

# 2020 ANNUAL REPORT



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

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**

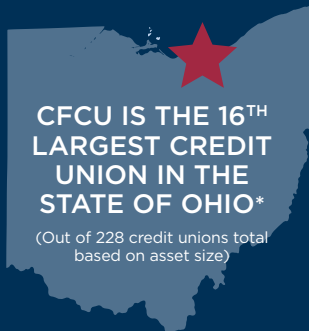
Total member dividends distributed in 2020 vs. State Average <sup>976,126\*</sup>

**10.5%**  
SHARE GROWTH



**3.1%**  
LOAN GROWTH

CFCU ASSETS 2020  
**\$459,394,041**



CFCU IS THE 16<sup>TH</sup> LARGEST CREDIT UNION IN THE STATE OF OHIO\*

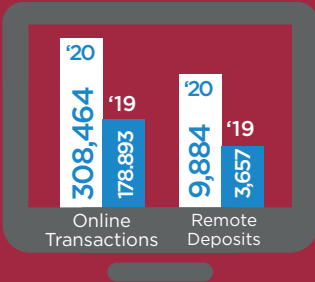
(Out of 228 credit unions total based on asset size)

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

# 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



## We celebrated Wear Red Day February 2020



Richmond Heights Branch opened in August 2020

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.**

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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

<b>ASSETS</b>	<b>2020</b>	<b>2019</b>
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
<b>Total Assets</b>	<b>\$459,220,025</b>	<b>\$412,842,387</b>

**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
<b>Total Liabilities</b>	<b>\$419,120,607</b>	<b>\$374,106,752</b>

**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
<b>Total Liabilities &amp; Members' Equity</b>	<b>\$459,220,025</b>	<b>\$412,842,387</b>

**INTEREST INCOME**

	<b>2020</b>	<b>2019</b>
Loans	\$ 11,541,025	\$12,039,686
Securities, Interest Bearing Deposits and Cash Equivalents	1,395,118	2,655,888
<b>Total Interest Income</b>	<b>\$12,936,143</b>	<b>\$14,695,574</b>

**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
<b>Net Interest Income</b>	<b>\$10,826,750</b>	<b>\$11,250,980</b>

**PROVISION FOR LOAN LOSSES**

	<b>\$634,994</b>	<b>\$619,636</b>
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
<b>Total Non-Interest Income</b>	<b>\$3,052,314</b>	<b>\$3,398,520</b>

**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
<b>Total Non-Interest Expense</b>	<b>\$12,109,005</b>	<b>\$12,686,335</b>

<b>NET INCOME</b>	<b>\$1,135,061</b>	<b>\$1,343,529</b>
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## 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.

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.

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frontline workers in  
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lives moving forward...*

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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  
Pat Kamholz

Recording Secretary

## SUPERVISORY COMMITTEE

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

Senior Internal Auditor

## 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  
Gery 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

