

TRUITY CREDIT UNION 2022 ANNUAL REPORT



Why we exist:

To SERVE Our Members' Interests

What we stand for:

INTEGRITY Is First In All We Do

Treat All With RESPECT

VALUE Employees As Our Primary Resource

Be a GOOD Corporate Citizen

We promise to:

Treat you with the highest standards of
RESPECT and PROFESSIONALISM.

Be ACCURATE and ENSURE THE SECURITY
of your financial information.

MAKE IT EASY for you to do business with us.

IDENTIFY your needs and suggest a solution
that will IMPROVE your financial life.

RESPOND to your requests in a timely manner.

SHOW YOU APPRECIATION for
allowing us to SERVE you.



Letter to our Members

2022 was another phenomenal year for your credit union. The purpose of this annual report is to outline and celebrate the credit union's financial condition, and we have a lot to celebrate! The financials are on pages 8 and 9.

Deposit growth was more gradual than in previous years; however, total shares ultimately increased by \$10 million. Truity's total assets increased \$64 million to a new high, \$1,094 billion.

We have continued to enhance our digital banking experience by implementing features such as Savvy Money which allows you, our members, to track your credit scores and maintain your financial wealth. We were also able to incorporate a new in-app feature that allows members to open various accounts remotely. These additions are meant to improve your experience and make it easier to do business with us anywhere, anytime.

To cap off the year we evaluated opportunities for market expansion which will allow us to expand our presence in Kansas in 2023.

It is a privilege and an honor to be your credit union. We will continue to be successful because you trust us to provide the essential financial products and services you need.

On behalf of Truity's board of directors and its 200+ employees, thank you for your trust and loyal business.



A handwritten signature in black ink that reads "Brent Boeve".

BRENT BOEVE
Chairman, Board of Directors



A handwritten signature in black ink that reads "Dennis Halpin".

DENNIS HALPIN
President, CEO
Truity Federal Credit Union

Branch Activity

Bartlesville

EMPLOYEE VOLUNTEERISM

Credit union employees give their time and resources generously. Employees voluntarily support Community Cares, the credit union's way of donating to both the United Way and My Refuge. In 2022, Bartlesville employees gave over \$43,000 to the United Way and over \$38,000 to My Refuge.

Some of the other recipients of credit union employee generosity and volunteer hours include:

- ▶ Youth and Family Services
- ▶ Bartlesville Community Foundation
- ▶ Salvation Army
- ▶ Project Tribute
- ▶ Building Bridges of Oklahoma
- ▶ The Cottage
- ▶ Daybreak Rotary
- ▶ HOPE Clinic
- ▶ Ray of Hope Advocacy Center
- ▶ Mary Martha Outreach
- ▶ Young Professionals of Bartlesville
- ▶ Bartlesville Public Schools Foundation
- ▶ Westside community center
- ▶ Concern
- ▶ Elder care
- ▶ Boy Scouts

COMMUNITY PARTNERS

In addition to the employees of Phillips 66 and ConocoPhillips in Bartlesville, we serve more than 100 Select Employee Groups, including:

- ▶ ABB
- ▶ Bartlesville Public Schools
- ▶ The City of Bartlesville
- ▶ Dewey Public Schools
- ▶ Diversified Systems Resources
- ▶ Doenges
- ▶ Hood & Associates CPAs, CP
- ▶ ImageFirst
- ▶ OKWU
- ▶ Patriot Auto Group
- ▶ Rogers State University
- ▶ Schlumberger, REDA Production
- ▶ Skyway Honda
- ▶ The Voice of the Martyrs, Inc.
- ▶ Tri County Technology Center
- ▶ Wesleyan Christian School
- ▶ Youth and Family Services

Lawrence

EMPLOYEE VOLUNTEERISM

The creative Lawrence branches are always looking for ways to show Lawrence residents the value of credit union membership.

Community Cares donations from 2022 went to the United Way and Douglas County CASA.

In Lawrence, Truity regularly sponsors events tied to Lawrence Public Schools as well as to The University of Kansas. Events for 2022 included the Lawrence Education Association's School Supply Drive along with several awards given to our local teachers and classified staff.

Other organizations supported by employees in Lawrence include:

- ▶ Big Brothers Big Sisters
- ▶ Junior Achievement
- ▶ Just Food
- ▶ American Heart Association

COMMUNITY PARTNERS

Not only does the credit union serve the faculty, staff and students of The University of Kansas, we also serve many other Select Employee Groups, including:

- ▶ Amarr Garage Door
- ▶ Bert Nash Community Mental Health Center
- ▶ Cottonwood, Inc
- ▶ Hallmark
- ▶ Haskell Indian Nations University
- ▶ Lawrence Humane Society
- ▶ Lawrence Memorial Hospital
- ▶ Lawrence Public Schools
- ▶ The Local Firefighters Union, IAFF Local 1596
- ▶ Veritas Christian School

Houston

EMPLOYEE VOLUNTEERISM

Since we are so closely tied to our Select Employee Groups in Houston, we sponsor many of the activities and causes that are important to them.

Other organizations supported by employees in Houston including the United Way.

COMMUNITY PARTNERS

In addition to the employees of Phillips 66 and ConocoPhillips in Houston, we serve several other companies, including the Chevron/Phillips Chemical Co.

Community Connections

Truity Credit Union wouldn't be successful without the support of the communities we serve. Being a good corporate citizen is a high priority for us, and we are proud of the fact that our corporate giving has been at record levels for the past few years at a time when many companies are giving less.

Corporate-wide, Truity employees serve on the boards or other activities of almost 20 different organizations and report volunteering more than 500 hours each year in their communities.

TRUITY EDUCATION FOUNDATION

Formed in 2009, this organization has raised more than \$1 million for public school foundations and educational organizations in Bartlesville, Oklahoma and Lawrence, Kansas. Members of the Truity Education Foundation are eligible for membership in Truity Credit Union.

SPIRIT CARDS

Truity Credit Union makes it easy for members to support local schools and organizations with the Spirit Debit Card program. Members show support for their group by using the cards, and a portion of the interchange is donated to the school or organization featured on the card—\$272,591.79 has been given to area organizations since the program began in 2009.





BARTLESVILLE, OKLAHOMA:

501 S JOHNSTONE AVE
2612 SE WASHINGTON BLVD

LAWRENCE, KANSAS:

3400 W 6TH ST
2221 W 31ST ST
1300 W 23RD ST

HOUSTON, TEXAS:

925 N ELDRIDGE PARKWAY
ROOM #EC4-01-N314
CONOCOPHILLIPS EC4
2331 CITYWEST BLVD
SUITE 143
PHILLIPS 66 WORLD HQ

TRUITY CREDIT UNION

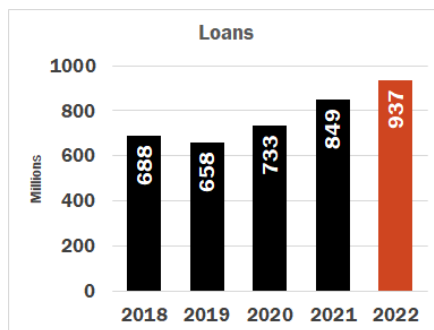
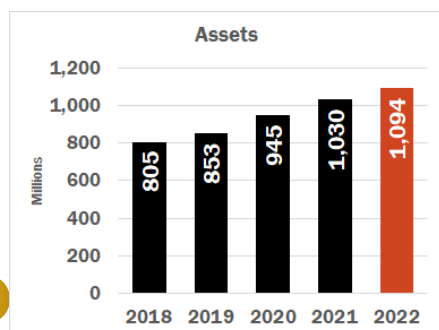
PO BOX 1358 | BARTLESVILLE, OK 74005 | 800.897.6991 | TRUITYCU.ORG



Clockwise from above: Bartlesville Headquarters, Lawrence Main and Houston offices.

Consolidated Balance Sheet

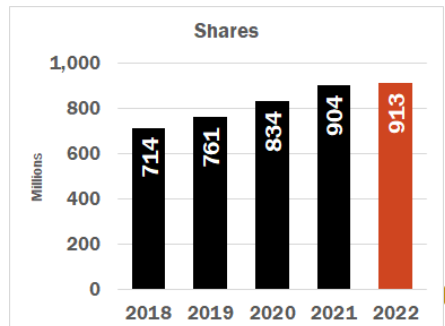
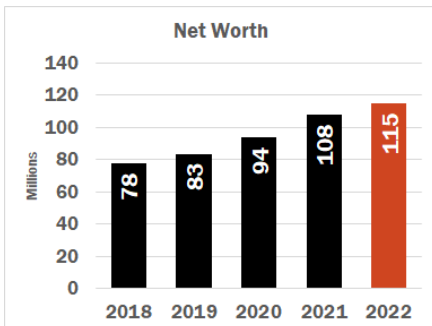
ASSETS	2022	2021
Cash	\$57,511,000	\$58,479,000
Investments	74,023,000	98,040,000
<i>Loans to members</i>	<i>936,576,000</i>	<i>849,279,000</i>
<i>Less allowance for loan losses</i>	<u><i>(6,862,000)</i></u>	<u><i>(5,369,000)</i></u>
Net loans	929,714,000	843,910,000
Property and equipment	8,433,000	7,396,000
Other assets	<u>24,070,000</u>	<u>21,990,000</u>
TOTAL ASSETS	\$1,093,751,000	\$1,029,815,000
LIABILITIES & MEMBERS' EQUITY		
Member Deposit Accounts:		
Shares, share drafts & money markets	\$772,236,000	\$800,332,000
Share certificates	<u>140,734,000</u>	<u>103,433,000</u>
	912,970,000	903,765,000
Other liabilities	11,573,000	5,338,000
Borrowed funds	<u>61,500,000</u>	<u>18,500,000</u>
Total Liabilities	986,043,000	927,603,000
Members' Equity:		
Regular reserve	6,191,000	6,191,000
Undivided earnings	105,155,000	96,064,000
Unrealized gain (loss) on available for-sale investments	<u>(3,638,000)</u>	<u>(43,000)</u>
Total Members' Equity	<u>107,708,000</u>	<u>102,212,000</u>
TOTAL LIABILITIES & MEMBERS' EQUITY	\$1,093,751,000	\$1,029,815,000



Consolidated Statement of Earnings

INTEREST INCOME	2022	2021
Interest on loans to members	\$42,739,000	\$34,373,000
Interest on investments & cash equivalents	1,340,000	1,227,000
<i>Total Interest Income</i>	<i>\$44,079,000</i>	<i>\$35,600,000</i>
INTEREST EXPENSE		
Shares, share drafts & money markets	\$3,389,000	\$1,640,000
Share certificates	1,193,000	848,000
<i>Total dividend expense</i>	<i>4,582,000</i>	<i>2,488,000</i>
Interest on borrowed funds	909,000	75,000
<i>Total interest expense</i>	<i>5,491,000</i>	<i>2,563,000</i>
Net interest income	38,588,000	33,037,000
Provision for Loan Losses	6,212,000	1,098,000
<i>Net interest income after provision for loan losses</i>	<i>32,376,000</i>	<i>31,939,000</i>
Non-interest income	14,856,000	17,608,000
Non-interest expense	38,141,000	32,959,000
NET EARNINGS	\$9,091,000	\$16,588,000

Copies of audited financial statements are available upon request.



Board of Directors

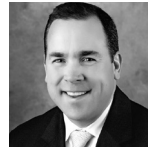
Truity is governed by a volunteer board of directors composed of Truity members. They guide the general direction and affairs of the credit union in accordance with our bylaws.



CHRIS KELLY
Process Team Lead,
ERP Transformation
Project,
Phillips 66



BRENT BOEVE,
CHAIRMAN
Manager, SAP PRA
Projects,
ConocoPhillips,
Retired



MATTHEW McCLOREY
President, Critech Inc.
President, Critech
Particle Engineering
Solutions, Inc.



BEVERLY DOLLAR
Sr. Intellectual
Property Counsel,
ConocoPhillips,
Retired



BRIT PARKER
Manager, IS Business
Partner Upstream,
ConocoPhillips,
Retired



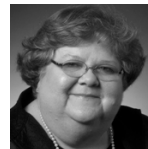
BOB BEETS
Manager, Information
Technology,
ConocoPhillips



CHUCK ROHRS,
Manager Internal
Audit - Corporate,
Phillips 66,
Retired



DAYLON EADS
Manager, Facilities
Engineering,
ConocoPhillips



KAY SALLEE
Chief Information
Officer, Phillips 66,
Retired



MATT EPPERON
Manager,
HR Operations,
Phillips 66



ANDREW THOMPSON
General Manager,
Financial Services,
ConocoPhillips

Supervisory Report

The role of the Supervisory Committee is to ensure that members' interests are protected by conducting audits and reviews of key financial and operating components of the credit union. Appointed by the credit union board of directors, the Supervisory Committee is responsible for coordinating audits to determine that accounting records are prepared promptly, and that they accurately reflect the credit union's condition.

To assist in this process, the committee engaged the firm of Doeren Mayhew to perform the annual audit of the credit union for the year ending December 31, 2022.

As a result of this audit and our ongoing internal audit, it is the opinion of the Supervisory Committee that the financial statements fairly and accurately reflect the condition of the credit union.

On behalf of the Supervisory Committee, we appreciate the opportunity to serve the credit union, and as always, we welcome your comments and suggestions.

SUPERVISORY COMMITTEE



SCOTT HENSLEY,
CHAIRMAN
BCP Manager,
ConocoPhillips,
Retired



BETHANY HALEY
Team Lead,
Consignments,
Marketing Financial
Services,
Phillips 66



MARY FRIEDMAN
GIPA - Consultant
Privacy and
Awareness,
ConocoPhillips,
Retired



ELYSE WISEMAN
Supervisor,
Marketing and Lubes
Closing & Control,
Phillips 66



JUSTIN MCCALL
Director,
Leveraged Services,
Financial Services,
ConocoPhillips



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BY NCUA