

2023

Annual Report



Federally insured by NCUA. Equal Housing Lender.



PRESIDENT'S REPORT

I am pleased to present to you the annual report of COPFCU for the year ending December 31st, 2023. Our credit union faced significant challenges amidst a changing economic landscape marked by increasing interest rates and liquidity issues. However, we embraced these challenges with resilience and adaptability, striving to navigate towards a new normal while staying true to our core values and commitment to our members. This report summarizes our journey through the past year, highlighting our achievements, challenges, and plans for the future.

Despite the prevailing economic challenges, COPFCU maintained stability in its shares and assets, with notable growth in both loan and member numbers. Loan growth stood at a commendable 9.72%, while member growth reached 2.78%. With the interest rates rising and liquidity needs present, the credit union decided to offer above market deposit rates, aligning well with our mission. This decision is demonstrated in our income reduction compared to the previous year, primarily attributed to the payment of member dividends.

Our capital position remained strong, standing at 10.86%, providing a solid foundation for continued growth and resilience in the face of uncertainties.

The year 2023 brought both unexpected challenges and opportunities for innovation. In April, our corporate headquarters experienced a significant setback when the roof was blown off due to adverse weather conditions. Despite this unforeseen disaster, our team acted swiftly to ensure minimal disruption, with services being impacted for only one day. Repairs were completed seamlessly, underscoring our resilience and commitment to continuity of service.

Moreover, 2023 marked a significant milestone with the introduction of our new brand and logo, along with the unveiling of a redesigned website. These initiatives reflect our commitment to modernization and staying relevant in an ever-evolving digital landscape.

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PRESIDENT'S REPORT

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Looking ahead to 2024, we remain focused on driving innovation and enhancing member experiences. Key initiatives on the horizon include:

- **Revamping Credit and Debit Card Programs:** We aim to offer enhanced features and benefits to our members, ensuring that our card programs remain competitive and tailored to their evolving needs.
- **Introducing a New Member Rewards Program:** To express our gratitude to our loyal members, we will roll out a new rewards program designed to provide tangible benefits and incentives for their continued patronage.
- **Incorporating Chatbot Roger:** Leveraging the power of artificial intelligence, we will integrate Chatbot Roger into our online and mobile banking platforms, offering personalized assistance and streamlining member interactions.
- **Expanding Service Delivery Channels:** Recognizing the importance of accessibility, we will develop a comprehensive plan to expand our service delivery channels, ensuring that members can conveniently access our services through multiple touchpoints.

As we reflect on the challenges and achievements of 2023, we remain steadfast in our commitment to serving our members with integrity, innovation, and resilience. Despite the uncertainties of the economic landscape, we are confident in our ability to adapt and thrive, finding a new normal that not only sustains but enhances the value we provide to our members and communities.

Thank you to our members, employees, and stakeholders for your continued support and trust. Together, we will navigate the path forward and build a brighter future for all.

Kathy Haas
COPFCU President/CEO





Our Vision

To be the most **trusted family of financial experts**, improving our members lives and serving the community.



Our Mission

Respectfully deliver exceptional financial solutions to **help our members live their best lives.**



Through Our Community We Change lives.

At COPFCU, we seek to engage in events and service opportunities that enrich the lives of those in our community.



High School
Adulting 101 Days



2nd Annual Police and Fire
Charity Softball Event

Whether volunteering time or financial resources, COPFCU serves our communities through many projects and programs.



Ronald McDonald House
Taste of Hope



Freestore Foodbank
Volunteer Event



Board of Directors



Mark Brown
Chairman



Gerry Norton
Vice Chairman



Larry Ridener
Treasurer/Emeritus
November 2023



Tom Prem
Secretary



Bill Baumann



Vince Demasi



Daniel Oliver



Ken Wells



Joyce Wright



Brenda Hodges-Davis
November 2023



Jerry Gramke
Chairman Emeritus



Bob Pope
Chairman Emeritus

Supervisory Committee



Brenda Hodges-Davis
Chairman
Until November 2023



James Whalen
Chairman
November 2023



Princess Davis
December 2023



James Gramke



Kim Harrison-Fowler



Nick Sunyak

Senior Management



Kathy Haas
President/CEO



Julie Dudley
Chief Financial
Officer



Tammy West
Chief Experience
Officer



Lindsay Runk
Chief Operations
Officer



Management Analysis

COPFCU shows consistent growth in all listed categories, staying stable the last three years where most financial institutions experienced contraction. Although not shown below, we also experienced growth in membership again going from 10,482 members in 2022 to 10,773 in 2023.

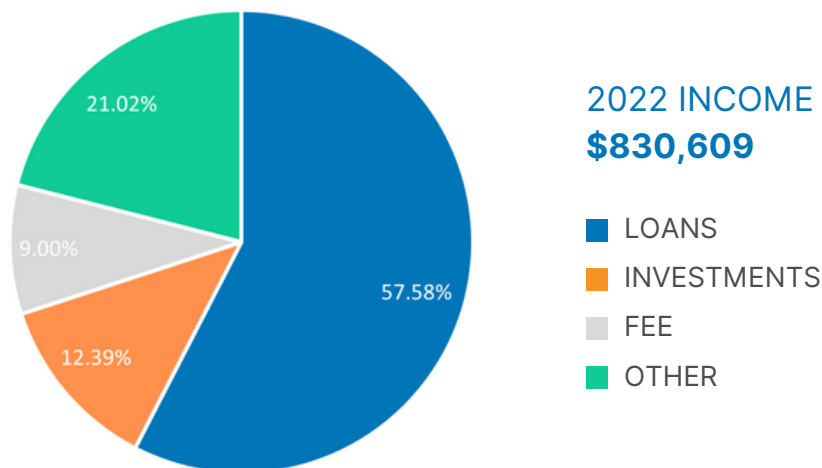
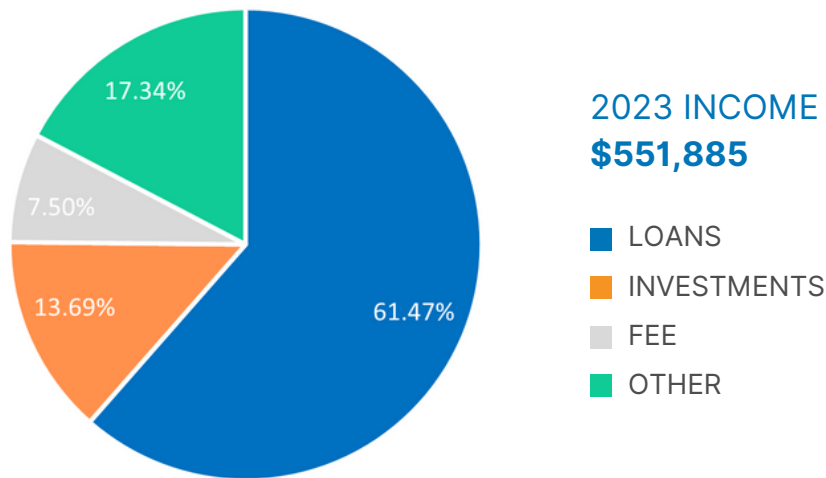


Our Net Worth at 10.86% continues to be strong even with our significant growth putting pressure on that number. With low delinquency and charges offs, **COPFCU is one of the safest credit unions in the State as we continue to build on our strong foundation.**



Management Analysis

Our net income decreased in 2023 with the ever-changing interest rate environment contributing to the decline. The good news regarding the decrease is that the reason for it was due to more money being given to our members in terms of higher dividends. We worked hard all year to strike the correct balance on our rate structure, maintaining our highly competitive offers and balancing that with overall net income.



Consolidated Balance Sheet

For Period Ending December 31, 2023

ASSETS

LOANS

| | |
|----------------------------|---------------|
| Unsecured Loans | 3,576,125.35 |
| Used Auto | 9,858,346.42 |
| New Auto | 19,512,843.26 |
| Other Secured Loans | 3,049,825.94 |
| Draft Line of Credit | 10,087.67 |
| Home Equity Line of Credit | 4,346,041.54 |
| Share Secured Loans | 164,737.74 |
| Home Equity Fixed | 9,837,462.33 |
| Visa Loans | 6,651,143.15 |
| Fixed Mortgages | 11,874,995.25 |
| Business Loans (CBS) | 19,603,913.69 |
| Student Loans | 5,429,838.17 |
| Quick Loans | 246,365.65 |
| Loan Participations | 5,253,084.02 |
| Allowance for Loan Loss | -834,189.75 |

NET LOANS

98,580,620.43

| | |
|---|---------------|
| Cash | 726,481.27 |
| Investments | 50,625,242.90 |
| Accrued Income & Prepaid Expenses | 2,170,387.61 |
| Fixed Assets - Furniture, Fixture & Equipment | 3,603,559.65 |
| Other Assets | 8,615,259.76 |

TOTAL ASSETS

164,321,551.62

LIABILITIES & EQUITY

| | |
|--------------------------|------------|
| Accounts Payable | 830,031.70 |
| Notes & Interest Payable | 0.00 |
| Dividends Payable | 0.13 |
| All Other Liabilities | 840,240.00 |

TOTAL LIABILITIES

1,670,271.83

SHARES

| | |
|----------------------------|---------------|
| Shares | 39,682,612.87 |
| Checking | 22,170,028.16 |
| Money Market Accounts | 44,975,916.87 |
| Certificates | 23,744,721.85 |
| IRA Certificates | 6,923,637.63 |
| IRA Shares | 2,372,622.88 |
| Health Savings Certificate | 220,448.91 |
| Health Savings Account | 4,715,243.20 |

TOTAL SHARES

144,805,232.37

EQUITY

| | |
|--------------------|---------------|
| Regular Reserve | 1,018,217.57 |
| Undivided Earnings | 16,275,945.27 |
| Earnings YTD | 551,884.58 |

TOTAL EQUITY

17,846,047.42

TOTAL LIABILITIES & EQUITY

164,321,551.62



Consolidated Income Statement

For Period Ending December 31, 2023

INCOME

LOANS

| | |
|-------------------------|--------------|
| Interest on Loans | 5,128,863.27 |
| Interest on Investments | 1,142,543.84 |
| Fee Income | 625,514.74 |
| Other Income | 1,447,066.61 |

TOTAL INCOME **8,343,988.46**

EXPENSES

| | |
|--------------------------------|--------------|
| Compensation | 2,296,342.36 |
| Benefits | 595,542.19 |
| Travel & Conference | 88,154.72 |
| Association Dues | 33,680.09 |
| Office Occupancy | 272,448.16 |
| Office Operations | 384,218.12 |
| Education & Promotion Expenses | 282,828.81 |
| Loan/Card Expense | 540,823.64 |
| Provision for Loss Expense | 380,650.00 |
| Professional Services | 1,033,997.05 |
| Federal Operating Fee | 26,047.73 |
| Cash Over / Short | 91.74 |
| Interest on Borrowed Money | 671.23 |
| Misc Operating Expense | 16,744.18 |

TOTAL OPERATING EXPENSES **5,952,240.02**

DIVIDEND EXPENSES **1,839,863.86**

TOTAL EXPENSES **7,792,103.88**

NET INCOME OR LOSS (-) **551,884.58**