



ANNUAL REPORT

2023

Corporate Central Credit Union

A Note From Chris

Dear Members:

As we reflect on the accomplishments of the past year, I am honored to present to you our 2023 annual report. Highlighting the achievements, growth, and strength of Corporate Central, this report encapsulates our journey through a dynamic financial landscape.

Corporate Central navigated 2023 with resilience and agility, strategically repositioning our portfolio to align with changing interest rate forecasts, market dynamics, and liquidity environments. Our steadfast adherence to regulations and risk tolerance ensured that Corporate Central remained compliant, safeguarding the interests of our members. Corporate Central concluded the year with assets exceeding \$3 billion and our total capital surpassed \$339 million, exceeding the well-capitalized ratios mandated by NCUA regulations.

Enhancing member value has always been one of our primary objectives. In pursuit of this goal, we prioritized competitive deposit rates and maintained stable fees, empowering our members with financial solutions that deliver tangible benefits. I am proud to report that our efforts were met with success, as evidenced by the strong and progressively increasing dividend rates returned to our capital members throughout the year.

While maintaining financial robustness is imperative, so is fostering growth. Throughout the year, Corporate Central, along with our family of CUSOs, facilitated 255 new service contracts for credit unions and welcomed 17 new member credit unions. Notably, we expanded our reach, now serving members across 29 states. Furthermore, we introduced 4 new solutions tailored specifically for credit unions, aimed at supporting your employees, engaging your members, and bolstering your growth endeavors. These initiatives not only showcase our dedication to innovation but also reaffirm our role as a dependable partner in your financial journey.

As we express gratitude for the goals achieved, we also extend our deepest appreciation to each of our members for your unwavering trust, support, and collaboration. Together, we have surmounted challenges and achieved remarkable milestones, laying a solid foundation for future success.

Looking ahead, we are excited to continue the development and expansion of Beastro, a robust platform designed to revolutionize digital financial services and enhance online operations. With its advanced features, including enhanced security, business intelligence, and open API architecture, Beastro is poised to redefine the member experience, offering a seamless, frictionless journey. Driven by innovation, Beastro leverages cutting-edge technologies such as machine learning, robotics, and artificial intelligence to deliver personalized member solutions and facilitate integration and interoperability.

At Corporate Central, we are committed to delivering value, fostering innovation, and making a positive impact on the communities we serve. Together, we stand poised for continued success, fueled by our collective dedication and passion. Thank you for your trust, support, and partnership. Here's to a future filled with endless possibilities and shared prosperity.



Chris Felton
President/CEO

Financial Performance

Consolidated Balance Sheets*

<i>December 31,</i>	2023	2022
Assets:		
Cash and cash equivalents	\$ 943,003,280	\$ 708,180,492
Debt securities - available for sale, net	2,064,457,133	2,106,452,160
Loans, net	7,109,411	230,677,306
Accrued interest receivable	7,730,577	6,851,708
Premises and equipment, net	4,232,371	3,888,370
Other investments	7,272,144	19,422,401
NCUSIF deposit	626,727	664,955
Other assets	14,406,856	14,043,078
TOTAL ASSETS	\$ 3,048,838,499	\$ 3,090,180,470
Liabilities:		
Members' share and certificate deposits	\$ 2,283,520,264	\$ 2,509,777,564
Borrowed funds	510,000,000	380,000,000
Accrued interest payable	6,429,480	2,379,863
Other liabilities	1,811,664	2,038,622
Total liabilities	2,801,761,408	2,894,196,049
Members' Equity:		
Regular reserves	3,000,000	3,000,000
Undivided earnings	165,845,301	150,584,537
Members' perpetual contributed capital	120,827,226	118,411,706
Accumulated other comprehensive loss	(42,595,436)	(76,011,822)
Total members' equity	247,077,091	195,984,421
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 3,048,838,499	\$ 3,090,180,470

*Corporate Central's 2023 Audited Financials can be found under Due Diligence on corpcu.com.

Financial Performance

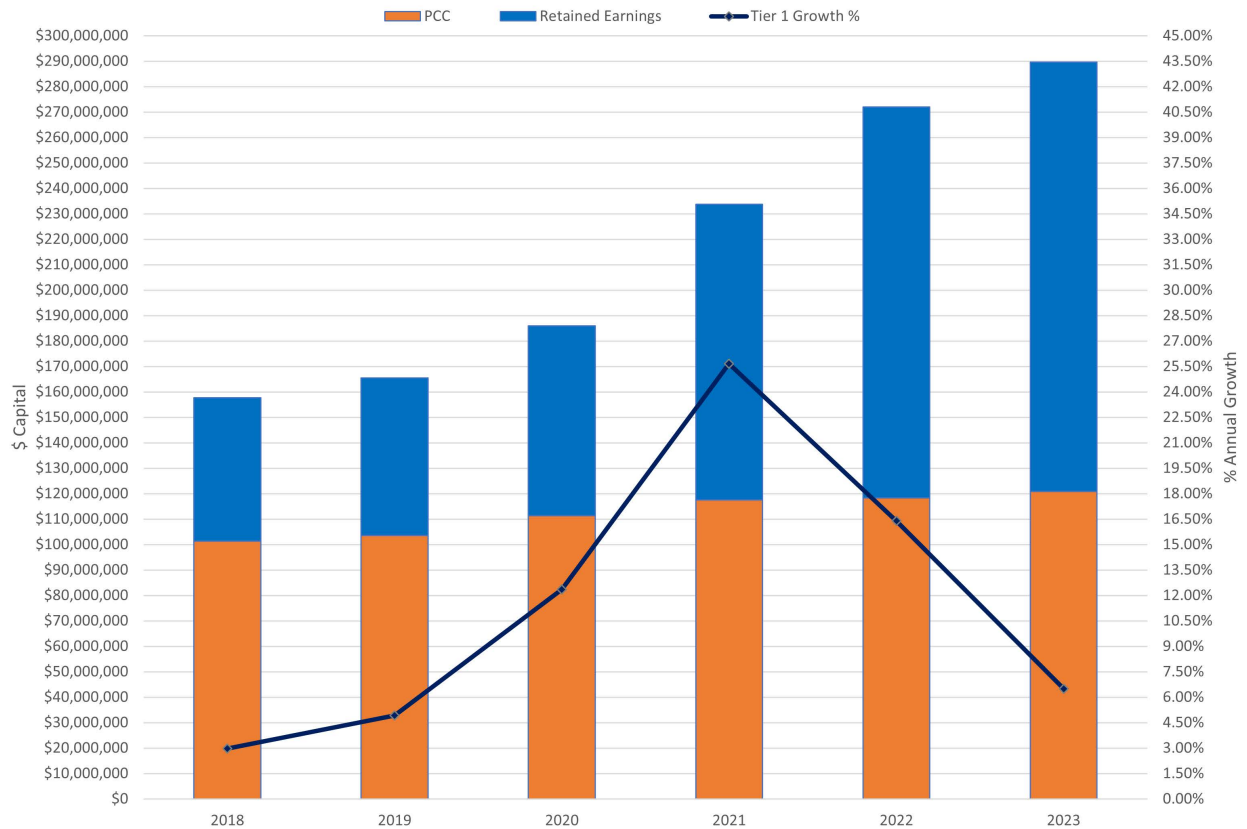
Consolidated Statements of Income*

<i>Years Ended December 31,</i>	2023	2022
Interest income:		
Asset-backed securities	\$ 46,315,861	\$ 26,730,292
U.S. government agency mortgage backed securities	26,656,003	10,755,919
Commercial paper	908,804	1,921,509
Federal Reserve deposits	151,308,459	55,143,671
Other investments	3,012,296	2,915,411
Loans	1,907,958	2,129,917
Total interest income	230,109,381	99,596,719
Interest expense:		
Plateau daily shares	19,067,702	7,339,856
Premier shares	6,799,289	2,591,840
FLEX investment shares	38,507,509	13,828,490
Money market shares	4,995,748	1,008,604
Variable rate/plus shares	3,621,965	1,575,418
Fixed rate shares	20,166,197	11,109,800
Federal Reserve excess balance accounts	102,396,527	42,731,320
Nonperpetual capital accounts	1,433,367	669,019
Borrowed funds	10,928,251	296,163
Total interest expense	207,916,555	81,150,510
Net interest income	22,192,826	18,446,209
Noninterest income:		
Service fees	5,897,459	5,691,654
Other noninterest income	1,482,435	1,603,605
Net gain on sale of debt securities	249,786	29,722
U.S. Central distribution	6,266,007	26,781,461
Gain on sale of CUSO	-	1,914,079
Total noninterest income	13,895,687	36,020,521
Noninterest expense:		
Compensation and employee benefits	9,421,065	8,823,069
Occupancy and equipment	380,544	305,207
Advertising and training	522,962	383,704
Contracted operating service expense	3,554,821	3,078,659
Depreciation expense	631,648	274,423
Technology and professional services	1,268,641	1,204,574
Other expenses	423,088	218,870
Total noninterest expense	16,202,769	14,288,506
Net income	\$ 19,885,744	\$ 40,178,224

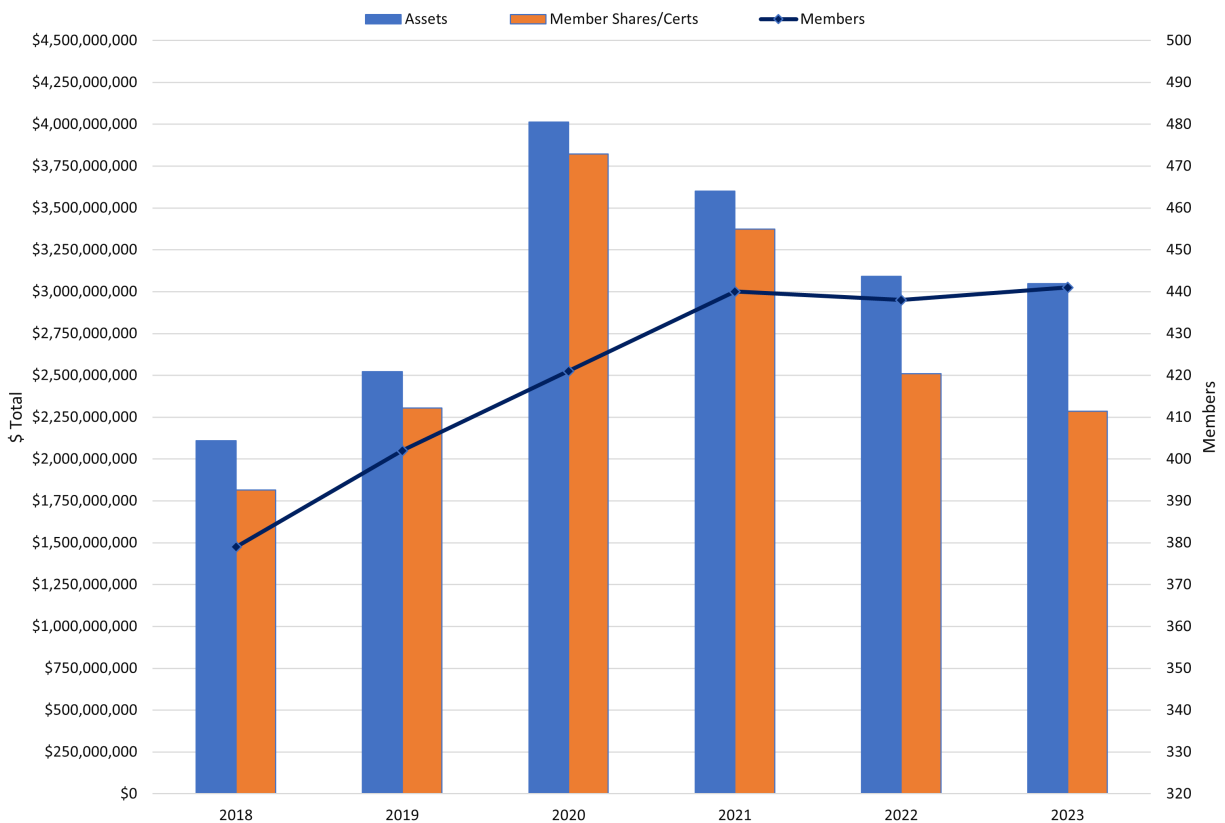
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Financial Performance

Growth in Tier 1 Capital (Retained Earnings & Perpetual Contributed Capital)



Growth in Assets, Member Shares, Certificates, and Members



2023 Highlights

Explore exciting highlights from Corporate Central and our family of CUSOs.



And Our Family of CUSOs



InterLutions
Innovative Business Solutions

THINK  STACK



QuantyPhi
Balance Sheet Optimization for Credit Unions

2023

Member Engagement Net Promoter Score Survey Results

Score:

85.41

Credit Union Industry Data

The average 2023 Net Promoter Score for Member Loyalty Group clients was 62.42, which includes hundreds of credit unions and at least one corporate credit union.

B2B Industry Data

Wider Net Promoter Score standards only classify organizations as excellent once they have earned a score of 50. A Net Promoter Score of 70 classifies them as world-class.

source: clearlyrated.com

Member Feedback

“Quick response rates, personable team members, and overall impression that the teams at Corporate Central are there to help us with any and all needs.”

“Both member services and the investment department have exceeded my expectations. Any issues that arise are always addressed by staff.”

“The trust that is built between Corporate Central and its members is significant. I never worry about Corporate Central because they do everything the right way.”

“Corporate Central provides small credit unions with the support that bigger credit unions experience.”

Corporate Central



A Remarkable Achievement: 49 Employees Attain the CCUFC Designation

Corporate Central is proud to announce that 49 dedicated employees successfully earned the prestigious Certified Credit Union Financial Counselor (CCUFC) designation through the Credit Union National Association (CUNA). The designation is a testament of the commitment of employees to excellence in financial education. This accomplishment not only reflects individual dedication to professional growth but also underscores Corporate Central's commitment to providing unparalleled financial services to its valued members. Corporate Central remains dedicated to fostering a culture of continuous learning and professional development. By investing in employees' education and certifications, we ensure that employees are equipped with the knowledge and expertise needed to deliver exceptional financial services to our members.



AI Driven Cash Forecasting Solutions

Corporate Central launched a strategic partnership with logicpath and their award-winning SaaS cash forecasting technology. The proprietary cash inventory management portal allows credit unions to accurately forecast and order cash while optimizing inventory levels across their organization. Corporate Central and logicpath collaborated to build a secure interface with Beastro, our cloud-based digital banking platform. The interface allows credit unions to utilize the cash forecasting software and automatically import their branch and ATM cash delivery orders into Beastro. By analyzing data from vaults, device applications, and teller platforms, the solution integrates all cash points seamlessly, helping credit unions save time and money by better managing their cash network.

Enhancement Releases

Corporate Central made a strategic investment in technology to build a better digital platform and experience and to further advance financial wellness for our members and the people they serve. Since the launch of Beastro in 2022, Corporate Central has achieved new levels of creativity, innovation, and remarkable collaboration. We remain committed to improving the user experience, guided by member feedback. Our efforts focus on integrating cutting-edge technology, refining user interfaces for greater intuitiveness, increasing automation to streamline tasks, and expanding features to expedite self-service, making it more efficient than ever.



June 2023

Cash Delivery/Deposit Forecasting
Integration With LogicPath-C3 Launched



August 2023

SimpliCD Statements Launched



August 2023

Mobile Phone Passkey
Multi-Factor Option Launched



November 2023

Security Safekeeping Launched

Planned 2024 Releases

- International Wires
- Money Movement (ACH, FedNow, RTP)
- Certificate Purchasing

Future Releases

- Intelligent Fraud Monitoring
- ISO 20022 Wire Format Changes
- Historical Investment Information
- Core Banking Systems Integrations
- Data Analytics
- Artificial Intelligence
- Balance Sheet Management

Key Features

- Frequent and quick enhancements and updates
- Industry leading technology foundation built for the future
- One platform with an enhanced experience and common user interface
- Open API architecture built for integration and participation in the financial service system
- Direct service provider integration and relationships for reduced costs
- Automations to improve operational efficiency
- Independent of banking cores or third parties
- 24/7 availability positioned for 24-hour instant money movement



InterLutions
Innovative Business Solutions



Why 27 Credit Unions Chose a CUSO's Health Plan

InterLutions welcomed 27 credit unions to its "I-Care Family." The innovative health plan solution, called I-Care, leverages data, technology, and collaboration to deliver competitive benefits to credit unions of any size or location. The CUSO recently launched an in-house insurance agency to work exclusively with smaller credit unions, and it is now the CUSO's fastest growing product.



CUSO's Insurance Agency Continues Expansion

InterLutions welcomed Emily Turnbull to the team as an Employee Benefits Consultant. Turnbull plays a critical role in driving new business growth by delivering competitive, mutually-beneficial health plans to credit unions and their business accounts. Turnbull collaborates with credit unions to identify their gaps and needs to provide tailored solutions that help employees while driving down insurance costs.



A CUSO and an Association Collaborate

InterLutions launched a partnership with the Healthcare Credit Union Association (HCUA) to help credit unions deliver competitive health plans to their members, business accounts, and employees. The collaboration will give more consumers access to I-Care, a pioneering employee benefits solution designed to mitigate rising health costs.



Liquidity Framework Review

QuantyPhi launched the "Liquidity Framework Review" service to analyze the robustness and effectiveness of a credit union's internal liquidity program, liquidity risk management framework, and liquidity measurement and monitoring tools. The service was designed specifically in response to current economic risks, regulatory priorities, and member demand.



SimpliCD

QuantyPhi finished 2023 with \$163 million in new SimpliCD placement volume and \$119 million in new SimpliCD issuance volume and was the best performing corporate credit union in the country in terms of placement growth year-over-year.



Investments 101 Webinar Series

QuantyPhi introduced the "Investments 101" monthly webinar series to educate credit unions on various security types and investment strategies. The education will continue with 2024's "Investments 201" series that will offer a deeper dive into the world of balance sheet and investment portfolio management.



Advisory Services Expansion

Due to increased demand from the credit union community, Think|Stack expanded Advisory Services to include Strategic IT Planning, Cybersecurity, Incident Response, Disaster Recovery, Business Continuity Planning, and Change Management. The need for these services was highlighted by the December 2023 cyber-attack that affected over 60 credit unions, as reported by CNN. Think|Stack hosted a Cybersecurity Town Hall in response to this event with over 400 attendees nationwide.



Cloud Innovation

Think|Stack was named AWS Global Nonprofit Partner of the year for the second year in a row due to work helping credit unions navigate and leverage the cloud. Think|Stack is also a Microsoft Cloud Solution Provider and Gold Partner and continues to expand Cloud Advisory and Pre-Migration Services making it easier for organizations to navigate their way to the future.



Growth

Think|Stack has continued rapid growth to now serve over 200 credit unions, CUSOs, and mission-driven organizations. Think|Stack also expanded the team of full-time IT advisors, experts, and engineers to meet the growing needs of clients.



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