

chairman's report

Despite record inflation and drastic rate hikes by the Federal Reserve, 2022 was an excellent year for Communication Federal Credit Union. Management and staff worked to pivot in tandem with the changing environment throughout the course of the year. This agility was of benefit to members and allowed the credit union to prosper. We ended the year with total assets over 1.95 billion dollars; an increase of nearly 20 million dollars from 2021.

During 2022 the credit union launched many upgrades to remain current with technology and stay ahead of your expectations. A new digital banking experience has been deployed, offering better tools to efficiently manage your finances. This platform makes it easier to add new features and provide the best experience possible. The credit union also launched a new chat feature, coupled with artificial intelligence, to improve access to the credit union and to provide a channel for 24x7 support. Construction also began on a new branch in Ada, Oklahoma to replace our existing location. The new facility will provide a better environment for members and employees along with enhanced visibility, as we continue expanding in the area. The new Ada branch is expected to open in April of 2023. More recently, we purchased a building in Piedmont, Oklahoma and are working to open another full-service location later this year.

We continued our tradition of recognition and were named as a Top Place to Work by Oklahoma Magazine in 2022. Retaining top talent helps the credit union provide consistently great service and operate more efficiently. Communication Federal was again rated as a Five-Star credit union for our 33rd consecutive year by Bauer Financial Reports. These rankings reflect the credit union's commitment to our members. As we grow, your credit union is committed to providing great rates, excellent service and safety for your hard-earned money. In addition to being federally insured, we work diligently to remain among the strongest financial institutions in the country. We appreciate your trust in the credit union and ask that you share the benefits of membership with those you know.

On behalf of the Board of Directors, I thank you for your continued support of Communication Federal Credit Union.

Mirl L. Whisman
Chairman

connect with us



Board of Directors

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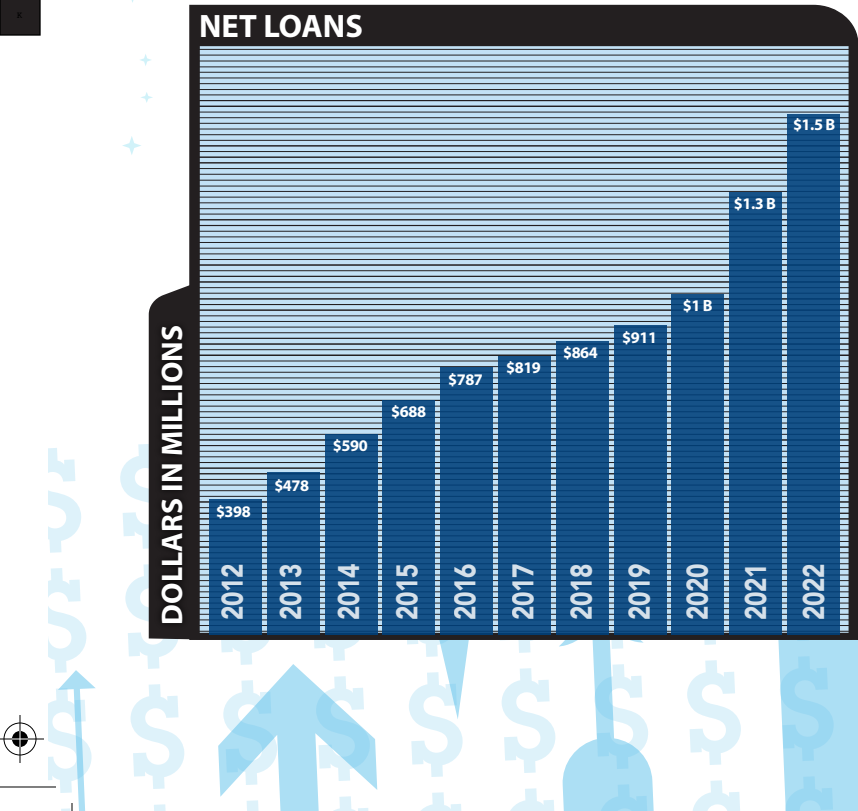
2022 Annual Report



Communication
FEDERAL CREDIT UNION

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connecting with you



loan officer report

During 2022, the credit union experienced steady loan growth. Net loans increased over 200 million dollars from 1,331.2 billion to 1,532.3 billion dollars. The credit union worked diligently to manage loan growth with the needs of the credit union over the course of the year. We continue to seek new opportunities to assist members with financial needs.

The credit union did see slight increases in both charged off loans and loan delinquency, of 0.42% and 0.70%, respectively. These increases are the result of increased economic pressures on borrowers and the moderation of loan growth. The totals are well within expected tolerances and the loan portfolio continues to perform extremely well. The credit union will continue its long tradition of balancing member needs and financial stability.

Please think of your credit union anytime you have a lending need. Our knowledgeable staff has the experience to proficiently handle your needs. We would like to remind you that all Communication Federal Credit Union branches can help with loan needs, or you may conveniently complete the entire process online.

Billy McDaniel
Senior Vice President Lending

supervisory committee report

The Supervisory Committee independently evaluates the soundness of Communication Federal Credit Union’s operations and activities, ensuring that management implements sound internal controls and maintains practices and procedures that adhere to generally accepted accounting principles. In doing so, they carry out the following primary responsibilities:

- > Protecting member funds and interests
- > Safeguarding credit union assets
- > Ensuring compliance with regulations, policies and procedures

The Committee meets regularly with the credit union’s internal auditors to review and discuss internal controls as well as auditing matters. It also retains an independent accounting firm to perform an annual certified audit of financial statements and verification of member accounts. Committee members are:

Doug Rich Mickie Duggan Brian Cavanaugh Russell Hulin Cody Eidson
Chairman Member Member Member Member

Based on the results of the 2022 annual audit performed by certified public accountants HoganTaylor, LLP, the Committee concludes that Communication Federal Credit Union has adequate financial control and is financially sound. Results of the certified audit are available for review upon request.

The officials and staff of the credit union have performed well and given exceptional service in 2022. We commend and thank them for their efforts.

treasurer’s report

Communication Federal Credit Union experienced strong growth during 2022. The credit union’s assets grew from 1.78 to over 1.95 billion dollars over the course of the year, despite a challenging economy. The credit union remains extremely strong, with capital in excess of 12%, substantially higher than the 7% required to be classified as well-capitalized. A strong capital position provides greater financial strength and allows the credit union to take advantage of growth opportunities.

STATEMENT OF income & expense

| | December 31, 2022 Unaudited |
|----------------------------------|--------------------------------|
| income | |
| Interest on Loans | 65,256,387 |
| Investment Income | 2,404,928 |
| Other Income | 18,592,679 |
| TOTAL OPERATING INCOME | \$86,253,994 |
| operating expenses | |
| Employee Compensation & Benefits | 21,686,425 |
| General Office Expenses | 19,091,178 |
| Professional & Outside Services | 816,576 |
| Provision for Loan Losses | 9,983,374 |
| TOTAL OPERATING EXPENSES | \$51,577,553 |
| OPERATING INCOME | 34,676,441 |
| BEFORE DIVIDENDS | \$34,676,441 |
| Dividends Paid to Members | 14,419,023 |
| NET INCOME | \$20,257,418 |

STATEMENT OF financial condition

| | December 31, 2022 Unaudited |
|---|--------------------------------|
| assets | |
| Loans (net) | 1,532,251,522 |
| Accounts Receivable | 2,301,038 |
| Cash | 149,377,034 |
| Investments (Net) | 216,519,237 |
| Accrued Income | 5,381,620 |
| Fixed Assets | 39,816,579 |
| Other Assets | 10,019,429 |
| TOTAL ASSETS | \$1,955,666,459 |
| liabilities & member equity | |
| Accounts Payable | 10,575,005 |
| Notes Payable | 40,000,000 |
| Other Liabilities | 11,073,563 |
| TOTAL LIABILITIES | \$61,648,568 |
| Savings (except certificates) | 914,317,879 |
| Share Certificates | 763,992,115 |
| Regular Reserves | 29,529,818 |
| Undivided Earnings | 193,093,149 |
| Unrealized Gain (Loss) on Investments | -27,172,488 |
| Net Income | 20,257,418 |
| TOTAL MEMBER TOTAL LIABILITIES & MEMBER EQUITY | \$195,566,6459 |

Larry K. Wilson, Treasurer

