

ANNUAL MEETING AGENDA

1. Pledge of Allegiance
2. Call the Meeting to Order
3. Secretary Ascertains a Quorum is Present
4. Chairman Entertains a Motion to:
 - Change the Order of Business
 - Dispense with the reading of the Annual Meeting minutes from the prior year
 - Approve the prior year's Annual Meeting minutes
5. Chairman's Introductions
6. President/CEO's Introductions
7. Nominating Committee's Report
 - Introduction of Board Nominees
8. Supervisory Committee's Report
9. Chairman's Report
10. Treasurer's Report
11. Open Forum Questions
12. Raffle Rules & Drawings
 - 8 - \$25
 - 4 - \$50
 - 2 - \$75
 - 1 - \$100
14. Closing Remarks
15. Motion to Adjourn

Board of Directors

Chairperson
Louis J. Ghosn
Vice Chairperson
William T. Ahonen
Secretary
Diane F. Bridges
Treasurer
Kristina A. Beletic
Directors
Peter Bonacuse
Timothy Edmunds
Richard French
Roseann K. Lorenz
Robert Spada
Recording Secretary
Pat Kamholz

Supervisory Committee

Chairperson
Secretary
Committee Members

Alternate
Senior Internal Auditor

Senior Leadership Team

CEO & President
COO & EVP
CFO & VP of Finance
CIO & Director of IT

Management Team

Director of Human Resources
Director of Lending
Director of Marketing
Director of Member Services
Director of Operations Support
Director of Risk and Compliance
Branch Managers

Business Development Manager
Collections Manager
Member Service Center Manager
Operations Manager

Team Members

Ricardo Ayala
Connie Bacha
Zenia Bahel
Laura Baldwin
Bruce Banfield
Darryl Battiste
Kelly Belfi
Andrea Boyce
Sean Burns
Melissa Butler-Boyd
Andrea Carter
Rosalind Coles
Jim Coulter
Misty Cunningham
Keith Dela Rosa
Gwen Dillingham
Chelsea Ferguson
Jasmine Flagg
Yolanda Garrett
Donna Gillis
Shajuan Gray
Rebecca Haling
Nancy Hetrick
Grace Ito
Bryaunah Jackson
Pat Jackson
Michael Jeric
LaTasha Jones
Meghan Kagel
Cheryl Keyser
Jill Kiggins
Janet Kovalak

CU Center West, Inc. & CU Center Central, LLC Board of Trustees

Chairperson
William T. Ahonen
Vice Chairperson
Mack Thomas
Secretary
David Cattani
Treasurer
Timothy Edmunds
Trustees
Robert Spada
Anthony Gray
Trustees Emeritus
William Crell
Richard Danielson
Charlotte Silver

Angel Arroyo
David Hull
Jimmy Davis
Timothy Edmunds
Stephanie Miller
Pete Romano
Beverly McMahon

Sharon Churchill
Ronald Hongosh
Ash Khatib
Frank Chahulski

Penny Caver
Mike Smalley
Jennifer Lynch
Santina Dawson
Barb Balog
Jacqueline Jackson
Brian Banville
Johnathan Davis
Mark Gentile
Cara Lange
Tara Namestnick
Julie Dunn
Deedra Miles-Yarbrough
Charlotte Bosak
Sharonda Moss
Lata Ojha
Jerry Zemlicka

Laura Kozel
Jeff Lanzen
Rhonda Lezark
Sally Mandic
Linda Martin
Debra McBryer
Porsche Mercer
Harriet Monroe
Deanna Moran
Daniela Naslazi
Jessika Nieves
Jeanette Ozimek
Ginny Pastor
Janice Perry
Lenora Pollard
LaTaosha Prince
Christin Reever
Stephanie Rivera
Katherine Robbins
Peggy Shepard
Sue Sliman
Emily Smith
Laura Sweeney
Sue Tancak
Breck Turner
Tara Vician
Kellen Wilson
Marilyn Woods
David Zanglin
John Zohos

CELEBRATING 70 YEARS OF CENTURY FEDERAL

This year, 2018, marks the 70th anniversary of Century Federal Credit Union. Our staff is excited to celebrate this achievement with the generations of members that the credit union has served.

We certainly wouldn't be the successful credit union we are today without the continued support and patronage of each and every one of our members. We plan to honor this milestone all year long with great member stories, colleagues and board members about how Century Federal has had a positive impact on their lives.

Our team works hard, every day, to ensure that our organization is providing our members with the exceptional service for which we are known. We also work diligently to continually provide our membership with a variety of products, services and member discounts that rival or surpass any other financial institution in the marketplace.

As the year goes on, please take this opportunity to learn more about what makes Century Federal the best credit union in Northeastern, Ohio.

www.CenFedCU.org/70years



BRANCH LOCATIONS

Downtown
AJC Federal Building
1240 E. 9th Street, #719
Cleveland, OH 44199
M-F: 8:00am - 3:30pm

Independence
4600 Rockside Road
Independence, OH 44131
T-F: 9:30am - 6:00pm
SA: 9:00am - 2:00pm

Lyndhurst
5465 Mayfield Road
Lyndhurst, OH 44124
M, T, TH: 8:30am - 4:00pm
F: 8:30am - 6:00pm
SA: 8:30am - 2:00pm

NASA Employees Only
21000 Brookpark Road
Building 15
Cleveland, OH 44135
M-F: 8:00am - 3:30pm

North Olmsted
28251 Lorain Road
North Olmsted, OH 44070
M-TH: 8:30am - 4:00pm
F: 8:30am - 6:00pm
SA: 8:30am - 2:00pm

RTA Hayden Employees Only
1661 Hayden Avenue
East Cleveland, OH 44112
M, W, F: 9:30am - 4:00pm

Sherwin-Williams
101 Prospect Ave. NW
Republic Building, #900
Cleveland, OH 44115
M-F: 8:30am - 4:00pm

Strongsville
14244 Pearl Road
Strongsville, OH 44136
T-F: 9:30am - 6:00pm
SA: 9:00am - 2:00pm

Wade Park VAMC
10701 East Blvd., 1-E210
Cleveland, OH 44106
M-F: 8:00am - 3:30pm

Member Service Center
216-535-3200
M-F: 7:30am - 6:00pm
Sat: 8:00am - 2:00pm
MemberService@CenFedCU.org

24/7 Account Information
216-535-3288 | www.CenFedCU.org



2017 Annual Report



MESSAGE FROM CHAIRMAN OF THE BOARD

It gives me great pleasure to celebrate another successful year at Century Federal Credit Union! Since 2007, Century Federal has embarked on efforts to exceed members' expectations and to generate deeper relationships with every member. I believe that the additional efforts by our employees to exceed your expectations resulted in an impressive 80%, 10-year growth in our total assets and equity. With an equal increase in our total assets and total equity, our net worth to total assets remained strong at 9.31% which is well above the 7.0% threshold for well capitalized credit unions as established by our regulators. This impressive control growth speaks highly of your loyalty and trust in Century Federal to meet your financial needs.

In 2017, we opened an additional branch on Rockside Road in Independence with a drive-up ATM and later office hours of 6:00pm (Tuesday - Friday). In October, we launched our revamped website making it easy to use, locate products and services and your searches more reachable. In addition to our standard mortgage products, our lending department introduced a new low-cost, fixed-rate 10 year mortgage that many members have already taken advantage of. We also expanded our offering for loan protection against unexpected events through our "Credit Life & Disability Insurance" products.

From the operation side, we purchased new lending software that integrated all the essential lending functions starting from the loan origination process, to decision support, and finally image capturing of the various documents, which will make your loan application process easier, quicker and more efficient.

The Board approved 20+ new Select Employee Groups (SEGs) throughout the year. The SEGs were from various industries: stemming from city employees such as employees of the "City of Maple Heights", and high-tech firms such as the employees of "IntelliNet" and "Vertical Knowledge", as well as employees of car dealerships such as "Serpentini Chevrolet" to name a few. These SEGs were deemed ideal to increase our membership base and hopefully attract younger members with diverse financial needs. In 2017, Century Federal had to rely on purchasing car loans from other credit unions to fill the gap between our member deposits and total loans.

The Century Federal family welcomed members from RTA Hayden FCU who voted in January of 2018 to merge with our credit union. The merger was mainly due to the regulatory burdens imposed indiscriminately on all credit unions small or large, affecting the smaller credit unions and forcing their mergers. In 2018, our main focus will be

on revamping our online banking system across all electronic platformers (e.g. PC, tablets, & phone) and increasing our VISA® portfolio in particular and our growth loans in general.

Finally, I hope that each of you will continue to make the most of your membership with us. Our employees are always here to answer your questions, offer advice or connect you with valuable resources.

Best Regards,
Louis J. Ghosn
Chairman of the Board



TREASURER'S REPORT

As Century Federal Credit Union's Treasurer during 2017, I am pleased to report our 2017 financial summary. The year of 2017 was one of continued financial success for Century Federal Credit Union. The Credit Union's assets totaled \$386 million at year-end, an increase of \$10.6 million or 2.8% over the prior year. Net income for 2017 totaled \$1.18 million, a decrease of \$702,000 or 37.3% from the prior year. Each year, the Credit Union is required to reserve an amount for inherent and potential loss within the loan portfolio. During 2016, the Credit Union was not required to set this amount aside because of the overall improvement in the economy. The loan portfolio grew significantly during 2017, and we were required to provide additional reserves for these loans, despite our overall strong asset quality with credit losses totaling less than 1% of total loans. The difference in net income was directly attributable to this reserve requirement.

A primary measurement of the health of the Credit Union is the net worth to assets ratio. Net worth represents the total of net income earned over the past 69 years, less investment in the infrastructure of the Credit Union. NCUA considers a net worth ratio of 7.00% or above to be well capitalized. Our net worth ratio at December 31, 2017, was 9.31% compared to 9.26% at December 31, 2016. The Credit Union is careful to maintain a net worth ratio which allows us to provide our members with the products and services that improve their banking needs, while at the same time providing excellent rates and low fees.

Deposits for year-end 2017 totaled \$336 million, an increase of \$13.0 million over the previous year, mainly in Share Draft accounts and Term-Share Certificates. Dividends paid out

totaled \$1.62 million which included a year-end bonus. The Credit Union issued \$74.5 million in new loans which resulted in an overall net increase (after payments received) of \$12.8 million in the portfolio. The Credit Union was able to offer extremely competitive loan rates during 2017 despite a rise in the over-night borrowing rate by 0.75% beginning in March 2017.

We worked to control our expenses to help maintain low fees to our members. Annual operating expenses were 73% of gross income or 2.68% of total assets. These expenses totaled \$10.4 million for the year, an increase of \$1.2 million or 12.5% over the prior year. Century Federal Credit Union strives to provide its members with a financially strong credit union, one that can be counted on to serve them throughout their lifetime. This commitment requires continued investment. In 2017, we expanded our presence in the Greater Cleveland area with the opening of our new branch in Independence, Ohio. We also made several upgrades and improvements to our operating systems. The increases in our expenses were a result of the continued investment in personnel, systems, and structures that allow the Credit Union to keep pace with industry change and innovation to better serve our membership base. During 2017, we had the pleasure of serving over 26,000 members at 350+ Select Employee Groups (SEGs) throughout the Greater Cleveland area.

The 2017 year-end audit was contracted with Clifton Larson Allen, LLP, an independent auditing firm, to conduct the Credit Union's annual audit. Results of the audit indicate the financial statements present fairly the results of operations and financial position for the period, and no material weaknesses in internal control were reported. The comprehensive independent auditors report is available for members to review upon request at 216-535-3137.

The entire team at Century Federal Credit Union is committed to helping our members achieve financial health and success. Century Federal looks forward to serving you and your family in 2018! Thank you for your continued loyalty and support!

Respectfully submitted,
Kristina A. Beletic, CPA
Treasurer



2017 Financial Statements for Century Federal Credit Union and Subsidiaries

	2017	2016
ASSETS		
Cash and Cash Equivalents	\$ 15,324,589	\$ 18,416,742
Deposits in Other Financial Institutions	7,078,000	6,176,534
Securities Available-for-sale	94,642,618	97,301,381
Other Investments	1,373,235	1,342,386
Loans, Net	257,734,099	244,741,431
Accrued Interest Receivable	927,499	818,873
Premises and Equipment, Net	3,843,808	2,021,162
National Credit Union Share Insurance Fund (NCUSIF) Deposit	3,235,046	3,081,618
Other assets	1,719,910	1,411,530
Total Assets	\$ 385,878,804	\$ 375,311,657

LIABILITIES AND MEMBERS' EQUITY

	2017	2016
LIABILITIES		
Members' Share and Savings Accounts	\$ 335,872,126	\$ 322,901,394
Borrowed Funds	10,530,936	12,761,536
Accrued Expenses and Other Liabilities	4,114,294	5,417,130
Total Liabilities	350,517,356	341,080,060
Members' Equity		
Regular Reserves	\$ 3,597,645	\$ 3,597,645
Undivided Earnings	32,345,481	31,163,600
Accumulated Other Comprehensive Income (Gain/Loss)	(581,678)	(529,648)
Total Members' Equity	35,361,448	34,231,597
Total Liabilities and Members' Equity	\$ 385,878,804	\$ 375,311,657

CONSOLIDATED INCOME STATEMENT

	2017	2016
INTEREST INCOME		
Loans	\$ 9,922,959	\$ 9,344,866
Securities, Interest Bearing Deposits and Cash Equivalents	1,654,387	1,198,523
Total Interest income	11,577,346	10,543,389
INTEREST EXPENSE		
Members' Share and Savings Accounts	\$ 1,621,248	\$ 1,843,774
Borrowed Funds	190,397	182,993
Total Interest Expense	1,811,645	2,026,767
Net Interest Income	9,765,701	8,516,622
PROVISION FOR LOAN LOSSES	\$ 862,265	\$ 855
Net Interest Income After Provision for Loan Losses	8,903,436	8,515,767
NON-INTEREST INCOME		
Service Charges and Fees	\$ 887,145	\$ 972,679
Other Non-Interest Income	1,739,969	1,567,815
Net Gain/Loss on Sale of Investment Securities	3,657	4,717
Net Gain/Loss on Sale of Assets	-	24,009
Total Non-Interest Income	2,630,771	2,569,220
NON-INTEREST EXPENSE		
General and Administrative		
Employee Compensation and Benefits	\$ 5,136,572	\$ 4,420,974
Office Occupancy and Operations	2,159,321	1,967,351
Other Operating Expenses	3,056,433	2,813,139
Total Non-Interest Expense	10,352,326	9,201,464
NET INCOME	\$ 1,181,881	\$ 1,883,523