

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

• Destroy the 2017 election ballots
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
13.

Closing Remarks
14.

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

Tim Edmunds

Richard French

Roseann K. Lorenz

Robert Spada

Recording Secretary

Pat Kamholz

Supervisory Committee

Chairperson

Secretary

Committee Members

David Hull

Angel Arroyo

Jimmy Davis

Timothy Edmunds

Stephanie Miller

Pete Romano

Beverly McMahon

Alternate

Senior Internal Auditor

Senior Leadership Team

CEO & President

COO & EVP

CFO & VP of Finance

Management Team

Director of Operations Support

Director of Human Resources

Director of IT/CIO

Director of Member Services

Director of Risk and Compliance

VP of Business Development

Director of Lending/CCO

Branch Managers

Sharon Churchill

Ronald Hongosh

Emily Bopp

Barb Balog

Penny Caver

Frank Chahulski

Santina Dawson

Jacqueline Jackson

Lisa King

Mike Smalley

Brian Banville

Johnathan Davis

Mark Gentile

Julie Dunn

Deedra Miles-Yarbrough

Breck Turner

Cara Lange

Sharonda Moss

Collections Manager

Member Service Center Manager

Operations Manager

Team Members

Ricardo Ayala

Connie Bacha

Zenia Bahel

Laura Baldwin

Bruce Banfield

Tasha Banks

Kelly Belfi

Omni Binion

Charlotte Bosak

Andrea Boyce

Sean Burns

Melissa Butler-Boyd

Andrea Carter

Anton Conkle

Kathryn Corbin

Misty Cunningham

Keith Dela Rosa

Gwen Dillingham

Yolonda Garrett

Donna Gillis

Meagan Grafton

Rebecca Haling

Ashley Hall

Lollita Harris

Nancy Hetrick

Grace Ito

Pat Jackson

Michael Jeric

LaTasha Jones

Cheryl Keyser

Tim Kiewel

Jill Kiggins

Janet Kovalak

Laura Kozel

Rhonda Lezark

Sally Mandic

Linda Martin

Debra McBryer

Meghan McCarthy

Porsche Mercer

Harriet Monroe

Deanna Moran

Tara Namestnik

Daniela Naslazi

Jeanette Ozimek

Ginny Pastor

Bennie Payne

Shakita Pearsall

Janice Perry

Lenora Pollard

LaTaosha Prince

Christin Reeves

Katherine Robbins

Gerard Sanders

Peggy Shepard

Sue Sliman

Emily Smith

Laura Sweeney

Sue Tancak

Jason Valenti

Tara Vician

Nila Williams

Marilyn Woods

David Zanglin

A NEW ONLINE & MOBILE BANKING SYSTEM

The launch of our new Online and Mobile Banking system is just around the corner...

In April, we will introduce our new Online and Mobile Banking platform which will feature more flexibility, enhanced security and a fresh look.

The new system will include these benefits:

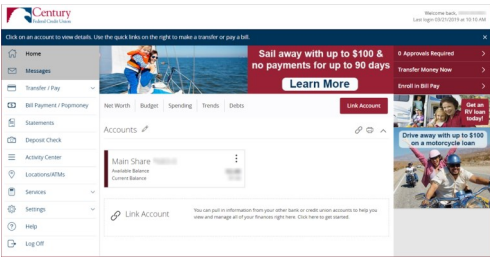
- Enhanced security – multiple layers to create a safe platform
- Secure access code at login protects against unauthorized access. This access code is a short code sent to you via text, email or a phone call.
- Secure message center – allows communication over encrypted email, which is displayed only within the Online Banking platform
- External transfers – move funds between your accounts at Century Federal and other financial institutions.
- An available Personal Finance Manager (PFM) – to help you better track and budget

More flexibility – a highly customizable experience:

- Create personalized account names to identify them more quickly
- Organize the home page by grouping your accounts
- A fresh look and new, simplified design
- Streamlined navigation helps you quickly access the most important services

Plus, you will still have access to many of the great features you have come to use and love:

- Bill Payment – all of your existing bill payment information will transfer to the new system
- Mobile Deposit – deposit checks on-the-go with your smartphone or tablet
- Alerts – set up text or email alerts to help manage your accounts



www.CenFedCU.org/OnlineBanking

BRANCH LOCATIONS

Downtown

AJC Federal Building
1240 E. 9th Street, #719
Cleveland, OH 44199
M-F: 8:00 AM – 3:30 PM
216-535-3290

Independence

4600 Rockside Road
Independence, OH 44131
T-F: 9:30 AM – 6:00 PM
SA: 9:00 AM – 2:00 PM
216-535-3410

Lyndhurst

5465 Mayfield Road
Lyndhurst, OH 44124
M, T, TH: 8:30 AM- 4:00 PM
F: 8:30 AM – 6:00 PM
SA: 8:30 AM – 2:00 PM
216-535-3800

NASA Employees Only

21000 Brookpark Road
Building 15
Cleveland, OH 44135
M-F: 8:00 AM – 3:30 PM
216-535-3400

North Olmsted

28251 Lorain Road
North Olmsted, OH 44070
M-TH: 8:30 am – 4:00pm
F: 8:30 AM – 6:00 PM
SA: 8:30 AM – 2:00 PM
216-535-3100

RTA Hayden Employees Only

1661 Hayden Avenue
East Cleveland, OH 44112
M, W, F: 9:30 AM – 4:00 PM
216-535-3280

Sherwin-Williams

101 Prospect Ave.
Lobby area
Cleveland, OH 44115
M-F: 8:30 AM – 4:00 PM
216-535-3700

Strongsville

14244 Pearl Road
Strongsville, OH 44136
T-F: 9:30 AM – 6:00 PM
SA: 9:00 AM – 2:00 PM
216-535-3260

Wade Park VAMC

10701 East Blvd., 1-E210
Cleveland, OH 44106
M-F: 8:00 AM – 3:30 PM
216-535-3600

Member Service Center

M-F: 7:30 AM – 6:00 PM
Sat: 8:00 AM – 2:00 PM
216-535-3200

24/7 Account Information
www.CenFedCU.org



2018 Annual Report



MESSAGE FROM CHAIRMAN OF THE BOARD

Welcome to Century Federal Credit Union's annual meeting! 2018 was the 70th anniversary of our credit union. We have come a long way since 1948 when we were chartered to serve mainly the financial needs of federal government employees working in Cleveland. Now, we serve members from 350 Select Employee Groups (called SEGs) as well as their family members, ranging from local city employees (mostly from cities around our branches) to employees of local hospitals, nursing homes, industries, churches/temples, car dealerships and various trade associations to name a few. A complete list of CFCU current SEGs is posted on our website under “Current SEG Partners”. We now have a total of nine branches throughout Cuyahoga County, with four of our branches open on Saturdays as compared to 45 years ago when we were limited to two branches: one inside NASA and another on the seventh floor of the Federal Building. Century’s assets are now a bit shy of \$400 Million (actually \$393,155,830) quite an increase from \$45 Million in assets 30 years ago. With our asset size, we are the largest credit union in Northeast Ohio and the sixteenth largest in the state of Ohio. Century Federal’s equity remained strong reaching \$37,149,530 in 2018 providing us with net worth to total assets of 9.54% which is well above the 7.0% threshold for well capitalized credit unions as established by our regulators.

In 2018, the merger of RTA Hayden Federal Credit Union was finalized welcoming their 600 members into our family. We refurbished the North Olmsted and RTA Hayden branches with a new look and feel. We also started the build out at The Midland Building to relocate the Sherwin Williams branch from the ninth floor to the lobby area for easy access to members working downtown that are non-Sherwin Williams employees. We finished various renovations to our Independence Building to secure leases on available rental spaces. From the operation side, we added FHA/VA mortgage loan products, and the Lending Department started Saturday hours for loan approvals. We switched our partnership for Wealth Management from Money Concepts to Skylight Financial Group for any new investment/retirement product offerings.

For 2019, we are planning to launch Q2, our new online banking module, as well as an update to our computer core server from an archaic HP system to a new IBM server. We are in the final phases of revamping our HELOC product as well as adding a new VISA Signature card.

With the strong leadership provided by the Board of Directors and Senior Managers, as well as the dedication and hard work of the staff, Century Federal will continue to focus on meeting the financial needs of our members through outstanding quality service, convenient service delivery channels, and competitive rates.

Sincerely yours,
Louis J. Ghosn



TREASURER’S REPORT

In 2018, Century Federal Credit Union celebrated our 70th anniversary and I am pleased to report the financial summary for this year. Century Federal continued to enjoy steady growth throughout the year. Assets totaled \$393M at year-end, an increase of \$7.3 million or 1.89% from the prior year, while year-to-date net worth (equity), increased by \$1.8M or 5.06% for the year. With total equity reporting at \$37M, the net-worth-to-assets ratio reported strongly at 9.54%, classifying Century Federal as a well-capitalized financial organization. Net income for 2018 totaled \$1.48M, an increase of \$303K or 25.6% from prior year. Organizational growth can be attributed to the steady increase in loans, coupled with an increase in member deposits, and efforts to provide excellence in member service.

Loan balances at 12/31/18 were \$274M, with \$25M of contractual retirements and \$43M of repayments resulting in a year-to-date loan increase of \$16.6M or 6.44% compared to 2017. Auto loans were particularly strong for the year and CFCU currently participates in 11 auto-loan participations with other organizations that have yielded the credit union approximately \$540K of net-interest income for the year. Charge-offs for the year were 0.29% of total loans or \$1M, while recoveries reported at \$244K for the year.

Member deposits totaled \$345M at year-end, an increase of \$9.2M or 2.75% from prior year. Cash and cash equivalents were \$12M or 3% of total assets for the year. Due to CFCU’s successful year, dividends paid out totaled \$2.4M for the year, an increase of \$744K or 45.9% increase from prior year.

Total expenses for the year increased 10.9% or \$1M. Operating costs continue to grow as technology evolves and security remains the highest priority. As of December 31, 2018, our total membership in good standing stood at 27,404 members. Investment income increased for the year by \$451k or 27%.

The 2018 year-end audit was contracted with Clifton Larson Allen LLP, an independent auditing firm, to conduct the credit union’s annual financial 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 controls were reported. The comprehensive independent auditors report is available for members to review upon request at 216-535-3137.

CFCU is proud of its tradition of serving members with exceptional products and services, and striving to maximize our members’ financial well-being. Century Federal has come a long way in the 70 years of operations, and looks forward to serving our members for many years to come. A special thanks to our members for their continued loyalty and support!

Respectfully submitted,
Kristina A. Beletic, CPA
Treasurer



2018 Financial Statements for Century Federal Credit Union and Subsidiaries

ASSETS	2018	2017
Cash and Cash Equivalents	\$ 12,071,009	\$ 15,324,589
Deposits in Other Financial Institutions	5,734,000	7,078,000
Securities Available-for-sale	88,890,902	94,642,617
Other Investments	1,396,755	1,373,235
Loans, Net	274,340,236	257,734,099
Accrued Interest Receivable	1,082,783	927,499
Premises and Equipment, Net	4,503,943	3,843,808
National Credit Union Share Insurance Fund (NCUSIF) Deposit	3,337,879	3,235,046
Other assets	1,798,323	1,719,910
Total Assets	\$ 393,155,830	\$ 385,878,804

LIABILITIES		
Members' Share and Savings Accounts	\$ 345,112,139	\$ 335,872,126
Borrowed Funds	8,263,446	10,530,936
Accrued Expenses and Other Liabilities	2,630,715	4,114,294
Total Liabilities	356,006,300	350,517,356

MEMBERS’ EQUITY		
Regular Reserves	\$ 3,597,645	\$ 3,597,645
Undivided Earnings	34,032,031	32,345,481
Accumulated Other Comprehensive Income Gain/(Loss)	(480,146)	(581,678)
Total Member's Equity	37,149,530	35,361,448
Total Liabilities & Members' Equity	\$ 393,155,830	\$ 385,878,804

CONSOLIDATED INCOME STATEMENT		
INTEREST INCOME	2018	2017
Loans	\$ 11,063,207	\$ 9,922,959
Securities, Interest Bearing Deposits and Cash Equivalents	2,105,467	1,654,387
Total Interest Income	13,168,674	11,577,346

INTEREST EXPENSE		
Members' Share and Savings Accounts	\$ 2,365,642	\$ 1,621,248
Borrowed Funds	162,177	190,397
Total Interest Expense	2,527,819	1,811,645
Net Interest Income	10,640,855	9,765,701

PROVISION FOR LOAN LOSSES		
Net Interest Income After Provision for Loan Losses	\$ 822,501	\$ 862,265
	9,818,354	8,903,436

NON-INTEREST INCOME		
Service Charges and Fees	\$ 1,189,727	\$ 887,145
Other Non-Interest Income	2,000,175	1,739,969
Net Gain/Loss on Sale of Investment Securities	(34,463)	3,657
Total Non-Interest Income	3,155,439	2,630,771

NON-INTEREST EXPENSE		
General and Administrative		
Employee Compensation and Benefits	\$ 5,882,147	\$ 5,136,572
Office Occupancy and Operations	2,515,294	2,159,321
Other Operating Expenses	3,091,453	3,056,433
Total Non-Interest Expense	11,488,894	10,352,326
NET INCOME	\$ 1,484,899	\$ 1,181,881