

2023 Annual Report



**Empower
is getting
to work!**



Lifting Each Other Up

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- Senior Leadership
- Internal Updates

Lending A Hand

- Community Impact in 2023
- Member Survey Results

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EMPOWER IS GETTING TO WORK

Lifting Each Other Up



As we look back on the 2023 year together, we are excited to highlight our accomplishments both internally and externally. From new technology to community initiatives, we have been hard at work providing our members with the very best service and support. We're so happy to have you on this journey with us, and we hope you enjoy the 2023 edition of the Annual Report.

Leadership Message

2023 was another successful year for the organization and set in motion changes that continue to increase our positive impact on our members, employees, and the communities we serve.

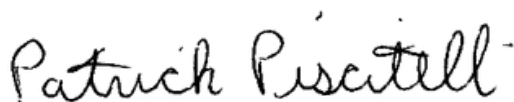
Some of our more notable accomplishments in 2023 included our decision to eliminate and reduce approximately \$5 million in fees charged annually while also absorbing the costs of lowering interest rates, sometimes even below market, so that we could help our members with the rising costs of inflation and increasing interest rates.

We were out in the community serving our members, proud to volunteer, make donations, and sponsor events throughout our footprint. This work is part of who we are as an organization. Last year, we supported 88 organizations, and our dedicated team of employees donated 642 hours of paid volunteer time, where they immersed themselves in community engagements that meant the most to them. As a part of our commitment, we reallocated existing marketing dollars to invest back into Central New York by sponsoring the Empower Federal Credit Union Amphitheatre at Lakeview. Seeing the popularity of member-only presale tickets and how this partnership brings visibility to what we have to offer potential and existing members is exciting.

As we look to 2024, the themes will be liquidity to drive lending, efficiency to do more with less, further operationalization of improved member service, and continuing the trend of implementing programs and changes that ensure members keep money in their wallets. We will remain strong, leveraging our size and strength to be relevant and deliver value to our members.

On behalf of our Board of Directors, Volunteers, and over 600 employees, we thank you for your membership and continued trust in Empower Federal Credit Union.

Respectfully,



Patrick Piscitelli
Chair, Board of Directors



Ryan McIntyre
President/CEO

Board Members



Patrick Piscitelli
Chair



Katherine Rossler
Vice Chair



Greg Gorea
Secretary



Jayant Datta
Treasurer



Robert Cummings
Board Member



David Cusano
Board Member



Jan Mileskey
Board Member



David Wolf
Board Member



Nancy Pizzuti
Emeritus
Board Member



Chris Hayes
Associate
Board Member

Senior Leadership



Ryan McIntyre
President/CEO



Jennifer Wolfe
EVP/Chief Operating Officer



Chip Harwood
Chief Financial Officer



Chris Keller
Chief Marketing Officer



Erin Fuller
Chief People Officer



Jin Gwak
Chief Information Officer



Keri Sweet Zavaglia
General Counsel



Lori Verzillo
Chief Retail Officer



Neekia McCoy
Chief Lending Officer

The 2023 Employee Experience



2023 Readers' Choice Awards recognizes outstanding local businesses that serve the Central New York community.

Reader's Choice Award, Syracuse.com



The New York State Council of the Society for Human Resource Management named Empower Federal Credit Union as one of the Best Companies to Work for in New York.

Best Companies to Work for in NYS



Great Place To Work® gives leaders and organizations the recognition and tools to create a consistently and overwhelmingly positive employee experience.

Great Place To Work Certified



Bauer Financial, Inc., the Nation's Premier Credit Union and Bank Rating Firm, has once again awarded Empower Federal Credit Union its top (5-Star) rating.

Bauer Financial Inc. 5 Star Rating

Mentorship Program:

Intentional relationships are one of the best gifts a workplace can give its employees. That's why Empower is beginning a new mentorship program. AIM (Advancing Individuals Through Mentoring) is designed to foster a strategic partnership that helps both parties grow and develop.





Everyone is Welcome!

We're invested into our new Employee Resource Group program, to help bring new perspectives to the forefront of the workplace! It's not just nice to hear from people about their experiences, it helps our organization innovate and grow at a faster rate.

You can't do anything new with the same point of view, so we want to hear from everyone! Employees who participate in ERGs have regular meetings and talk about ways that their unique identities can contribute to making Empower a better place for all. Members, employees, and partners alike.

Proud to Sponsor:



EMPOWER IS GETTING TO WORK

Lending A Hand

Asking the community to trust us with their financial futures is only fair if we can show them that we are dedicated to them, and the place they call home. So be sure to keep an eye out for us in your community!





**Volunteer
hours**

**Total Volunteer
Hours in 2023:**

642

AKA 80 days!



**Using our voices
to lift others**

**Total Orgs
Supported:**

88



**Donation-based
support**

**Total Donations
in 2023:**

\$182,095

Organizations we are proud to work with:



American
Heart
Association.



Food Bank
of Central New York



United Way
of Central New York



OSWEGO
HEALTH



Habitat
for Humanity



HelpingHounds
DOG RESCUE



Clear Path
FOR VETERANS
SUPPORTING THE JOURNEY HOME



Make-A-Wish



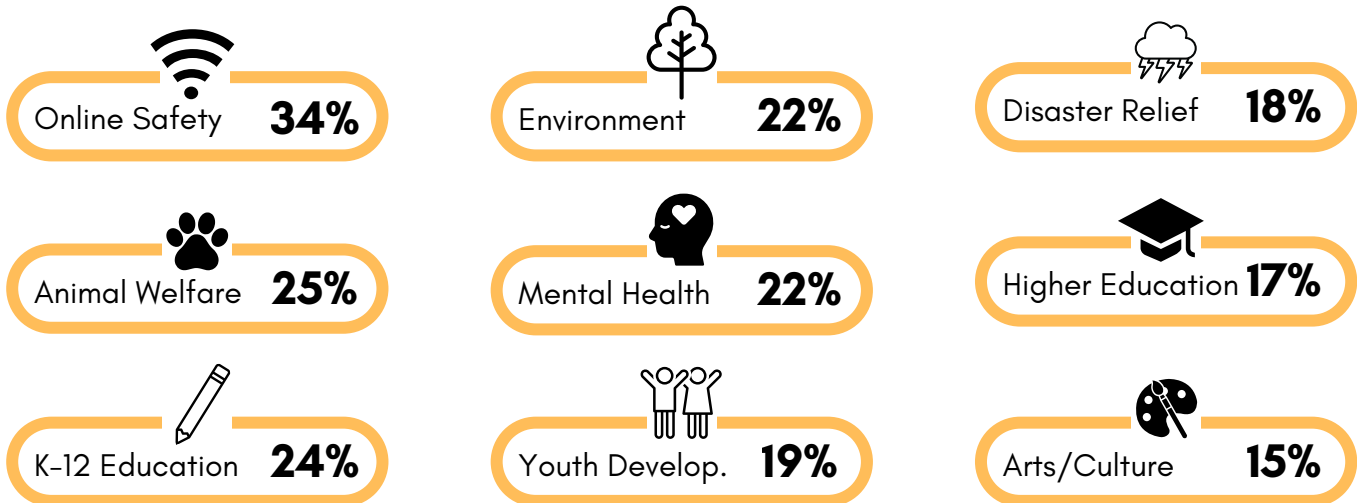
FRANCIS
HOUSE
A Family When You Need It Most.



Looking Ahead!

We love getting to hear your voices and learn what matters most to you. In fact, we love it so much that we filled our 2024 schedule with all the things that bring you joy. We can't wait to get out there and continue our work in the community!

Causes our members care about!





EMPOWER IS GETTING TO WORK

Providing Exceptional Service

Our members are why we wake up and go to work every morning. That is why we strive to provide exceptional service every chance we get. How did we do in 2023?

Let's take a look.



Service Spotlight!

"Heather, a member brought you flowers today as a THANK YOU for all of your help last Friday afternoon. She had over \$4,000 in fraudulent charges through an internet site.

Police were involved as the fraudsters tried purchasing additional items online after the \$4,000! The dealership and authorities assisted and because of your due diligence, were able to get the funds back into the member's account in less than 24 hours!"

-Alisha Ingerson, Branch Manager Fairmount



87,000 Secure Messages Handled

85,063 Total Calls Taken



86%
Improvement

Member
Contact Center
wait time

Find Us:

Auburn | Baldwinsville | Binghamton | Canandaigua
Cheektowaga | Chittenango | Cicero | Central Square
Elmira | East Syracuse | Fairmount | Fayetteville
Fulton | Johnson City | Lakeland | Liverpool | North Med
Oswego | Palatine Bridge | Syracuse & East Syracuse
Utica | Vestal | Western Lights



Digital Online Applications from Members

Types of Applications:



Membership Share



Checking Account



Share Certificate



Club Accounts



Money Market

As a result, we saw a substantial increase in the number of new and existing members opening accounts online with us!

In Review

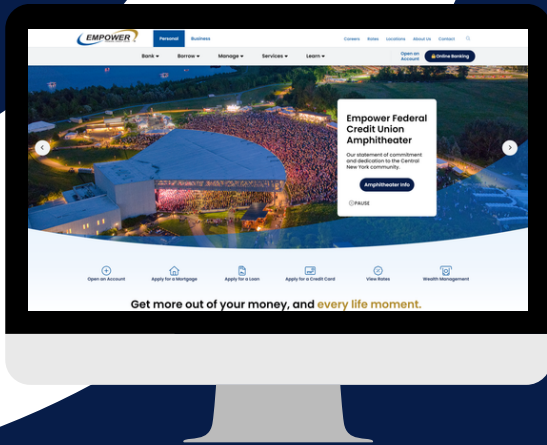
In the third quarter of 2023 we began offering account opening applications within online banking.

Results

What's Next

As we look forward we are discovering what makes the process easiest for our members and we are dedicated to continuing improvements.

2023 Accomplishments

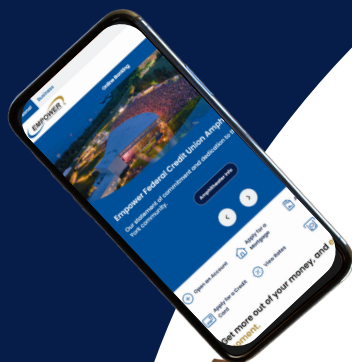


NEW WEBSITE

We have redesigned our website to have a fresh new feel. From loans to account types, find whatever you need at empowerfcu.com.

AMPHITHEATER

In 2023 we had the incredible opportunity to acquire the naming rights to the Amphitheater at Lakeview. We are so thrilled to continue investing in our area, and host events that will bring our community together.



ONLINE BANKING

Maybe the most exciting updates of all happened in our online banking platform. Now you can view e-Docs, make payments, and even see interest rates on some of our loans options!

Looking into 2024

SELF-SERVICE ADDRESS CHANGES

Members will have the ability to complete address changes within their online banking, which will create a more efficient and streamlined experience.



ZELLE® QR CODES

We are adding a new feature within Zelle® that allows members to send payments conveniently by simply scanning a Zelle® QR Code. Seamless transactions are now easier than ever.

The Zelle logo is displayed in a bold, purple, sans-serif font. The letter 'z' is lowercase and has a unique design with a vertical bar on its left side. The rest of the letters are lowercase and standard in style.

IMPROVED SECURITY WITH AUTOMATION

Automation now means that our online banking will be able to better identify real users versus fraudsters. Just another way we are making our members' security our top priority.



EMPOWER IS GETTING TO WORK

In Conclusion

Thank you so much for being a part of the Empower FCU community. The following pages are full of all the numbers that make our work possible. As always if you would like more information on anything you learned in this edition of The Annual Report, please reach out. We would love to hear from you.

See you next year,
Empower FCU



Supervisory Report

The Supervisory Committee is required by the Federal Credit Union Act. The Committee is responsible for ensuring that the credit union's financial records are in order and that internal controls are in place to protect the assets of the credit union and its members. The Committee accomplishes these objectives through oversight of the Internal Audit Department, engaging an independent public accounting firm to complete a comprehensive year-end audit of the credit union's financial statements and ensuring that internal controls are tested regularly. I would like to thank the Supervisory Committee members for their continued dedication and commitment in their volunteer role. I would also like to thank the members of the Internal Audit Department for their steadfast efforts to safeguard members' assets.



David Cusano

David Cusano
Chair, Supervisory Committee



Supervisory Committee Members

David Cusano
Chair

Dan Dupee
Committee Member

Greg Fernandez
Committee Member

Jim Fletcher
Committee Member

Sue Swanson
Committee Member

Treasurer's Report

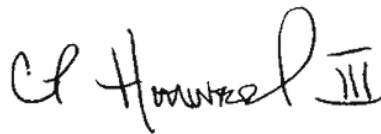
Empower Federal Credit Union had another strong year of financial performance. Our financial results, coupled with our strong net worth, provide us the ability to continue to deliver excellent value to our members, in terms of superior service and a wide array of products.

Our net worth, as a percentage of total assets, is very strong at 9.46% as of December 31, 2023. We monitor and evaluate this position to ensure our safety, soundness, and financial strength, while balancing the needs of our members.

Respectfully Submitted,



Jayant Datta
Treasurer, Board of Directors



Chip Harwood
Chief Financial Officer



Statements of Financial Condition

Empower Federal Credit Union

As of December 31, 2023

Dollars in Thousands

Assets:	2023	2022
Cash and Cash Equivalents	\$ 313,435	\$ 197,923
Investments	426,164	484,516
Loans	2,665,721	2,430,039
Allowance for Credit Loss	(33,450)	(31,104)
Loans, net	2,632,271	2,398,935
Other Assets	126,457	112,299
Total Assets	<u>\$ 3,498,327</u>	<u>\$ 3,193,673</u>
Liabilities & Members' Equity:	2023	2022
Notes Payable	\$ -	\$ 225,000
Liabilities	60,645	52,408
Shares	3,153,277	2,661,301
Members' Equity	284,405	254,964
Total Liabilities & Members' Equity	<u>\$ 3,498,327</u>	<u>\$ 3,193,673</u>

Statements of Income

Empower Federal Credit Union

As of December 31, 2023

Dollars in Thousands

Income & Expense:	2023	2022
Interest Income	\$ 157,073	\$ 109,514
Interest Expense	51,186	15,059
Net Interest Income	105,887	94,455
Provision for Credit Losses	9,679	7,730
Net Interest Income After Provision for Credit Losses	96,208	86,725
Non-Interest Income	58,819	57,990
Non-Interest Expense	126,004	110,342
Net Income	\$ 29,023	\$ 34,373

