong - Top Women Leaders for 2023** by Women We Admire



Credit Union West Leadership

BOARD OF DIRECTORS



Gary Larberg
CHAIR



Donald Jackson
VICE CHAIR



Jonathan Ford
DIRECTOR



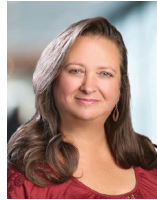
Luis Gendreau
DIRECTOR



Frances Laguna
DIRECTOR



Jerry Oliver, Sr.
DIRECTOR



Wanda Tyus
DIRECTOR



Carol Hobson
ASSOCIATE DIRECTOR



Athena Lent
ASSOCIATE DIRECTOR

EXECUTIVE MANAGEMENT



Karen Roch
PRESIDENT
CHIEF EXECUTIVE OFFICER



Ning Duong
SENIOR VICE PRESIDENT
CHIEF OPERATING OFFICER



Bob Birr
VICE PRESIDENT
CHIEF LENDING OFFICER



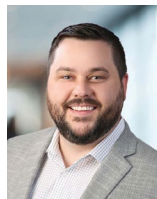
Cheryl Brown
VICE PRESIDENT
CHIEF PEOPLE OFFICER



Ben Christensen
VICE PRESIDENT
CHIEF INFORMATION OFFICER



Kelly Poldoski
VICE PRESIDENT
CHIEF FINANCIAL OFFICER



Seth Baker
VICE PRESIDENT
INFORMATION TECHNOLOGY



Jaime Burt
VICE PRESIDENT
ADMINISTRATION



Diana Cruz
VICE PRESIDENT
LOSS PREVENTION



Danielle Green
VICE PRESIDENT
RETAIL DELIVERY



Ryan O'Connor
VICE PRESIDENT
MARKETING AND
COMMUNICATIONS



Manny Ruiz
VICE PRESIDENT
BUSINESS SERVICES



Branch Locations

Arrowhead

20155 N. 67th Avenue
Glendale, AZ 85308

Avondale

503 W. Van Buren Street
Avondale, AZ 85323

Biltmore - Coming Soon!

5241 N. 16th Street, Suite 4
Phoenix, AZ 85016

Cactus

6777 W. Cactus Road
Peoria, AZ 85381

Corporate Center

10150 W. Desert River Boulevard
Glendale, AZ 85307

Cottonwood

1672 E. Cottonwood Street, Suite C
Cottonwood, AZ 86326

Kierland

14601 N. Scottsdale Road, Suite 115
Scottsdale, AZ 85254

Luke Air Force Base

13708 W. Glendale Avenue
Luke AFB, AZ 85307

Papago

2303 N. 44th Street, Suite 1
Phoenix, AZ 85008

Prescott

528 W. Gurley Street
Prescott, AZ 86301

Prescott Valley

3650 N. Glassford Hill Road
Prescott Valley, AZ 86314

Surprise

16765 N. Litchfield Road
Surprise, AZ 85374

Westgate

10150 W. Desert River Boulevard, Suite B-170
Glendale, AZ 85307

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cuwest.org | cuwestcares.org



Federally Insured by NCUA.

