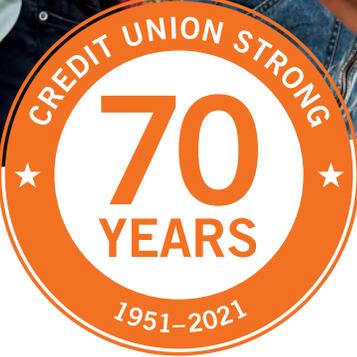


# COMMUNITY MATTERS

2021 Annual Report



## A MESSAGE FROM BOARD CHAIR DON BAIN AND CEO BILL LAWTON

In this 2021 edition of our Annual Report, you will find information about our 70th year, spotlighting the credit union's commitment to our members and communities.

Through the uncertainty the pandemic created in 2021, Community Financial remained focused on keeping our communities, members, and team members safe, while providing the same support and service that have always been a priority. Despite its challenges for many of our members, 2021 was a year of economic recovery with decreased unemployment and increased activity for our communities. Our membership increased by over 3,000, loans by over \$100 million, and deposits by over \$123 million.

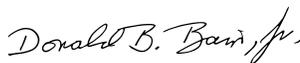
In 2021, our Student-Run Credit Union program shifted focus back to the classroom, while continuing virtual presentations and eLearning opportunities. In conjunction with our 48 school partners, our Education Partnership Coordinators continued teaching students smart money habits and financial education tools to last a lifetime. We were also able to expand our financial education tools in 2021, adding in a budget of approximately \$500,000 that allowed Community Financial to provide well-rounded and easily-accessible tools to members of all ages, such as the online Banzai educational platform.

Outside the classroom, our team members volunteered a total of 2,168 hours this year, proudly sporting Community Financial blue while participating in over 100 community events. Our passion for service sets us apart from other financial institutions in Michigan, allowing us to build stronger communities together. Alongside volunteer work, our team is committed to providing financial support for charitable organizations in our field of membership, growing contributions annually at the same rate as the credit union grows. Our growth in 2021 will allow us to add \$116,000 to our community contributions in 2022!

We would like to thank our Board and Supervisory Committee members for their dedication to volunteerism and community support. Finally, we thank you, our members. We can't change lives and build stronger communities without your membership and we hope you are proud to be an owner of Community Financial Credit Union. Thank you for your membership and we look forward to serving you in 2022.



**BILL LAWTON**, CHIEF EXECUTIVE OFFICER



**DON BAIN**, BOARD CHAIR

## LEADERSHIP



**BILL LAWTON**  
CHIEF EXECUTIVE OFFICER



**DON BAIN**  
BOARD CHAIR

### BOARD OF DIRECTORS

DON BAIN, BOARD CHAIR  
MARK RIEGAL, 1ST VICE CHAIR  
DAN HERRIMAN, 2ND VICE CHAIR  
DENNIS LAVOY, TREASURER/SECRETARY  
AL BERRIE, ASSOCIATE  
PAUL BEDICH  
TERI KUEHN  
MARY LOWING  
RON METEYER  
PATRICIA REESE

### SUPERVISORY COMMITTEE

STEVE ROWLEY,  
SUPERVISORY COMMITTEE CHAIR  
CAROL LEROUE  
CATHY NEIRYNCK  
DEBBIE STARINSKY

## 2021: A YEAR IN REVIEW

Community Financial Credit Union continued to see a strong increase in membership and solid member satisfaction ratings, as well as very strong financial results in 2021. Net income for the year was \$12.4 million, which represents a 1.03% return on assets.

Total assets surpassed \$1.25 billion in 2021, with member deposits reaching \$1.10 billion by year-end. Total loans increased 9.70% to more than \$1.13 billion. Auto loans grew by just over 9% and commercial loans grew by more than 12%. Additionally, our first mortgage portfolio increased by over 10% as our members continued to take advantage of lower mortgage rates, and we originated over \$202 million in first mortgage loans.

Community Financial's equity increased to \$142 million from \$130 million last year, resulting in a net worth ratio of 11.36% at year-end. This increase in equity is the result of positive net income for the year. With this net worth ratio, Community Financial is considered well capitalized by our regulator, National Credit Union Administration.

We thank all of our members/owners for trusting us to help you reach your financial goals.



Visit with us online at [CFCU.org](https://www.CFCU.org)



**COMMUNITY  
FINANCIAL**

right here right for you

(877) 937-2328 | [CFCU.org](https://www.CFCU.org)

	December 2021	December 2020
<b>ASSETS</b>		
Net Loans to Members	1,128,427,307	1,027,650,858
Cash	5,597,725	6,086,431
Investments	93,093,190	100,610,234
Other Assets	26,021,084	25,992,112
<b>Total Assets</b>	<b>1,253,139,306</b>	<b>1,160,339,636</b>

<b>LIABILITIES &amp; EQUITY</b>		
Shares	921,600,017	751,272,198
Certificates	177,205,662	224,007,575
Other Liabilities	12,050,576	55,036,166
Reserves	6,846,126	6,846,126
Undivided	135,436,926	123,177,570
<b>Total Liabilities &amp; Equity</b>	<b>1,253,139,306</b>	<b>1,160,339,636</b>

### STATEMENT OF INCOME & EXPENSES

<b>INCOME</b>		
Income from Loans	45,289,819	44,264,731
Income from Investments	449,130	487,040
Other Income	15,308,468	14,819,025
<b>Total Income</b>	<b>61,047,417</b>	<b>59,570,796</b>

<b>EXPENSES</b>		
Salaries/Benefits	29,330,546	26,515,552
Office Occupancy	1,928,895	1,879,852
Office Operations	8,175,820	7,106,506
Educational/Advertising	2,401,513	2,512,403
Outside Services	1,726,511	1,326,732
Dividends	2,801,052	5,700,330
Interest on Borrowed Funds	297,133	1,013,952
Provision for Loan Losses	480,048	2,354,185
Other Expenses	1,512,041	1,744,230
<b>Total Expenses</b>	<b>48,653,559</b>	<b>50,153,742</b>
<b>Net Income</b>	<b>12,393,858</b>	<b>9,417,054</b>

# COMMUNITY ISN'T JUST PART OF OUR NAME. IT'S AT THE CORE OF EVERYTHING WE DO.

## SIGNATURE GIVING PROGRAMS

Community Financial Credit Union prides itself on enhancing our communities. Through several annual signature giving programs, we are able to partner with our members and neighbors to lend a hand and build stronger communities.

## PARTNERING WITH SCHOOLS

At Community Financial we believe that it's never too early for kids to learn about saving and managing money. From twenty \$1,500 scholarships to financial education presentations and student-run credit unions, we are proud to support every level of learning throughout Michigan. Our initiatives help students gain positive money habits that will last throughout their lifetime.

## COMMUNITY OUTREACH

Community Financial team members are the heart of our credit union. They not only strive to provide our members with outstanding service, but also dedicate themselves to enhancing the communities in which they serve. Our team works together to provide both time and monetary donations to help local service organizations make a difference in our neighborhoods.

## MEMBER OUTREACH

We understand that managing money isn't always a straight-forward task. Community Financial is committed to providing our members with the tools they need to make sound financial decisions and help improve their financial well-being. Along with our comprehensive online resources, our Financial Sales Representatives have all earned Elite Financial Coaching certification, allowing them to provide personalized feedback and coaching to members in any financial stage of their life.



**\$60,000 donated to food pantries**

**\$45,000 donated to local school districts**



**Over 2,168 volunteer hours**



**Summer of Sharing  
\$70,000 donated  
to 65 organizations**

**Thumbs Up For Charity  
\$25,000 donated  
Total Votes: 189 Nominations**



# WHAT STARTED ONE DAY AS AN IDEA AT DAISY AIR RIFLE COMPANY HAS BECOME 70 YEARS OF PEOPLE HELPING PEOPLE

The credit union industry was founded on the principle of “People Helping People,” and Community Financial Credit Union always takes this to heart. While traditional banks keep large portions of their earnings as profit for their shareholders or trustees, credit unions redistribute profits back to members in the form of lower interest rates on loans and higher interest rates on savings. Since opening our doors 70 years ago in 1951, we have been committed to enhancing the financial well-being of our members and our communities through “People Helping People.”

This year, we spotlighted our members and their stories with our “Members Say It Best” testimonial campaign. Compiling stories on [cfcu.org/SayItBest](https://cfcu.org/SayItBest), our members reached out with all of the reasons they continue to choose Community Financial every day. We are so grateful for the amazing feedback from this campaign and the opportunity it gave us to connect with all of you—our members!

As a financial cooperative of owners, our members borrow and save together, growing stronger and more financially stable with each passing year. Because we see our members as more than just their credit scores, we are able to provide personalized products and services that allow everyone lending opportunities at a competitive rate. As we celebrate 70 years in the community, we are proud to continue this philosophy into 2022, helping our members when they need it most.

Find out more about how we’re helping people: [CFCU.org/outreach](https://cfcu.org/outreach)

**48 Student-Run Credit Unions**  
1,355 hours dedicated to schools  
22,870 students reached

**\$30,000 in Scholarships Awarded**

**Team Member Donations:**

\$15,190: Win For Charity

\$11,441: United Way

\$5,441: American Cancer Society

\$3,595: American Red Cross Disaster Relief

**\$52,700 COVID Relief**

## Members Say It Best



“My student loan was simple and convenient. I’ll never bank anywhere else!”

**BAYLEE R.** MEMBER SINCE 2008



“We used the equity in our home to buy our dream lake cottage. It was all super easy.”

**TAVIS P.** MEMBER SINCE 2020

# OUR MEMBERS AND DEDICATED STAFF INSPIRE THE BEST THROUGHOUT ALL OF US.

Thank you to everyone who has stood with us to help play a role in a winning 2021!



## DOING THE MOST GOOD AWARD

Community Financial was honored with The Salvation Army's Doing The Most Good Award for volunteering work in the community. The Doing The Most Good Award is the highest Salvation Army honor in the Fight for Good: Live, Give & Share program.



## MARKETING & ADVERTISING

AVA Digital Awards: Platinum Award Winner for our "One Step Ahead" campaign  
MarCom Awards: Gold Award Winner for our "Three for Free" Premier Checking campaign

## CREDIT UNION HERO of the Year

### BILL LAWTON: 2021 CREDIT UNION HEROES FINALIST

This award was presented through Credit Union Magazine and spotlighted 4 credit union finalists. All Credit Union Heroes demonstrate leadership through an engaging company culture, community involvement, member advocacy, and financial wellness.



## DISTINGUISHED SERVICE AWARD

Presented by the Michigan Credit Union League, CEO Bill Lawton received this award for his continued commitment to the credit union mission along with his great work in the community and his mentorship throughout the credit union as a whole.



## DOING WELL BY DOING GOOD

This award, presented by Mastercard®, was obtained for the best use of assets in community service and charitable contributions.



## 101 BEST & BRIGHTEST COMPANIES TO WORK FOR AWARDS

16th year as a Metro-Detroit Winner & 4th year as a National Winner. This award identifies and honors companies that deliver exceptional human resource practices and an impressive commitment to their employees.