



Sparking change




summit
CREDIT UNION
Equity in Money™

2023 ANNUAL REPORT

CHAIR/CEO Report



Mary Turke
Board Chair



Kim Sponem
CEO & President

Summit Credit Union made 2023 a year of sparking change for our members, community and world. And not just change, but positive, sustainable change built on conversations and actions in support of our members' financial well-being.

We are a mission-driven financial cooperative. We help free people from financial worries on the road to financial security and freedom, especially women and their families. Because we do that, we are successful. We are a strong organization, and happy to report growth of 7% in membership and 12% in assets in 2023, along with a healthy capital ratio of 9%.

Sparking Sustainable Financial Wellness and Equity

For more than a decade and a half, we have focused on the financial well-being of women. When we began, most women felt ignored in the financial services industry, and while that is changing, women still face obstacles that impact financial security. Statistically, women live longer, save less and earn less over their lifetimes, causing, over time, a wealth gap, including a retirement savings gap. In fact, women are 43% more likely to end up in poverty in retirement than men.¹

With women making less than men over a lifetime, we recognize the importance of helping women create earning power.

After several years of research and discussion, we began our next-level approach to women's financial well-being, Equity in Money.™ It's not a campaign, but our holistic approach to women building financial security and freedom.

Sparking sustainable change takes conversation in the wider community and action by individuals and organizations.

Through ads and our website's Equity in Money page, we ignite conversation and inspire action. In 2023, we also created three pilot programs in support of women building wealth through earning power, home ownership and entrepreneurship.



We are committed to helping women, and all our members, build wealth and make good financial decisions. We ensure everyone on our team is a financial educator. We make banking easier, provide financial wellness programs, focus on Equity in Money, offer exceptional service, address climate concerns and build stronger communities.



Financial Sustainability for Members

It's no secret that people are stressed. According to a recent study, 43% of Americans say they feel fatigue from financial stress and 68% worry about not having enough money to retire.² At Summit, we help reduce that stress. It is not unusual to hear from our members that we have changed their lives.

Financial sustainability for members is impacted by savings. We saved our members \$240 per household over doing business with the average for-profit bank in Wisconsin in 2023,³ and we were featured nationally several times for our high certificate rates. We ranked #2 nationally among our peers (\$1-10 billion) in overall return to members.⁴

We continue to be the number one mortgage lender in Wisconsin, helping more people with purchase and refinance loans than any other lender in the state.⁵ Convenience is important, so we developed a new member application that simplifies the process of joining the credit union online and selecting whatever deposit account you'd like to open, including checking options, certificates and money market accounts. We also partnered with a new identity verification platform, speeding up the joining process to about three minutes.

A sustainable work environment created by the whole Summit team makes members' lives better, too, so we were happy to be named a 2023 Top Workplace USA.⁶ That makes three years in a row.

Community Sustainability

One way we build strong communities is through our support of small businesses. As of the end of 2023, our business lending included 3,699 loans, providing \$1.1 billion for business members to start and grow their businesses.

We are also leaders in giving back to build stronger communities. We opened a branch in the new Black Business Hub in Madison, and continue to support The Center for Black Excellence and Culture, and Centro Hispano of Dane County's financial education and hiring programs. Summit matched our employees' United Way giving to make a total contribution of more than \$163,900 across the communities we serve.

Environmental Sustainability

Summit provides lots of services with digital, paperless delivery. We partnered with the City of Milwaukee offering energy-efficient loans through Milwaukee Shines and Milwaukee Energy Efficiency (ME2). We engage you in our green practices with our annual Shred Fest event. We piloted several environmental upgrades for new branches and remodels. And, while not new, our Headquarters, with its Silver LEED Certification, continues to have positive impacts with solar-powered and traditional electric vehicle charging stations, energy-efficient systems, our irrigation holding tank, recycling and composting.

Sparking Sustainable Change Beyond Our Communities

In 2023, we were honored to be accepted into the Global Alliance for Banking on Values as the 16th financial institution to join in North America. Our membership in this global network of banking industry organizations committed to building economic, social and environmental sustainability is consistent with our values.

We do more than any other financial institution to build financial security and wealth for women and their families. Thank you for being part of this important mission.



Mary Turke | Board Chair



Kim Sponem | CEO & President



2023 Highlights

A year of sparking financial wellness for our members and communities!

Financial education sparks action.

At Summit, we are all financial educators, and we offer award-winning financial wellness programs like Project Money, Project Teen Money, Red SHOES® and many others.⁷ Over 15 years, our Project Money participants, collectively, increased their savings and decreased their debt by more than **\$1.2 million during their time in the program.**



We reached more than **76,000 people** through **239 online financial education events**, and more than **24,000 people in person**. Events covered topics such as home buying, avoiding fraud and scams, values-based budgeting, money conversations in relationships, strategies for financial security and more.

FINANCIAL Wellness
FOR EMPLOYEES by 
summit
CREDIT UNION

In 2023, we grew to serve more than **117,000 employees** in **98 businesses** across Wisconsin.



We had attendance of **3,500+** at Summit Fest 2023, our annual membership meeting and member appreciation event.

*Congrats,
Hannah.*

our Project Money
season 15 winner!



“I know that my mind is in the right place, and I know the goals I have and what is important to me, which ultimately will be the driving force behind my long-term success in anything and everything I do.”



Our **cash give-back reward** to members was **\$2.7 million in 2023**, totaling **\$22.3 million over 10 years!**



Shred Fest

For members' personal information security and the environment, we recycled more than **12 tons of paper!**

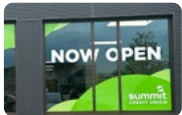
⁷ See program information at SummitCreditUnion.com/MoneySmarts. ⁸ No minimum balances are required to be eligible for the program. Any fees/charges applied to an account will reduce the account balance and result in less dividends earned. A checking account must be open as of 9/30 of year of payment to be eligible for the program. Only members in good standing at the date of the payout will receive a payout as long as the Cash Boomerang computes to \$10 or more, with a maximum of \$1,000. Cash Boomerang is not guaranteed. Cash Boomerang is a dividend and subject to tax reporting.

When all are welcome, included and have opportunities, communities can prosper.

Our involvement in Madison's southside started in 2003 and has grown significantly in the last three years, as community-led initiatives provided us opportunities to be part of ensuring financial security for everyone. We continue to build thriving communities with these 2023 initiatives:



- As one of the first tenants in the new Urban League of Greater Madison's **Black Business Hub**, we support increased opportunities for entrepreneurs of color.
- We backed **Centro Hispano** to help build a sustainable home for the Latinx Community. Our long-standing support and partnership with Centro Hispano also includes an employment training initiative, the Caminos Finance program, and the Latina Savings Project.
- We continued to partner with **One City Schools** in support of children's success in school and beyond.
- We continued to support plans for **The Center for Black Excellence and Culture**, a place for Black culture, opportunities and collaboration that will uplift Madison as a whole.
- We backed the Boys and Girls Club of Dane County's visionary **McKenzie Regional Workforce Center**, designed to inspire and empower young people – especially those in need – to reach their full potential through skilled trades training programs like plumbing, carpentry, HVAC, electrical and more.



We opened **six new locations**: Green Bay, Howard, Plover, Hartford, Black Business Hub in Madison and a mortgage office in Fond du Lac.



We made **more financial access** possible. With members' use of Summit's Global Good Credit Card, we're expanding access to affordable, reliable financial services with donations to the Worldwide Foundation for Credit Unions: **\$40,000+ in 2023, totaling \$230,000+ over 8 years.**



We rallied for **United Way**. Our Summit team came together and raised a record-setting \$14,000+ for United Way through employee fundraising events alone.

We supported **359 Wisconsin nonprofits** impacting the key pillars of Women's Empowerment, Advancing Equity, and Financial Well-Being.

We sponsored **She Stands Tall Women's Entrepreneurship Week**, helping educate, celebrate and inspire 450 Milwaukee women entrepreneurs and small business owners.



EQUITY IN Money

It's no surprise that the number one word women associate with money is "stress." And 43% of women report worrying about money daily.¹⁰

We believe anyone can be financially successful and should have freedom from financial worries and stress. To make this a reality for our members and communities, we elevated our commitment to the financial well-being of women and their families with Equity in Money in 2023.

On average, women make about \$500,000 less over a 40-year career¹¹ which, if invested, could add an additional \$1.6 million to their retirement savings.¹² There are several factors that contribute to the earnings gap, and one is fewer women in higher-paying fields.

We're addressing women's earning power with Summit's new Women Build Equity Scholarship program for women returning to school to retool for higher-paying careers in STEM fields.

We're addressing women's wealth building through our award-winning education programs that impact thousands and our support for home ownership and starting or building a business. That includes our new Fellowship for Women Entrepreneurs, a partnership with StartingBlock in Madison to help with financial needs, shared workspace, Summit mentorship and more.

We also publish our pay practices and data on our website and encourage others to do the same, because we believe this leads to better outcomes for everyone.

The Facts Are Clear.

Women are far more likely to retire in poverty, have zero dollars saved for retirement or have saved as much as 65% less than men.⁹

When women thrive, families and communities thrive.¹³



\$541 billion

The spending power women would gain and put back into our economy if women increased their annual earnings to mirror those of men.

Poverty cut in half

Half the poverty among working women means more financially secure communities.



More money for expenses

Women have more money to cover expenses (childcare, prescriptions, groceries, emergencies, loan payments, etc.).

Families thrive

70% of U.S. moms are primary financial providers before their children turn 18.



Our economy thrives

Think of all that added income, plus, women control consumer purchasing!

We all win

Everyone building wealth makes our entire community stronger.



Find out more at SummitCreditUnion.com/Equity.

TREASURER'S Report

Stefanie Norvaisas
Treasurer



Summit Credit Union achieved significant growth and financial success in 2023. Among the highlights were:

- Total assets grew by \$724 million, to \$6.9 billion. Our annual growth rate of assets was 12%.
- Deposits increased by \$622 million, to \$5.4 billion, for an annual growth rate of 13%. Members found our great rates on money market and certificate accounts to be a good way to energize their savings.
- Loans outstanding to members grew by \$637 million, or 13%. Our fastest-growing loan categories were mortgage loans and vehicle loans as we helped more people buy a home and find a car that fit their needs.

We grew faster than most credit unions as more people enjoy Summit's service and commitment to value and financial wellness, especially for women.

The Credit Union earned \$345 million in total revenue during 2023. Our largest revenue source is interest earned on loans to members while also being ranked 2nd in the country on return to our members.¹⁴

Our revenue was used to pay dividends on member accounts and operating expenses incurred in providing services to members. Operating expenses for 2023 were smaller than is typical for a credit union our size, and that efficiency allows us to return more to members while also building our capital base. Our Credit Union earned \$51 million in net income after expenses, which was added to the credit union's capital or net worth to provide additional financial stability and to fund future growth.

Our ratio of net worth to total assets stood at a very strong 9.6% on December 31, 2023. Summit Credit Union is well-positioned to continue providing high quality, affordable financial services to its members from a foundation of sound financial management.

IN 2023

Total assets grew to
\$6.9 BILLION

Deposits increased to
\$5.4 BILLION

Loans to members grew to
\$5.6 BILLION



FINANCIAL Statements

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2023 & 2022 (IN THOUSANDS)

	2023	2022
INTEREST INCOME		
Loans	\$ 263,797	\$ 159,678
Securities and Interest Bearing Deposits and Cash Equivalents	21,347	12,202
Total Interest Income	285,144	171,880
INTEREST EXPENSE		
Members' Share and Savings Accounts	83,841	17,583
Borrowed Funds	26,457	14,547
Total Interest Expense	110,298	32,130
Net Interest Income	174,846	139,750
PROVISION FOR CREDIT LOSSES		
Net Interest Income After Provision for Credit Losses	18,495	5,732
NONINTEREST INCOME		
Service Charges and Fees	19,129	16,978
Interchange Income	24,922	24,725
Other Noninterest Income	8,066	7,396
Mortgage Servicing Rights Capitalized	1,755	2,974
Net Gain on Sale of Loans	2,334	4,038
Mortgage Servicing Income, Net	3,246	2,778
Net (Loss) Gain on Sale of Foreclosed Assets	31	(36)
Other Nonoperating Income	28	368
Total Noninterest Income	59,511	59,221
NONINTEREST EXPENSE		
General and Administrative:		
Employee Compensation and Benefits	84,629	70,914
Office Occupancy and Operations	47,570	39,540
Other Operating Expenses	32,454	31,420
Net Loss on Sale of Premises and Equipment	69	9
Other Nonoperating Expense	11	—
Total Noninterest Expense	164,733	141,883
NET INCOME	\$ 51,129	\$ 51,356

STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2023 & 2022 (IN THOUSANDS)

ASSETS	2023	2022
Cash and Cash Equivalents	\$ 418,081	\$ 276,343
Deposits in Other Financial Institutions	445	695
Securities – Available for Sale	487,706	550,133
Other Investments	38,536	36,058
Loans Held for Sale	18,215	6,428
Loans, Net	5,622,028	4,991,275
Accrued Interest Receivable	19,173	14,375
Foreclosed and Repossessed Assets	2,327	1,405
Premises and Equipment, Net	141,448	140,854
NCUSIF Deposit	44,603	39,717
Mortgage Servicing Rights, Net	11,124	14,137
Goodwill and Intangible Assets, Net	116,542	118,957
Other Assets	24,886	30,542
Total Assets	\$ 6,945,114	\$ 6,220,919

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES

Members' Share and Savings Accounts	\$ 5,421,742	\$ 4,799,419
Borrowed Funds	836,550	805,407
Accrued Expenses and Other Liabilities	75,143	68,341
Total Liabilities	6,333,435	5,673,167

MEMBERS' EQUITY

Undivided Earnings	670,135	618,054
Accumulated Other Comprehensive Loss	(58,456)	(70,302)
Total Members' Equity	611,679	547,752
Total Liabilities & Members' Equity	\$ 6,945,114	\$ 6,220,919

SUPERVISORY/RISK COMMITTEE REPORT

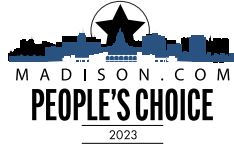
The Supervisory/Risk Committee believes the Credit Union's financial position is fairly stated. Summit Credit Union's Supervisory/Risk Committee engaged an independent accounting firm to audit the credit union as of December 31, 2023. A copy of this report is available upon request.

Supervisory/Risk Committee Members

- Bob Lindner, Committee Chair, Summit Board Member
- Mike Schenk, Committee Member, Summit Board Member
- Jennifer Ilk, Committee Member
- Charlie Murty, Committee Member
- Alan Schecher, Committee Member

2023 Awards & Recognition

BASED ON CONSUMER VOTES



BASED ON EMPLOYEE SURVEYS



ADDITIONAL AWARDS



Recognized as one of America's Best-in-State Credit Unions by Forbes



Summit is accepted into this global network of banking industry organizations committed to building economic, social and environmental sustainability.

#1 SBA LENDER IN WISCONSIN among credit unions¹⁵

SBA Loans to 34 businesses in 2023

#1 MORTGAGE LENDER in WISCONSIN¹⁶

Sparking change has far-reaching impacts. America's Credit Union Museum in Manchester, New Hampshire, started a "Herstory" exhibit in 2022, honoring and celebrating women whose contributions have propelled the movement forward for generations. One of the original women included was Agnes Gartland, the assistant to credit union pioneer Roy Bergengren. Her records provided much of the history available on the movement. And, in fact, both she and Bergengren were founders of our credit union in 1935! **Almost 90 years later, in 2023, Kim Sponem was honored with an induction into this national exhibit in recognition of her leadership in financial education, women's financial wellness and equity.**





Summit Credit Union's Board of Directors

Back row, left to right: Mike O'Brien, Director; Dennis Sauvey, Director; Bob Lindner, Secretary; Dan Kaiser, Vice-Chair; Dave Reszel, Past Chair; Samira Salem, Director

Front row, left to right: John Litscher, Director; Abbie Rodriguez, Director; Mary Turke, Board Chair; Stefanie Norvaisas, Treasurer; Mike Schenk, Treasurer-Elect

Senior Management

Kim Sponem, CEO & President

Jim Corbett, SVP—Human Resources
& Organizational Development

Kelly Erbach, SVP—Business Technology Solutions

Rebecca Gerothanas, Chief Operations Officer

Chris Hefter, Chief Information Officer

Ric Mathias, Chief Services Officer

Keith Peterson, Chief Financial Officer

Kevin Piette, Chief Commercial Business Officer

Chris Schell, Chief Marketing Officer



[SummitCreditUnion.com](https://www.SummitCreditUnion.com) | 800-236-5560 | 608-243-5000



Insured by NCUA.

15 SBA Lender of the Year Award for Credit Unions as awarded by the Small Business Administration of Wisconsin in 2023. 16 The Wisconsin's #1 Mortgage Lender designation is based on the number of loans originated in 2022, gathered from the Home Mortgage Disclosure Act data compiled annually by the Consumer Financial Protection Bureau. The results of the data were obtained through the Consumer Financial Protection Bureau's website. LEI: 254900NTAC4H10MGU23.