



2023 ANNUAL REPORT



MANAGEMENT & BOARD REPORT

In the face of 2023's market challenges, Zing Credit Union remained steadfast in its commitment to empowering members while prioritizing the safety and security of their funds. In response to these challenges, the credit union proactively adapted its strategies to ensure that our members continued to receive the highest standard of financial services. At the core of our mission is the commitment to helping members achieve their financial goals. Whether it be through member-focused products, personalized financial education, or community-based initiatives, Zing is dedicated to being a dependable partner on our members' financial journeys. Though 2023 was a challenging year, the credit union was able to fulfill its mission and continue to make a positive impact on members and the community.

Years of financial stability have made Zing Credit Union well-positioned to face the market challenges of 2023. We saw unimaginable market rate increases, making it more expensive for consumers to obtain loans as housing and auto prices remained higher than average, at least in the Denver Market. This caused our assets to contract by -4.64% from 2022. This asset contraction was a calculated move by the Board and Senior Management team to avoid costly borrowing by the credit union. As inflation remained painfully high, we saw credit union deposits decrease as funds were spent on everyday necessities. As a result, deposits decreased by 5.90%. Even with the market pressures throughout the year, the credit union maintained charge-off and delinquency ratios below budget at 0.27% and 0.31%, respectively. Zing netted \$401,290.15 in income and maintained a healthy net worth ratio of 11.70%.

Zing is a partner on members' financial journeys. While loan and deposit products are the vehicles to achieving financial goals, financial education is the road map. Through live and virtual classes provided by staff and partners, free e-courses, blogs, and financial coaching, 1,841 people received information and guidance to help them on their individual financial paths. This is in addition to the thousands reached across our social media channels by our 398 educational posts and videos and the 7,699 SavvyMoney users who actively track their credit health in our digital banking platform.

Staff are enthusiastic about helping within the communities we serve. Together, staff volunteered 376 hours with local nonprofits including Metro Caring, Denver Public Library Friends Foundation, Food Bank of the Rockies, Volunteers of America, Sites and Insights, and Soles 4 Souls. Zing also supported the Southwest Denver Coalition and Denver GIVES Center drives by hosting donation sites. We thank our members who supported these causes in 2023.

The Board of Directors and management team are happy to report that Zing Credit Union is a safe and secure place for members to turn to to save their hard-earned dollars, and for safe lending options. We thank our staff who strive to provide our members with the financial guidance and services they need.



Tessa Bonfante
CO-CEO



Andrew Blunt
CHAIR OF THE BOARD



Shane Silvernale
CO-CEO

SUPERVISORY COMMITTEE REPORT

Zing Credit Union's Supervisory Committee establishes and ensures that credit union policies and procedures protect the assets of the membership. The Supervisory Committee holds several responsibilities including certifying the accuracy of financial statements, supervising internal audits, and working with external auditors. These auditing functions verify that the credit union complies with all mandated policies, regulations, and laws governing federally insured credit unions.

The Supervisory Committee is pleased to report that no major exceptions were found through routine audits.

Zing remains a safe and sound institution for its members. The Supervisory Committee is honored to do the work to ensure Zing Credit Union remains a safe and secure organization for current members and future generations.

The Supervisory Committee is dedicated to ensuring these statements are well-founded.



Steve Nalley
CHAIR OF THE
SUPERVISORY COMMITTEE

Zing remains a safe and sound institution for its members.

TREASURER'S REPORT

The financial stability of the credit union has remained unchanged through 2023. The financial results demonstrate the strength of Zing's performance. Our safe lending policies and practices, growth initiatives, and prudent strategies, which are set by the volunteer Board of Directors and management team, continue to help the credit union through a changing economic environment. Our performance serves as an indicator to our membership that their investment in the credit union is a safe choice.

Total Assets: **\$417,106,454.65**

Total Equity: **\$45,828,566.07**

Interest and Dividends Paid: **\$4,262,668.40**

Net Worth: **11.70%**



INCOME STATEMENT

UNAUDITED

INCOME	2023	2022
Interest from Loans	\$12,739,897.85	\$11,298,790.90
Interest from Investments	2,859,160.50	1,606,995.55
Member Fees/Charges	2,768,892.54	2,781,867.55
Miscellaneous Income	4,277,351.09	4,367,238.23
TOTAL INCOME	\$22,645,301.98	\$20,054,892.23

EXPENSES

Employee Compensation & Benefits	\$7,893,664.29	\$7,994,687.84
Travel & Conference	150,148.73	118,960.41
Office Occupancy	1,502,032.06	1,418,316.64
Office Operations	2,505,380.09	2,130,823.32
Education & Promotion	458,496.90	530,807.62
Loan Servicing	3,911,154.02	3,764,758.36
Professional & Outside Services	446,233.99	420,556.75
Provision for Loan Losses	629,327.77	134,835.11
Operating Fees	39,648.00	43,263.02
Miscellaneous Operating Expenses	420,539.21	718,288.15
TOTAL OPERATING EXPENSES	\$17,956,625.06	\$17,275,297.22
(Gain)/Loss on Disposition of Assets	(24,410.00)	69,538.35
(Gain)/Loss on Sale of Loans	98,485.63	(554,281.12)
(Gain)/Loss on Sale of Investments	(51,545.24)	(166,136.06)
Interest on Borrowed Money	2,187.98	26.20
Interest on Deposits	3,986,009.44	1,174,148.96
Dividends on Shares	276,658.96	127,568.49
TOTAL EXPENSES	\$22,244,011.83	\$17,926,162.04

NET INCOME

\$401,290.15

\$2,128,730.19

BALANCE SHEET

UNAUDITED

ASSETS	2023	2022
Cash & Equivalents	\$47,183,499.82	\$27,536,698.52
Accrued Loan & Investment Income	976,081.34	894,724.99
Investments	76,724,960.28	89,729,174.98
Loans to Members	269,702,395.83	301,622,697.14
Allowance for Loan Losses	(2,442,685.02)	(1,194,977.83)
Property & Equipment	13,016,887.87	8,466,733.47
Other Assets	11,945,314.53	10,358,942.08
TOTAL ASSETS	\$417,106,454.65	\$437,413,993.35

LIABILITIES & EQUITY

Liabilities

Share Accounts	\$111,046,819.17	\$126,540,811.09
Checking Accounts	87,305,712.36	94,238,500.56
Club Accounts	2,902,431.81	2,986,799.93
Money Market Accounts	65,935,541.95	82,131,192.03
IRA Accounts	4,625,661.58	5,246,258.49
Share Certificates	80,259,254.63	63,010,694.24
IRA Share Certificates	11,388,587.86	12,078,737.50
Accounts Payable & Other Liabilities	7,813,879.22	6,193,224.76
TOTAL LIABILITIES	\$371,277,888.58	\$392,426,218.60

Equity

Regular Reserves	\$0	3,454,043.36
Undivided Earnings	47,329,650.63	43,185,903.51
Equity Acquired in Merger	1,670,316.00	1,670,316.00
Unrealized Gains/(Losses)	(3,572,690.71)	(5,451,218.31)
Net Income (Loss)	401,290.15	2,128,730.19
TOTAL EQUITY	\$45,828,566.07	\$44,987,774.75

TOTAL LIABILITIES & EQUITY

\$417,106,454.65

\$437,413,993.35

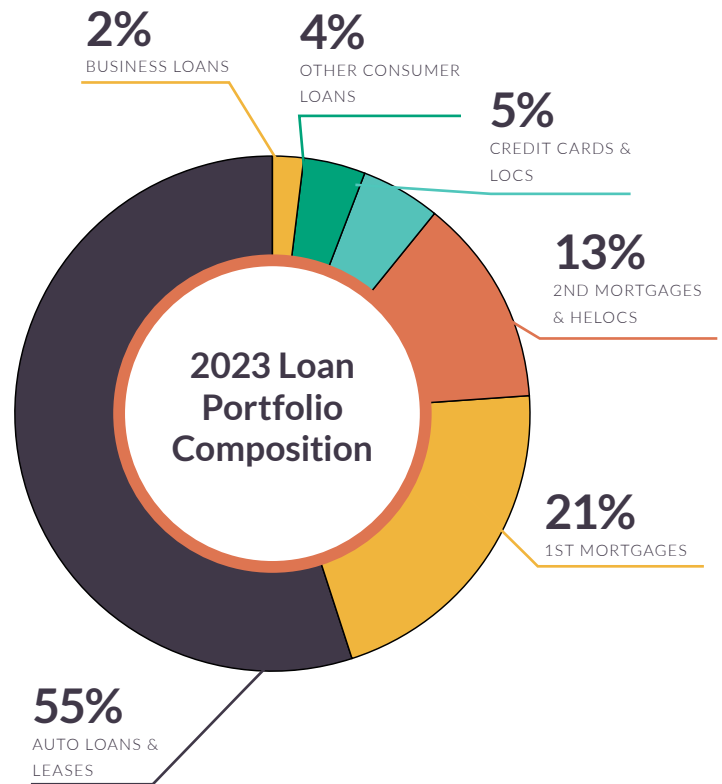
CREDIT OFFICER'S REPORT

In 2023, Zing Credit Union funded 3,833 loans to members. Due to the rising rate environment, loans became more expensive for consumers. As a result, lending volume decreased, and our loan portfolio decreased 10.58% from 2022 at \$269,702,395.83. Our members' deposits ultimately fund our ability to make loans to other members. As of December 31, 2023, 74.20% of members' deposits are helping the membership with funded loans.

Loans funded in 2023 include:

- 76 credit builder loans to members to help establish or build credit.
- 1,473 pay advance loans to help members in a time of hardship.
- 151 first mortgages and home equity loans to help members make homeownership easier.
- 14 commercial loans to enrich our community through local business.

Our 2023 delinquency and charge off ratios remained satisfactory at 0.31% and was 0.27% respectively. While Zing saw increases in these ratios over 2022, our performance in these metrics remained lower than national averages and are indicators of our safe lending practices, and our excellent collections team working with our loyal members to find solutions in difficult times.



COMMUNITY IMPACT

Zing Credit Union has been part of the community of metro Denver for 89 years. It is ingrained in our culture to make a lasting impact on the communities we serve. Staff and members have made a difference in a variety of ways. In 2023, staff volunteered individually and as teams for a total of 376 hours with non-profits like Metro Caring, Volunteers of America Colorado, the Friends of Denver Public Library, and Soles4Souls. Our members supported the important work of the Denver GIVE Center and Southwest Denver Coalition by donating items to their annual giving drives.

These drives included the Denver GIVE Center's hygiene drive and Southwest Denver Coalition's back-to-school and holiday drives. In addition to volunteerism and giving efforts, Zing values the importance of financial education. Through one-on-one financial coaching sessions, recorded class views, e-courses, and classes, 1,841 individuals accessed free financial education resources.

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