American Airlines Federal Credit Union

Financial Report
December 31, 2022

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RSM US LLP

Independent Auditor's Report

Supervisory Committee
American Airlines Federal Credit Union

Opinion
We have audited the financial statements of American Airlines Federal Credit Union (the Credit Union), which comprise the statements of financial condition as of December 31, 2022 and 2021, the related statements of income, comprehensive (loss) income, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Credit Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Credit Union's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Credit Union's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

RSM US LLP

Dallas, Texas
March 28, 2023

American Airlines Federal Credit Union

Statements of Financial Condition
December 31, 2022 and 2021
(In Thousands)

	2022	2021
Assets		
Cash and cash equivalents	$ 375,362	$ 613,417
Investments:		
Available for sale	3,089,094	3,734,480
Other	67,311	66,138
Loans, net	5,145,082	4,601,978
Accrued interest receivable	21,506	15,778
Share insurance fund deposit	74,073	71,145
Property and equipment, net	64,990	69,130
Other assets	38,378	30,920
Total assets	$ 8,875,796	$ 9,202,986
Liabilities and Members' Equity		
Liabilities:		
Members' shares	$ 8,005,226	$ 8,340,922
Dividends payable	7,074	3,390
Accrued expenses and other liabilities	83,437	35,680
Total liabilities	8,095,737	8,379,992
Commitments and contingencies (Notes 5 and 8)		
Members' equity:		
Retained earnings	918,015	842,956
Accumulated other comprehensive loss	(137,956)	(19,962)
Total members' equity	780,059	822,994
Total liabilities and members' equity	$ 8,875,796	$ 9,202,986

See notes to financial statements.

American Airlines Federal Credit Union

Statements of Income
Years Ended December 31, 2022 and 2021
(In Thousands)

		2022		2021
Interest income:				
Loans	$	184,472	$	163,992
Investments and cash equivalents		74,440		17,371
		258,912		181,363
Interest expense:				
Members' shares		64,361		52,474
Interest on Federal Home Loan Bank (FHLB) advances		23,260		806
		87,621		53,280
Net interest income		171,291		128,083
Provision for loan losses		14,976		1,862
Net interest income after provision for loan losses		156,315		126,221
Noninterest income:				
Fee income		39,387		37,674
Other operating income		9,292		8,781
Gain on sale of investments		305		5
Other income		166		90
		49,150		46,550
Income before noninterest expenses		205,465		172,771
Noninterest expenses:				
Compensation and benefits		67,317		59,594
Facility occupancy		10,883		10,340
Office operations		34,078		31,896
Education and promotional		7,072		6,412
Loan servicing		1,405		1,486
Professional and outside services		5,561		3,984
Travel and conferences		503		142
Miscellaneous operating		3,586		4,787
Other losses		1		27
		130,406		118,668
Net income	$	75,059	$	54,103

See notes to financial statements.

American Airlines Federal Credit Union

Statements of Comprehensive (Loss) Income
Years Ended December 31, 2022 and 2021
(In Thousands)

	2022	2021
Net income	**$ 75,059**	$ 54,103
Other comprehensive loss:		
Net unrealized losses on investments available for sale	**(117,689)**	(27,628)
Reclassification adjustment for gains realized in net income	**(305)**	(5)
Other comprehensive loss	**(117,994)**	(27,633)
Comprehensive (loss) income	**$ (42,935)**	$ 26,470

See notes to financial statements.

American Airlines Federal Credit Union

Statements of Members' Equity
Years Ended December 31, 2022 and 2021
(In Thousands)

	Retained Earnings		Accumulated Other Comprehensive Income (Loss)	Total
	Regular Reserve	Undivided Earnings		
Balance, December 31, 2020	$ 61,769	$ 727,084	$ 7,671	$ 796,524
Net income	-	54,103	-	54,103
Other comprehensive loss	-	-	(27,633)	(27,633)
Balance, December 31, 2021	61,769	781,187	(19,962)	822,994
Regular reserve transferred to undivided earnings	(61,769)	61,769	-	-
Net income	-	75,059	-	75,059
Other comprehensive loss	-	-	(117,994)	(117,994)
Balance, December 31, 2022	**$ -**	**$ 918,015**	**$ (137,956)**	**$ 780,059**

See notes to financial statements.

American Airlines Federal Credit Union

Statements of Cash Flows
Years Ended December 31, 2022 and 2021
(In Thousands)

	2022	2021
Cash flows from operating activities:		
Net income	$ 75,059	$ 54,103
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of premium (accretion of discount) of investment securities, net	4,283	(4,279)
Provision for loan losses	14,976	1,862
Depreciation and amortization	6,550	6,367
Gain on sale of investments	(305)	(5)
Other losses	1	27
Net change in:		
Accrued interest receivable	(5,728)	1,375
Other assets	(7,458)	(1,160)
Accrued expenses, dividends payable and other liabilities	51,441	(3,250)
Net cash provided by operating activities	138,819	55,040
Cash flows from investing activities:		
Purchases of available for sale investments	(1,156,757)	(2,448,428)
Proceeds from maturities of available for sale investments	1,228,920	1,015,727
Proceeds from sales and calls of available for sale investments	451,251	1,270,964
Net change in other investments	(1,173)	(62,060)
Net change in loans	(558,080)	140,089
Increase in share insurance fund deposits	(2,928)	(3,975)
Proceeds from sale of other real estate owned (OREO)	-	144
Purchases of property and equipment	(2,411)	(1,551)
Net cash used in investing activities	(41,178)	(89,090)
Cash flows from financing activities:		
Net increase (decrease) in members' shares	(335,696)	345,160
Net cash (used in) provided by financing activities	(335,696)	345,160
(Decrease) increase in cash and cash equivalents	(238,055)	311,110
Cash and cash equivalents:		
Beginning of year	613,417	302,307
End of year	$ 375,362	$ 613,417
Supplemental disclosures of cash flow information:		
Dividends paid on members' shares	$ 60,677	$ 53,909
Interest paid on FHLB advances	$ 23,260	$ 806

See notes to financial statements.

Note 1. Nature of Operations and Significant Accounting Policies

Nature of operations: American Airlines Federal Credit Union (the Credit Union) is a cooperative association holding a corporate charter under the provisions of the Federal Credit Union Act. The Credit Union provides a variety of financial services to its members. Primary deposit products are share and certificate accounts. The Credit Union's primary lending products are real estate and consumer loans. The Credit Union is subject to competition from other financial institutions and non-credit financial service companies. The Credit Union is subject to the regulation of certain federal agencies and undergoes periodic examination by the National Credit Union Administration (NCUA).

Significant accounting policies: The Credit Union follows the accounting standards set by the Financial Accounting Standards Board (FASB). The FASB establishes accounting principles generally accepted in the United States of America (GAAP). References to GAAP issued by the FASB in these footnotes are to the FASB Accounting Standards Codification (ASC), commonly referred to as the Codification or ASC.

Use of estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant changes in the near term relate to the determination of the allowance for loan losses and the fair value of investment securities available for sale.

Risks and uncertainties: Downturns in economic conditions outside the Credit Union's control, including, but not limited to, inflationary economic conditions, pandemic economic impacts, or large groups of members of the Credit Union withdrawing funds from share accounts at the same time, could adversely impact the Credit Union's business, results of operations and financial condition. The Credit Union continues to monitor economic impacts and related risks, including those impacts to the Air Transportation Industry and American Airlines Group, Inc.'s (AAG) business.

Concentrations of credit risk: Membership in the Credit Union is open to those working in the Air Transportation Industry, their families and household members. Most of the Credit Union's business activity is with its members who are current or former employees of AAG. The Credit Union may be exposed to credit risk from a regional economic standpoint as a significant concentration of its borrowers reside in Texas. Although the Credit Union has a diversified loan portfolio, borrowers' ability to repay loans may be affected by the economic climate of either the air transportation industry or the overall geographic region in which they reside.

Fair value: The Codification defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement. Fair value is a market-based measurement, not an entity-specific measurement, and the fair value hierarchy gives the highest priority to quoted prices in active markets. Fair value measurements are disclosed by level within the hierarchy. A summary of the Credit Union's financial instruments and other accounts subject to fair value, including methodologies and resulting values, is presented in Note 11 to these financial statements.

Cash flows: For purposes of the statements of cash flows, cash and cash equivalents consist of cash on hand and non-term savings deposits in various financial institutions. Amounts may exceed the federally insured limits, but the Credit Union has not experienced any losses. Cash flows are reported net for loans and share accounts, other investments, accretion of discount or amortization of premium of investment securities and changes in accrued interest receivable, other assets and accrued expenses, dividends payable and other liabilities.

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Investments: Investments that the Credit Union intends to hold for an indefinite period of time, but not necessarily to maturity, are classified as available for sale and are carried at fair value. Unrealized losses on investments classified as available for sale have been accounted for as accumulated other comprehensive loss. Losses, if any, associated with credit impairments are recorded through operations.

Gains and losses on the sale of available for sale investments are determined using the specific-identification method. Interest and dividends on investments are included in income when earned. Amortization of premiums and accretion of discounts are recognized in interest income over the period to maturity or until sold. Certain premiums on callable debt securities are amortized to the earliest call date. Declines in the fair value of individual available for sale investments below their costs that are other than temporary would result in write-downs of the individual investments to their fair value. Factors affecting the determination of whether an other-than-temporary impairment has occurred include a downgrading of the investment by a rating agency, a significant deterioration in the financial condition of the issuer, or a determination that management would not have the ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in fair value.

Other investments are classified separately and are stated at cost.

Loans: The Credit Union grants real estate, consumer and business loans to members. The ability of members to honor their contracts may be impacted by the real estate and/or general economic conditions of their particular area of residence.

Loans are stated at the amount of unpaid principal balances and net deferred fees and costs, reduced by an allowance for loan losses. Purchased loans are stated net of unamortized premiums and unaccreted discounts. Interest on loans is recognized over the terms of the loans and is calculated on principal amounts outstanding.

Accrual of interest income is discontinued when loans become 90 days delinquent. Income is subsequently recognized on a cash basis until the loan's delinquency status is less than 90 days.

Loan fees and origination costs are deferred, with the net fee or cost recognized as an adjustment to interest income using the interest method over the expected life of the related loan or until the loan is modified or paid in full.

Allowance for loan losses: The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Loan losses are charged against the allowance when management believes the collectability of a loan balance is unlikely. Subsequent recoveries, if any, are credited to the allowance.

The allowance for loan losses is evaluated on a regular basis by management and is based on management's periodic review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. While management uses the best information available to make its evaluations, further adjustments to the allowance may be necessary if there are significant changes to economic conditions.

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

The Credit Union's allowance for loan losses is that amount considered adequate to absorb probable losses in the portfolio based on management's evaluations of the size and current risk characteristics of the loan portfolio. General allowances are established for loans that can be grouped into pools based on similar characteristics in compliance with GAAP and regulatory guidelines. In this process, general allowance factors are based on an analysis of historical net charge-off experience and expected losses given default ratios derived from the Credit Union's internal risk rating process. These factors are developed and applied to the portfolio by loan type. The qualitative factors associated with the allowance are subjective and require a high degree of management judgment. These factors include credit quality statistics, recent economic uncertainty, losses incurred from recent events and lagging data. Specific allowances are maintained for loans with characteristics that distinguish them from the pools of loans with similar, but nonspecific characteristics (such as delinquencies of 60 days or more, bankruptcies, troubled debt restructures, impaired loans, etc.).

A troubled debt restructuring (TDR) loan is a loan on which the Credit Union, for reasons related to a borrower's financial difficulties, grants a concession to the borrower that the Credit Union would not otherwise consider. Loan terms that may be modified or restructured due to a borrower's financial situation include, but are not limited to, a reduction in the stated interest rate, an extension of the maturity, renewal of the loan at an interest rate below current market, reduction in the accrued interest, or deferral of interest payments. The majority of the Credit Union's modifications are extensions in terms or deferral of payments which result in no lost principal or interest, followed by reductions in interest rates or accrued interest. Consistent with regulatory guidance, a TDR loan that is subsequently modified in another restructuring agreement but has shown sustained performance will be removed from TDR status in situations where the modified terms were market-based at the time of modification.

Property and equipment: Building, leasehold improvements, furniture and equipment are carried at cost, less accumulated depreciation and amortization. Building, furniture and equipment are depreciated using the straight-line method over the estimated useful life of the asset. Estimated useful lives are approximately three to 10 years for furniture and equipment, with building life extending to 30 years.

Leasehold improvements are generally amortized using the straight-line method over the lesser of five years or the term of the related lease.

Other real estate owned and foreclosed assets: Other real estate owned (OREO) is recorded at fair value less the estimated costs to sell the property at the date of transfer to other real estate owned, establishing a new cost basis. At the time a loan is transferred to OREO, any carrying amount in excess of the fair value less estimated costs to sell the property is charged off to the allowance for loan losses. Subsequently, should the fair value of an asset, less the estimated costs to sell, decline to less than the carrying amount of the asset, the deficiency is recognized in the statements of income in the period in which it becomes known. Maintenance costs of properties are included in noninterest expense. Gain or loss realized from sales of OREO is recorded in gain (loss) on sale of OREO.

Leases: Effective January 1, 2022, the Credit Union's leases are accounted for under ASC Topic 842, Leases. For operating leases with a term greater than one year, the Credit Union recognizes operating right-of-use (ROU) lease assets and operating lease liabilities, which are recorded in other assets and accrued expenses and other liabilities, respectively, in the statements of financial condition. The balances of the operating ROU lease assets and operating lease liabilities are approximately $8,866,000 and $8,922,000, respectively, as of December 31, 2022. The prior year is not restated due to the adoption of the new standard.

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Revenue recognition: ASC Topic 606, Revenue from Contracts with Customers (ASC 606), establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts to provide goods or services to customers. The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to receive in exchange for those goods or services recognized as performance obligations are satisfied. The majority of the Credit Union's revenue-generating transactions are not subject to ASC 606, including revenue generated from financial instruments, such as loans and investment securities.

Other revenue recognition: Revenue from service charges and fees on member deposits is recognized as the services are provided.

National Credit Union Share Insurance Fund (NCUSIF) deposit: The deposit in the NCUSIF is in accordance with NCUA regulations, which requires the maintenance of a deposit by each federally insured credit union in an amount equal to 1% of its insured members' shares. The deposit would be refunded to the credit union if its insurance coverage was terminated, if it converted its insurance coverage to another source, or if management of the fund was transferred from the NCUA Board.

Members' shares: Members' shares are the deposit accounts of the owners of the Credit Union. Share ownership entitles members to vote in the annual election of the Board of Directors. Irrespective of the amount of shares owned, no member has more than one vote. Dividends on members' shares, excluding share certificates, are based on available earnings at the end of a dividend period and are not guaranteed by the Credit Union. Dividend rates are approved by the Credit Union's Board of Directors.

Income taxes: By statute, the Credit Union is exempt from federal and state income taxes.

Comprehensive (loss) income: Comprehensive (loss) income consists of net income and other comprehensive (loss) income. Other comprehensive (loss) income includes unrealized gains and losses on available for sale investments and reclassified realized gains and losses.

Recent accounting pronouncements: In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial instruments. The existing incurred loss model will be replaced with a current expected credit loss model for both originated and acquired financial instruments carried at amortized cost and off-balance sheet credit exposures, including loans, loan commitments, held-to-maturity debt securities, financial guarantees, net investment in leases and most receivables. Recognized amortized cost financial assets will be presented at the net amount expected to be collected through an allowance for credit losses. Expected credit losses on off-balance sheet credit exposures will be recognized through a liability. Expected credit losses on available for sale (AFS) debt securities will also be recognized through an allowance, however, the allowance for an individual AFS debt security will be limited to the amount by which fair value is below amortized cost. Unlike current guidance, which requires certain favorable changes in expected cash flows to be accreted into interest income, both favorable and unfavorable changes in expected credit losses (and, therefore, the allowance) will be recognized through credit loss expense as they occur. With the exception of purchased financial assets with a more than insignificant amount of credit deterioration since origination, for which the initial allowance will be added to the purchase price of the assets, the initial allowance on financial assets subject to the scope (whether originated or acquired) will be recognized through credit loss expense.

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Expanded disclosures will also be required. Transition will generally be on a modified retrospective basis, with certain prospective application transition provisions for securities for which other-than-temporary impairment had previously been recognized and for assets that had previously been accounted for in accordance with Subtopic 310-30, Receivables—Loans and Debt Securities Acquired with Deteriorated Credit Quality. The ASU is effective for fiscal years beginning after December 15, 2022. Effective January 1, 2023, the Credit Union adopted ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which we do not expect to have a material impact on the financial statements of Credit Union.

Reclassifications: Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. There is no effect on previously reported net income or retained earnings as a result of the reclassifications.

Subsequent events: The Credit Union has evaluated subsequent events for potential recognition and disclosure through March 28, 2023, the date on which the financial statements were available to be issued.

Note 2. Cash and Cash Equivalents

Cash and cash equivalents held by the Credit Union include short-term investments. During the years ended December 31, 2022 and 2021, the Credit Union borrowed funds on the FHLB line of credit (Note 7) for the purpose of earning interest income on the proceeds. Borrowed funds are generally drawn on the first business day of the month, held as short-term investments and repaid on the second to last business day of the same month borrowed.

Note 3. Investments

Investments classified as available for sale consist of the following (in thousands):

	December 31, 2022			
	Amortized	Gross Unrealized		Fair
	Cost	Gains	Losses	Value
Government agencies	$ 1,949,875	$ -	$ (110,530)	$ 1,839,345
Negotiable certificates	285,000	3	(849)	284,154
Mortgage-backed securities	992,175	23	(26,603)	965,595
	$ 3,227,050	$ 26	$ (137,982)	$ 3,089,094

	December 31, 2021			
	Amortized	Gross Unrealized		Fair
	Cost	Gains	Losses	Value
Government agencies	$ 1,998,913	$ 908	$ (21,270)	$ 1,978,551
Negotiable certificates	750,000	76	(609)	749,467
Mortgage-backed securities	1,005,529	2,998	(2,065)	1,006,462
	$ 3,754,442	$ 3,982	$ (23,944)	$ 3,734,480

Residential and commercial mortgage-backed securities held by the Credit Union are issued by U.S. government-sponsored enterprises.

Note 3. Investments (Continued)

Gross realized gains on sales of investments available for sale were $305,000 in 2022 and $5,000 in 2021. There were no gross realized losses on sales of investments available for sale in 2022 or 2021.

Investments by maturity as of December 31, 2022, are summarized as follows (in thousands):

	Available for Sale	
	Amortized Cost	Fair Value
Less than one year maturity	$ 645,900	$ 635,329
One to ten years maturity	1,588,975	1,488,170
Mortgage-backed securities	992,175	965,595
	$ 3,227,050	$ 3,089,094

As of December 31, 2022 and 2021, there were no securities pledged.

Gross unrealized losses and fair value by length of time that the individual securities have been in a continuous unrealized loss position at December 31, 2022 and 2021, are as follows (in thousands):

	2022			
		Continuous Unrealized Losses Existing For		
Description of Securities	Fair Value	Less Than 12 Months	More Than 12 Months	Total Unrealized Losses
Government agencies	$ 1,839,345	$ 4,385	$ 106,145	$ 110,530
Negotiable certificates	274,151	135	714	849
Mortgage-backed securities	958,906	13,250	13,353	26,603
	$ 3,072,402	$ 17,770	$ 120,212	$ 137,982

	2021			
		Continuous Unrealized Losses Existing For		
Description of Securities	Fair Value	Less Than 12 Months	More Than 12 Months	Total Unrealized Losses
Government agencies	$ 1,431,734	$ 16,847	$ 4,423	$ 21,270
Negotiable certificates	524,392	609	-	609
Mortgage-backed securities	501,550	1,047	1,018	2,065
	$ 2,457,676	$ 18,503	$ 5,441	$ 23,944

Note 3. Investments (Continued)

As of December 31, 2022, the investment portfolio included 219 securities, 77 of which had unrealized losses that existed for longer than one year and 136 of which had unrealized losses that existed for less than one year. As of December 31, 2021, the investment portfolio included 219 securities, 68 of which had unrealized losses that existed for longer than one year and 18 of which had unrealized losses that existed for less than one year. All of these securities are considered to be acceptable credit risks. Based upon an evaluation of the available evidence, including recent changes in market rates, credit rating information and information obtained from regulatory filings, management believes the decline in fair value for these securities is temporary and driven by an increase in market interest rates. In addition, the Credit Union has the intent and ability to hold these investment securities for a period of time sufficient to allow for recovery, and it is more likely than not that the Credit Union will not be required to sell the securities before anticipated recovery.

Should the impairment of any of these securities become other than temporary, the cost basis of the investment will be reduced and the resulting loss recognized in net income in the period in which the other than temporary impairment is identified. The Credit Union has not recognized any other than temporary impairment on any securities for the years ended December 31, 2022 or 2021.

Other investments consist of the following (in thousands):

	2022	2021
Share certificate in other credit union	$ 250	$ 250
Member capital account in corporate credit union	750	750
Federal Home Loan Bank (FHLB) stock	66,311	65,138
	$ 67,311	$ 66,138

As of December 31, 2022, FHLB stock of $66,311,000 and Catalyst Corporate Federal Credit Union Perpetual Contributed Capital of $750,000 are classified with no contractual maturity. A $250,000 certificate in a natural person credit union is classified with less than one year maturity.

FHLB of Dallas stock: Although the stock is an equity interest in the FHLB, it does not have a readily determinable fair value as ownership is restricted and a market does not exist. The stock can be sold back to the FHLB or another member institution at its par value, subject to approval by the FHLB.

Management periodically evaluates the carrying amount of the stock for impairment and has determined that no impairment occurred during the years ended December 31, 2022 and 2021.

Note 4. Loans and Allowance for Loan Losses

Loans consist of the following at December 31 (in thousands):

	2022	2021
Real estate loans:		
Mortgage loans	$ 2,355,154	$ 2,171,133
Home equity loans	186,016	128,563
Total real estate loans	2,541,170	2,299,696
Consumer and business loans:		
Vehicle loans	1,017,720	801,415
Other consumer loans	1,623,431	1,536,196
Total consumer and business loans	2,641,151	2,337,611
Total loans receivable	5,182,321	4,637,307
Deferred net loan origination fees	(4,521)	(4,639)
Allowance for loan losses	(32,718)	(30,690)
	$ 5,145,082	$ 4,601,978

The Credit Union originates real estate, consumer and business loans to its members. The loan balances, interest rates, loan terms and collateral requirements vary according to the type of loan offered and creditworthiness of the borrowing member.

Real estate: The Credit Union grants long-term mortgage loans secured by real property belonging to members. Home equity fixed-rate loans with maturities up to 20 years and home equity lines of credit with maturities up to 25 years may also be offered. Acceptable property types include single-family detached or attached housing, single condominium units, single units in a planned-unit-development and one to four family residences. The Credit Union requires an analysis of collateral value and creditworthiness to determine the capacity of the borrower to repay the obligation.

Consumer: The Credit Union grants consumer loans which consist of vehicle, share secured and unsecured products. The Credit Union generally requires an analysis of creditworthiness to determine the capacity of the borrower to repay the obligation.

Business: The Credit Union grants loans to business members which consist of one to four family dwellings that are not a member's primary residence, commercial real estate, term loans (secured), revolving lines of credit (secured and unsecured) and unsecured credit cards. The Credit Union requires an analysis that includes collateral valuation (where applicable) and projected income and cash flow that allows for adequate coverage of required payments and obligations. As of December 31, 2022 and 2021, total business loans amounted to $2,833,000 and $5,741,000, respectively. These loans are included in mortgage and other consumer loans above.

Workout: The Credit Union grants workout loans to members who may be experiencing a change in financial condition and who have demonstrated a willingness and ability to repay their debts. Depending on the specific circumstance, workout options include loan refinance, loan modification or troubled debt restructuring for consumer loans and repayment plan/forbearance agreement, loan modification, loan refinance, or troubled debt restructuring for real estate loans. As of December 31, 2022 and 2021, total workout loans amounted to $14,711,000 and $19,735,000, respectively. These loans are spread among real estate and consumer loans above.

Note 4. Loans and Allowance for Loan Losses (Continued)

Impairment: A loan is considered impaired when, based on current information and events, it is probable that the Credit Union will be unable to collect the scheduled payments of principal and interest when due according to the contractual terms of the loan agreement. Real estate loans considered a troubled debt restructuring are also evaluated for impairment. Impairment is the greater of the difference between the original loan contract and the present value of future discounted cash flows of the restructured loan contract, or the difference between the outstanding loan balance and the market value of the property less costs to sell (assuming the outstanding loan balance is higher). Consumer loan troubled debt restructures are included in the allowance when the outstanding balance of the loan exceeds the total remaining bankruptcy court ordered loan repayments. Consumer loan extensions are reserved at the non-delinquent reserve rate. The troubled debt restructures are considered in default when the borrower becomes three or more months past due under the new contract terms.

The schedules below present impaired loans and nonperforming loans by class at December 31 (in thousands):

	2022				
	Recorded Investment	Unpaid Principal Balance	Related Allowance	Average Recorded Investment	Interest Income Recognized
Impaired loans with no related allowance recorded	$ -	$ -	$ -	$ -	$ -
Impaired loans with an allowance recorded:					
Real estate loans:					
Mortgage loans	6,920	6,920	276	8,372	105
Home equity loans	807	807	44	802	-
Total real estate loans	7,727	7,727	320	9,174	105
Consumer and business loans:					
Vehicle loans	7,936	7,936	2,784	8,229	254
Other consumer loans	7,399	7,399	4,380	7,758	246
Total consumer and business loans	15,335	15,335	7,164	15,987	500
Impaired loans with an allowance recorded	23,062	23,062	7,484	25,161	605
Total impaired loans	$ 23,062	$ 23,062	$ 7,484	$ 25,161	$ 605

	2021				
	Recorded Investment	Unpaid Principal Balance	Related Allowance	Average Recorded Investment	Interest Income Recognized
Impaired loans with no related allowance recorded	$ -	$ -	$ -	$ -	$ -
Impaired loans with an allowance recorded:					
Real estate loans:					
Mortgage loans	9,823	9,823	572	9,203	175
Home equity loans	797	797	78	894	3
Total real estate loans	10,620	10,620	650	10,097	178
Consumer and business loans:					
Vehicle loans	8,522	8,522	1,259	10,709	412
Other consumer loans	8,116	8,116	3,385	9,872	357
Total consumer and business loans	16,638	16,638	4,644	20,581	769
Impaired loans with an allowance recorded	27,258	27,258	5,294	30,678	947
Total impaired loans	$ 27,258	$ 27,258	$ 5,294	$ 30,678	$ 947

Note 4. Loans and Allowance for Loan Losses (Continued)

A summary of impaired loans also classified as TDRs at December 31 is as follows (in thousands):

	2022	2021
Real estate	$ 2,422	$ 5,329
Consumer	4,992	8,524
	$ 7,414	$ 13,853

The schedule below presents the recorded investment in nonaccrual loans by loan category as of December 31 (in thousands):

	2022	2021
Mortgage loans	$ 4,083	$ 2,337
Home equity loans	483	366
Vehicle loans	1,354	698
Other consumer loans, excluding credit cards and purchased loans	2,666	1,571
	$ 8,586	$ 4,972

The Credit Union charges-off loans that have been past due for over 180 days. Loans are classified by delinquency status.

The following tables present the aging of the recorded investment in past due loans as of December 31 by class of loans (in thousands):

2022	30-59 Days Past Due	60-89 Days Past Due	90 Days or Greater Past Due	Total	Loans Not Past Due	Total Loans
Real estate loans:						
Mortgage loans	$ 8,812	$ 1,164	$ 4,083	$ 14,059	$ 2,341,095	$ 2,355,154
Home equity loans	1,249	318	483	2,050	183,966	186,016
Total real estate loans	10,061	1,482	4,566	16,109	2,525,061	2,541,170
Consumer and business loans:						
Vehicle	6,877	1,469	1,354	9,700	1,008,020	1,017,720
Other consumer loans	5,722	2,318	3,806	11,846	1,611,585	1,623,431
Total consumer and business loans	12,599	3,787	5,160	21,546	2,619,605	2,641,151
	$ 22,660	$ 5,269	$ 9,726	$ 37,655	$ 5,144,666	$ 5,182,321

2021	30-59 Days Past Due	60-89 Days Past Due	90 Days or Greater Past Due	Total	Loans Not Past Due	Total Loans
Real estate loans:						
Mortgage loans	$ 6,171	$ 3,033	$ 2,337	$ 11,541	$ 2,159,592	$ 2,171,133
Home equity loans	683	94	366	1,143	127,420	128,563
Total real estate loans	6,854	3,127	2,703	12,684	2,287,012	2,299,696
Consumer and business loans:						
Vehicle	2,918	629	698	4,245	797,170	801,415
Other consumer loans	4,299	1,568	4,681	10,548	1,525,648	1,536,196
Total consumer and business loans	7,217	2,197	5,379	14,793	2,322,818	2,337,611
	$ 14,071	$ 5,324	$ 8,082	$ 27,477	$ 4,609,831	$ 4,637,307

Note 4. Loans and Allowance for Loan Losses (Continued)

During the years ended December 31, 2022 and 2021, the terms of certain loans were modified as troubled debt restructurings. The modification of such loans was a reduction of the stated interest rate or extension of the loan term.

The following is a summary of troubled debt restructurings during the 12 months ended December 31, 2022 and 2021, and loans that had been restructured during the previous 12 months ended December 31, 2021 and 2020, that subsequently defaulted during the 12 months ended December 31, 2022 and 2021 (in thousands):

	2022				
	Troubled Debt Restructurings During the 12 Months Ended December 31			Troubled Debt Restructurings During the Previous 12 Months That Subsequently Defaulted During the 12 Months Ended December 31	
	Number of Contracts	Pre-Restructuring Outstanding Recorded Investment	Post-Restructuring Outstanding Recorded Investment	Number of Contracts	Recorded Investment
Real estate loans:					
Mortgage loans	5	$ 1,096	$ 1,081	4	$ 1,777
Home equity loans	-	-	-	-	-
Consumer and business loans:					
Vehicle	9	130	115	3	38
Other consumer loans	4	44	41	2	12
	18	$ 1,270	$ 1,237	9	$ 1,827

	2021				
	Troubled Debt Restructurings During the 12 Months Ended December 31			Troubled Debt Restructurings During the Previous 12 Months That Subsequently Defaulted During the 12 Months Ended December 31	
	Number of Contracts	Pre-Restructuring Outstanding Recorded Investment	Post-Restructuring Outstanding Recorded Investment	Number of Contracts	Recorded Investment
Real estate loans:					
Mortgage loans	16	$ 4,114	$ 3,882	-	$ -
Home equity loans	-	-	-	-	-
Consumer and business loans:					
Vehicle	8	130	100	17	247
Other consumer loans	6	56	51	4	61
	30	$ 4,300	$ 4,033	21	$ 308

Allowance for loan losses: Management categorizes loans into risk categories based on class of loans (e.g., real estate, vehicle, and other consumer). Loan risk categories are reserved based on historical loss ratios, delinquency status and legal status of the loan (bankruptcy).

Note 4. Loans and Allowance for Loan Losses (Continued)

The tables below present the activity in the allowance for loan losses and the recorded investment in loans by portfolio segment based on impairment method as of and for the years ended December 31 (in thousands):

	2022				
	Real Estate		Consumer and Business		
	Mortgage	Home Equity	Vehicle	Other	Total
Allowance for loan losses:					
Balance, beginning of the year	$ 5,944	$ 400	$ 5,087	$ 19,259	$ 30,690
Provision for loan losses	(1,598)	66	4,384	12,124	14,976
Loans charged to allowance	(58)	(153)	(2,855)	(12,653)	(15,719)
Recoveries of loans previously charged off	279	74	331	2,087	2,771
Balance, end of the year	$ 4,567	$ 387	$ 6,947	$ 20,817	$ 32,718
Period-ended amount allocated to:					
Individually evaluated for impairment	$ 276	$ 44	$ 2,784	$ 4,380	$ 7,484
Collectively evaluated for impairment	4,291	343	4,163	16,437	25,234
Ending balance	$ 4,567	$ 387	$ 6,947	$ 20,817	$ 32,718
Loans:					
Individually evaluated for impairment	$ 6,920	$ 807	$ 7,936	$ 7,399	$ 23,062
Collectively evaluated for impairment	2,348,234	185,209	1,009,784	1,616,032	5,159,259
Total ending loan balance	$ 2,355,154	$ 186,016	$ 1,017,720	$ 1,623,431	$ 5,182,321

	2021				
	Real Estate		Consumer and Business		
	Mortgage	Home Equity	Vehicle	Other	Total
Allowance for loan losses:					
Balance, beginning of the year	$ 7,155	$ 511	$ 6,197	$ 24,378	$ 38,241
Provision for loan losses	(1,106)	(148)	258	2,858	1,862
Loans charged to allowance	(244)	(43)	(1,739)	(10,449)	(12,475)
Recoveries of loans previously charged off	139	80	370	2,473	3,062
Balance, end of the year	$ 5,944	$ 400	$ 5,086	$ 19,260	$ 30,690
Period-ended amount allocated to:					
Individually evaluated for impairment	$ 572	$ 78	$ 1,259	$ 3,386	$ 5,295
Collectively evaluated for impairment	5,372	322	3,827	15,874	25,395
Ending balance	$ 5,944	$ 400	$ 5,086	$ 19,260	$ 30,690
Loans:					
Individually evaluated for impairment	$ 9,823	$ 797	$ 8,522	$ 8,116	$ 27,258
Collectively evaluated for impairment	2,161,309	127,767	792,893	1,528,080	4,610,049
Total ending loan balance	$ 2,171,132	$ 128,564	$ 801,415	$ 1,536,196	$ 4,637,307

Note 5. Property and Equipment

Property and equipment as of December 31 are summarized as follows (in thousands):

	2022	2021
Building	$ 60,016	$ 60,016
Furniture and equipment	39,373	37,694
Leasehold improvements	13,269	12,839
Construction in process	287	76
	112,945	110,625
Accumulated depreciation and amortization	(47,955)	(41,495)
	$ 64,990	$ 69,130

During the years ended December 31, 2022 and 2021, $91,000 and $571,000, respectively, of property and equipment were retired, with incurred losses of $1,000 and $14,000, respectively, recorded in other losses on the statements of income.

The Credit Union owns substantially all its property and equipment, however, does have multiple office leases and a land lease. The operating leases contain renewal options and provisions requiring the Credit Union to pay property taxes and operating expenses over base period amounts. All rental payments are dependent only upon the lapse of time.

Minimum rental payments under operating leases with initial or remaining terms of one year or more, and month-to-month leases with likelihood of renewal, at December 31, 2022, are as follows (in thousands):

Years ending December 31:	
2023	$ 3,862
2024	1,409
2025	1,292
2026	969
2027	539
Subsequent years	1,270
Total minimum payments	9,341
Difference in present value of future minimum payments and cash required	(419)
Lease liability	$ 8,922

Rental expense for the years ended December 31, 2022 and 2021, for all facilities leased under operating leases totaled $1,823,000 and $1,772,000, respectively.

Note 6. Members' Shares

Members' shares as of December 31 are summarized as follows (in thousands):

	2022	2021
Regular shares	$ 5,061,036	$ 5,198,623
Share draft accounts	722,405	707,748
401(k) shares	1,443,561	1,331,161
Individual retirement account shares	9,998	173,315
Certificates	768,226	930,075
	$ 8,005,226	$ 8,340,922

Shares by maturity as of December 31, 2022, are summarized as follows (in thousands):

No contractual maturity	$ 7,237,000
Zero to one year maturity	244,813
Greater than one year to two years maturity	242,424
Greater than two years to three years maturity	143,355
Greater than three years to four years maturity	66,367
Greater than four years to five years maturity	71,267
	$ 8,005,226

Regular, share draft, 401(k) and individual retirement account shares have no contractual maturity. Certificate accounts have maturities of five years or less.

Beginning in 2022, the Credit Union entered into an agreement with a third-party to move most of the Credit Union's individual retirement account shares to be held by various unrelated third-party credit unions. The Credit Union remains the servicer for these accounts which are now held at other credit unions. Members were given the option to opt-out of this transaction. As of December 31, 2022, the balance of the individual retirement account shares held by various third-party credit unions was approximately $155,124,000.

NCUSIF insures members' share accounts up to a maximum federal deposit insurance level of $250,000 per ownership category. The most common types of ownership categories are individual accounts, joint accounts, revocable trust accounts and certain retirement accounts, such as 401(k) and IRA accounts. 401(k) shares represent funds which participants of AAG's various 401(k) plans have elected to invest in the Credit Union cash option of those plans.

The aggregate amount of certificates in denominations of $250,000 or more at December 31, 2022 and 2021, is approximately $55,566,000 and $79,554,000, respectively.

Note 7. Borrowings

The Credit Union has a $1,827,085,000 and $1,835,241,000 line of credit available with the FHLB at December 31, 2022 and 2021, respectively. The line of credit is secured by the general assets of the Credit Union and accrues interest at variable interest rates, which depend on market interest rates. As of December 31, 2022 and 2021, there were no amounts outstanding under this line of credit. There is no expiration on this line of credit.

Note 7. Borrowings (Continued)

The Credit Union has a $95,000,000 line of credit available with Catalyst Corporate Federal Credit Union at December 31, 2022 and 2021. This line of credit is secured by the general assets of the Credit Union with variable interest rates, which depend on market interest rates. As of December 31, 2022 and 2021, there were no amounts outstanding under this line of credit. There is no expiration on this line of credit.

Note 8. Commitments and Contingencies

The Credit Union is a party to various legal actions normally associated with the collection of loans and other business activities of financial institutions, the aggregate effect of which, in management's opinion, would not have a material adverse effect on the financial condition or results of operations of the Credit Union.

The Credit Union is party to conditional commitments to lend funds in the normal course of business to meet the financing needs of its members. These commitments represent financial instruments to extend credit which include lines of credit, credit cards and home equity lines that involve, to varying degrees, elements of credit and interest rate risk in excess of amounts recognized in the financial statements. The Credit Union follows the same credit policies in making commitments as it does for those loans recorded in the financial statements.

Outstanding mortgage loan commitments at December 31, 2022 and 2021, total approximately $109,371,000 and $236,127,000, respectively.

Unfunded loan commitments under lines of credit at December 31 are summarized as follows (in thousands):

	2022	2021
Home equity	$ 150,704	$ 107,304
Credit card	596,065	550,270
Other consumer	407,819	409,620
	$ 1,154,588	$ 1,067,194

Commitments to extend credit are agreements to lend to a member consistent with conditions established in the contract. Certain commitments have fixed expiration dates or other termination clauses. Because some of the commitments are expected to expire without being drawn on, the total commitment amount does not necessarily represent future cash requirements. The amount of collateral obtained to secure borrowing on the lines of credit is based on management's credit evaluation of the member.

Unfunded commitments under revolving credit lines are commitments for possible future extensions of credit to existing members. Credit cards and other consumer lines of credit are generally uncollateralized but may be protected by a cross-collateralization clause or statutory lien if the member has other secured consumer loans or deposits with the Credit Union, and usually do not contain a specified maturity date and ultimately may not be drawn upon to the total extent to which the Credit Union is committed.

Note 9. Regulatory Matters

The Credit Union is subject to various regulatory capital requirements administered by the NCUA. Failure to meet minimum capital requirements can initiate certain mandatory—and possibly additional discretionary—actions by regulators that, if undertaken, could have a direct material effect on the Credit Union's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Credit Union must meet specific capital guidelines that involve quantitative measures of the Credit Union's assets, liabilities and certain off-balance sheet items as calculated under GAAP.

Quantitative measures established by regulation to ensure capital adequacy require the Credit Union to maintain minimum amounts and ratios (set forth in the table, which follows) of net worth to total assets. Beginning January 1, 2022, credit unions over $500,000,000 have the option to elect the Complex Credit Union Leverage Ratio (CCULR) framework, and are required to adopt a risk-based capital (RBC) framework requiring a ratio of 8% or greater to be adequately capitalized. As of December 31, 2022, the Credit Union has not elected implementation of the CCULR framework, and the RBC framework is effective. The net worth ratio requirement to be adequately capitalized as of December 31, 2022, is 6% or greater.

In 2021, credit unions with assets over $50,000,000 were required to calculate a Risk-Based Net Worth (RBNW) requirement which establishes whether or not the Credit Union will be considered complex under the regulatory framework. The minimum requirement to be considered complex under the regulatory framework is 6.00%. The Credit Union's RBNW ratio as of December 31, 2021, was 5.94%, therefore, the Credit Union retains its original category of well capitalized as of December 31, 2021.

Management believes, as of December 31, 2022 and 2021, that the Credit Union meets all capital adequacy requirements to which it is subject.

Key aspects of the Credit Union's minimum capital amounts and ratios are summarized as follows as of December 31 (in thousands):

	December 31, 2022					
	Actual		Minimum to be Adequately Capitalized Under Prompt Corrective Action Provisions		Minimum to be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Net worth	$ 918,015	10.34%	$ 532,548	6.00%	$ 621,306	7.00%
Risk-based capital requirement	876,660	22.03%	710,064	8.00%	887,580	10.00%

	December 31, 2021					
	Actual		Minimum to be Adequately Capitalized Under Prompt Corrective Action Provisions		Minimum to be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Net worth	$ 842,956	9.20%	$ 552,179	6.00%	$ 644,209	7.00%
Risk-based net worth requirement	802,501	5.94%	N/A	N/A	N/A	N/A

Note 10. Related-Party Transactions

Compensation and benefits of approximately $68,405,000 and $60,861,000 in 2022 and 2021, respectively, represent costs of payroll and benefits that are paid by AAG, and reimbursed by the Credit Union. In addition, AAG provides facilities at its headquarters and at various airports and provides other services to the Credit Union. Reimbursement to AAG for such items was approximately $3,645,000 and $3,416,000 in 2022 and 2021, respectively.

In the normal course of business, the Credit Union extends credit to its Directors, Supervisory Committee members and officers (related parties) on the same terms and conditions as to other Credit Union members. The aggregate loans to related parties at December 31, 2022 and 2021, were approximately $4,191,000 and $4,641,000, respectively. Member shares from related parties at December 31, 2022 and 2021, amounted to approximately $6,071,000 and $6,847,000, respectively.

Note 11. Fair Value Measurements

Accounting guidance on fair value measurements defines fair value, establishes a framework for measuring fair value using a hierarchy system and requires disclosure of fair value measurements. The hierarchy is intended to maximize the use of observable inputs and minimize the use of unobservable inputs and includes three levels based on the valuation techniques used. The three levels are as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Investments available for sale: Where quoted prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. Level 1 investments would include highly liquid government bonds and exchange-traded equities. If quoted market prices are not available, then fair values are estimated by using quoted prices of investments with similar characteristics for Level 2 investments or using pricing models or discounted cash flows for Level 3 investments. Level 2 would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions and certain corporate, asset-backed and other securities. In certain cases where there is limited activity or less transparency around inputs to the valuation, investments are classified within Level 3 of the valuation hierarchy.

Impaired loans: Impaired loans represent certain loans for which an allowance for loan losses has been measured based on the present value of future discounted cash flows of the restructured loan contract or the market value of the collateral less costs to sell. When significant adjustments have been made to unobservable inputs, the resulting fair value measurement is categorized as a Level 3 measurement.

Note 11. Fair Value Measurements (Continued)

There have been no changes in valuation techniques used for any assets or liabilities measured at fair value during the year ended December 31, 2022, and no transfers between levels.

The following tables represent assets and liabilities reported on the statements of financial condition at their fair value as of December 31 by level within the fair value measurement hierarchy (in thousands):

	2022			
		Fair Value Measurements Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Measured on a recurring basis:				
Assets:				
Government agencies	$ 1,839,345	$ -	$ 1,839,345	$ -
Negotiable certificates	284,154	-	284,154	-
Mortgage-backed securities	965,595	-	965,595	-
Measured on a nonrecurring basis:				
Assets:				
Impaired loans	15,578	-	-	15,578

	2021			
		Fair Value Measurements Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Measured on a recurring basis:				
Assets:				
Government agencies	$ 1,978,551	$ -	$ 1,978,551	$ -
Negotiable certificates	749,467	-	749,467	-
Mortgage-backed securities	1,006,462	-	1,006,462	-
Measured on a nonrecurring basis:				
Assets:				
Impaired loans	21,964	-	-	21,964