

CYPRUS CREDIT UNION ANNUAL REPORT



CHAIRMAN'S REPORT

On behalf of the Cyprus Credit Union Board of Directors, I am honored to share this report for 2024.

As elected members of the Board of Directors, we closely coordinate with the executive team and the Supervisory Committee to provide leadership, strategy, and oversight for the credit union. The board reviews, enacts, and supports policies that promote the integrity of the credit union and the welfare of our members. We also establish strategic goals to bolster Cyprus' growth and stability while keeping the best interests of our members in mind. It is our honor to volunteer our time and efforts to serve you.

I am pleased to report that Cyprus had a successful 2024. Membership grew to 141,010 members, and assets ended the year just over \$1.8 billion. These increases are indicators of the trust and support our members have in the credit union and the support we provide to the communities we serve. I also want to recognize the hard work and commitment of the board, supervisory committee, executive team, and employees whose efforts have contributed to the successes in 2024. Our strength as a credit union is measured not by

numbers alone but also by our dedication to the community connections we foster. I am pleased to report that in 2024 Cyprus entered into an exclusive five-year agreement to provide and support a Financial Wellness Program at Salt Lake Community College. Through workshops, events, and classroom curriculum, this program equips students with financial principles, such as credit management, debt management, saving, and budgeting. We are confident this partnership can empower students with tools and skills to make informed decisions for their financial futures.

I am also happy to announce that in 2024, Cyprus was named one of the "Best Credit Unions to Work For" in the U.S. for the fifth consecutive year by *American Banker*. This honor speaks to the positive work culture we have cultivated at Cyprus, built on mutual respect and collaboration. I am proud to be part of an organization where our employees know they are valued and their contributions have a meaningful impact.

As we look ahead to the remainder of 2025, we are excited about the opportunities before us for innovation, growth, and community connections. Thank you for your continued support of Cyprus and for making us the most loved financial institution in Utah. I wish each of you the best this year has to offer.

Sincerely,

Richard N. Stapler Jr.

Richard Stapler
Chair, Board of Directors

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PRESIDENT'S REPORT

As we both look back on our successes of 2024 and look forward to continued growth in 2025, I'm excited to give each of you a glimpse into just some of the initiatives Cyprus Credit Union has implemented and has in store for the coming year. Our innovations reflect our commitment to providing the tools you need to manage and access your finances easily so you can bank anytime, anywhere. I am thrilled by the strides we have made in 2024 and owe much of my thanks to you, our members, for making it possible. These developments are designed with you in mind to give each of you the advantages and convenience you deserve while banking with Cyprus.

The credit union extended its physical reach in 2024 with the opening of our new Millcreek branch as well as the relocation of the Sandy branch to a new building that provides even more resources to our members in the area. Members in these communities now enjoy convenient access to branch services, including in-person consultations with our team whenever needed. Both locations feature in-lobby-teller or "Muriel" machines to make everyday transactions quick and easy with the push of a button and with increased privacy.

In 2024, we significantly upgraded our credit card program by converting to a new card processor that allows us to provide better and more integrated tools in Home Banking, greater fraud prevention, an improved rewards experience, and a system that will support continued growth and innovation. We also launched our AI-powered chatbot. This tool allows anyone visiting CyprusCU.com to quickly find answers to questions about accounts, loans, mortgages, business services, and more without waiting on hold or for an email response. However, none of these innovations replace the physical employee. These new efficiencies provide each of you with improved access to speak with a live Cyprus team member when needed.

I am happy to announce that more advancements to your Home and Mobile Banking experience are coming in 2025. In early 2025, we will be launching a new user interface. This will allow the credit union to create a more personalized experience in Home and Mobile Banking. With the launch of this new interface, we will also be launching our new and improved card control tools. These tools will be integrated in the Home and Mobile interface and will give members greater peace of

mind and greater control of their credit and debit cards. With these tools, members will be able to activate and lock cards at any time, add travel notifications, report cards as lost or stolen, set transaction limits, and more. Additionally, we will be rolling out tools that make it easier to open certificates and checking accounts, tools to make peer-to-peer payments to family or friends, and single sign-on access to our rewards program, making it easier to access and manage your reward points. All these features will soon be available in the mobile app and the Home Banking platform.

As always, protecting your financial well-being is among our highest priorities. The increased frequency and sophistication of fraud continues to challenge consumers and financial institutions nationwide. We have significantly invested in enhanced tools for detecting and monitoring fraud, expanded our fraud prevention team, and are rolling out features that will enable us to communicate more efficiently with members should suspicious activity be detected on their accounts. We are also pleased to announce

Our innovations reflect our commitment to providing the tools you need to manage and access your finances easily so you can bank anytime, anywhere.

that we are joining a statewide coalition of financial institutions and law enforcement to coordinate our fight against fraud more effectively. This is the first coalition of its kind between credit unions and banks.

Fraud trends, such as impersonation scams, remain a common threat. These scams involve fraudsters posing as someone of trust to obtain private information. Please know that Cyprus Credit Union will never ask for your card numbers, PINs, or online passwords, and we will never ask you to disclose your account number unless you are reaching out to us or have requested that we contact you. If you ever receive an unsolicited request for this information — whether by text, phone, email, or social media — do not share it. If you are unsure whether the person you are speaking with is really a credit union representative, we encourage you

to pause and visit any Cyprus branch or call us directly at 801-260-7600 and dial option 4 to speak with our friendly team. We are grateful for your trust, diligence, and partnership in fighting fraud.

I want to close by extending my heartfelt thanks to our employees for the dedication they bring to their work daily. Each plays a vital role in fulfilling our mission to be “most loved.” I’d also like to express my sincere appreciation to our volunteer board of directors and the Supervisory Committee for their invaluable guidance. Their commitment to help ensure Cyprus’ long-term stability makes all the difference for our members.

I’m incredibly excited for the opportunities this year holds as we face new challenges and drive the success we’ve worked so hard to achieve. Here’s to another year of growth and shared victories!

Respectfully submitted,

Todd Adamson
President/CEO

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee and Board of Directors of Cyprus Federal Credit Union realize that strong internal controls are necessary to protect the accounting and administrative functions of the credit union. It is our priority to see that these controls are reviewed and tested in coordination with the credit union’s Internal Audit Department and compliance functions. Cyber threats are addressed by the management and staff of the Information Technology Department and are tested by independent companies to strengthen the credit union’s ability to withstand these threats. We commend and appreciate Cyprus management and staff in their efforts, as well as the Board of Directors’ emphasis in ensuring that accounting and automation-technology policies and procedures are in place and functioning. All have done an excellent job ensuring that members’ accounts are safe and secure. Cyprus management and staff continue to assist our members with their financial concerns and respond to their needs in a timely manner. I personally thank the Supervisory Committee and Internal Audit staff for their service and input to ensure the soundness of internal controls.

The Supervisory Committee annually coordinates with the Internal Audit Department to review the results of internal audits and confirm that appropriate action is taken by credit union management to improve operations and controls. We also contract with an outside auditing and information-system firm to conduct an independent annual audit and ensure that appropriate controls are in place. The committee engaged independent accounting firm Doeren Mayhew to audit the credit union’s information systems. The audit was completed with very few findings, and the IT department is in the process of addressing the auditors’

findings and recommendations. The committee reviews the examinations of governmental agencies with credit union management and the Board of Directors for appropriate follow-up.

The financial-statement audit for the 12-month period ending June 30, 2024 was completed by Doeren Mayhew. The audit concluded that Cyprus’ financial statements fairly present the credit union’s financial position in all material respects as of June 30, 2024. The results of Cyprus Credit Union’s operations and cash flows for the year then ended in conformity with generally accepted accounting principles. The auditors also reviewed the credit union’s internal control structure and their recommendations have been implemented to further strengthen these controls.

Cyprus management is commended for maintaining sound accounting and administrative practices. The Supervisory Committee is committed to serving the members and ensuring the financial stability of the credit union.

Respectfully Submitted,

Bruce Mortensen
Chairman, Supervisory Committee



CYPRUS CREDIT UNION FINANCIALS

2022
2023
2024

BALANCE SHEET

ASSETS

Net Loans to Members	1,582,292,206	1,534,831,188	1,634,803,258
Accounts Receivable	5,651,075	6,763,356	7,635,357
Cash & Other Liquid Accounts	34,272,933	75,580,609	45,156,699
Investments	43,226,256	18,919,640	7,396,108
Premises & Equipment	56,143,485	62,656,159	65,048,686
Other Real Estate	-	-	-
Other Assets	39,061,959	44,800,391	50,520,390
TOTAL ASSETS	1,760,647,914	1,743,551,343	1,810,560,499

LIABILITIES AND CAPITAL

Accounts Payable	195,573,102	106,930,941	84,501,870
Members' Savings & Deposits	1,387,084,020	1,447,667,269	1,518,549,685
Regular Reserves/Guarantee Fund	12,892,795	12,892,795	-
Other Reserves	165,097,997	176,060,338	207,508,944
TOTAL LIABILITIES & CAPITAL	1,760,647,914	1,743,551,343	1,810,560,499

OPERATING STATEMENT

INCOME

From Loans	63,024,746	80,971,836	97,480,562
Investments	907,833	2,632,088	2,376,105
Other	26,053,229	27,704,046	26,953,352
TOTAL INCOME	89,985,807	111,307,970	126,810,019

MEMBER EXPENSE

Dividends & Interest	10,957,932	28,886,637	37,187,614
Allowance for Loan Loss Reserves	3,927,530	6,706,186	8,660,386
TOTAL MEMBER EXPENSE	14,885,462	35,592,823	45,848,001

OPERATING EXPENSE

Salaries & Employee Benefits	30,977,446	33,292,956	35,680,264
Other	25,140,608	30,604,600	31,528,955
TOTAL OPERATING EXPENSES	56,118,054	63,897,556	67,209,219

HISTORICAL DATA

Number of Members	132,029	134,957	141,010
Number of Borrowers	66,019	64,693	66,446
Number of Loans Made	20,956	13,041	16,866
Amount Loaned During Year (New Money)	719,778,180	387,883,002	510,545,525
Amount Loaned Since October 1928	8,571,268,440	8,959,151,442	9,469,696,967
Number of Loans Outstanding	75,130	73,405	74,513
Average Loan Balance	20,950	21,093	22,079
Average Savings Balance	3,076	2,438	2,101



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