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If there is one thing that the past couple of years has taught us, it is the importance of relationships.

At CFCU, we take our relationships very seriously. Relationships with our employees. Relationships with our Board of Directors and Supervisory Committee. Relationships with the communities we serve. And especially, relationships with our members.

That is why when we updated our mission statement and adopted values this past year to better reflect CFCU's current priorities and long-term vision, we chose to include a core value of "Spirit." **At the center of this value is**

our commitment to building relationships by providing our members with experiences, not

just transactions. Now more than ever, people want to engage in meaningful experiences with organizations they trust. That trust serves as the foundation for authentic, long-lasting relationships.



In my ten years of serving as your CFCU President and CEO, I have had the good fortune to lead alongside many talented and dedicated Executive Leadership Team partners and employees whose commitment to the credit union's members, vision and goals has been unparalleled. CFCU could not have achieved our success to date without the guidance, wise counsel and committed oversight of our all-volunteer Board of Directors and Supervisory Committee as well. **Please join me in welcoming back to the Board Robert Cree**, our longtime Board director, Vice Chairman and Supervisory Committee member.

Lastly, I thank you – our CFCU members – for your membership and loyalty. During these uncertain times, please know how much we appreciate your ongoing support. Even as we grow and expand our reach, rest assured that the CFCU Board and Executive Leadership Team will always treasure our roots as we continue to focus on meeting – and exceeding – your expectations.

Sincerely,

Lisa Whitaker
President & CEO

BOARD CHAIR'S REPORT



Hello, fellow CFCU members. My name is Amy Wood Gonzalez and I am in my second year as Chair of CFCU's Board of Directors. Throughout my 12 years of service on the Board, I have seen how CFCU positively impacts our communities by providing the highest level of personal financial services to our members. I'm pleased and proud to say that despite these uncertain times, our staff, Executive Leadership Team, Board and Supervisory Committee have remained focused on maintaining and deepening CFCU's strong relationships with our members. **As always, the members and employees of CFCU – their needs, their circumstances, their anxieties – were considered first.**

These past two years have certainly been challenging, and yet our Board consistently heard report after report from CFCU's leadership team describing the many ways

our team members have embraced the CFCU spirit of serving members well in their time of need. We are so grateful for those employees' steady commitment and willingness to innovate. I am also excited about CFCU's bright future in expanding its footprint to positively impact our neighboring communities.

During these challenging times – and always – we appreciate our members' loyalty and business. I also wish to thank my fellow volunteers on the Board of Directors and Supervisory Committee, who freely gave of their time to ensure policies were developed and adapted, goals were achieved, strategic plans were enacted, and prudent oversight was maintained throughout the year.

Sincerely,

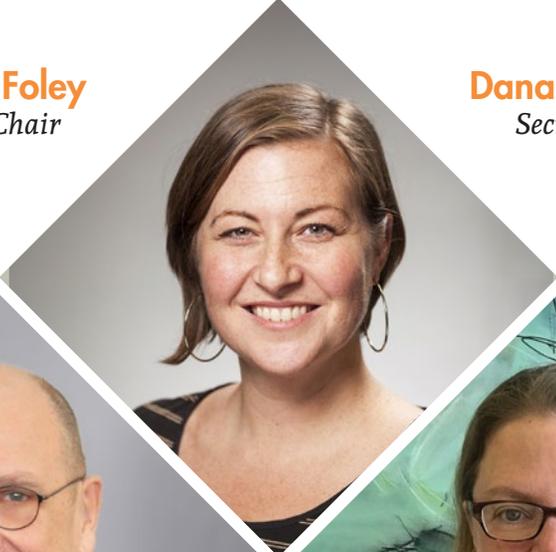
Amy Wood Gonzalez
Board Chair

BOARD OF **DIRECTORS**

Amy Wood Gonzalez
Chair



Katie Foley
Vice Chair



Dana Decker
Secretary



Robert Cree
Director



Skip Hewitt
Director



Blixey Taetzsch
Treasurer

Lisa Whitaker
Director



SUPERVISORY COMMITTEE'S REPORT

Committee Members:

Susan Schattschneider, Chair
Debbie Conley Jordan CPA,
Secretary
Gregory Mezey

Internal Audit Staff:

Celeste Uvanni, VP of Internal Audit
Kim VanDonsel, Internal Auditor

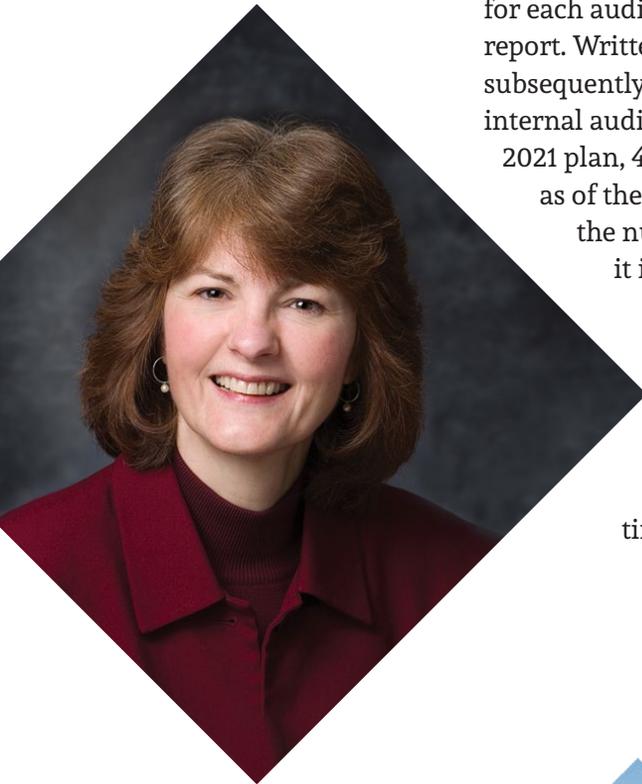
Independent Audit Firm:

Doeren Mayhew

The role of the Supervisory Committee is to verify that adequate internal controls are in place to safeguard member assets, monitor compliance with applicable laws and regulations and ensure the fiscal integrity of CFCU. The internal audit staff fulfills these responsibilities and reports to the Supervisory Committee. In addition, the Committee engages independent auditors to perform an annual audit of CFCU. The Supervisory Committee meets quarterly to review the work of the internal audit staff and the third-party firms we engage to perform internal audit work. An annual audit plan is approved at the start of each year by the Committee. Comprehensive reports are prepared for each audit conducted, as well as a quarterly summary report. Written responses addressing any audit findings are subsequently provided by the responsible party for each internal audit conducted. Of the 52 audits included in the 2021 plan, 48 were complete and four were still in progress as of the end of the year. While we strive to minimize the number of audits carried over from year to year, it is not unusual for a small number of audits to carry over due to scheduling challenges or changes in strategic priorities. The Supervisory Committee was satisfied with the completion rate of the internal audit plan, the team's responsiveness to new audit requirements, and management's timely response to any audit findings.

The Supervisory Committee is pleased to report that our independent audit firm, Doeren Mayhew, has issued an unmodified (clean) opinion report on CFCU's consolidated financial statements as of, and for the year ended, December 31, 2021. The full report is available at CFCU's offices for inspection. As in previous years, members of the Supervisory Committee met with our independent auditors and New York State and NCUA regulatory examiners in 2021. Findings were minimal, and management was quick to address and resolve any issues or concerns. Based on the examiners' reports, internal audit reports, and the positive results received from our independent auditors, the Supervisory Committee remains confident that **CFCU maintains adequate controls, complies with all applicable laws and regulations, and is well managed and fiscally sound.**

As reported in 2020, CFCU has established a new Vice President of Internal Audit position to address the evolving leadership needs in the internal audit function. As a member of the Senior Management Team, the Vice President of Internal Audit has the broad responsibility and the comprehensive perspective needed to provide effective leadership to the internal audit function. Following an extensive national search, CFCU successfully hired Celeste Uvanni on July 12, 2021.





Celeste Uyanni
Vice President, Internal Audit

Celeste had previously worked for CFCU as an AVP of Internal Audit, and she brings over fourteen years of experience in the financial services internal auditing field, specifically with credit unions. She holds the CIA (Certified Internal Auditor), CFE (Certified Fraud Examiner) and CAMS (Certified Anti-Money Laundering Specialist) designations, as well as an MBA in Accountancy. Celeste is actively involved with the Central New York Chapter of the Institute of Internal Auditors, for which she currently serves as an officer. On behalf of the Committee, I wish to thank our Internal Auditor, Kim VanDonsel, for keeping CFCU in good stead while this important position was vacant. In 2021, Kim VanDonsel earned the CCUIA (Certified Credit Union Internal Auditor) designation as promulgated by the Credit Union National Association (CUNA).

As a reminder, the CFCU code of ethics requires any member who suspects a violation of Corporate Policy, laws or regulations, or general business ethics should report their suspicion to the Supervisory Committee in writing or by email. All communication will be held in strictest confidence. You do not have to identify yourself, but it is important to provide sufficient information and/or

documentation to allow the Committee to investigate your concern. For further details, please review the Supervisory Committee information on the Our Story page at mycfcu.com/about.

The committee acknowledges CFCU employees Jennifer Clark, Bill Crane, and Eliza Mulhern for providing significant support to the Supervisory Committee and the internal audit functions this year. In addition, we wish to recognize Blixty Taetzsch who, after serving as Chair of the Supervisory Committee for more than 20 years, was elected Treasurer of the Board of Directors. Internal auditing requirements grow more demanding with each passing year, and the Supervisory Committee is grateful to have such dedicated, competent people working with us. Finally, we are very appreciative of CFCU's management for their prompt responses to our many questions and for functioning in such a responsible, knowledgeable manner.

Sincerely,

Susan Schattschneider
Supervisory Committee Chair

CFCU COMMUNITY STRATEGIC PLAN



Financial Prudence

- DLQ/CO Ratio
- Efficiency Ratio
- Liquidity Ratio
- Loan to Share Ratio
- Net Worth
- ROA



Diversification

- Ancillary Income
- CUSO Strategies
- Deposit and Loan Alternatives
- Expand into New Markets
- Member Products & Services
- Mergers/ Acquisitions



Innovation

- Continuous Improvement
- Culture of Change
- Data Analytics Program
- Digital Strategy
- Member Experience
- Net Promoter Score
- Service Excellence
- System Utilization



Human Capital

- Compensation Philosophy
- Culture of Speed & Innovation
- Education & Training
- Employee Engagement
- Performance Development
- Recruitment/ Retention
- Strategic Flexibility



Governance

- CEO Mentoring/ Assessment
- Diversity, Equity, Inclusion (DEI)
- Education & Training
- KPIs
- Organizational Structure
- Regulatory/ Compliance
- Strategic Planning
 - Mission
 - Values
- Succession Planning

MEMBERS

TREASURER'S REPORT

Greetings, CFCU Members. My name is Blixy Taetzsch, and I began serving as Treasurer of the Board of Directors in May 2021. My name might be familiar to you, as I have served on the CFCU Supervisory Committee for about 20 years – most of that time as Chair. I am honored to now serve on the CFCU Board of Directors and take on the role of Treasurer. I am an accountant, fiscal manager, and CPA with many years of experience in the nonprofit and government sectors. Although I still have much to learn in my new role, I am well supported by the exceptional leadership team and Board of Directors at CFCU. As Skip Hewitt noted in his Treasurer's report last year, 2020 was an unprecedented experience for us all. And, frankly, 2021 was equally challenging as we have all faced the challenge of navigating the constantly evolving circumstances of COVID.

The competence and agility of CFCU's leadership team and all our dedicated employees have allowed us to support our membership in new and creative ways during these uncertain times. Prioritizing the health and safety of our

employees and members while continuing to provide outstanding, personalized member service have remained our top areas of focus. **Our desire to provide our members with experiences, not transactions is the driving force behind our significant investments in technology and our deep commitment to thinking and working in different ways.** We continue to move forward with our goals of offering our members new and enhanced products and services, improving internal operating efficiency and effectiveness, and seeking new opportunities for growth. Rest assured that CFCU's financial position as of the end of 2021 is strong and stable, and we are well positioned to serve our members into the future – whatever it might bring.

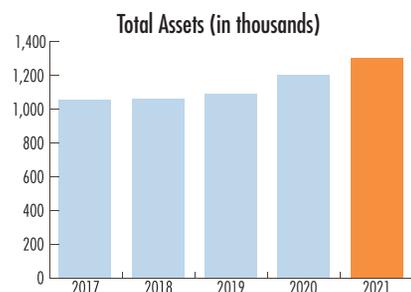
Respectfully Submitted,

Blixy Taetzsch
Treasurer



STATEMENT OF FINANCIAL CONDITIONS

AS OF DECEMBER 31, 2021 AND 2020



\$1,184M

MEMBERS' SHARE AND SAVINGS ACCOUNTS

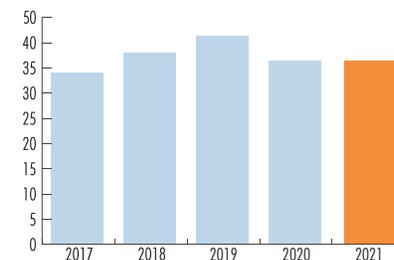
ASSETS	2021	2020
Cash and cash equivalents	\$250,304,275	\$213,991,116
Investments:		
Equity	\$36,731,205	\$32,108,728
Available-for-sale	\$184,521,577	\$127,205,407
FHLB stock	\$2,164,200	\$2,421,500
Loans to members, net of allowance for loan losses	\$869,855,848	\$825,761,256
Accrued interest receivable	\$2,781,975	\$3,100,094
Prepaid and other assets	\$7,634,079	\$5,830,106
Property and equipment	\$13,172,553	\$14,320,796
NCUSIF deposit	\$9,952,965	\$9,130,789
TOTAL ASSETS	\$1,377,118,677	\$1,233,869,792
LIABILITIES AND MEMBERS' EQUITY		
Liabilities:		
Members' shares and savings accounts	\$1,184,509,482	\$1,048,345,539
Accrued expenses and other liabilities	\$17,093,587	\$15,381,748
TOTAL LIABILITIES	\$1,201,603,069	\$1,063,727,287
Members' equity:		
Regular reserves	\$15,582,928	\$15,582,928
Undivided earnings	\$162,988,578	\$153,861,674
Accumulated other comprehensive income/(loss)	(\$3,055,898)	\$697,903
TOTAL MEMBERS' EQUITY	\$175,515,608	\$170,142,505
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$1,377,118,677	\$1,233,869,792

STATEMENT OF **INCOME**

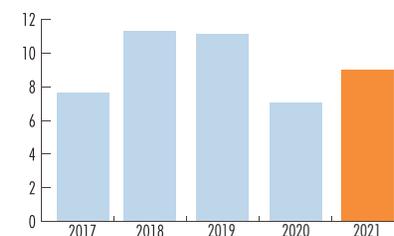
AS OF DECEMBER 31, 2021 AND 2020

INTEREST INCOME	2021	2020
Loans to members	\$32,666,789	\$34,092,191
Investment securities	\$3,308,902	\$2,756,304
TOTAL INTEREST INCOME	\$35,975,691	\$36,848,495
Members' share and savings accounts	\$2,599,714	\$3,737,138
NET INTEREST INCOME	\$33,375,977	\$33,111,357
Provision for loan losses	\$1,135,751	\$3,061,572
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$32,240,226	\$30,049,785
NON-INTEREST INCOME		
Fees and service charges	\$6,376,230	\$7,033,698
Interchange fees	\$4,513,740	\$3,920,137
Net gain on equity securities	\$2,741,852	\$2,622,917
Other	\$1,297,338	\$353,153
TOTAL NON-INTEREST INCOME	\$14,929,160	\$13,929,905
NON-INTEREST EXPENSES		
Compensation and benefits	\$20,997,611	\$20,916,261
Office occupancy and operations	\$9,229,012	\$9,193,964
Other	\$7,815,859	\$6,827,401
TOTAL NON-INTEREST EXPENSE	\$38,042,482	\$36,937,626
NET INCOME	\$9,126,904	\$7,042,064

Total Interest Income (in millions)



Net Income (in millions)



EXECUTIVE LEADERSHIP TEAM

Lisa Whitaker
President & CEO



Paul Kirk
*Chief Operations Officer
& Chief Financial
Officer*



Cathy Benson-Aloi
Chief Lending Officer



William Crane
Chief Administration Officer



Eliza Mulhern
*Chief Risk Officer
& General Counsel*



Mallorie David
*Senior Vice President
Strategy & Talent*



VICE PRESIDENTS

Larry Abolaji

Vice President of Loan
Servicing & Asset Recovery

Jennifer Carlton-Cooper

Vice President
of Electronic Services

Jeff Dobbin

Vice President
of Business Lending

Matt Duso

Vice President of IT

Rebecca Lerch

Vice President of Learning
& Development

Beth Putnam

Senior Vice President of
Marketing & Sales

Erika Reed

Vice President of Risk

Kim Roman

Vice President
of Member Experience

Sarah Tomei

Vice President
of Finance/Controller

Celeste Uvanni

Vice President
of Internal Audit

Chris Werner

Vice President of Mortgage

COMMUNITY CARE





CFCU is COMMUNITY to the CORE!

As a credit union our earnings are put back into our members' hands through better rates and yields, more services, and support of our local non-profit organizations. This past year, CFCU staff was able to help our community in the following ways:

- **\$80,000+** through sponsorships of community events
- **\$94,000+** through direct contributions
- **\$41,000+** through employee events



2021 ANNUAL REPORT
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