

20
23

TRUITY CREDIT UNION

ANNUAL REPORT



A Better Way to Bank

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

2023 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 6 and 7.

Deposit growth was more gradual than in previous years; however, total shares ultimately increased by more than \$3 million. Truity's total assets increased from \$1,094 billion to a new high of \$1,097 billion.

Throughout 2023, we continued to pursue digitalization of our products and services to enhance the member experience. One way we've done this is by implementing a new omnichannel communication system to help simplify the member experience. With this new system, members are able to communicate with member service representatives via video chat in order to increase accessibility and improve their banking experience. We also introduced a new online account application that streamlines the application process. These additions are meant to improve member service and make it easier to do business with us anywhere, anytime.

Additionally, we opened new branches in both Lawrence and Olathe, Kansas. We are thrilled to have the opportunity to expand into Olathe and the Kansas City metro area.

To cap off the year we evaluated opportunities for market expansion which will allow us to further grow our presence in Kansas in 2024.

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 "Aaron Beldner".

AARON BELDNER
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 another recipient voted on by Truist employees. The Bartlesville Community Cares Caring in Action partner for 2023 was the Washington County SPCA. In 2023, Bartlesville employees gave over \$36,000 to the United Way and over \$30,000 to Washington County SPCA.

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 Lawrence branches are always looking for creative ways to show Lawrence residents the value of credit union membership. Community Cares donations from 2023 went to the United Way and Ready for Good.

Truity regularly sponsors events tied to Lawrence Public Schools as well as to The University of Kansas. Events for 2023 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
- ▶ Kansas University Alumni Association
- ▶ 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 include 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.

Olathe

Employee Volunteerism

Employees at our brand new Olathe branch have taken advantage of many opportunities to serve and volunteer in the community since we opened in November 2023, including volunteering for and sponsoring community events. The 2024 Caring in Action partner in the Olathe market is Melissa's Second Chances, an animal rescue facility.

Community Partners

- ▶ Aldi Distribution Center
- ▶ City of Olathe
- ▶ Health Partnership Clinic
- ▶ Inclusion Connections
- ▶ KidsTLC
- ▶ Stone Pillar Vineyard & Winery
- ▶ Talem Salon and Spa
- ▶ YMCA of Olathe

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.

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—\$276,428.81 has been given to area organizations since the program began in 2009.

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.





Bartlesville, Oklahoma

501 S Johnstone Ave
2612 SE Washington Blvd

Lawrence, Kansas

3400 W 6th Street
2221 W 31st Street
1300 W 23rd Street
4821 W 6th Street

Houston, Texas

925 N Eldridge Parkway
Room #EC4-01-N314
ConocoPhillips EC4
2331 CityWest Blvd, Ste 143
Phillips 66 World HQ

Olathe, Kansas

11172 S Lone Elm Rd



Bartlesville



Olathe



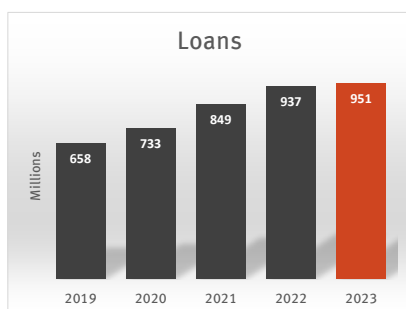
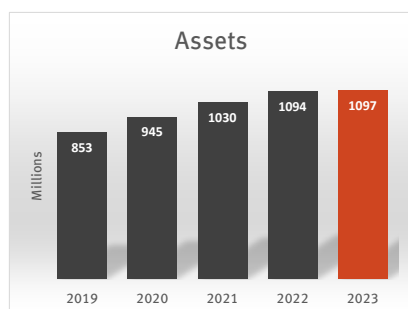
Lawrence



Houston

Consolidated Balance Sheet

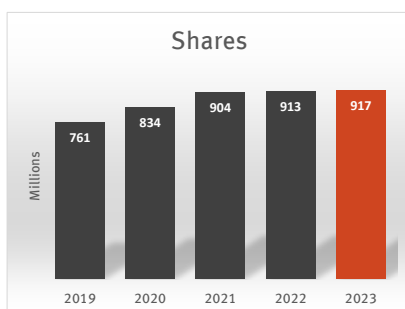
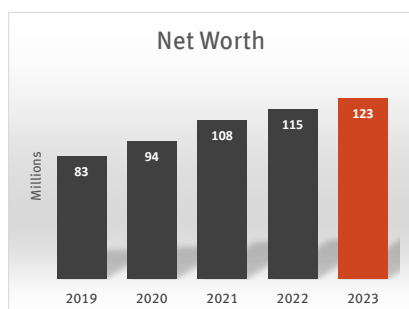
ASSETS	2022	2022
Cash	\$64,735,000	\$57,511,000
Investments	\$56,311,000	\$74,023,000
<i>Loans to members</i>	<i>\$950,788,000</i>	<i>\$936,576,000</i>
<i>Less allowance for loan losses</i>	<i><u>(\$11,312,000)</u></i>	<i><u>(\$6,862,000)</u></i>
Net loans	\$939,476,000	\$929,714,000
Property and equipment	\$13,879,000	\$8,433,000
Other assets	<u>\$22,786,000</u>	<u>\$24,070,000</u>
TOTAL ASSETS	\$1,097,187,000	\$1,093,751,000
LIABILITIES & MEMBERS' EQUITY		
Member Deposit Accounts:		
Shares, share drafts & money markets	\$690,456,000	\$772,236,000
Share certificates	<u>\$226,885,000</u>	<u>\$140,734,000</u>
	\$917,341,000	\$912,970,000
Other liabilities	\$10,078,000	\$11,573,000
Borrowed funds	<u>\$58,500,000</u>	<u>\$61,500,000</u>
Total Liabilities	\$985,919,000	\$986,043,000
Members' Equity:		
Regular reserve	\$6,191,000	\$6,191,000
Undivided earnings	\$107,730,000	\$105,155,000
Unrealized gain (loss) on available for-sale investments	<u>(\$2,653,000)</u>	<u>(\$3,638,000)</u>
Total Members' Equity	<u>\$111,268,000</u>	<u>\$107,708,000</u>
TOTAL LIABILITIES & MEMBERS' EQUITY	\$1,097,187,000	\$1,093,751,000



Consolidated Statement of Earnings

INTEREST INCOME	2023	2022
Interest on loans to members	<u>\$51,626,000</u>	<u>\$42,739,000</u>
Interest on investments & cash equivalents	\$8,852,000	\$1,340,000
<i>Total Interest Income</i>	<i>\$54,478,000</i>	<i>\$44,079,000</i>
INTEREST EXPENSE		
Shares, share drafts & money markets	<u>\$7,614,000</u>	<u>\$3,389,000</u>
Share certificates	\$5,754,000	\$1,193,000
<i>Total dividend expense</i>	<i>\$13,368,000</i>	<i>\$4,582,000</i>
Interest on borrowed funds	<u>\$1,963,000</u>	<u>\$909,000</u>
<i>Total interest expense</i>	<i>\$15,331,000</i>	<i>\$5,491,000</i>
Net interest income	<u>\$39,147,000</u>	<u>\$38,588,000</u>
Provision for Loan Losses	\$7,809,000	\$6,212,000
<i>Net interest income after provision for loan losses</i>	<i>\$31,338,000</i>	<i>\$32,376,000</i>
Non-interest income	<u>\$11,611,000</u>	<u>\$14,856,000</u>
Non-interest expense	\$36,324,000	\$38,141,000

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.



Scott Hensley
BCP Manager,
ConocoPhillips,
Retired



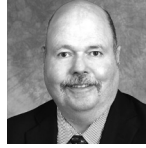
Brent Boeve, Chairman
Manager, SAP PRA
Projects,
ConocoPhillips, Retired



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 Epperson
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, 2023.

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



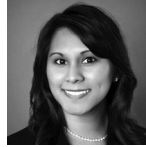
**Mary Friedman,
Chairwoman**
GIPA - Consultant
Privacy and Awareness,
ConocoPhillips,
Retired



Bethany Haley
Team Lead,
Consignments,
Marketing Financial
Services,
Phillips 66



Kelli Edwards
Vice President,
Sutterfield Financial
Group, Inc.



Elyse Wiseman
Supervisor,
Marketing and Lubes
Closing & Control,
Phillips 66



Justin McCall
Director,
Leveraged Services,
Financial Services,
ConocoPhillips



TRUITY

CREDIT UNION

