



TABLE OF CONTENTS

President &
CEO's Report

1

Board
Chair's Report

2

Board of
Directors

3

Supervisory
Committee's
Report

4-5

Treasurer's
Report

7

Statement
of Financial
Condition/
Income

8-9

Executive
Leadership Team

10

Senior
Management
Team

11

Strategic
Elements

12-13

PRESIDENT & CEO'S REPORT

In the fall of 2023, CFCU Community Credit Union was delighted to celebrate its 70th anniversary.

70 years strong, indeed!

I've had the privilege of serving as CFCU's President & CEO for 12 of those years and I can say it's been my honor to help drive an organization that has such a rich legacy – seven decades of commitment to you, our members.

This milestone also has us all reflecting on CFCU's long-standing commitment to our communities, even as they have multiplied over the years. When CFCU opened the doors of its first location in 1953, it was just the campus of Cornell University we called home. Now, CFCU is one of the largest credit unions in New York State and serves anyone who lives, works, worships, attends school or maintains a business in 7 counties here in the Finger Lakes region. Most recently, we added two branches in Syracuse.

I am proud to report that CFCU's generosity has also matched this growth. In 2023, in addition to sponsored events CFCU is known for, like the CFCU Downtown Ithaca Summer Concert Series, Cortland Main Street Music Series, and Shred Days, we also sponsored initiatives of over 90 local nonprofits throughout all our communities. Our staff also volunteers their time on a regular basis through lending a hand at events, collecting donations, and serving on non-profit committees and boards. Our support and volunteerism are set to increase even more in 2024.

We were busy in other aspects of CFCU's business in 2023 as well, always anticipating and serving our member's evolving banking needs. For instance, CFCU:

- offered a wildly popular 70th Anniversary 7-month certificate special with a special rate option up to 7.0%
- continued to increase the capabilities of our CFCU More digital platform, which has additional banking tools and services that currently complement CFCU's "Digital Banking" platform. In 2024 our goal is to move all consumer digital banking services to CFCU More.
- celebrated alongside 224 of our Lucky Savers winner members, who won an incredible total of \$36,100
- added more virtual teller machines ("VTMs"), which allow our members more on-the-go banking options

CFCU was also pleased to accept three Finger Lakes Favorites Awards this past year: Gold in the categories of Best Credit Union and Best Home Mortgage and Silver in Best Wealth Management. We appreciate all the members who voted for us!

On this special 70th anniversary milestone and always, **I want to sincerely thank you for being part of what makes CFCU's history – and more importantly, its future – so strong.** We look forward to serving you in the many years to come as we can continue living into our powerful vision: Transforming generations and communities. Simply. Personally.

Sincerely,

Lisa Whitaker

President & Chief Executive Officer
CFCU Community Credit Union



“I want to sincerely thank you for being part of what makes CFCU's history – and more importantly, its future – so strong.”



BOARD CHAIR'S REPORT



As Board Chair, I represent CFCU Community Credit Union's Board of Directors, whose goal is to ensure CFCU's strategic plan was enacted, its policies were enforced, and its goals were pursued and achieved throughout the year.

For the last 14 years, it's been my true privilege to serve on the Board – not only because I enjoy supporting a solid, community-oriented organization like CFCU, but also because I have been able to do so alongside a fantastic group of fellow Board Members.

These Members volunteer selflessly of their precious time to nourish CFCU, therefore strengthening the regions it serves, and it's so much appreciated. My heartfelt thanks also extends to those who serve on CFCU's Supervisory Committee, which maintains prudent oversight to the credit union and protects members' assets.

In 2023 we welcomed Board Member Dana Decker, who served nearly 10 years on CFCU's Board previously. We are so pleased to have someone with Dana's experience and commitment return to the Board.

We were also busy this year supporting CFCU through its conversion to a joint system with Syracuse-based CORE Federal Credit Union. This was a huge milestone for the organization as it continues serving a now-wider net of our Finger Lakes neighbors.

One of my favorite parts of serving on the Board is hearing how CFCU employees continue to advance how they meet CFCU's members' needs. Whether it's through new technology, innovative ideas, or maintaining CFCU's fierce commitment to quality service, it's clear why CFCU employees have both a 70-year legacy behind them and a hopeful future in front of them!

2023 was certainly a year of celebrating our important anniversary. It was also a year marked with sorrow as the CFCU Board experienced the loss of our fellow Board Member and dear friend Skip Hewitt, who the Board voted to honor with the title of Director Emeritus after his passing.

As a former CFCU employee, Skip oversaw the residential mortgage department from 2000 until his retirement in 2005. He was appointed to the CFCU Board in 2013 to fill an unexpected vacancy and served as the Board Secretary from 2014 to 2020. Skip's passion for providing products and services to the local communities CFCU serves, coupled with his extensive knowledge of the financial industry was exceptional. We will all miss his caring spirit, his sense of humor, and his gifts in leadership.



Claude "Skip" Hewitt
POSTHUMOUS BOARD DIRECTOR
EMERITUS

On behalf of the Board of Directors, we are honored to play an essential role in guiding CFCU to achieve its strategic initiatives – in this 70th year and beyond!

Sincerely,

Amy Wood Gonzalez
Board Chair
CFCU Community Credit Union

BOARD OF DIRECTORS



Amy Wood Gonzalez
CHAIR



Katie Foley
VICE CHAIR



Robert Cree
SECRETARY



Dana Decker
DIRECTOR



Blixy Taetzsch
TREASURER



Michelle Miner
DIRECTOR



Lisa Whitaker
DIRECTOR

SUPERVISORY COMMITTEE'S REPORT

The role of the Supervisory Committee (“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 Committee. In addition, the Committee engages independent auditors to perform an annual audit of CFCU. The 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. The 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 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, 2023. The full report is available at CFCU’s offices for inspection. Similar to previous years, members of the Committee met with our independent auditors and New York State and National Credit Union Administration (“NCUA”) regulatory examiners in 2023. 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 Committee remains confident that CFCU maintains adequate controls, complies with all applicable laws and regulations, and is well managed and fiscally sound. The Committee continues its commitment to open and transparent availability with CFCU’s regulators and external engagement partners.

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 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 Committee information on the Our Story page at mycfcu.com/about.

I am honored to serve on the Committee alongside Debbie Conley Jordan, CPA, Gregory Mezey and Douglas North. The Committee wishes to thank Celeste Uvanni, Vice President of Internal Audit, and Kim VanDonsel, Internal Auditor, for the excellent work done this year. In addition, the Committee acknowledges Jennifer Clark and Bill Crane for providing significant support to the Supervisory Committee and the internal audit functions this year. The 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 Credit Union*

SUPERVISORY COMMITTEE MEMBERS



Susan Schattschneider
CHAIR



Debbie Conley Jordan
SECRETARY



Gregory Mezey
MEMBER



Douglas North
MEMBER

COMMUNITY CARE

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:

- Sponsoring more than 90 local nonprofits' initiatives
- \$80,000+ given through sponsorships of community events
- \$94,000+ given through direct contributions
- \$41,000+ given through employee events



TREASURER'S REPORT

Hello, CFCU members.

I am privileged to continue serving as the Treasurer of CFCU Community Credit Union and would like to share with you some highlights of the credit union's accomplishments in 2023. The year marked not only the credit union's exciting 70th anniversary, but also another year of excellent progress and leadership by CFCU's management and an equally dedicated Team CFCU staff.

In the midst of the nation's economic uncertainties, CFCU continues to persevere with financial integrity and intentional strategies that keep our credit union strong and steady, always reaching to provide the best services and results we can for our members.

Amid rapidly increasing interest rates and in celebration of our 70th Anniversary, CFCU offered several high yield certificates throughout the year. This resulted in more than \$180 hundred million in new certificates, and a \$6.6 million or 248% increase in dividends returned to you, our members.

We continue to invest in facilities, technology, and process improvements to ultimately serve members more efficiently and effectively. This includes maintaining, improving and renovating our branches, including our two new branches in Syracuse, which resulted from our merger with CORE, a division of CFCU Community Credit Union. We also continue to put banking at our members' fingertips, enhancing the CFCU More app. In addition to debit card controls, we added access for paying bills, external transfers of money, and ordering foreign currency.

Lastly, we couldn't have done any of this without investing in people, which is why CFCU continues to prioritize recruitment, retention, and development of staff. In the spirit of our Continuous Improvement Program where all employees are encouraged to submit ideas for process improvements, we are proud to share that twenty employees plus a Board member were provided essential tools and training to advance and increase operational efficiency, team productivity, and product quality, that in return positively impacts our members.

I'd also like to share with you a few highlights from our December 31, 2023, financial statements:

- With higher interest rates, members' needs shifted from borrowing to saving. As a result, our loan portfolio decreased 2.9% to \$1.04 billion in loans outstanding.
- Total shares increased 0.5% to \$1.25 billion, ending the year with total assets of \$1.45 billion.
- Dividends paid to our members increased 248% to \$9.3 million.
- Results of operations and strong performance of investments enabled us to end 2023 with net income of \$7.4 million.
- Our net worth ratio remains strong ending 2023 at 13.13% up from 12.78% the prior year and well ahead of the 10.77% of our peers.
- Delinquency remained steady during 2023 while charge-offs increased from 0.32% to 0.64% as a result of the high interest rate environment.
- Liquidity strengthened during the year, and we ended the year with a loan to share ratio of 83.40% down from the 86.33% at the end of 2022.

What do all those numbers really mean? CFCU remains your sound financial partner offering you convenient service, ease of access, quality products and rates in lending, credit/debit cards, financial planning, and above all – the confidence that your funds are safe and prudently managed.

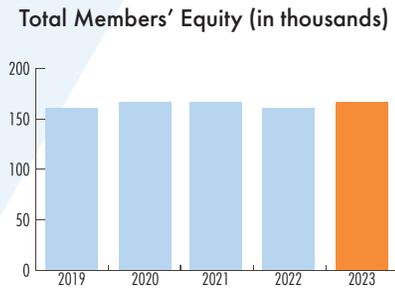
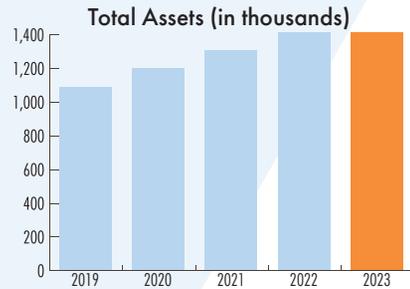
Respectfully Submitted,

Blixy Taetzsch
Board Treasurer
CFCU Community Credit Union



CFCU COMMUNITY CREDIT UNION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

DECEMBER 31, 2023 AND 2022



\$1,248M

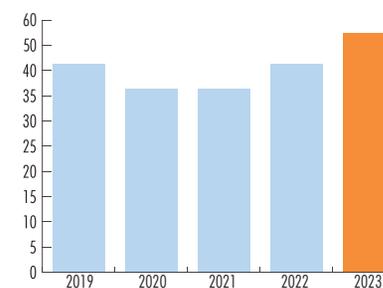
ASSETS	2023	2022
Cash and cash equivalents	\$136,704,256	\$85,190,644
Certificates of deposit in other financial institutions	\$1,440,000	\$2,078,796
Investments:		
Equity	\$35,624,816	\$31,219,930
Available-for-sale	\$182,696,907	\$231,702,164
Loans to members, net of allowance for loan losses	\$1,039,735,863	\$1,077,417,053
Accrued interest receivable	\$4,164,101	\$3,871,145
Prepaid and other assets	\$27,467,139	\$27,134,475
Property and equipment	\$14,358,567	\$15,145,098
NCUSIF deposit	\$11,116,210	\$11,389,346
Total Assets	\$1,453,307,859	\$1,485,148,651
LIABILITIES AND MEMBERS' EQUITY		
Liabilities:		
Members' shares and savings accounts	\$1,248,093,710	\$1,241,688,635
Borrowed funds	-	\$48,000,000
Accrued expenses and other liabilities	\$31,621,138	\$29,466,938
Total Liabilities	\$1,279,714,848	\$1,319,155,573
Members' equity:		
Regular reserves	\$15,582,928	\$15,582,928
Undivided earnings	\$175,227,768	\$174,277,929
Accumulated other comprehensive income/(loss)	(\$17,217,685)	(\$23,867,779)
Total Members' Equity	\$173,593,011	\$165,993,078
Total Liabilities and Members' Equity	\$1,453,307,859	\$1,485,148,651

CFCU COMMUNITY CREDIT UNION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

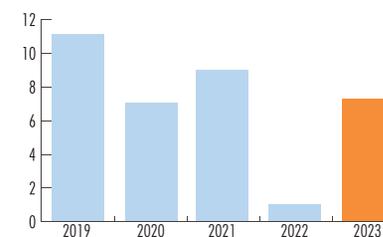
DECEMBER 31, 2023 AND 2022

INTEREST INCOME	2023	2022
Loans to members	\$47,647,902	\$38,106,566
Investment securities	\$7,461,280	\$5,828,607
Total Interest Income	\$55,109,182	\$43,935,173
Members' share and savings accounts	\$9,285,794	\$2,669,697
Borrowed funds	\$103,889	\$14,874
Net Interest Expense	\$9,389,683	\$2,684,571
Net Interest Income	\$45,719,499	\$41,250,602
Provision for credit losses	\$5,847,530	\$4,098,144
Net Interest Income After Provision for Credit Losses	\$39,871,969	\$37,152,458
NON-INTEREST INCOME		
Fees and service charges	\$7,043,634	\$7,005,122
Interchange fees	\$5,001,099	\$4,836,435
Other	\$608,726	\$1,063,378
Net gain/(loss) on equity securities	\$3,387,579	(\$6,242,160)
Total Non-interest Income	\$16,041,038	\$6,662,775
NON-INTEREST EXPENSES		
Compensation and benefits	\$25,561,046	\$22,670,834
Office occupancy and operations	\$13,379,969	\$11,474,381
Other	\$9,595,828	\$8,618,334
Total Non-interest Expense	\$48,536,843	\$42,763,549
Net Income	\$7,376,164	\$1,051,684

Total Interest Income (in millions)



Net Income (in millions)



EXECUTIVE LEADERSHIP TEAM



Lisa Whitaker
PRESIDENT &
CHIEF EXECUTIVE OFFICER



Paul Kirk
CHIEF OPERATIONS OFFICER &
CHIEF FINANCIAL OFFICER



Cathy Benson-Aloi
CHIEF LENDING OFFICER



Mallorie David
CHIEF PEOPLE OFFICER



William Crane
CHIEF PRODUCTION OFFICER



Eliza Mulhern
CHIEF RISK OFFICER &
GENERAL COUNSEL



Courtney Lowie
EXECUTIVE MANAGER

SENIOR MANAGEMENT TEAM

Missy Allen

Deposit Products Manager

Leigh Alo

AVP of Project Management
& Continuous Improvement

Tanya Brozost

AVP of Human Resources

Jennifer Carlton-Cooper

VP of Electronic Services

Kyle Christopher

AVP of Learning &
Development

Matt Duso

VP of Information
Technology

Mike D'Angelo

VP of Member Experience

Mark Kenjerska

AVP of Business Origination

Margo Korowajczyk

AVP of Business Lending

Jason Piper

AVP of Asset Recovery

Beth Putnam

SVP of Marketing & Sales

Erika Reed

VP of Risk

Gabrielle Sandy

AVP of Business Resiliency

Lisa Stever

AVP of Business
Development

Bill Sweeney

VP of Advocacy

Derek Thompson

VP of Consumer Lending

Sarah Tomei

VP of Finance/Controller

Celeste Uvanni

VP of Internal Audit

Carissa Weidman

Associate Attorney

Chris Werner

VP of Mortgage Operations

CFCU'S COMMUNITY STRATEGIC PLAN

CFCU'S STRATEGIC PILLARS



Financial Prudence

- Net Worth
- DLQ/CO Ratio
- Efficiency Ratio
- Liquidity Ratio
- Loan to Share Ratio
- 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
- Regulatory/Compliance
- Strategic Planning
 - Mission
 - Values
- Contingency Planning

MEMBERS

OUR MISSION:

At CFCU, we are passionately guided by our member-owners to provide meaningful and personalized experiences. As a reliable partner and friend in our communities, we strive to make a memorable and lasting difference.

OUR VALUES:

Spirit

We value each other as individuals and believe that people who enjoy coming to work are happier. We provide our members with an experience, not a transaction. We celebrate all of the nuances of life and seek to make every day one of discovery, joy, and excitement.

Collaboration

We believe that great decisions start by valuing different ideas and opinions, fostering inclusion, caring about others, and being transparent in our approach. Partnering with other stakeholders and organizations gives us the breadth of knowledge and experience to be successful. Decisions must always be genuine to our members, employees, and communities.

Innovation

We have the courage, curiosity, and agility to lead change, simplify experiences, and encourage transformation. We are always learning, remain resilient, and continuously look for ways to improve how we interact with those around us. We understand that our member and employee services must be easy to access, understand, and utilize.

Impact

We partner with our members, employees, and communities to provide solutions and growth opportunities that will improve their financial well-being. We seek to empower the lives of our members, employees, and communities in every way.

Community

We recognize that our local communities are everything. Investing in our communities is investing in ourselves, our neighbors, our coworkers, and our Credit Union. We recognize that diversity is what makes our communities great and strive to support and reflect that diversity within our organization. Compassion is at the core of what we do.

OUR VISION:

Transforming generations and communities. Simply. Personally.

2023 ANNUAL REPORT



SEVENTY YEARS OF DEDICATION