



OUR PURPOSE

We are in business to help people get more out of their finances throughout their lives. We focus on offering trusted advice and better value on the financial services people use every day.

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LETTER FROM THE CHAIRMAN

Credit unions have always sought to help people reach their financial goals. The first credit unions were established in Germany during the 1860s to promote savings and provide trade and industrial workers fair access to credit as a means to improve their standard of living. They were organized around democratic, cooperative principles where members held an equal ownership stake. The first credit union in America opened in 1909 in New Hampshire, further extending the people-helping-people ethos globally.

As not-for-profit, member-owned institutions, credit unions continue to be structured differently than banks. Earnings are leveraged for the collective benefit of members, rather than stockholders or investors. Credit unions therefore consistently offer more competitive deposit and loan rates, fewer fees and more personalized service than for-profit providers.

Our Credit Union was founded in 1940 when eight Delta Air Lines employees raised \$45 in capital and successfully applied for an operating charter. Today, Delta Community Credit Union ranks as the largest credit union in Georgia and among the top 25 in the United States with more than 480,000 members, assets of \$9.3 billion and a record of consistent, strong annual financial performance.

In 2022, Delta Community again achieved exceptional financial and operational results by effectively managing the ongoing challenges posed by COVID-19 as well as maintaining sound, conservative investment practices to minimize risks across varying economic cycles. You will find a detailed discussion of last year's earnings and our progress with key initiatives in the accompanying letter from Hank Halter who marked his tenth anniversary as our Chief Executive Officer in January.

I am perhaps most proud of how our Credit Union takes our service-oriented, cooperative mission a step further. We recognize our ongoing success as a business depends on the prosperity and quality of life in the communities where we are privileged to operate. We deliberately invest a minimum of one percent of our annual earnings in direct community support and concentrate our efforts primarily in financial education and youth development programs.

In 2022, our community investments totaled \$925,000 and were spread across three areas of focus - Community Sponsorships and Industry Philanthropy; Financial Literacy and Education Programs; and Chamber of Commerce, Non-Profit and Corporate Partnerships.

We allocated \$125,000 to our Philanthropic Fund, and a team of employee volunteers selected 20 deserving non-profit organizations to receive grants from the more than 300 requests that we received. Since its inception ten years ago,



our Philanthropic Fund has provided critical financial support to more than 200 metro Atlanta nonprofit organizations that focus on financial literacy, STEAM education or the welfare of young people.

Delta Community also facilitated 185 financial webinars and workshops on 64 different topics to more than 8,000 participants through our Financial Education Center, and these classes remained free of charge and available to existing members as well as the public at large.

Our Financial Education Center again earned honors at the state and national level through the Desjardins Financial Education Awards. The League of Southeastern Credit Unions bestowed us with top honors for Georgia in the Adult category for the sixth consecutive year and in the Youth category for the fifth consecutive year. The Credit Union National Association named us second in the Adult category among credit union finalists throughout the U.S.

As your credit union, we strive to be everything your bank should be. We are here to help you get the most out of your finances and to provide you secure, convenient and attractively priced banking services that meet your financial needs at every stage in life.

On behalf of your Board of Directors and our team of dedicated employees who are committed to providing you with full service and full satisfaction, we appreciate the trust and confidence you place in us.

Thank you for allowing us to serve your personal and business banking needs.

A handwritten signature in black ink that reads "Jim Duffley".

Jim Duffley

LETTER FROM THE CEO

Delta Community achieved strong results across our corporate performance metrics again in 2022 and delivered consistent, exceptional service and value to our members.

Our country continued to face significant social, geopolitical and economic challenges. The pandemic and inflationary pressures caused disruption and produced unprecedented conditions that we had to manage in both our personal and professional lives. Omicron variants raised new concerns and caused surges in COVID-19 cases around the globe. These surges and the outbreak of war in Ukraine exacerbated supply chain issues and drove up the cost of essential consumer goods. Annual inflation stood at 6.5 percent in December after peaking at 9.1 percent in June.

The Federal Reserve Board tightened monetary policy in an effort to bring inflation back toward its goal of two percent by tempering economic activity and consumer demand. The Federal Reserve raised its short-term borrowing rates seven times, including four consecutive three-quarter-point increases between June and November.

Like all financial institutions and businesses, Delta Community is not immune to these market pressures; however, we were well positioned to navigate the changing economic environment and sustain our service and pricing standards for members based on our continuous adherence to conservative, sound investment and capital management practices.

Here are key financial and operational results from last year:

- Our earnings in 2022 totaled \$67.3 million, which included \$11.3 million in extraordinary items. On an operating basis, net income equaled \$56.0 million, which was \$6.2 million or 12.5 percent higher than the operating result from 2021.
- Assets grew to \$9.3 billion, an increase of \$229 million or 2.5 percent. Asset growth slowed versus the past two years when deposit balances were inflated from reduced consumer spending and heightened government stimulus.
- Our net worth ratio was 10.37 percent at December 31, reflecting a year-over-year increase of 0.48 points and far above the 7.0 percent threshold to be considered Well Capitalized from a regulatory standpoint.
- We added more than 20,000 net new members for a growth rate of 4.5 percent, which exceeded both the national and local peer credit union averages and pushed our total membership count above the 480,000 mark at year-end.
- Direct loan growth came in at 14.2 percent with consumer, residential and commercial originations of \$789 million, \$689 million and \$173 million, respectively.



- We delivered new services and conveniences to members, including the opening of a branch in Woodstock, Georgia with 6,000 square feet of retail space and four drive-thru lanes; a pilot test of 13 interactive teller machines that enable members to receive transaction support after hours via a video chat with a remote teller; and the launch of our Visa Signature card with no annual fee, contactless technology and an enhanced Reward Points program.
- Our full-year Net Promoter score was 74.8 percent, our second highest score on record and in the top percentile of credit unions nationally. This score is a measure of member satisfaction, and the average score for similarly sized credit unions is 57 percent while the average for banks is 39 percent.

I have mentioned in past letters how serving at Delta Community has been the greatest privilege of my professional career. The past three years of the pandemic have only strengthened this realization. I am constantly inspired by the focus, teamwork and resilience of Delta Community's employees. Each of our more than 1,300 employees finds fulfillment in helping our members manage their daily finances and work toward long-term personal goals. Their camaraderie and gratification in serving you are what motivate them to vote Delta Community as a Best Place to Work, an honor we earned again in 2022 from the *Atlanta Business Chronicle* for the eighth consecutive year.

I want to thank our members, employees and Board of Directors for their ongoing loyalty and support. Delta Community's success, past and present, is due to you.

A handwritten signature in black ink that reads "Hank Halter". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Hank Halter

AUDIT COMMITTEE REPORT

The Audit Committee has two primary responsibilities:

- 1 To ensure that a comprehensive financial audit of the Credit Union is performed at least annually; and
- 2 To monitor the Credit Union's internal controls to ensure compliance with applicable laws, regulations, and the Credit Union's policies.



The Committee has engaged CliftonLarsonAllen, LLP, an independent public accounting firm, to perform the financial audit for calendar year 2022. The final 2022 report is expected by the end of April 2023. Additionally, examiners from the Georgia Department of Banking and Finance and the National Credit Union Administration (NCUA), a federal regulatory agency, conduct independent annual reviews of the Credit Union to evaluate the financial condition; the safety, and the soundness of the Credit Union; and compliance with applicable laws and regulations.

As part of its responsibility to monitor the Credit Union's internal controls and compliance, the Committee oversees the internal audit function of the Credit Union. Working on the Committee's behalf, the Corporate Audit department performs auditing procedures to obtain reasonable assurance that internal controls are in place and are followed to protect member assets. Corporate Audit reviews and tests operational controls for adequate security and verifies Delta Community's compliance with state, federal, and NCUA regulations and adherence to Delta Community's written policies and procedures. Management and the Audit Committee periodically review the Credit Union's internal audit plan to assess and, under the guidance of the regulatory agencies, oversee the remediation of potential risks to the Credit Union's network; system and data security; privacy policies; business continuity; risk management; and related matters.

As a result of the internal and external audits, regulatory examinations, and meetings with the Credit Union's management and members of the Corporate Audit department, we conclude that the Credit Union's financial condition and its internal controls and procedures are sound.

We extend our thanks to all committees and Delta Community employees for their assistance with the Credit Union's auditing and compliance functions.

A handwritten signature in black ink that reads "Esther L. Hammond".

Esther L. Hammond
Audit Committee Chairwoman

YEAR IN REVIEW

JANUARY

- Launched Interactive Teller Machines, branded as Live Teller, to supplement existing service delivery options and provide members with the ability to interact with specially trained Member Care Center agents
- *Atlanta Magazine* named Hank Halter, CEO, and Jai Rogers, VP of Business and Community Development, among “Top 500 Business Leaders”

FEBRUARY

- Presented the first two Philanthropic Fund awards to metro Atlanta charitable organizations, out of 20 grants awarded in 2022 totaling \$125,000
- Named among the nation’s top 20 credit unions and top 100 financial services providers in 2022 by GOBankingRates

MARCH

- Launched Visa Signature Credit Card offering members no annual fee, low variable interest rates, contactless technology and an enhanced Reward Points Program with 1.5 points per \$1 spent—the equivalent of 1.5% cash back on purchases

APRIL

- Opened Woodstock branch, the second in Cherokee County; Delta Community’s 32nd branch and 29th in metro Atlanta
- Awarded a total of \$25,000 to five Scholarship Program winners in 17th annual Scholarship Program

- Won four Credit Union National Association (CUNA) Diamond Awards for creative excellence and outstanding results in the Best Video, Complete Campaign, Email and Digital Advertising categories

MAY

- Earned industry-leading Member Satisfaction rating for third consecutive year in the annual Member Relationship Survey conducted by the Raddon Financial Group, placing Delta Community in the top percentile of credit unions nationally

JUNE

- Launched Financial Education Center Executive Insight four-part video series for members

JULY

- Resumed High School Apprenticeship program after two-year suspension due to COVID-19 pandemic

AUGUST

- Began renovation of relocated Midtown branch on Peachtree Street in Atlanta, due to open in the spring of 2023

SEPTEMBER

- Named as one of *Atlanta Business Chronicle’s* “Best Places to Work in Atlanta” for eighth consecutive year; finished in third place in the extra-large company category

OCTOBER

- Financial Education Center earned first-place honors at the state level in both the Youth and Adult categories of the 2022 Desjardins Financial Education Awards with the League of Southeastern Credit Unions

NOVEMBER

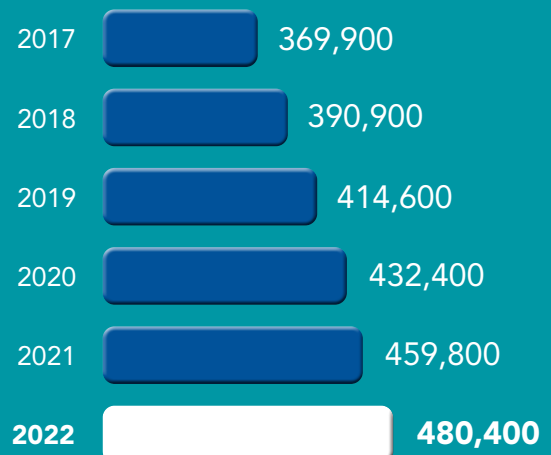
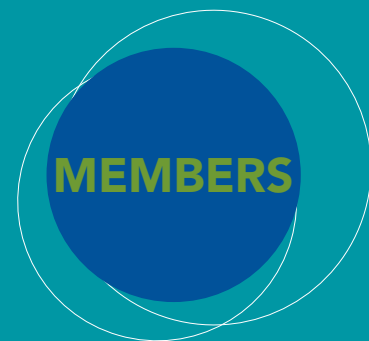
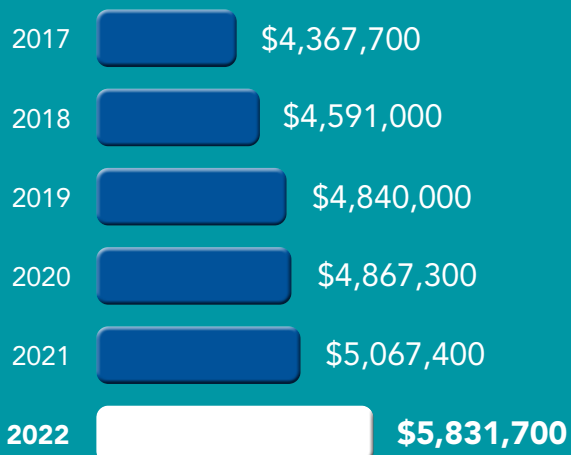
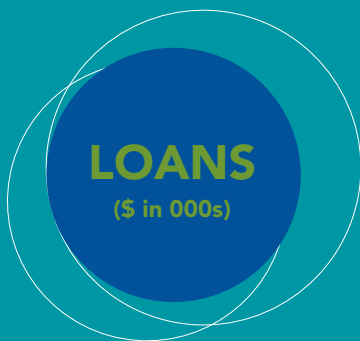
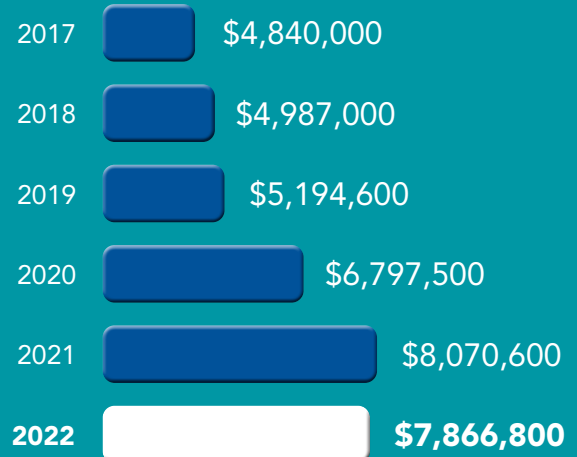
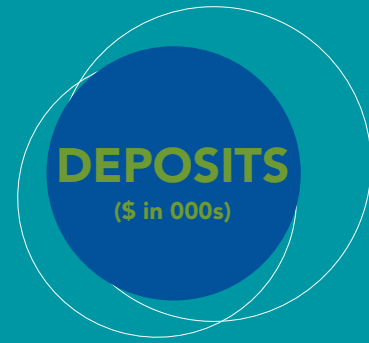
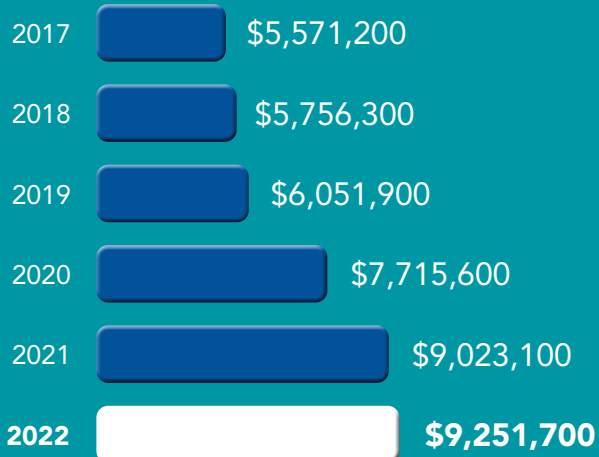
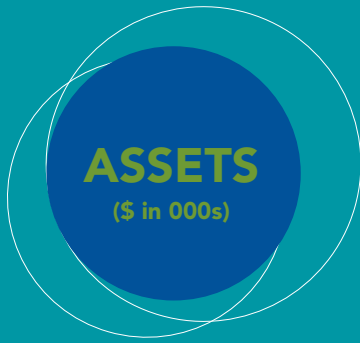
- Financial Education Center earned a second-place honor at the national level in the Adult Category of the 2022 Desjardins Financial Education Awards with CUNA
- Awarded \$10,000 to Big Shanty Intermediate School in Cobb County in fifth annual Give Back Giveaway contest, recognizing student-led community service projects, and \$5,000 awarded to four schools as runners up

DECEMBER

- Presented the final two of four scholarships of \$5,000 to students planning to attend a Historically Black College or University
- Financial Education Center provided the last of its 185 free personal and financial education workshops for the year, which collectively had more than 8,000 attendees during 2022
- Announced 2023 Philanthropic Fund grant recipients to 20 metro Atlanta charitable organizations totaling \$150,000



TRENDS AT A GLANCE



STATEMENT OF FINANCIAL CONDITION

As of December 31, 2022 (\$ in 000s)

UNAUDITED

ASSETS	2022	2021
Cash	\$ 170,155	\$ 930,905
Receivables	61,506	63,632
Loans, net of allowances for possible loan losses and deferred income (expense) relating to mortgage originations	5,778,425	5,019,536
Investments		
Available-for-sale	2,893,185	2,773,821
Other	49,845	19,605
Accrued Interest	23,347	17,061
Prepaid and Other Assets	191,749	112,324
Property, Equipment and Leasehold Improvements, at cost, net of accumulated depreciation and amortization	83,507	86,172
Total Assets	\$ 9,251,719	\$ 9,023,056
LIABILITIES AND EQUITY		
Accounts Payable	\$ 129,747	\$ 90,744
Notes and Related Interest Payable	630,815	0
Member Deposits	7,866,849	8,070,589
Equity	624,308	861,723
Total Liabilities and Equity	\$ 9,251,719	\$ 9,023,056



STATEMENT OF OPERATIONS

As of December 31, 2022 (\$ in 000s)

UNAUDITED

REVENUES	2022	2021
Interest on Loans	\$ 205,082	\$ 186,580
Interest on Investments	41,225	18,025
Fees	27,525	22,659
Miscellaneous	73,361	69,077
	\$ 347,193	\$ 296,341
EXPENSES		
Salaries and Benefits	\$ 128,016	\$ 119,441
Training	1,009	514
Office Occupancy	12,836	12,593
Loan Servicing	11,599	11,441
Advertising	7,095	6,702
Office Expenses	11,071	10,203
Depreciation and Amortization	7,432	7,664
Checking Accounts	8,180	6,961
Debit Card	15,218	13,364
Shared Branches	583	593
Professional and Outside Services	9,431	7,114
Other Expenses	21,137	18,439
Provision for Loan Loss	16,500	3,550
	\$ 250,107	\$ 218,579
COST OF FUNDS		
Interest on Borrowings	\$ 6,933	\$ 0
Dividend Expenses	22,871	21,473
	\$ 29,804	\$ 21,473
Net Income	\$ 67,282	\$ 56,289

BOARD OF DIRECTORS



JIM DIFFLEY
CHAIRMAN



LINDA O'SHEA
VICE CHAIRWOMAN



LEM WIMBISH
SECRETARY/TREASURER



HANK HALTER
BOARD DIRECTOR & CEO



ALAN ARNOLD
BOARD DIRECTOR



ALLISON AUSBAND
BOARD DIRECTOR



CHARLIE BOYAJIAN
BOARD DIRECTOR



ESTHER HAMMOND
BOARD DIRECTOR



ROBIN STRICKLIN
BOARD DIRECTOR



MATT SULLIVAN
BOARD DIRECTOR

EXECUTIVE MANAGEMENT



Back row from left to right

JAY GRATWICK
EVP & CHIEF
FINANCIAL
OFFICER

SUZANNE MITCHELL
SVP & CHIEF
HUMAN RESOURCES
OFFICER

BILL MESPLAY
SVP, REMOTE
DELIVERY
CHANNELS

BOB WALSH
EVP & CHIEF
LENDING OFFICER

TIM MITCHELL
SVP & CHIEF
INFORMATION
OFFICER

PAM DAVIS
SVP, BRANCH
DELIVERY &
OPERATIONS

BILL BUCHANAN
SVP & CHIEF
RISK OFFICER

Front row from left to right

MATTHEW SHEPHERD
EVP & CHIEF OPERATING OFFICER

HANK HALTER
CHIEF EXECUTIVE OFFICER

BOB MANNING
SVP & GENERAL COUNSEL



O U R V I S I O N

**WE WANT TO BE METRO ATLANTA'S
PREFERRED PLACE TO BANK, KNOWN
FOR PROVIDING OUR MEMBERS WITH
HONEST VALUE, SUPERIOR SERVICE
AND TRUSTED ADVICE.**




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 800-544-3328



NCUA
This credit union is federally
insured by the National Credit
Union Administration.