

83rd ANNUAL REPORT



**Oklahoma
Central** CREDIT
UNION

PRESIDENT & CHAIRMAN'S REPORT

Oklahoma Central is an amazing, purpose-driven organization, one we are honored to lead. As we set our goals for 2024 and the future, one item at the top of the list is to foster The Power of You + Us. To accomplish this, we have dialogue with employees through town halls. This forum gives them an opportunity to discuss how to better serve you and how we can make doing business seamless for all members.

Credit Unions are different from other financial institutions. That's why we're here today. As members, you are equal owners, and we are accountable to you. Every one of you, equally. As your cooperative partner, 2023 was another year of strong financial results. Our members continue to see a strong return on their relationship with us. The positive financial performance translates to funding Member's lending needs whether for autos, remodeling, home buying and community engagement efforts, which build and strengthen your communities.

SHIFTING FINANCIAL LANDSCAPE

As the financial landscape continues to shift in a post-COVID world, Oklahoma Central works diligently to provide the best value and experience for our members. While we've seen many improvements to the economy, challenges remain and have caused the financial industry to come up with more innovative and efficient processes.

For example, we've worked to:

- Develop digital banking tools
- Expand account options and offer new products
- Streamline and simplify processes wherever possible
- Reduce and eliminate fees
- Develop financial literacy resources and tools
- Keep robust cybersecurity measures in place
- Continue important outreach and involvement in local communities

Let's expand on these a bit.

ONLINE BANKING

After the pandemic, the move away from onsite service challenged us to create an experience that still feels personal while being easier to access and quicker to use. More and more members prefer to bank online with websites and apps that are easy to navigate, even for our less tech-savvy members. We have worked to offer user-friendly, online options with the same personal touch you've come to expect from us.

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We continue to see an increase in our services such as:

- Mobile deposits
- Online bill pay
- Up-to-date account activity
- Digital lending options
- Cleared check images
- Statement access
- Fraud alerts
- Touch/face ID
- ATM locator

EXPANDED ACCOUNT OPTIONS/NEW PRODUCTS

With more and more people interested in going beyond the basics of simple checking and savings accounts, we've created new account options and products, such as:

- High yield checking accounts
- Shorter term high yield CDs
- Debit card instant issue
- FICEP certified counselors
- Lower loan origination fees
- Temporary loan payment deferments

FINANCIAL LITERACY RESOURCES AND TOOLS

In addition to sponsoring local schools and community partners to access Banzai, our financial literacy platform, we also offered six financial literacy webinars.

In 2024, we launched Balanced Life Reality Fairs, a budget simulation for the classroom. Each participant receives a scenario that describes the life of an adult. Participants then navigate adulthood by making choices on housing, transportation, food, clothing, etc..... all without busting their budget. This exercise also aligns with the national financial literacy standards set around decision making, earning an income, savings and buying goods and services.

CYBERSECURITY

Along with the convenience that technology brings, we must be aware of the risks that also come with it, such as:

- Phishing

PRESIDENT & CHAIRMAN'S REPORT

- Ransomware
- Password reuse
- Data theft
- And more

Here at Oklahoma Central we've taken steps to safeguard your assets, your data and your privacy. We have deployed a Security Information and Event Management system for monitoring, providing notifications on security events, advanced firewall, intrusion detection systems to safeguard our key systems, password management system to minimize password reuse, and Digital Brand Protection to keep Oklahoma Central and our members safe from attempted online impersonations.

COMMUNITY OUTREACH

As your local, hometown credit union, we also pride ourselves on being visible and involved in our local community.

Community involvement is just one of the things that make credit unions different from other financial institutions. Oklahoma Central has fully embraced the credit union philosophy of People Helping People. We focus on community outreach through employee volunteerism, supply drives, and funding toward community non-profits and initiatives. In addition to community giving, OCCU continues to provide financial literacy to many non-profits, community groups and schools. Topics include how to budget, understanding and improving your credit score, debt management, and more.

Some of the things that embodied our commitment to the community during 2023 and 2024 include:

- Raised \$8,475 through Refer a Friend Program to benefit DVIS, John 3:16 Mission, Children's Miracle Network and Family & Children's Services of Tulsa
- Co-sponsored Hallowzooween, a large community event for area children at the Tulsa Zoo
- Totaled 2,152 volunteer hours through community organizations such as John 3:16, Night Light, Cystic Fibrosis Foundation, Food Bank of Eastern Oklahoma, DVIS, Fostering Connections, Pencil Box, Komen Foundation, and many others
- Packed over 5,000 care packets and donated over \$400 to the cause for Blue Star Mother's
- Delivered two carloads of toiletries and necessities to Night Light to support Tulsa's homeless population
- Donated Christmas toys and gifts to the children at the DVIS Transitional Housing Center
- Offered 38 financial literacy workshops with 573 attendees including workshops at Jenks Public Schools, Broken Arrow Public Schools, San Miguel, Nu Hope and Youth Services of Tulsa
- Sponsored financial education at 20 local schools through the Banzai program, which is taught by approximately 40 teachers covering more than 3,200 students

In 2024, we plan to reach out to our community as we did in 2023.

OKLAHOMA-SPECIFIC ISSUES

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In addition to nationwide trends in the financial landscape and economy, there have been localized effects felt in Oklahoma from issues such as:

- Rising food, gas, and energy prices
- Population growth
- Climbing mortgage interest rates
- Growth in the oil and gas and farming sectors

Even with rising inflation, interest rates, and prices, it's encouraging to see that jobs have climbed back to pre-COVID levels in most sectors in our state. Farm income, as well as profits in the oil and gas industry, are doing well.

We remain diligent in monitoring these trends and how they may be affecting our members. We are dedicated to continuing to listen to your suggestions and feedback and exploring the best ways to serve you.

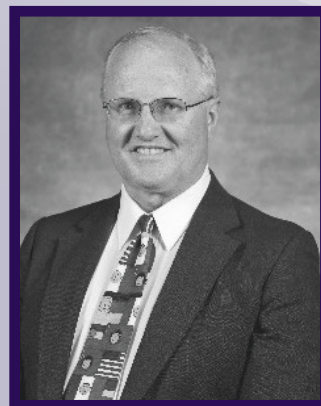
CLOSING REMARKS

Meeting the challenges presented by our current economy, political landscape, and infrastructure, is a top priority of Oklahoma Central. We strive to meet the challenges of our current economy head-on while embracing digital technologies and transforming into a modern and flexible business that serves our members and our community. We couldn't have done it without your input and involvement!

As our member-owners, you are integral to our credit union family, and we are sincerely grateful that you've chosen us as your financial partner. We wish you and your family a healthy and prosperous 2024.



Gina Wilson
President and
Chief Executive Officer



Tom Hille
Chairman, Board of Directors

TREASURER'S REPORT

In 2023, Oklahoma Central remained financially strong. Total assets finished the year at \$673 million. During a time of rate increases, Oklahoma Central assisted members in securing loans to make the best financial decisions for their circumstances.

Economic conditions in the Tulsa area remain strong. For example, the unemployment rate remained relatively low at 3.3% for the year-end compared to 2.7% at the end of 2022. This was lower than the national rate of 3.7%.

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 2023 was 13.95% compared to the national average of 4,702 federally insured credit unions at 10.93%.

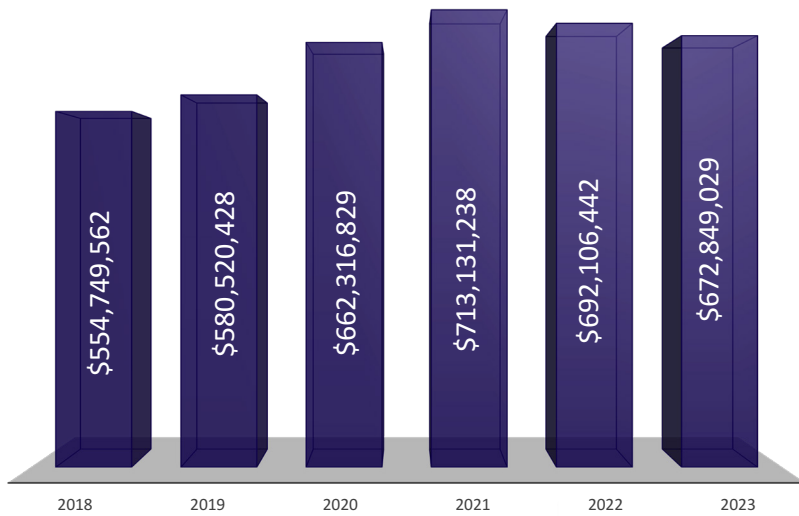
By the end of 2023, inflation was still impacting our country, state, and local community, as well as Oklahoma Central. With aggressive rate hikes from the Federal Reserve, members felt the pinch of higher costs. While loan rates had increased, share rates did also. In fact, Oklahoma Central continues to remain competitive in the communities we serve as seen by a 25% increase in CD shares since 2022. As always, your Board of Directors and Executive Team are committed to helping our members financially navigate any future challenge.



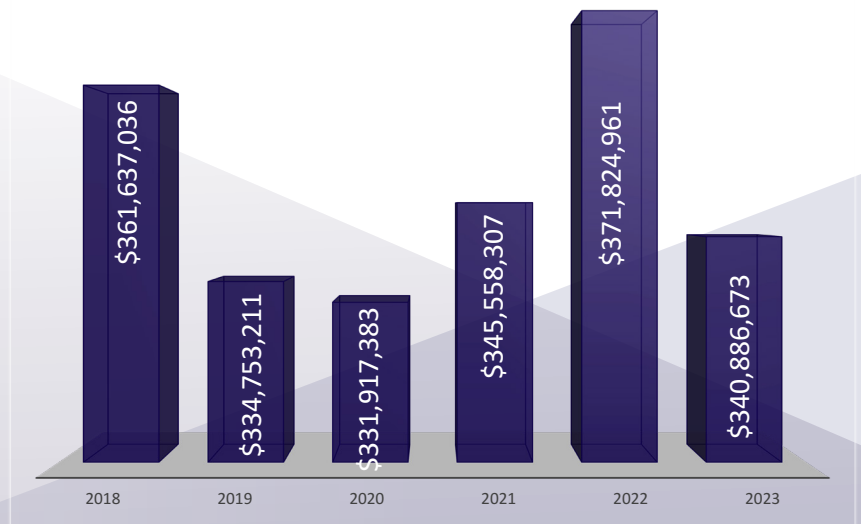
Penny Cheffey
Secretary/Treasurer

FINANCIALS

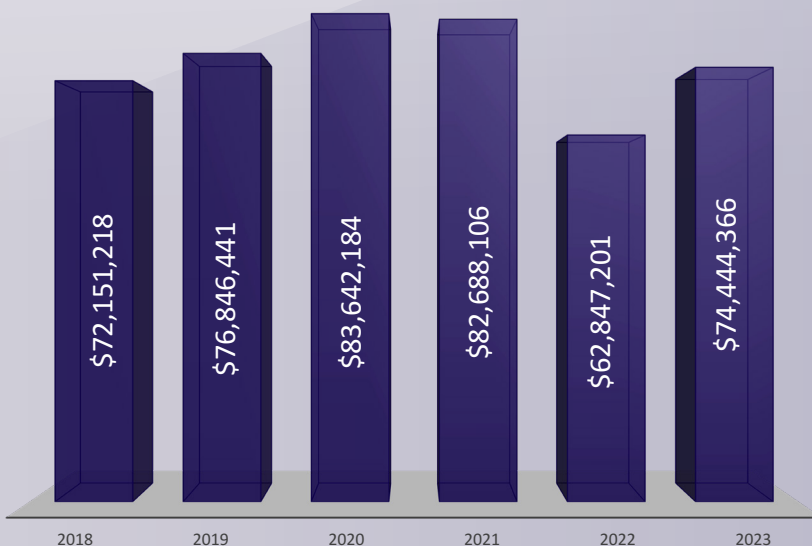
Assets



Loans



Equity



CREDIT MANAGER'S REPORT

Oklahoma Central is committed to providing our members with a safe and stable financial institution. We aim to be the “first choice” for borrowing needs. We remain committed to offering new products and services and enhancing our delivery channels to meet our members’ financial needs and first-class service expectations.

As you will read in the 2023 Annual Report, Oklahoma Central navigated another challenging financial environment well.

- As of year-end, the total loan portfolio exceeded \$340 million.
- Offered an enhanced vehicle service contract and Guaranteed Auto Protection (GAP) program so our members know their collateral is covered if the unexpected occurs.
- Funded nearly \$13 million in unsecured loans as financially secure members increasingly turn to personal loans amid inflation and rising credit card interest rates.
- With first mortgage rates hovering around 6% to 7%, there hasn't been enough incentive for current homeowners to pursue refinancing options. Oklahoma Central focused on second-mortgage originations with zero closing costs to allow our members to use their home equity as a safe and affordable option.
- Introduced the Lock and Shop program, which empowers homebuyers to secure their mortgage rate while actively shopping for a home. This provides peace of mind in a climate of rising interest rates.

I want to express my heartfelt thanks to our dedicated employees. Their unwavering commitment and contributions have been instrumental in Oklahoma Central's continued success and support of our mission.

We are grateful for your continued membership and look forward to building an even brighter future.



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, 2023. 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

Tom Hille
Chairman
CP Solutions, Inc., and RR Donnelley Co.

Joel Dollar
Vice Chairman
Fortinet

Penny Cheffey
Secretary/Treasurer
Magellan Midstream Partners, L.P., Retired

BOARD OF DIRECTORS

Anne Dorman
Director
Total Valve Systems

John Kushnerick
Director
ZEBCO, Retired

Susan Phelps
Director
Phelps Market

Andy Murphree
Director
AEP, Retired

SUPERVISORY COMMITTEE

Andy Murphree
Chairman
AEP, Retired

Veda Hester
Member
Universal Field Services Inc.

Shannon Townsend, CPA
Member
Shannon Townsend CPA PLLC

PARLIAMENTARIAN

Robert Skeith
Legal Counsel

EXECUTIVE TEAM

Gina Wilson
President & Chief Executive Officer

Shelli Schroeder
Executive Vice President & Chief Operations Officer

Bill Jolin
Chief Financial 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 83 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 nearly 43,000 members, served by nine 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 South
2211 S. Aspen Ave.

Brookside
4956 S. Peoria Ave.

Centennial Park
515 S. Peoria Ave.

Garnett
11335 E. 41st 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.

Broken Arrow North
1105 E Albany St.

Main Phone Number
918-664-6000

Website
OklahomaCentral.CreditUnion

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