

CLEAN ENERGY
CREDIT UNION



2023 ANNUAL MEETING

MAY 22, 2023



WELCOME TO OUR ANNUAL MEETING



Blake Jones

Board Chair

AGENDA

1. **VERIFY QUORUM**
2. **REVIEW ANNUAL MEETING MINUTES FROM MAY 2022**
3. **CEO REPORT**
4. **BOARD OF DIRECTORS' ELECTION RESULTS**
5. **REPORT FROM OUR BOARD OF DIRECTORS**
6. **2022 FINANCIAL REPORT**
7. **REPORT FROM OUR SUPERVISORY COMMITTEE**
8. **REPORT FROM OUR CREDIT COMMITTEE**
9. **Q&A: PLEASE ASK YOUR QUESTIONS IN THE CHAT**
10. **PRIZE GIVEAWAY!**



ANNUAL MEETING MINUTES FROM MAY 23, 2022

- REVIEW MEETING MINUTES FROM MAY 24, 2021
- REPORT FROM CEO, TERRI MICKELSEN
- ANNOUNCE RESULTS FROM 2022 BOARD OF DIRECTORS ELECTIONS
 - Adler Prioly elected to 3-year term as Board Director
 - Tom Teynor elected to 3-year term as Board Director
- REPORT FROM BOARD OF DIRECTORS BY ITS CHAIR, BLAKE JONES
- REPORT ON OUR FINANCIAL RESULTS FROM THE TREASURER, BRAD BLACKWELL
- REPORT FROM THE SUPERVISORY COMMITTEE CHAIR, AMANDA KOBZA
- REPORT FROM THE CREDIT COMMITTEE BY BLAKE JONES
- BOARD CHAIR PRESENTED WAYS THAT MEMBERS CAN HELP CLEAN ENERGY CREDIT UNION

REPORT FROM OUR CEO



Terri Mickelsen

CEO

REPORT FROM OUR CEO

Clean Energy Credit Union was founded with the mission to increase the adoption of clean energy by offering affordable financing to members across the country. As a member-owned, not-for-profit financial cooperative we strive to fulfill our mission in addition to several other economic and social objectives. As we reflect upon 2022, I am proud of the gains we have made in supporting our members, staff, and the environment.

Although 2022 was an incredible year of growth for our credit union, we also faced new challenges as we saw a significant shift in the macroeconomic environment. For the first time in our credit union's history, we faced a rising rate environment with the most severe interest rate shock in nearly four decades. In response, we offered higher dividend rates for members, increasing the amount of deposits we had on hand to fund the large number of clean energy loans disbursed during the 4th quarter of the year.

As a result of the higher dividends paid to members, our cost of funds rose leading to lower earnings than projected while still maintaining a position of being well capitalized. Amidst our growth in loans, shares, and members we demonstrate safety and soundness with minimal loan losses (.253% of loan balances) and strong diligence in the cybersecurity area.

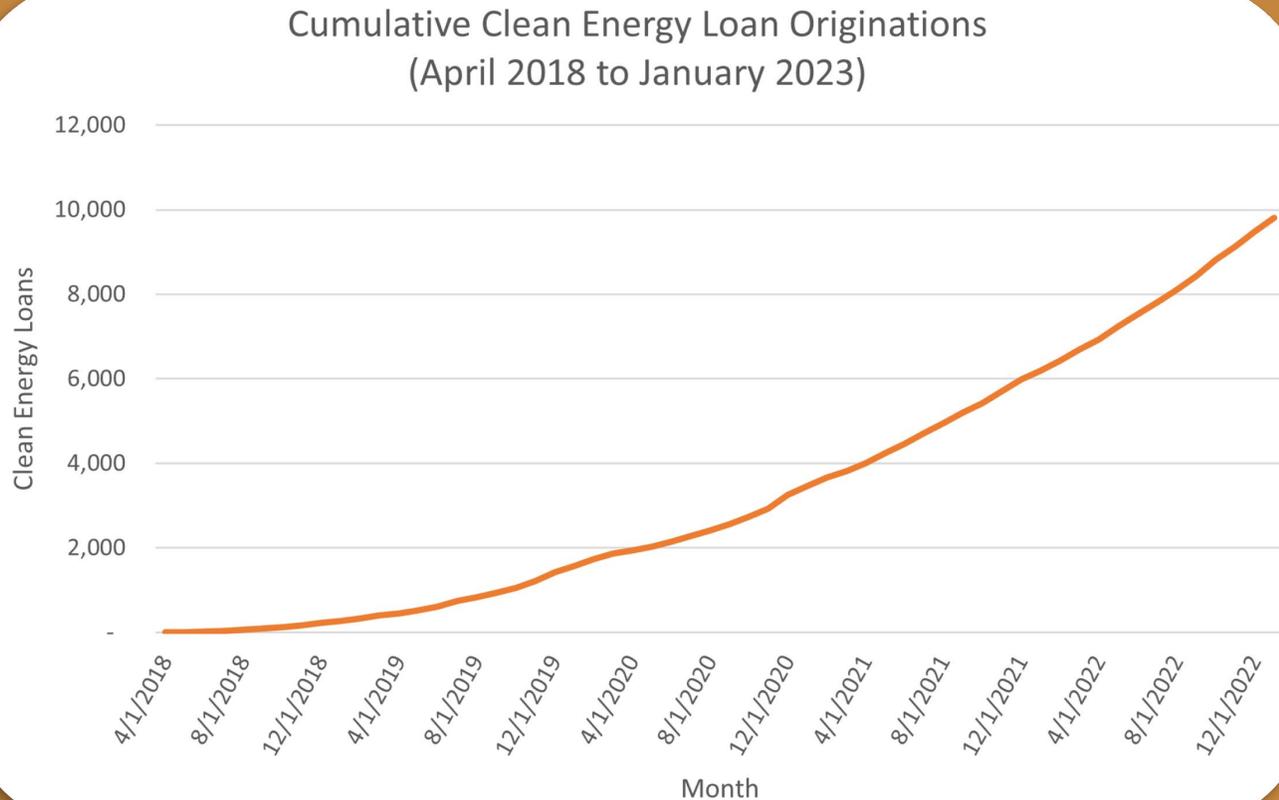
At Clean Energy Credit Union, we continue to put our mission and members first. Our efforts have resulted in an 80% year over year increase in deposits, over 250k tons of carbon offset in 2022 alone, and 3,500 clean energy projects financed across the nation. We are proud of our successes, but we know this is just a small ripple in a very large pond, and there is still work to be done.

Looking ahead to 2023, we are dedicated to our mission to expand clean energy through our current programs as well as new programs that look to secure clean energy access for all. Thank you for the opportunity to serve you, we are grateful for your support in creating a world where everyone can participate in the clean energy movement.

WE MADE SUBSTANTIAL PROGRESS IN OUR 5TH YEAR

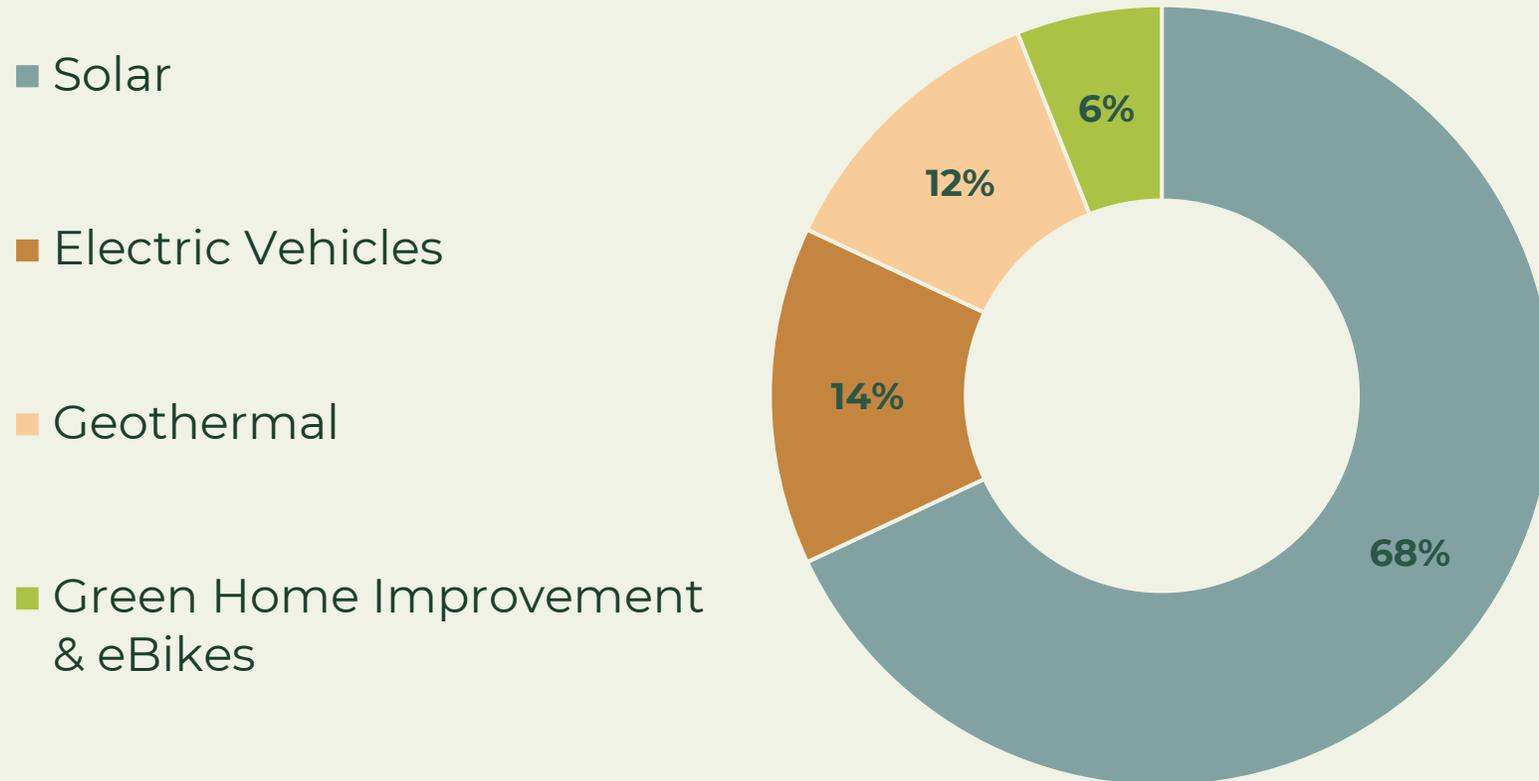
| | <i>As of 12/31/2022</i> | <i>As of 12/31/2021</i> | <i>% Change</i> |
|-------------------------------------|-------------------------|-------------------------|-----------------|
| # of Members | 8,207 | 5,104 | 61% |
| Member Deposits | \$43.1M | \$23.9M | 80% |
| Loans Originated (Cumulative #) | 9,480 | 5,981 | 59% |
| Loans Originated (Cumulative \$) | \$161.3M | \$93.3M | 73% |
| Net Income | \$0.08M | \$0.84M | - 52% |
| Tons of CO2 Offset | 691,100+ | 439,500+ | 57% |

CUMULATIVE CLEAN ENERGY LOAN ORIGINATIONS



**9,400+ Loans Totaling
\$161M+**

CLEAN ENERGY LOAN DOLLAR DISTRIBUTION



PRODUCT ROAD MAP

OFFERING EXPANSION

Q2 2023

New website and
blog

Q2 2023

New
solar/geothermal
loan product

Q2 2023

New loan program:
Clean Energy
For All

Q3 2023

New loan program:
Drive Clean
California

NEW WEBSITE LAUNCHED: FEB 2023



Since launch, our new website is:

- Increasing web traffic
- Providing helpful information
- Winning a Marketing Association of Credit Unions award

Our new site now includes a blog to provide members with financial and clean energy education.

REPORT FROM OUR BOARD OF DIRECTORS



Blake Jones

Board Chair

REPORT FROM OUR BOARD OF DIRECTORS

Our 2022 Board of Directors was comprised of these nine members:



Blake Jones
Board Chair



Michelle Outlaw
Vice-Chair



Cher Taylor
Board of Director



Brad Blackwell
Treasurer



Pearry Tarwasokono
Board of Director



Tom Teynor
Secretary



Dan Kester
Emeritus Director



Adler Prioly
Board of Director



Ebony Perkins
Associate Director

2023 TERM EXPIRATIONS

Brad and Pearry's 3-year terms are expiring as of this annual meeting.



Blake Jones
Board Chair



Michelle Outlaw
Vice-Chair



Cher Taylor
Board of Director



Brad Blackwell
Treasurer



Pearry Tarwasokono
Board of Director



Tom Teynor
Secretary



Dan Kester
Emeritus Director



Adler Prioly
Board of Director



Ebony Perkins
Associate Director

2023 TERM EXPIRATIONS

Pearry chose not to run for re-election. We thank him for his years of service on our board!



Blake Jones
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Michelle Outlaw
Vice-Chair



Cher Taylor
Board of Director



Brad Blackwell
Treasurer



Pearry Tarwasokono
Board of Director



Tom Teynor
Secretary



Dan Kester
Emeritus Director



Adler Prioly
Board of Director



Ebony Perkins
Associate Director

2022 BOARD ELECTIONS

Brad was re-elected and Karen was elected (to fill Pearry's seat) for 3-year terms – congrats Brad and Karen!



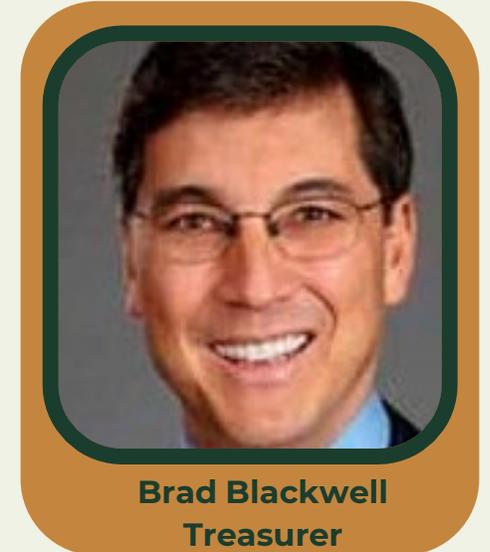
Blake Jones
Board Chair



Michelle Outlaw
Vice-Chair



Cher Taylor
Board of Director



Brad Blackwell
Treasurer



Karen Larson
Board of Director



Tom Teynor
Secretary



Dan Kester
Emeritus Director



Adler Prioly
Board of Director



Ebony Perkins
Associate Director

2022 BOARD ELECTIONS

Ebony has stepped down as Associate Director. We thank her for her service on our board!



Blake Jones
Board Chair



Michelle Outlaw
Vice-Chair



Cher Taylor
Board of Director



Brad Blackwell
Treasurer



Karen Larson
Board of Director



Tom Teynor
Secretary



Dan Kester
Emeritus Director



Adler Prioly
Board of Director



Ebony Perkins
Associate Director

2022 BOARD APPOINTMENTS

Cecilia Aguilon was appointed as our new Associate Director to succeed Ebony – welcome Cecilia!



Blake Jones
Board Chair



Michelle Outlaw
Vice-Chair



Cher Taylor
Board of Director



Brad Blackwell
Treasurer



Karen Larson
Board of Director



Tom Teynor
Secretary



Dan Kester
Emeritus Director



Adler Prioly
Board of Director



Cecilia Aguilon
Associate Director

LOAN PROGRAM PARTNERSHIPS

STATES:

- State of Colorado
- State of New York (via NYSERDA)
- State of Maryland

COUNTIES/MUNICIPALITIES:

- Washington, D.C.
- Montgomery County, Maryland
- Bloomington, Indiana

FELLOW COOPERATIVES:

- Organic Valley
- Technicians for Sustainability
- Amicus Solar Cooperative

0.50% rate
discount on
qualifying
loans



FUNDRAISING – RESULTS TO DATE



We've received \$4.7M in donations from:

- 9 Foundations
- 14 Companies
- 600+ individuals



**WALLACE
GLOBAL FUND**

THANK YOU TO OUR DONORS!

JUSTICE, EQUITY, DIVERSITY & INCLUSION (JEDI)



Tanya Widmer

Chief Operating Officer

TEAM DIVERSITY

Our organization is led by a female, Hispanic CEO, and we are constantly working to maintain and improve our diverse, inclusive and friendly workplace. We currently have a staff of 37 team members and as we grow, we will continue to evolve and add individuals with a variety of backgrounds to our team.

Our Staff

45%

Identify as BIPOC

61%

Identify as Female

Our Board of Directors

67%

Identify as BIPOC

33%

Identify as Female

Our Supervisory Committee

33%

Identify as BIPOC

100%

Identify as Female

We are not yet aware of team diversity stats for individuals who identify as LGBTQ+ or non-binary.

CLEAN ENERGY FOR ALL LOAN PROGRAM

Two programs designed to help level the playing field for those who have faced credit challenges:

1

BIPOC Borrower Program

Offers a 0.50%+ rate discount for Black, Indigenous, and other people of color who have faced disparate and racist restrictions on their access to capital and credit.

2

Low-Income Borrower Program

Offers a 0.50%+ rate discount for low-income individuals who may otherwise lack access to affordable financing.



DRIVE CLEAN CALIFORNIA

Program Partner:

California's Community Housing Development Corporation ("CHDC").

Program Goal:

Help low-income residents of California to buy EVs.

Program Offerings:

- EV loans with discounted rates
- Partial grants for EV car purchases
- Free financial education
- Gas-vehicle trade-in option

OUR GROWING TEAM

We are now up to 37 team members with 2 open position



Open Positions

Bilingual Member Service Rep

Data Analyst

THANK YOU TO OUR STAFF

We're so grateful to have such an amazing team of staff who are passionate about our credit union and its mission. Thank you for all of your hard work and dedication!!



REPORT FROM TREASURER

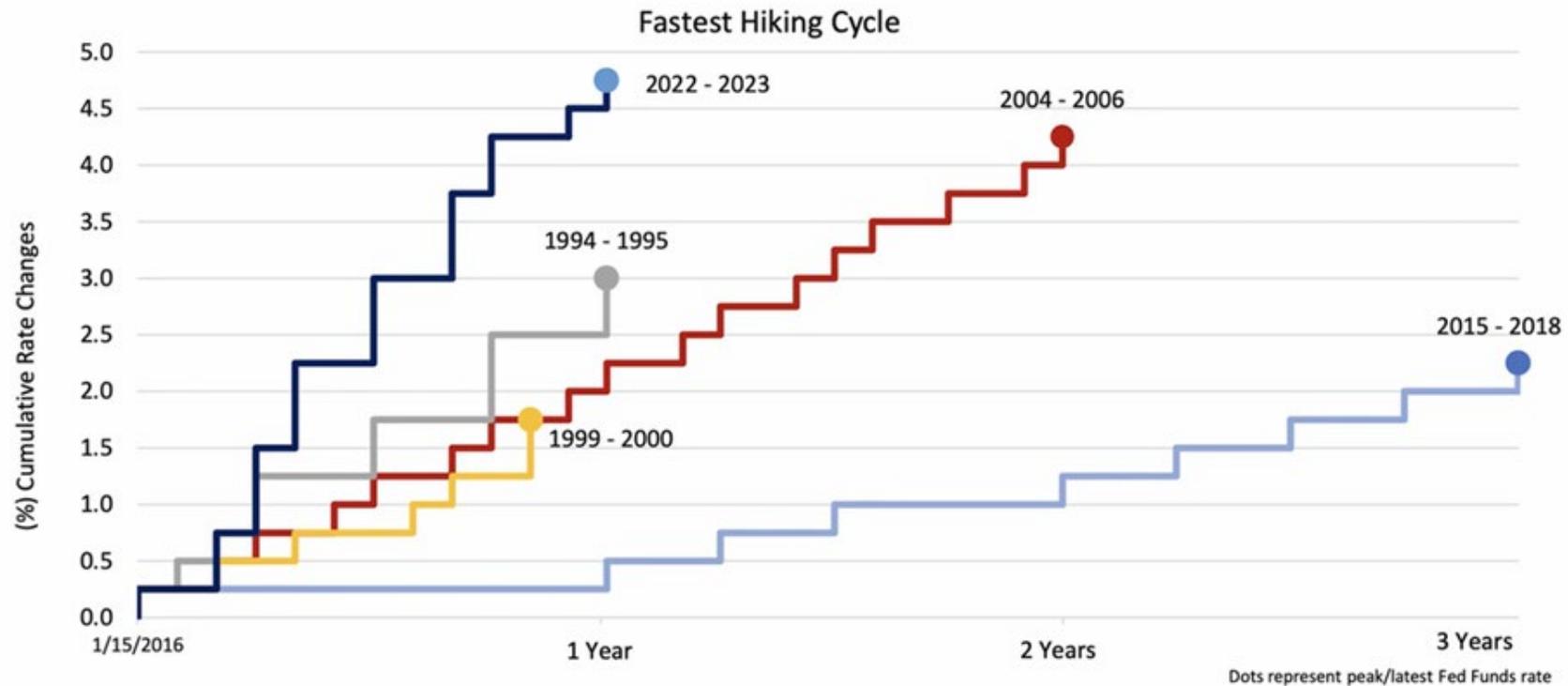


Brad Blackwell

Treasurer

2022'S FAST CHANGING MARKET

Fastest Fed Rate Hike Cycle of Past 40-years



WEALTH & FIDUCIARY SERVICES

Source: Federal Reserve, Bloomberg 3/31/2023

2022 FINANCIAL REPORT FROM TREASURER

SUMMARY BALANCE SHEET

| | 2022 | 2021 | % Delta |
|---------------------------------------|-------------------|-------------------|-------------|
| Loans | 107,472,654 | 62,448,274 | 72% |
| Less: Total Participations | (64,259,005) | (42,013,414) | 53% |
| Less: Allowance for Loan Losses | (394,191) | (179,850) | 119% |
| Net Loans | 42,819,458 | 20,255,010 | 111% |
| Cash & Investments | 7,595,757 | 8,223,738 | (8%) |
| Fixed Assets, net of depreciation | 188,348 | 96,908 | 94% |
| Other Assets | 863,779 | 597,253 | 45% |
| Total Assets | 51,467,342 | 29,172,909 | 76% |
| Total Liabilities | 5,236,698 | 2,174,971 | 141% |
| Members' Equity (shares) | 43,096,588 | 23,947,504 | 80% |
| Net Worth | 3,134,057 | 3,050,434 | 3% |
| Total Liabilities & Equity | 51,467,342 | 29,172,909 | 76% |

Key Ratios

| | |
|------------------------|-------|
| Loan to Share Ratio | 99.7% |
| Loan to Assets Ratio | 83.5% |
| Return on Assets (ROA) | 0.23% |
| Delinquency Ratio | 0.00% |
| Net Worth Ratio | 6.09% |

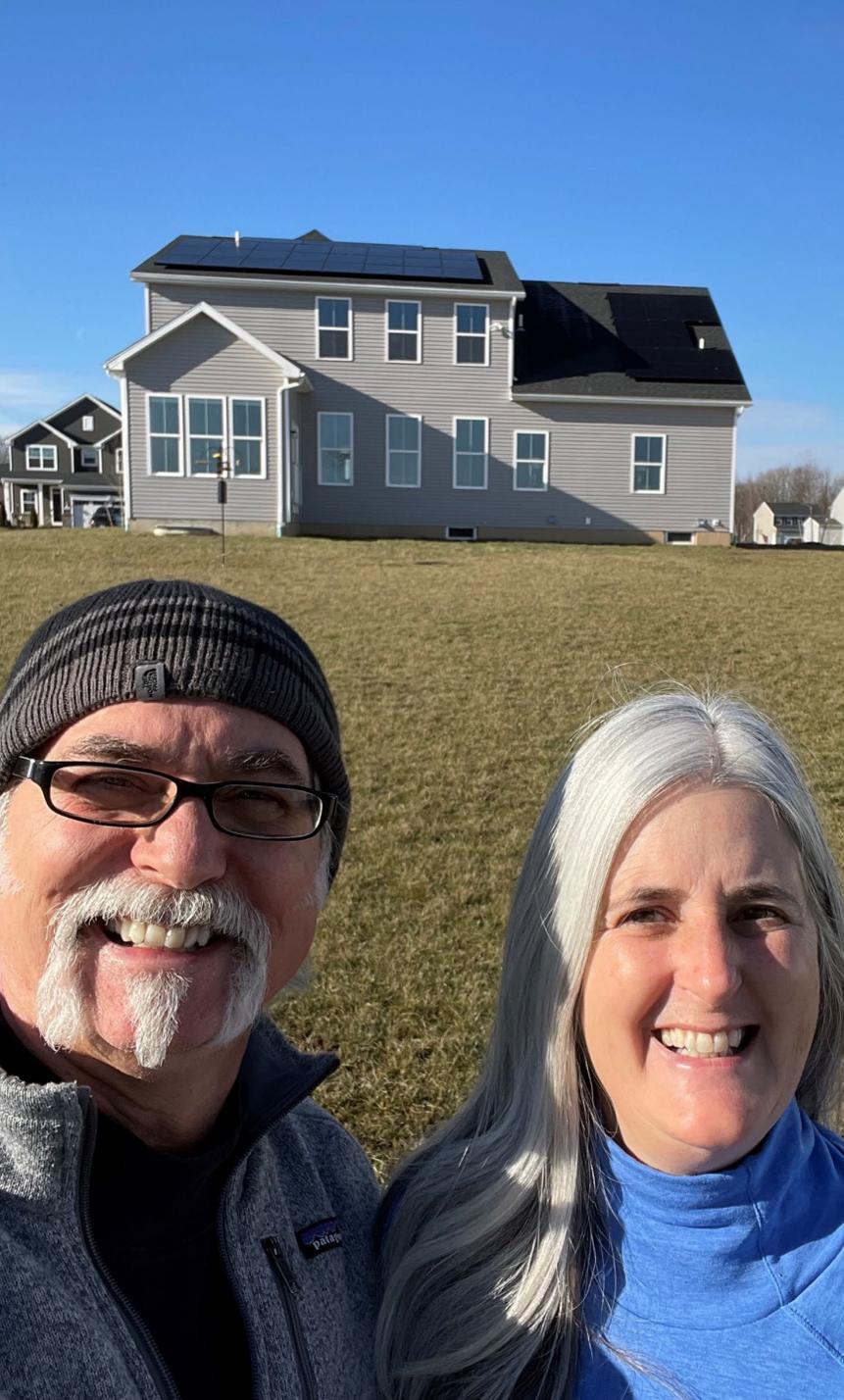
Summary Income Statement

For the years ending December 31, 2021, and 2022.

| | 2022 | 2021 | % Delta |
|----------------------------|------------------|------------------|--------------|
| Interest Income | 2,026,330 | 1,398,914 | 45% |
| Cost of Funds | (307,908) | (147,152) | 66% |
| Net Interest Income | 1,718,422 | 1,251,762 | 37% |
| | | | |
| Provision for Loan Losses | (297,866) | (53,544) | 456% |
| Non-Interest Income | 1,363,335 | 963,463 | 42% |
| Operating Expenses | (4,046,431) | (2,653,155) | 53% |
| Non-Operating Income | 251,673 | 996,799 | (75%) |
| Donations | 1,094,658 | 331,626 | 230% |
| Net Income | 83,792 | 836,951 | (90%) |

Unaudited and rounded.

2022 FINANCIAL REPORT FROM TREASURER



LOAN PARTICIPATIONS

- Clean Energy CU is able to generate more loan volume than we can place on our balance sheet
- We sell up to 90% of some loans to other credit unions while retaining at least 10% ourselves
- We continue to service those loans, maintaining our relationship with our members
- We earn income by selling these assets at a premium (gain on sale) and by charging a servicing fee
- 2022 loan participation totals:
 - \$37.6M sold
 - 21 credit unions participated loans with us

REPORT FROM OUR SUPERVISORY COMMITTEE



Amanda Kobza

Supervisory Committee Chair

CHANGES TO OUR SUPERVISORY COMMITTEE



Amanda Kobza



Amanda Bybee



Katie Works

REPORT FROM OUR SUPERVISORY COMMITTEE



Amanda Kobza



Jennifer Meyers



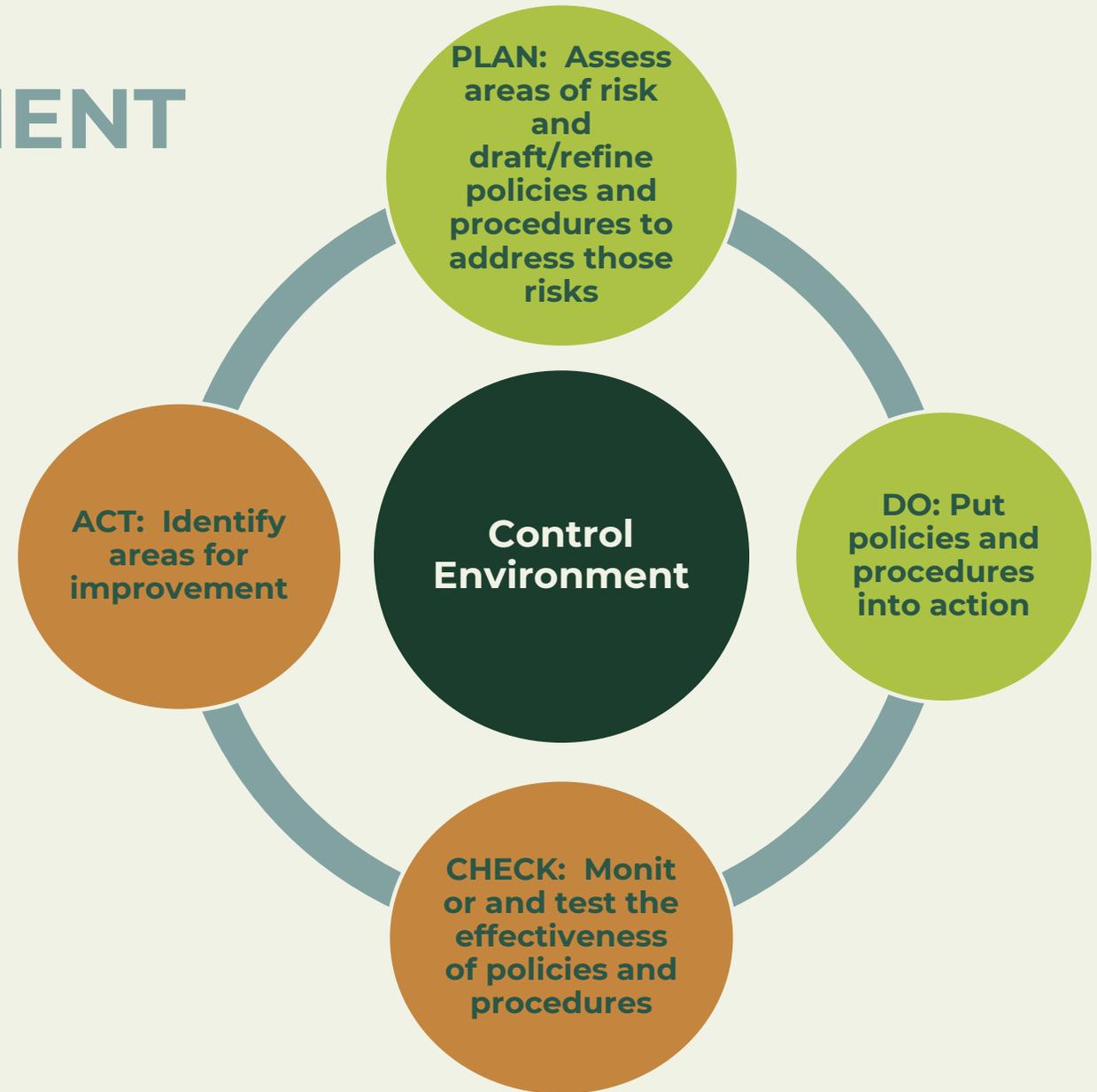
Katie Works

The purpose of the Supervisory Committee is to ensure that:

- The policies established by the Board of Directors are being properly administered
- Management has established a control environment adequate to safeguard the Credit Union's assets
- Accounting records and financial reports are timely prepared and accurately reflect the Credit Union's financial condition and results of operations.

CONTROL ENVIRONMENT

- A Control Environment is made up of an entity's organizational structure, processes, policies, and standards that are utilized to safeguard assets.
- Maintaining an effective control environment requires a "continuous improvement" mindset, which can be illustrated by the Deming cycle shown on the right. The Supervisory Committee provides support to management in the "Check" and "Act" phases of the cycle.



AUDITS AND REVIEWS

- The Supervisory Committee conducted 17 internal reviews during 2022 (extending into early 2023), providing several recommendations to management to further enhance the control environment.
- In addition, an independent review of the Credit Union's 2022 financial records and accounting operations (called "Agreed Upon Procedures"*) is in progress by the firm Singer Lewak LLP (f/k/a Holben Hay Lake Balzer CPAs LLC).

MANAGEMENT HAS PROVIDED SATISFACTORY RESPONSES/PLANS OF ACTION FOR ALL RECOMMENDATIONS.

**Note: An opinion audit is not required for credit unions under \$500MM in total assets.*

REPORT FROM OUR CREDIT COMMITTEE



Tanya Widmer

Chief Operations Officer

REPORT FROM OUR CREDIT COMMITTEE



Tanya Widmer



Rick Tazelaar



Terri Mickelsen

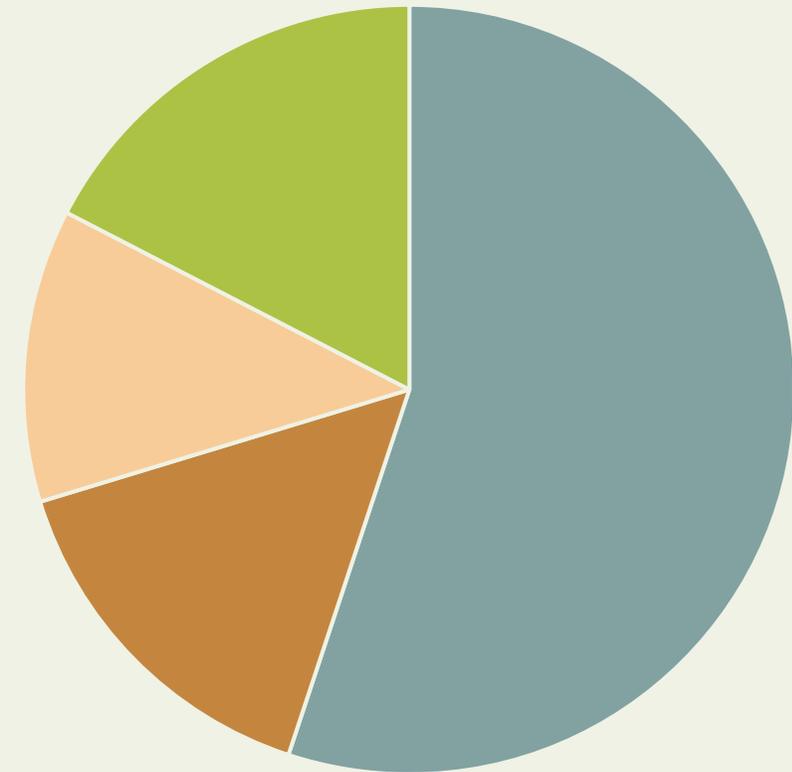
The purpose of the Credit Committee is to ensure that:

- Assist the Board of Directors in reviewing credit policies and risk
- Take a closer look at member loan applications that fall outside of our normal underwriting guidelines

REPORT FROM OUR CREDIT COMMITTEE

IN 2022, OUR CREDIT COMMITTEE MET 42 TIMES IN AND REVIEWED 138-MEMBER LOAN APPLICATIONS:

- 76 Approved
- 21 Counteroffers
- 17 Denials
- *Remaining 24 were either withdrawn or expired when additional information was requested.*



■ Approvals ■ Counters ■ Denials ■ Withdrawal or Expired



HOW CAN OUR MEMBERS HELP?

- Open a checking account and get a debit card.
- Encourage your friends to join our credit union.
- Help us recruit mission-aligned team members by referring your friends with credit union, banking, or lending experience.
- Send us a photo of your clean energy projects that are financed by Clean Energy Credit Union.
- Provide your feedback and help us improve our services.



Questions?

Type your questions in the chat which you can expand from the bottom of your Zoom screen.

Reach out with questions any time:
info@cleanenergycu.org

Thank you for attending!



Prize Giveaway

