

CENTURY FEDERAL CREDIT UNION 2019 ANNUAL REPORT

MEMBERSHIP



Number of members as of December 31, 2019

Total dividends paid to members in 2019



\$3,328,579

NEW CREDIT CARD SUITE INTRODUCED IN 2019



Our Improved credit card portfolio is ranked 9th in the state of Ohio*

*Callahan & Associates' CreditUnions.com



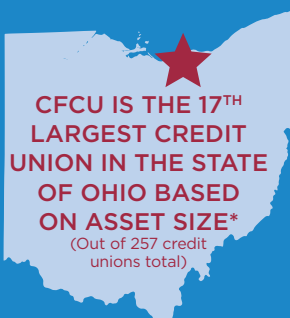
2,604 Loans

Were generated for a total of

\$74,752,929

Of which, 271 were mortgage loans for a total of

\$38,723,346



*Callahan & Associates' CreditUnions.com



Of consumer loan applications are now submitted through our new online system

GIVING BACK IN 2019



Awarded five Guy H. Thorpe College Scholarships totaling

\$7,500



CFCU gave

\$6,971.34

in charitable donations to 10 organizations in 2019

2019 ONLINE BANKING TRENDS

9,118 Members utilized online banking

305 New members signed up online

874 Mobile deposits

LOGINS BY DEVICE

Phone & tablet

73,020

Desktop computer

47,787



Century
Federal Credit Union

Welcome to the Century Federal Credit Union Annual Meeting!

Perhaps it's appropriate that I first introduce myself, although many of you already know me from my many years of volunteer service (first on the supervisory committee and then as a board member). My name is Pete Bonacuse and I currently work as a materials research engineer at the NASA Glenn Research Center. My fellow volunteers on the board of directors have granted me the privilege of serving as chairman this year. I have done, and will continue to do, what I can to earn and keep their confidence. I would also like to acknowledge the former chairman, Dr. Louis Ghosn, for his many years of dedicated service. You don't realize how much effort is required of the board chairman until you are in the role!

Our membership, equity, deposits, and loan balances have all continued to grow.

As your new chairman, I can happily state that **Century Federal Credit Union has had another successful year. Our membership, equity, deposits, and loan balances have all continued to grow.** We continue to stay in the good graces of our regulator, the National Credit Union Administration (NCUA). **We have purchased a new building in Richmond Heights to relocate our Lyndhurst branch, and plan to move into the new location over the summer. We rolled out the new Online Banking platform in 2019.** This was a significant undertaking for the staff and, I hope you'll agree, it turned out very well. Online and Mobile Banking now has a uniform look and feel whether you're on a PC, Mac, iPhone, or Android device. And now, even your credit card transaction history is available within the same interface! **We will continue to investigate, and invest in, new technologies to improve member access and increase security.** We have added new select employee groups (SEGs) to help broaden our membership base and continue to strive to educate all of our SEG employees of the benefits of choosing Century Federal to be their primary financial institution. It has always been my belief that our members are our best ambassadors. **If you are happy with the products and services that Century Federal provides, please continue to encourage your co-workers and family members to join Century Federal Credit Union. Together we really are better!**

Given the high level of uncertainty in the financial markets recently, you can rest assured that we are monitoring the situation closely and will take appropriate action, as is deemed necessary, to ensure that CFCU remains a healthy financial institution.

Finally, I'd like to thank the employees (as well as the volunteers) for their dedicated service. This organization could not continue to thrive without their hard work, attention to detail, and helpful attitudes.

Pete Bonacuse

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. Supervisory Committee's Report
8. Chairman's Report
9. Treasurer's Report
10. Open Forum Questions
11. Closing Remarks
12. Motion to Adjourn



**COMING
SOON**

Our Lyndhurst branch will be relocating to 754 Richmond Rd, in Richmond Heights this summer!

- Stay tuned for Grand Opening updates!



“While they are a large credit union, it still feels very personal and local.” – CFCU Member

Century Federal Credit Union is one of the largest credit unions in Northeast Ohio **serving our 34,251 members**. The Board of Directors, management and entire staff strive to provide you the best products and services so you can be confident you're saving and investing with the best financial organization. As a member, you are an owner in this credit union and a valuable partner to our success!

The economy continued to grow in 2019. Unemployment and underemployment hit record lows last October and we are experiencing the longest expansion in history. The Federal Reserve Bank decreased interest rates three times, at 0.25% each, during the year in an effort to keep the economy growing. CFCU experienced much of this high consumer confidence within the membership as demonstrated by the growth in loans and share deposits.

Century Federal Credit Union's financial position for 2019 remained strong with a healthy balance sheet and income statement. **Assets at year-end totaled \$413M, an increase of \$19.7M or 5% from prior year.** Total members' equity increased 4.27% or \$1.6M from 2018. CFCU's net worth ratio at December 31, 2018 was 9.34%, **a well-capitalized credit union per NCUA guidelines.**

Net Income for 2019 totaled \$1.3M, a \$145K decrease from prior year. Loan interest income amounted to \$12M and investment interest income amounted to nearly \$2.7M. This represents a 3.7% yield on earning assets. **Dividends paid to the membership totaled \$3.3M** or a 0.91% yield on total deposits. Dividend expense increased \$963K or 40.7% over 2018 primarily due to increased rates. Non-interest expenses increased \$1.2M or 10.42% for a total of \$12.6M. A new Visa cash back rewards program, online and mobile banking platform, and ongoing investment in technology and staff continue to be the largest expenses for the credit union. Total charge-offs for 2019 amounted to \$1M or 0.36% of total loans and recoveries totaled \$227K, resulting in net charge-offs of \$795K or 0.28% of total loans.

The 2019 year-end audit was performed by CliftonLarsonAllen LLP, an independent auditing firm. 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.

As always, a sincere appreciation to the entire membership for their continued confidence and support. Although CFCU is a large credit union, I hope you feel CFCU is your personal credit union as well! Looking forward to a great 2020!

Respectfully Submitted,

Kristina A. Beletic, CPA
Treasurer

ASSETS

	2019	2018
Cash and Cash Equivalents	\$22,659,248	\$12,071,009
Deposits in Other Financial Institutions	13,622,000	5,734,000
Securities Available-for-sale	79,451,875	88,890,902
Other Investments	1,408,250	1,396,755
Loans, Net	284,224,566	274,340,236
Accrued Interest Receivable	1,103,308	1,082,783
Premises and Equipment, Net	4,971,394	4,503,943
National Credit Union Share Insurance Fund (NCUSIF) Deposit	3,416,836	3,337,879
Other assets	1,984,909	1,798,323
Total Assets	\$412,842,387	\$393,155,830

LIABILITIES

Members' Share and Savings Accounts	\$365,420,523	\$345,112,139
Borrowed Funds	6,151,982	8,263,446
Accrued Expenses and Other Liabilities	2,534,247	2,630,715
Total Liabilities	\$374,106,752	\$356,006,300

MEMBERS' EQUITY

Regular Reserves	\$3,597,645	\$3,597,645
Undivided Earnings	34,991,084	34,032,031
Accumulated Other Comprehensive Income Gain/(Loss)	146,906	(480,146)
Total Member's Equity	38,735,635	37,149,530
Total Liabilities & Members' Equity	\$412,842,387	\$393,155,830

INTEREST INCOME

	2019	2018
Loans	\$12,039,686	\$11,063,207
Securities, Interest Bearing Deposits and Cash Equivalents	2,655,888	2,105,467
Total Interest Income	\$14,695,574	\$13,168,674

INTEREST EXPENSE

Members' Share and Savings Accounts	\$3,328,579	\$2,365,642
Borrowed Funds	116,015	162,177
Total Interest Expense	3,444,594	2,527,819
Net Interest Income	\$11,250,980	\$10,640,855

PROVISION FOR LOAN LOSSES

	2019	2018
Net Interest Income After Provision for Loan Losses	10,631,344	9,818,354

NON-INTEREST INCOME

Service Charges and Fees	\$1,287,474	\$1,189,727
Other Non-Interest Income	1,912,917	2,000,175
Net Gain/Loss on Sale of Investment Securities	(33,038)	(34,463)
Net Loss on Sale/Disposal of Assets	(7,714)	---
Unrealized Gain on Equity Securities	238,881	---
Total Non-Interest Income	\$3,398,520	\$3,155,439

NON-INTEREST EXPENSE

General and Administrative		
Employee Compensation and Benefits	\$6,299,662	\$5,882,147
Office Occupancy and Operations	2,745,279	2,515,294
Other Operating Expenses	3,641,394	3,091,453
Total Non-Interest Expense	\$12,686,335	11,488,894

NET INCOME	\$1,343,529	\$1,484,899
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BOARD OF DIRECTORS

Chairperson
Vice Chairperson
Secretary
Treasurer
Directors

Pete Bonacuse
William Ahonen
Diane Bridges
Kristina Beletic
Tim Edmunds
Richard French
Louis J. Ghosn
Roseann K. Lorenz
Robert Spada
Pat Kamholz

Recording Secretary

SUPERVISORY COMMITTEE

Chairperson
Secretary
Committee Members

David Hall
Angel Arroyo
Jimmy Davis
Stephanie Miller
Pete Romano
Beverly McMahon

Senior Internal Auditor

SENIOR LEADERSHIP TEAM

CEO & President
CFO & VP of Finance

Sharon Churchill
Emily Bopp

MANAGEMENT TEAM

VP of Human Resources
VP of Member Services
VP of Risk and Compliance
VP/CCO

Penny Caver
Santina Dawson
Jacqueline Jackson
Michael Smalley

Director of Operations
Director of IT/CIO

Brittany Becker
Frank Chahulski

Senior Mgr., Branch Operations
Branch Managers

Johnathan Davis
Brian Barville
Andrea Boyce
Mark Gentile
Sharonda Moss
Marta Muzyka
John Salamalekis

Applications Support Mgr.
Collections Manager
Lending Manager
Marketing Manager
Member Service Center Mgr.
Operations Manager

Barb Balog
Julie Dunn
Michael Jeric
Corrina Lewis
Deedra Miles-Yarbrough
Breck Turner

TEAM MEMBERS

Angel Alexander
Sara Andzelik
Richard Ayala
Connie Bacha
Laura Baldwin
Bruce Banfield
Tasha Banks
Kelly Belfi
Charlotte Bosak
Patricia Bowling
Laeisha Brooks
Margo Burns

Melissa Butler-Boyd
Andrea Carter
Kaitlyn Colon
Deborah Colon
Kathryn Corbin
Misty Cunningham
Keith Dela Rosa
Gwen Dillingham
Tammie Fowlkes
Natasha Frye
Yolonda Garrett
Donna Gillis

Glory Green
Gretchen Hansen
Ashley Hall
Nancy Hetrick
Pat Jackson
Nicole Karam
Rebecca Keifer
Cheryl Keyser
Tim Kiewel
Janet Kovalak
Laura Kozel
Rhonda Lezark
Sally Mandic
Linda Martin

Debra Mcbryer
Meghan McCarthy
Roxanne Melton
Harriet Monroe
Mia Montgomery
Deanna Moran
Tara Namestnik
Jeanette Ozimek
Ginny Pastor
Patricia Pasquarelli
Shakita Pearsall
Lenora Pollard
Lataosha Prince
Christin Reeves

Holly Richardson
Gerard Sanders
Lisa Saraney
Peggy Shepard
Gerry Simmons
Sue Sliman
Laura Sweeney
Sue Tancak
Shermaine Thomas
Jason Valenti
Marilyn Woods
Ashley Zachary

BRANCH LOCATIONS

DOWNTOWN

AJC Federal Building
1240 E. 9th St., #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
Sat: 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
Sat: 8:30 AM - 2:00 PM
216-535-3800

NASA (Employee Access 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
N. Olmsted, OH 44070
M-Th: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
Sat: 8:30 AM - 2:00 PM
216-535-3100

RTA HAYDEN

(Employee Access Only)
1661 Hayden Avenue
East Cleveland, OH 44112
M, W, F: 9:30 AM - 4:00 PM
216-535-3280

SHERWIN-WILLIAMS

101 W. Prospect Avenue,
Lobby
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
Sat: 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

