

79th ANNUAL REPORT



**Oklahoma
Central**

CREDIT
UNION

PRESIDENT & CHAIRMAN'S REPORT

COVID-19

Throughout the 79-years of Oklahoma Central Credit Union, our predecessors never experienced a pandemic. We are living through an important era of credit union history. Due to these unprecedented times, the 2020 Annual Meeting was postponed out of concern for the health of attendees and in accordance with local authority guidelines. We would be remiss not to highlight the impact of COVID-19. Like many businesses in our community, Oklahoma Central reacted to the pandemic in a strategic and conservative manner.

We continually operated without significant difficulties or disruptions. It was not “business as usual” with our lobbies closed, yet we continued to provide service to you with convenient and safe alternatives. Our retail and operational staff were accessible by phone, email, online or by appointment and drive-thru, communication center services remained available.

In recent years, the credit union has been intentional to improve and enhance alternative financial channels for you. Channels such as online banking, mobile banking, online lending and electronic statements have increased in usage. While the impact of COVID-19 remained questionable, we were confident the credit union’s digital capabilities and convenient resources from the comfort of your home remained a consistent and reliable source for all your financial needs. We take great pride in our staff pulling together as a team with steadfast resilience to ensure your needs were met.

RECAP 2019

Oklahoma Central broke ground on its 11th full-service location near the southwest corner of Albany and Lynn Lane in Broken Arrow. The branch is targeted to open by Fall 2020. Residents will have access to a 3,540-square-foot branch featuring drive-thru lanes, ATM, and full-financial services. We are so pleased to extend the reach of our credit union and further serve the financial wellness of the Broken Arrow community. The new branch is an investment in the future of the city and our commitment to local residents and business owners.

Our strategic initiatives during 2019 played a significant role in another strong financial year. We were intentional in our focus to deepen relationships and optimize technology to be more efficient while strengthening the electronic, digital and mobile channels. Further, we made technological improvements to strengthen our systems to ensure safety, security and confidentiality.

As stated previously, our progress in these initiatives has been reinforced by our ability to adapt member services and respond to the business impact of COVID-19.

Community Giveback

In 2019, we continued our efforts in the community through our financial wellness programs. We offered over 100 financial literacy education courses throughout the area to 2,800 participants. This reached double the number participants from the previous year. In addition, we challenged

PRESIDENT & CHAIRMAN'S REPORT

our organization to increase the number of volunteer hours dedicated to serving the community. We wanted to give back in a more significant and meaningful way, thus, we set out to achieve 1,000 volunteer hours. The challenge was met and exceeded with a total of 1,360 hours of service. This number illustrates the determination of our staff to rise to the challenge and speaks volumes about the character of the Oklahoma Central family dedicated to making a difference.

Our efforts were recognized again in several local publications in 2019 featuring "best of credit union" categories. We were a finalist in Tulsa World's "Best in the World" publication. Oklahoma Central was featured in Tulsa People Magazine's, "Reader's Choice A -List." And lastly, we were among Oklahoma Magazine's "Best of the Best."

Offering financial literacy programs and service projects is a key component to our mission and to be recognized regionally and nationally attests to the intentional planning and focus on why we are here. Our national credit union association (CUNA) and the regional association, Cornerstone Credit Union League, recognized our community service work and social responsibility winning second place nationally and first place regionally among other credit unions. Oklahoma Central's financial education program brought home a first-place award at the regional level.

All of our accomplishments would not be possible without support from our board of directors, employees and membership. Thank you for being a part of our success.

Finally, as we are six months into 2020, we know this is an unsettling and challenging year for all of us. We assure you, we are rising to meet these challenges, doing all that we can to support the employees, members, and communities.

Take care, be safe and stay healthy.



Gina Wilson
President and
Chief Executive Officer



Gordon Sprouse
Chairman, Board of Directors

TREASURER'S REPORT

In 2019, Oklahoma Central remained financially strong while growing to nearly \$580.5 million in total assets - a 4.6% increase over 2018 and the largest percentage increase since 2012.

Economic conditions in the Tulsa area remained generally strong in 2019. For example, the unemployment rate remained very low at 3.4% at year-end compared to 3.3% at the end of 2018. This was also slightly lower than the national rate at 3.5%. In 2019, deposits grew by approximately 4.3% to \$499 million despite continued competitive pressure in the market to attract balances.

The credit union continues to maintain a strong net worth ratio, a key indicator of financial strength. The net worth ratio for Oklahoma Central at the end of 2019 was 13.08% compared to the national average of 5,349 credit unions at 11.38%.

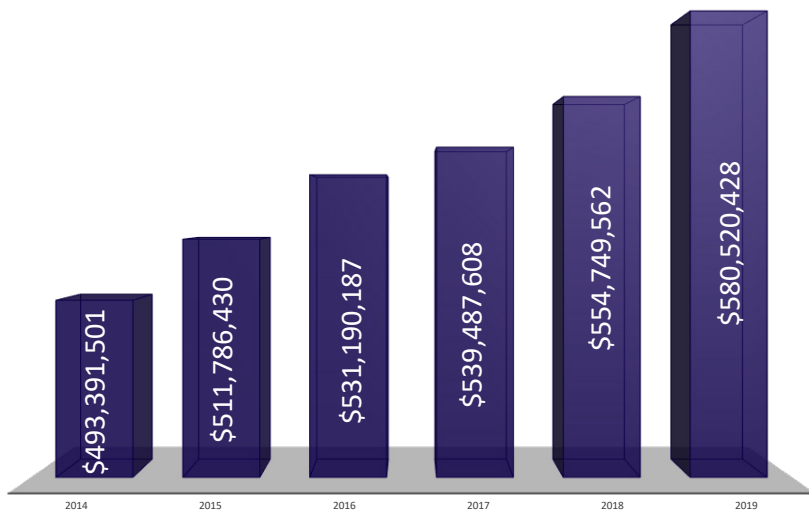
Obviously, by March 2020 the COVID-19 crisis was impacting our country, state and local community. While altering branch operations, Oklahoma Central remained open through the peak of the crisis and continued to serve our members. Hopefully, the worst of the crisis is behind us and the lasting financial impact on our community will be limited. As always, your Board of Directors and Executive Team are committed to helping our members financially navigate this and any future challenge.



Susan Phelps
Treasurer

FINANCIALS

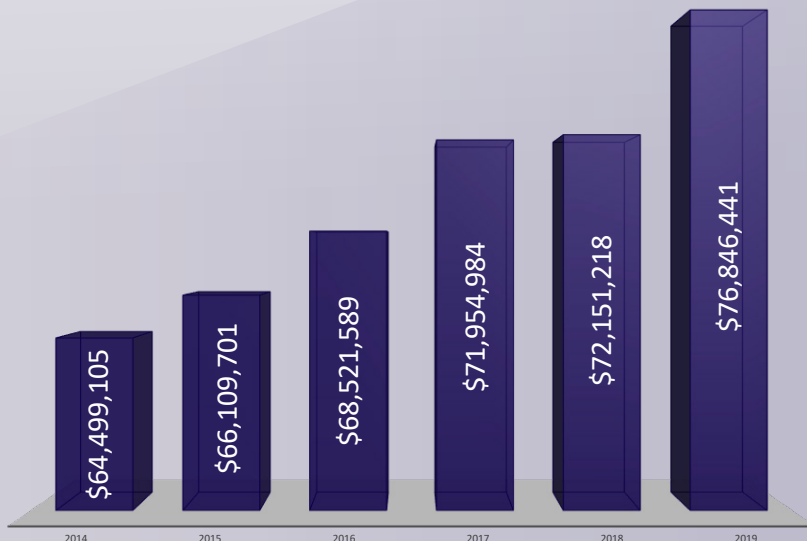
Assets



Loans



Equity



CREDIT MANAGER'S REPORT

Oklahoma Central continues to focus on delivering loan products that meet the needs of our membership. In 2019 Oklahoma Central disbursed \$109 million in loans. As of year-end the total loan portfolio exceeded \$334 million.

Below are a few ways Oklahoma Central worked for our membership this past year:

- Oklahoma Central helped members realize the American dream by assisting them to purchase or refinance their home.
 - We offer competitive home loans of all types, including home equity loans and lines of credit with no closing costs.
 - Oklahoma Central's First-Time Home Buyer program educates potential homeowners about mortgages and factors to consider when buying a home. With 100 percent financing, no private mortgage insurance and a \$500 discount toward closing costs, the program is designed to assist with the traditional expenses associated with a mortgage loan and help members achieve homeownership.
- Whether it's a new or pre-owned vehicle, we continue to assist our members in purchasing their dream car.
- When members refinance with Oklahoma Central we help save members from high monthly payments and interest rates, improving their financial position.
- When the unexpected happens and members need help to manage, Oklahoma Central offers personal loans to cover our member's needs.

As we look ahead, we will continue focusing on enhancing member experiences and will remain focused on providing exceptional service.

Thank you for choosing Oklahoma Central as your financial institution of choice and recommending us to your friends and family. We greatly appreciate your business and look forward to serving all your financial needs in 2020.



Shelli Schroeder
Credit Manager
Executive Vice President, Chief Operations Officer

SUPERVISORY COMMITTEE **REPORT**

The Supervisory Committee, with the approval of the Board of Directors, engaged the certified public accounting firm of Doeren Mayhew CPAs to perform the annual Supervisory Committee Audit of Oklahoma Central Credit Union for the year-end December 31, 2019. The audit included the expression of an opinion on our financial statements and related disclosures required by generally accepted accounting principles. The audit has been completed and a clean opinion expressed. You may obtain a copy of the audited financial report by calling Oklahoma Central Shareholder Communications at (918) 664-6000, ext. 287.

The Supervisory Committee is appointed by Oklahoma Central's Board of Directors. The primary duty of the committee, as prescribed by Oklahoma Central bylaws and Oklahoma statutes, is to ensure that an annual examination is made of the credit union's financial records. Additionally, the committee serves as an alternative means for members to communicate their needs.



Andy Murphree
Director/Supervisory Committee

BOARD OFFICERS

Gordon Sprouse

Chairman
Navico

Anne Dorman

Vice Chair
Total Valve Systems

Susan Phelps

Secretary/Treasurer
Phelps Market

BOARD OF DIRECTORS

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Director
Tayloe Paper, Retired

Andy Murphree

Director
AEP, Retired

Penny Cheffey

Director
Magellan Midstream
Partners, L.P.

Tom Hille

Director
CP Solutions, Inc.,
an RR Donnelley Co.

SUPERVISORY COMMITTEE

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Chairman
AEP, Retired

Veda Hester

Member
Universal Field Services Inc.

Shannon Townsend

Member
Shannon Townsend CPA, LLC

PARLIAMENTARIAN

Robert Skeith

Legal Counsel

EXECUTIVE TEAM

Gina Wilson

President & Chief Executive Officer

Brad A. Scheidt

Executive Vice President & Chief Finance and Strategy Officer

Shelli Schroeder

Executive Vice President & Chief Operations Officer

MISSION STATEMENT

The mission of Oklahoma Central Credit Union is to make a difference in the lives of our employees, our members and the communities we serve.

ABOUT YOUR CREDIT UNION

For the last 79 years, Oklahoma Central has helped members throughout Northeast Oklahoma and beyond, meet their financial goals. Since its inception in 1941, the credit union membership has grown to more than 45,000 members, served by ten Tulsa metro locations. Solution-oriented products and services, combined with sound business practices and exemplary member service, are what keep generations of members loyal and attract new ones.

Our deposit and lending services – from consumer loans to checking accounts, investment products and more – offer members the benefits of a full-service banking institution, with a commitment to service excellence that is second to none. Digital channels such as banking online or by mobile app, along with 5,000+ Shared Branch locations nationwide offer 24/7 access anytime, from nearly anywhere.

Community involvement is of the highest priority. The Oklahoma Central Foundation, a 501c3 nonprofit organization which was established in 2014, provides scholarships to deserving students who are pursuing post-high school education and students who are continuing their college education within the state of Oklahoma.

A “members first” philosophy guides the financial and policy decisions of the Board of Directors and executive leadership team. This member-focused approach to doing business enables Oklahoma Central to meet or exceed all requirements for safety and soundness, to continue to make loans when credit is scarce and to produce substantive earnings on member investments.

BRANCH LOCATIONS

Broken Arrow

2211 S. Aspen Ave.

Brookside

4956 S. Peoria Ave.

Centennial Park

515 S. Peoria Ave.

Downtown

140 One Williams Center

Garnett

11335 E. 41st St.

LaFortune

4132 E. 51st St.

Owasso

12901 E. 116th St. N.

Port of Catoosa

5220 N. Hwy 167

Sheridan South

6728 E. 81st St. S.

Tulsa Hills

8075 S. Olympia Ave. W.

COMING SOON

Broken Arrow North

1105 E Albany St.

Main Phone Number
918-664-6000

Website
OklahomaCentral.CreditUnion

24/7 Bank-by-Phone
918-663-8377