

# TRUITY CREDIT UNION 2020 ANNUAL REPORT



# 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

2020 was an unexpected yet 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 despite the pandemic! The financials are on pages 8 and 9.

Deposits were steady all year with total shares increasing by \$72 million. Total assets increased \$92 million to a new high, \$945 million.

Our mortgage business was incredibly strong throughout the year. We ended the year with \$331.9 million in mortgage business, making 2020 a record year for your credit union.

In 2019 when we introduced our new robust digital banking platform, no one expected the impact it would have on our success in 2020. We continue to enhance our digital banking and make it easier to do business with us anywhere, anytime.

Truity Credit Union exists to serve our members' interests; service is our highest priority. We are writing this letter a year after the COVID-19 pandemic began. Our lobbies are now open! Our drive-thrus and Contact Center were available all year to meet your needs but we are pleased to open

our lobbies in order to assist our members in person as well. Our loan departments continue to serve you in person, online and on the phone, and our board and staff continue to be flexible and find new ways to serve you better.

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 loyal business.



A handwritten signature in black ink that reads "Charles Rohrs".

**CHARLES ROHRS**  
Chairman, Board of Directors



A handwritten signature in black ink that reads "Dennis Halpin".

**DENNIS HALPIN**  
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 Run the Streets. In 2020, Bartlesville employees gave over \$46,000 to the United Way and over \$38,000 to Run the Streets.

Some of the other recipients of credit union employee generosity and volunteer hours include:

- ▶ Agape Mission
- ▶ Bartlesville Community Foundation
- ▶ Salvation Army
- ▶ Operation Christmas Child
- ▶ Building Bridges of Oklahoma
- ▶ The Cottage
- ▶ Daybreak Rotary
- ▶ HOPE Clinic
- ▶ Ray of Hope Advocacy Center
- ▶ Play for Burke Foundation
- ▶ Young Professionals of Bartlesville

### 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
- ▶ Dewey Public Schools
- ▶ The City of Bartlesville
- ▶ Diversified Systems Resources
- ▶ Rogers State University
- ▶ Schlumberger, REDA Production
- ▶ Tri County Technology Center
- ▶ The Voice of the Martyrs, Inc.

## Lawrence

### EMPLOYEE VOLUNTEERISM

The creative Lawrence branches are always looking for ways to show Lawrence residents the value of credit union membership.

Community Cares donations from 2020 went to the United Way and the Lawrence Humane Society.

In Lawrence, Truity regularly sponsors events tied to Lawrence Public Schools as well as to The University of Kansas. Events for 2020 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:

- ▶ Salvation Army
- ▶ Big Brothers Big Sisters
- ▶ Junior Achievement
- ▶ Just Food
- ▶ Toys for Tots
- ▶ 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
- ▶ Baker University
- ▶ Cottonwood, Inc
- ▶ Maximus
- ▶ Hallmark
- ▶ Haskell Indian Nations University
- ▶ Laird Noller Automotive
- ▶ Lawrence Memorial Hospital
- ▶ Lawrence Public Schools
- ▶ The Local Firefighters Union, IAFF Local 1596

# 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:

- ▶ North Texas Humane Society
- ▶ Cowtown Great American Clean Up

## COMMUNITY PARTNERS

In addition to the employees of Phillips 66 and ConocoPhillips in Houston, we serve several other companies, including:

- ▶ Chevron/Phillips Chemical Co.
- ▶ Securitas Inc.
- ▶ Sodexo
- ▶ Zachry Construction Co.

# Springdale

## EMPLOYEE VOLUNTEERISM

In Northwest Arkansas, we sponsor Court Appointed Special Advocates and Newspapers in Education, among other initiatives. Employees chose the Children's Safety Center to receive the Community Cares donations for the Springdale branch and also support many local organizations, including:

- ▶ Alzheimer's Association
- ▶ Children's Safety Center
- ▶ The First Tee NWA
- ▶ JDRF NWA
- ▶ Make-A-Wish Foundation
- ▶ NWA Special Olympics

## COMMUNITY PARTNERS

In addition to Tyson Foods, Inc. team members, we offer credit union membership to several other organizations, including:

- ▶ BNSF Logistics
- ▶ Cobb-Vantress
- ▶ Fayetteville Public Schools
- ▶ Kawneer
- ▶ Northwest Technical Institute
- ▶ Ozark Regional Transit
- ▶ Springdale Public Schools
- ▶ City of Springdale

# 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 of almost 20 different organizations and report volunteering more than 500 hours each month in their communities.

## TRUITY EDUCATION FOUNDATION

Formed in 2009, this organization has raised more than \$1 million for public school foundations and educational organizations in Bartlesville, Oklahoma, Lawrence, Kansas and Northwest Arkansas. Members of the Truity Education Foundation are eligible for membership in Truity Credit Union.

## 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—\$235,898 has been given to area organizations since the program began in 2009.





**BARTLESVILLE, OKLAHOMA:**

501 S JOHNSTONE AVE  
2612 SE WASHINGTON BLVD

**SPRINGDALE, ARKANSAS:**

1910 S THOMPSON ST

**HOUSTON, TEXAS:**

925 N ELDRIDGE PARKWAY  
ROOM #EC4-01-N314  
CONOCOPHILLIPS EC4  
2331 CITYWEST BLVD  
SUITE 143  
PHILLIPS 66 WORLD HQ

**LAWRENCE, KANSAS:**

3400 W 6TH ST  
2221 W 31ST ST  
1300 W 23RD ST

**TRUITY CREDIT UNION**

PO BOX 1358 | BARTLESVILLE, OK 74005 | 800.897.6991 | [TRUITYCU.ORG](http://TRUITYCU.ORG)

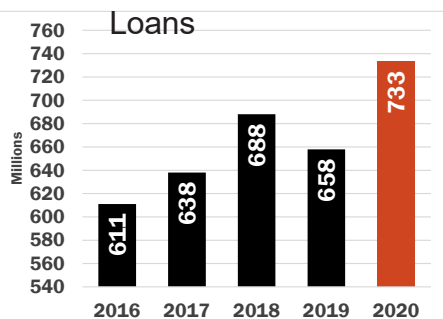
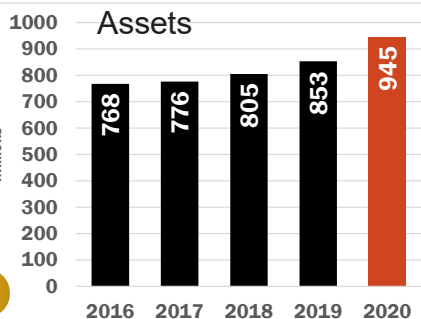


*Clockwise from  
above: Bartlesville  
Headquarters,  
Lawrence Main,  
Springdale and  
Houston offices.*



# Consolidated Balance Sheet

ASSETS	2020	2019
Cash	\$83,150,000	\$103,527,000
Investments	107,907,000	69,659,000
<i>Loans to members</i>	<i>732,809,000</i>	<i>658,092,000</i>
<i>Less allowance for loan losses</i>	<u><i>(7,252,000)</i></u>	<u><i>(5,899,000)</i></u>
Net loans	725,557,000	652,193,000
Property and equipment	9,147,000	8,455,000
Other assets	<u>19,364,000</u>	<u>19,001,000</u>
<b>TOTAL ASSETS</b>	<b>\$945,125,000</b>	<b>\$852,835,000</b>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>		
Member Deposit Accounts:		
Shares, share drafts & money markets	\$718,875,000	\$626,836,000
Share certificates	<u>115,229,000</u>	<u>134,498,000</u>
	834,104,000	761,334,000
Other liabilities	21,062,000	10,506,000
Borrowed funds	<u>3,500,000</u>	<u>3,500,000</u>
Total Liabilities	858,666,000	775,340,000
Members' Equity:		
Regular reserve	6,191,000	6,191,000
Undivided earnings	79,477,000	71,278,000
Unrealized gain (loss) on available for-sale investments	<u>791,000</u>	<u>26,000</u>
Total Members' Equity	<u>86,459,000</u>	<u>77,495,000</u>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$945,125,000</b>	<b>\$852,835,000</b>

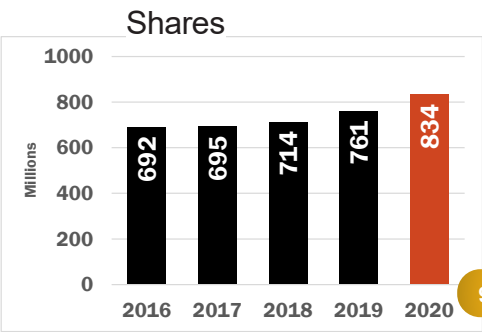
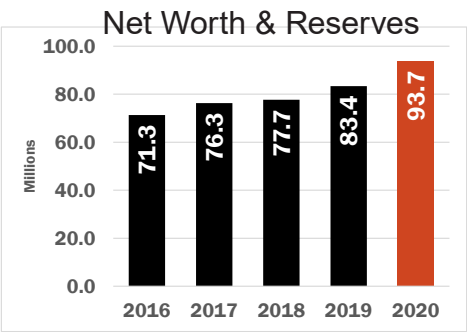




# Consolidated Statement of Earnings

INTEREST INCOME	2020	2019
Interest on loans to members	\$32,111,000	\$32,617,000
Interest on investments & cash equivalents	1,779,000	2,110,000
<i>Total Interest Income</i>	<i>\$33,890,000</i>	<i>\$34,727,000</i>
INTEREST EXPENSE		
Shares, share drafts & money markets	\$ 2,763,000	\$ 4,809,000
Share certificates	1,855,000	2,264,000
<i>Total dividend expense</i>	<i>4,618,000</i>	<i>7,073,000</i>
Interest on borrowed funds	70,000	61,000
<i>Total interest expense</i>	<i>4,688,000</i>	<i>7,134,000</i>
Net interest income	29,202,000	27,593,000
Provision for Loan Losses	4,930,000	5,141,000
<i>Net interest income after provision for loan losses</i>	<i>24,272,000</i>	<i>22,452,000</i>
Non-interest income	15,335,000	12,664,000
Non-interest expense	31,408,000	30,120,000
NET EARNINGS	\$ 8,199,000	\$ 4,996,000

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.



**CHRIS KELLY**  
Process Lead,  
Phillips 66



**CHUCK ROHRS,**  
**CHAIRMAN**  
Manager Internal  
Audit - Corporate,  
Phillips 66,  
Retired



**LEE KIDD**  
Vice President,  
Benefits,  
Tyson Foods Inc.



**BRENT BOEVE**  
SAP PRA Projects,  
ConocoPhillips,  
Retired



**MATTHEW MCCLOREY**  
President,  
CritiTech 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



**KAY SALLEE**  
Chief Information  
Officer, Phillips 66,  
Retired



**DAYLON EADS**  
Manager, Facilities  
Engineering,  
ConocoPhillips



**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 HoganTaylor, LLP to perform the annual audit of the credit union for the year ending December 31, 2020.

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



**SCOTT HENSLEY,**  
CHAIRMAN  
ConocoPhillips  
Information Security



**ANGELA LORSON**  
Director, Joint  
Venture Audit,  
ConocoPhillips



**MARY FRIEDMAN**  
GIPA - Consultant  
Privacy and  
Awareness,  
ConocoPhillips,  
Retired



**ELLYSE WISEMAN**  
Technology F&PA  
Analyst,  
Phillips 66



**AMY GRONIGAN**  
Director, Midstream  
Financial Services,  
Phillips 66



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