

## chairman's report



As we reflect on 2023, your credit union remained strong and experienced growth beyond many of our peers. Rising interest rates allowed the credit union to reward members for saving and to attract a larger base of depositors. We worked diligently to balance loan growth and maintain strong earnings. The rate environment provided the opportunity to strategically re-deploy credit union investments for a greater financial benefit in coming years. Credit union management and staff proactively responded to the many Fed rate hikes while continuing to focus on our members' financial needs.

I am proud to report that the credit union achieved the milestone of surpassing 2 billion dollars in assets during 2023. We ended the year with total assets over 2.059 billion dollars; an increase of more than 103.7 million dollars from 2022. For perspective, out of approximately 4,700 U.S. credit unions, less than 250 hold assets in excess of 2 billion dollars.

Communication Federal remains one of the nation's strongest and most stable financial institutions. We were again rated as a Five-Star Credit Union by Bauer Financial Reports for the 34th consecutive year.

With our continued focus on member experience, the credit union had many initiatives

during 2023. We completed construction and opened our new facility in Ada, Oklahoma and acquired a facility in Piedmont, Oklahoma to serve our growing membership in these areas. In addition to retail financial centers that focus on personal experience, a significant amount of time was spent developing a new telephone based transactional experience to provide member support 24x7. This new experience was launched in early 2024 and we look forward to augmenting our chat services with transactional functionality during the year.

As we begin our 85th year, the credit union is committed to serving our members both personally and digitally with the resources and products to achieve financial prosperity. 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



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### Board of Directors

Mirl L. Whisman  
Chairman

Wesley Dunbar  
Vice Chairman

Larry Choate  
Secretary

Larry K. Wilson  
Treasurer

Allan Booher  
Member

Katrina Uhls  
Member

Mickle Duggan  
Member

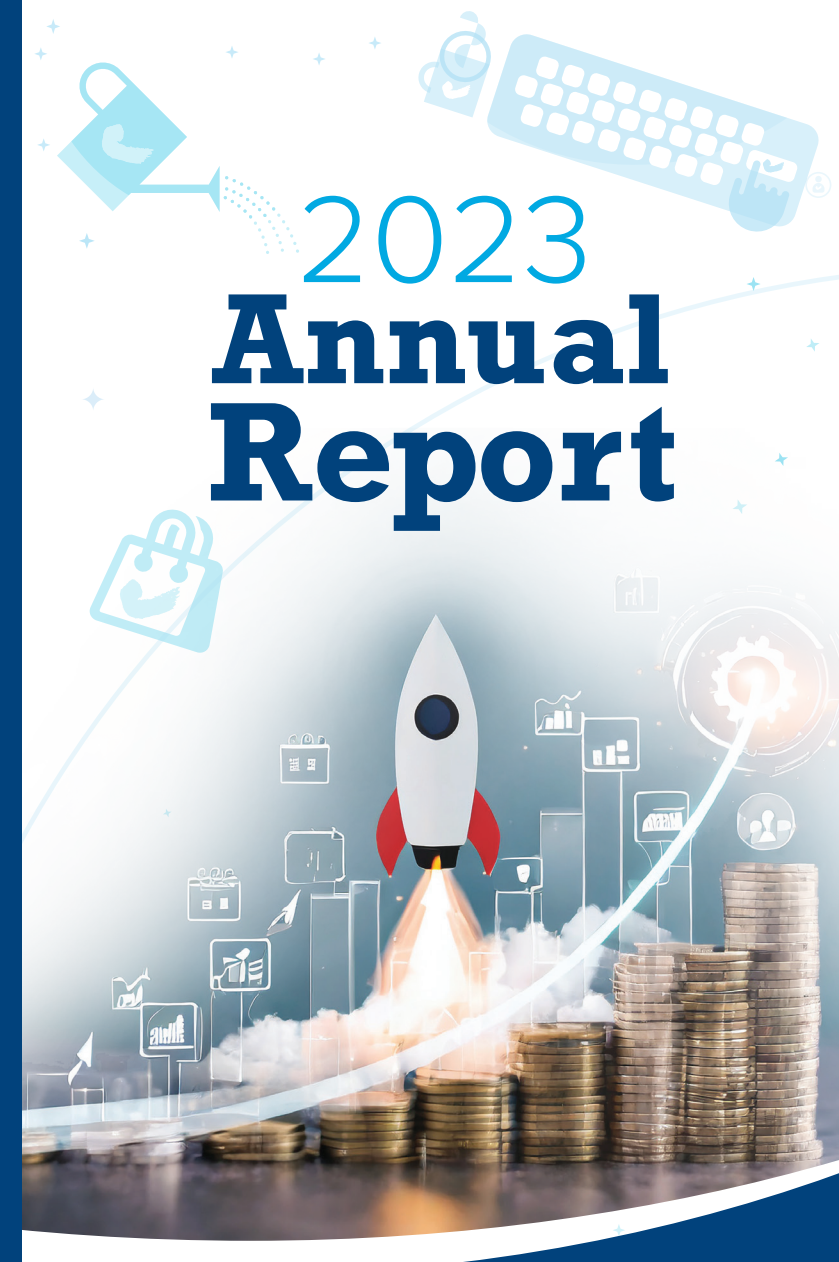
  
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# 2023 Annual Report



  
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## loan officer report

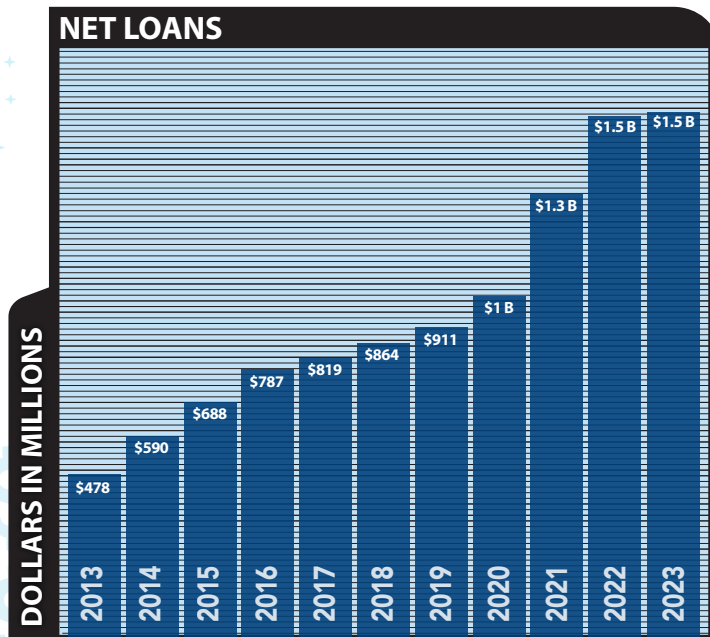
During 2023, the credit union experienced moderate loan growth. Net loans increased by 39.5 million dollars from 1,532.3 billion to 1,571.8 billion dollars. Loan growth and borrower demand were tempered by the many Fed rate hikes during 2023 while economic variables renewed our focus on credit quality.

The credit union did see increases in both charged off loans and loan delinquency, of 0.94% and 0.88%, respectively. These increases were primarily the result of sustained inflation and high rates placing pressure on our borrowers' ability to repay loans. 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. The network of Communication Federal Credit Union financial centers and our teams are here with personalized borrowing assistance, 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:

Russell Hulin Chairman	Brian Cavanaugh Secretary	Mickle Duggan Member	Cody Eidson Member
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*Based on the results of the 2023 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 2023. We commend and thank them for their efforts.*

## treasurer's report

Communication Federal Credit Union remained in a strong financial position during 2023, with total assets surpassing 2.059 billion dollars. This represents a gain of more than 103.7 million dollars over 2022. The financial strength of the credit union, measured by capital, was 12.20%, compared with an industry peer average of 10.96% and well over the 7% required to be classified as well-capitalized.

Most of the deposit growth during 2023 occurred in share certificates. Despite a very competitive rate

market driven by a systemic need for liquidity we were pleased with deposit growth. Many financial institutions experienced a reduction of total deposits when compared to 2022. We attribute this success to the efforts of our employees, member growth and loyal members who moved additional deposits to the credit union.

Thank you for choosing Communication Federal Credit Union. We appreciate your business!

Larry K. Wilson, Treasurer

## STATEMENT OF income & expense

December 31, 2023  
Unaudited

### income

Interest on Loans	85,756,265
Investment Income	13,919,648
Other Income	11,789,155

**TOTAL OPERATING INCOME \$111,465,068**

### operating expenses

Employee Compensation & Benefits	24,323,089
General Office Expenses	21,215,967
Professional & Outside Services	984,190
Provision for Loan Losses	16,847,176

**TOTAL OPERATING EXPENSES \$63,370,422**

OPERATING INCOME 48,094,646

**BEFORE DIVIDENDS \$48,094,646**

Dividends Paid to Members 37,200,762

**NET INCOME \$10,893,884**

## STATEMENT OF financial condition

December 31, 2023  
Unaudited

### assets

Loans (net)	1,571,840,195
Accounts Receivable	2,718,170
Cash	201,599,706
Investments (Net)	219,201,615
Accrued Income	6,922,899
Fixed Assets	42,998,570
Other Assets	14,089,063

**TOTAL ASSETS \$2,059,370,218**

### liabilities & member equity

Accounts Payable	9,442,114
Notes Payable	50,000,000
Other Liabilities	10,911,351

**TOTAL LIABILITIES \$70,353,465**

Savings (except certificates) 1,536,031,458

Share Certificates 224,136,886

Regular Reserves -

Reserve for SERP -

Undivided Earnings 236,936,539

Unrealized Gain (Loss) on Investments (18,982,013)

Net Income 10,893,883

**TOTAL MEMBER TOTAL LIABILITIES & MEMBER EQUITY 2,059,370,218**

