2020 ANNUAL REPORT

CFCU RANKED FIRST* IN CALLAHAN'S RETURN-OF-THE-MEMBER SCORE!

#1

In Northeast Ohio which includes Cuyahoga, Geauga, Lake, Lorain, Medina, Portage & Stark counties

MEMBERSHIP

34,383

Number of members as of December 31, 2020

$1,976,177

Total member dividends distributed in 2020 vs. State Average $976,126*

10.5% SHARE GROWTH

3.1% LOAN GROWTH

CFCU ASSETS 2020

$459,394,041

CFCU IS THE 16TH LARGEST CREDIT UNION IN THE STATE OF OHIO*

(Out of 228 credit unions total based on asset size)

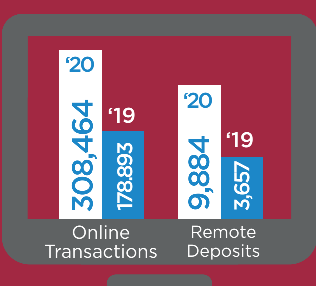
CFCU gave

$11,263.80

in charitable donations

2020 ONLINE BANKING GROWTH

TRANSACTIONS 2020 VS 2019



ONLINE BANKING USERS

14,547

DIGITAL WALLET INTRODUCED IN SPRING 2020

WHAT'S IN CFCU'S DIGITAL WALLET?

- Apple Pay
- Fitbit Pay
- Garmin Pay
- Google Pay
- LG Pay
- Samsung Pay

OUR MEMBERS ENROLLED

19,103

DIGITAL WALLET CREDIT CARDS AND/OR DEBIT CARDS...

...AND MADE A TOTAL OF

29,832

DIGITAL WALLET TRANSACTIONS

*Callahan & Associates

Century Federal Credit Union

2020 ANNUAL MEETING

AGENDA

1. Call the Meeting to Order
2. Secretary Ascertains a Quorum is Present
3. 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
4. Chairman's Introductions
5. President/CEO's Introductions
6. Supervisory Committee's Report
7. Chairman's Report
8. Treasurer's Report
9. Open Forum Questions
10. Closing Remarks
11. Motion to Adjourn

Century Federal Credit Union

We celebrated Wear Red Day February 2020

Richmond Heights Branch opened in August 2020

2020 TREASURER'S REPORT

As the pandemic evolved and progressed at the beginning of the year, 2020 turned out to be one of the most challenging years of our lives. We have faced unprecedented uncertainties and challenges surrounding ways to protect our health and the spread of the pandemic, unemployment and income concerns.

We have learned new ways to work, shop and socialize. Prior to the pandemic, we experienced a robust economy with record low unemployment rates and favorable consumer confidence and spending. With the abrupt decline of the travel and entertainment industry, less fuel usage, at home shopping and meals, and quarantine, **CFCU's member behavior reflected a transition from spending to savings.**

We have faced unprecedented uncertainties and challenges surrounding ways to protect our health and the spread of the pandemic, unemployment and income concerns.

Member deposits increased substantially during 2020, fueled by the increase in member's savings, along with stimulus check funds. **Total assets at the end of 2020 were $459M, an increase of $46M or 11.2% over 2019.** Total members' equity increased 3.52% or $1.3M from prior year. CFCU's net-worth ratio at December 31, 2020 was 8.65%, a well-capitalized credit union according to NCUA guidelines.

With the increase of member's savings throughout the year, total dividends paid to membership totaled $1.98M or a 0.49% yield on total deposits. As loan rates remained competitive for the year, **loan and mortgage borrowing remained strong with CFCU processing a total of $136M in new loans and draws on credit.** After expedited prepayments and loan retirements throughout the year, net loan activity totaled an increase of $8.8M of net loan volume over last year. It was evident that the federal interest rate decline made it more favorable for our member's to pay down debt or refinance their existing loans. CFCU's loan interest income on the loan activity provided for the year totaled $11.5M, a decline of $499K from prior year. Total charge-offs for 2020 amounted to $867K or 0.29% of total loans and recoveries totaled $202K, resulting in net charge-offs of $664K or 0.22% of total loans. Net charge-offs favorably declined by a total of $131K from prior year.

Net Income for 2020 totaled $1.1M, a $200K, or 15.2%, decline from the prior year. Total non-interest expenses totaled $12.1M, a favorable decrease of $275K from last year. **Monitoring and controlling expenses, as well as reassessing fee income for the year helped keep our net income healthy for the year.**

The 2020 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 auditor's report is available for members to review upon request at 216-535-3137.

The primary focus for the upcoming year needs to be the health and safety of our members and staff. **I personally thank the membership for their continued confidence, support and patience as we navigate through these challenges and into the New Year.**

Respectfully Submitted,
Kristina A. Beletic, CPA
Treasurer

BALANCE SHEET

2020

CONSOLIDATED INCOME STATEMENT

ASSETS	2020	2019
Cash and Cash Equivalents	$37,645,044	$22,659,248
Deposits in Other Financial Institutions	15,236,000	13,622,000
Securities - Available-for-sale	92,980,920	65,080,540
Securities - Equities	5,572,605	14,371,335
Other Investments	1,458,024	1,408,250
Loans, Net	293,113,530	284,224,566
Accrued Interest Receivable	915,777	1,103,308
Premises and Equipment, Net	5,758,790	4,971,394
National Credit Union Share Insurance Fund (NCUSIF) Deposit	3,753,465	3,416,836
Other assets	2,785,868	1,984,909
Total Assets	**$459,220,025**	**$412,842,387**
LIABILITIES		
Members' Share and Savings Accounts	$403,784,730	$365,420,523
Borrowed Funds	12,831,072	6,151,982
Accrued Expenses and Other Liabilities	2,504,805	2,534,247
Total Liabilities	**$419,120,607**	**$374,106,752**
MEMBERS' EQUITY		
Regular Reserves	$3,597,645	$3,597,645
Undivided Earnings	35,924,496	34,789,432
Acquired Equity	201,651	201,651
Accumulated Other Comprehensive Income Gain/(Loss)	375,626	146,906
Total Member's Equity	40,099,417	38,735,635
Total Liabilities & Members' Equity	**$459,220,025**	**$412,842,387**

INTEREST INCOME	2020	2019
Loans	$ 11,541,025	$12,039,686
Securities, Interest Bearing Deposits and Cash Equivalents	1,395,118	2,655,888
Total Interest Income	**$12,936,143**	**$14,695,574**
INTEREST EXPENSE		
Members' Share and Savings Accounts	$ 1,976,177	$3,328,579
Borrowed Funds	133,216	116,015
Total Interest Expense	2,109,393	3,444,594
Net Interest Income	**$10,826,750**	**$11,250,980**
PROVISION FOR LOAN LOSSES	**$634,994**	**$619,636**
Net Interest Income After Provision for Loan Losses	10,191,756	10,631,344
NON-INTEREST INCOME		
Service Charges and Fees	$1,314,329	$1,287,474
Other Non-Interest Income	1,468,756	1,912,917
Net Gain/Loss on Sale of Investment Securities	7,442	(33,038)
Net Loss on Sale/Disposal of Assets	-	(7,714)
Unrealized Gain on Equity Securities	261,787	238,881
Total Non-Interest Income	**$3,052,314**	**$3,398,520**
NON-INTEREST EXPENSE		
General and Administrative		
Employee Compensation and Benefits	$6,264,321	$6,299,662
Office Occupancy and Operations	2,513,231	2,745,279
Other Operating Expenses	3,331,453	3,641,394
Total Non-Interest Expense	**$12,109,005**	**$12,686,335**
NET INCOME	**$1,135,061**	**$1,343,529**

2020 MESSAGE FROM THE CHAIRMAN OF THE BOARD

Welcome to the Century Federal Credit Union Annual Meeting!

Another year, another virtual annual meeting! With the local positivity rate of COVID-19 tests remaining high, having our traditional in-person annual meeting would not have been prudent. **Our number one priority must be the health and safety of our members and staff.** With this in mind, appropriate precautions against the spread of the virus have been implemented in the branches and offices. Masks are mandatory, surfaces are sanitized regularly, and members and employees are socially distanced as much as possible. As vaccines become more widely available, our hope is to transition to more normal operations sometime this year. We will, of course, follow the guidance of our local, state, and national public health officials before making any changes in branch access. We will also do our best to inform the membership well in advance of planned changes.

As you will see in the treasurer's report, Century Federal Credit Union remains financially strong but we've had to implement some changes due to the unanticipated drop in interest rates. The low interest rate environment has been a challenge but, I hope you'll agree, we've made the best of a bad situation.

On a more positive note, the replacement of our Lyndhurst branch opened this year just up the street in Richmond Heights. **Our drive through window in the new location offers a new convenience and has helped keep the number of members in the branches to a minimum.** We've also rolled out Apple Pay and Google Pay access to your CFCU Visa card. With just a few minutes of setup time, you are able to use your mobile device to complete credit card transactions, safely and securely, without digging out your credit card or signing your name.

Behind the scenes, you should know that **the CFCU team is gearing up for what's known as a 'core conversion'. It is an opportunity to modernize the software and hardware that processes every financial transaction.** It has been compared with swapping in a new engine in an airplane while it's still in flight! The process will take several years and, I can assure you, is being undertaken with the utmost care.

I'd like to thank the frontline workers in the branches who have risked much to keep our lives moving forward...

In closing, I'd like to thank the employees and volunteers for their dedication under these unusual circumstances. In particular, I'd like to thank the frontline workers in the branches who have risked much to keep our lives moving forward during this once-in-a-century pandemic.

Pete Bonacuse

SENIOR LEADERSHIP TEAM

CEO & President	Sharon Churchill
Senior Vice President, CFO	Emily Bopp

BOARD OF DIRECTORS

Chairperson	Pete Bonacuse
Vice Chairperson	William Ahonen
Secretary	Diane Bridges
Treasurer	Kristina Beletic
Directors	Tim Edmunds
	Richard French
	Louis J. Ghosn
	Roseann K. Lorenz
	Robert Spada
Recording Secretary	Pat Kamholz

SUPERVISORY COMMITTEE

Chairperson	David Hull
Secretary	Angel Arroyo
Committee Members	Jimmy Davis
	Stephanie Miller
	Pete Romano
Senior Internal Auditor	Beverly McMahon

MANAGEMENT TEAM

VP of Human Resources	Penny Caver
VP/CIO	Frank Chahulski
VP/CRO	Dennis Coy
VP of Member Services	Santina Dawson
VP/CLO	James Foster
VP/CMXO	Garner Resch
Senior Mgr., Branch Operations	Johnathan Davis
Branch Managers	Andrea Boyce
	Billy Dunning
	Marta Muzyka
	John Salamalekis
	Gerard Sanders
	Peggy Shepard
Applications Support Mgr.	Jeffrey Booher
Collections Manager	Julie Dunn
Fraud Officer	Jacqueline Jackson
Lending Operations Manager	Gretchen Hansen
Marketing Manager	Corrina Lewis
Member Service Center Mgr.	Deedra Miles-Yarbrough
Operations Director	Brittany Becker
Operations Manager	Breck Turner

OUR TEAM

Angel Alexander
Constance Bacha
Tasha Banks
Kelly Belfi
Patricia Bowling
Plummer Bryant
Theresa Burns
Melissa Butler-Boyd
Andrea Carter
Kaitlyn Colen
Deborah Colon
Kathryn Corbin
Misty Cunningham
Gwendolyn Dillingham
Ashley Dyke
Abizaac Flores
Tammie Fowlkes
Natasha Frye
Yolonda Garrett
Donna Gillis
Ashley Hall
Parthenia Jackson
Nicole Karam
Cheryl Keyser
Rebecca Kiefer
Timothy Kiewel
Janet Kovalak
Laura Kozel
Rhonda Lezark
Linda Martin
Debra Mcbryer
Meghan McCarthy
Harriet Monroe
Lavera Moore
Deanna Moran
Jeanette Ozimek
Patricia Pasquarelli
Virginia Pastor
Shakita Pearsall
Lataosha Prince
Robert Reid
Holly Richardson
Kaitlyn Schorr
Christine Sekora
Gerry Simmons
Zsuzsanna Sliman
Laura Sweeney
Susan Tancak
Shermaine Thomas
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
M-TH: 8:30 AM - 4:00 PM
F: 8:30 - 6:00 PM
Sat: 8:30 AM - 2:00 PM
216-535-3410

NASA (Employee Access Only)
21000 Brookpark Road, Building 15
Cleveland, OH 44135
Temporarily Closed
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

RICHMOND HEIGHTS
754 Richmond Rd.
Richmond Heights, OH 44143
M - Th: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
Sat: 8:30 AM - 2:00 PM
216-535-3800

RTA HAYDEN
(Employee Access Only)
1661 Hayden Avenue
East Cleveland, OH 44112
Temporarily Closed
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
M-TH: 8:30 AM - 4:00 PM
F: 8:30 AM - 6:00 PM
Sat: 8:30 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