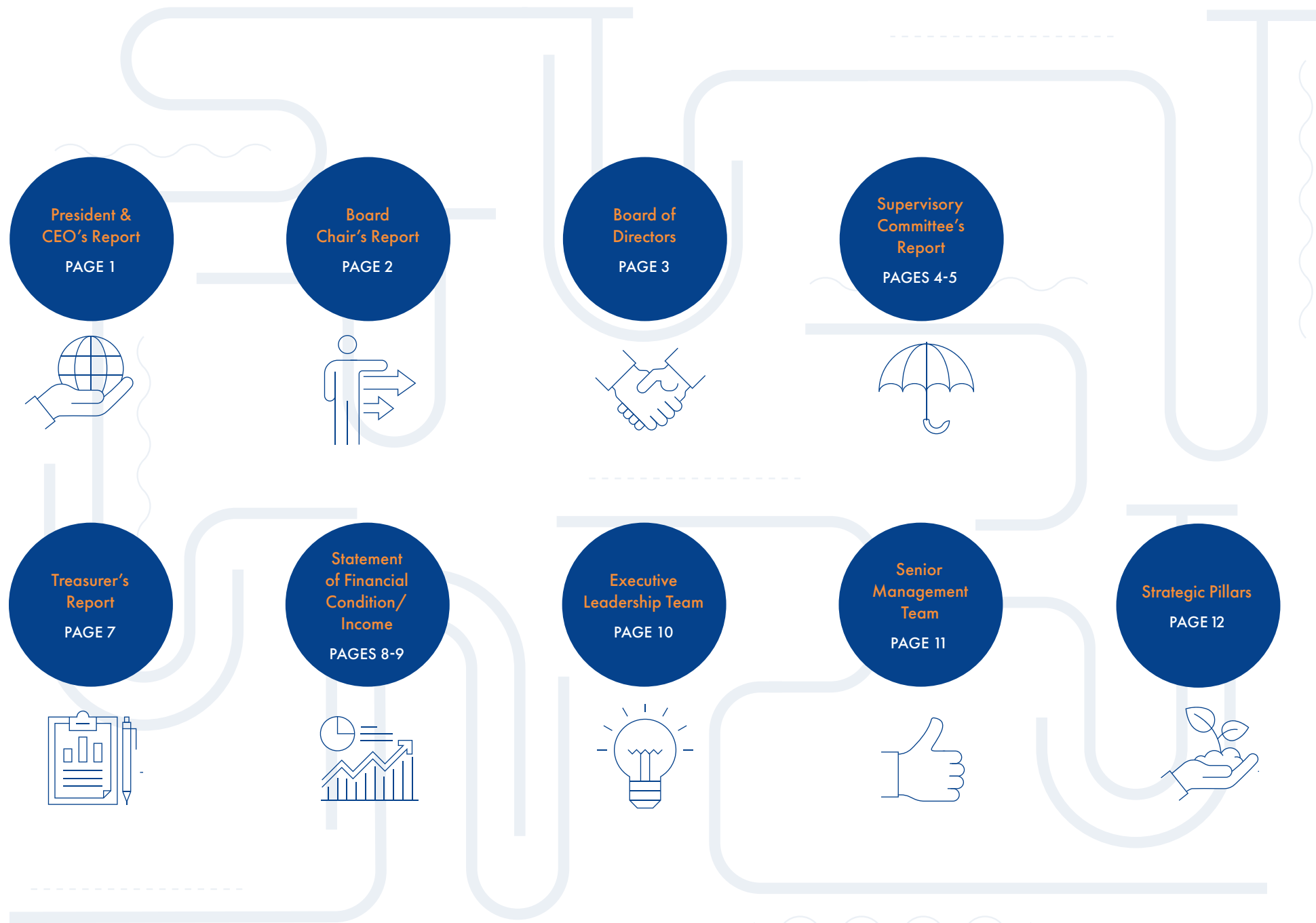


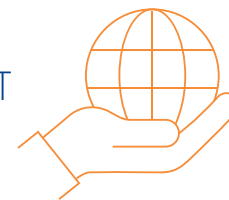
DRIVEN to meet the needs of our members

2022 ANNUAL REPORT

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PRESIDENT & CEO'S REPORT



“As the initial challenges of the pandemic start to shift to our rear-view mirror, we welcome the view ahead.”

At CFCU Community Credit Union, 2022 was a year of renewal – a chance to stop, breathe, and reflect on how we arrived here. As the initial challenges of the pandemic start to shift to our rear-view mirror, we welcome the view ahead.

If the last several years taught me anything, it's that we can't always predict the way the road ahead of us will twist and turn. However, if we know and keep central that which drives us, we will not only reach our destination, but will likely enjoy the ride along the way, too.

Since 1953, CFCU has been DRIVEN to meet the needs of our members, even as those needs change. Our members' experiences and satisfaction are gauges we constantly measure. They guide decisions such as adapting our locations, our products, our service options and the service excellence our team provides.

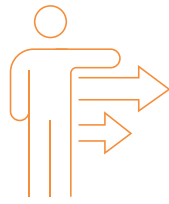
In 2022, we continued to meet our members right where they are with self-service technology to be used anytime from anywhere. This includes CFCU's Digital Banking, Virtual Teller Machines ("VTMs"), and our new CFCU More app that provides additional tools and services like debit card controls to make managing finances even simpler. We also continued providing members with time-tested products that helped them navigate their financial needs in their preferred method.

In other big news, CFCU officially “drove north” in May 2022, beginning its merger with CORE Federal Credit Union out of Syracuse, NY. This merger was right in line with CFCU's goal to be a financial services leader in the Central New York region, extending our impact with a wider network of locations, branch VTMs and Automated Teller Machines ("ATMs"). CFCU also created an alliance with SUNY Cortland and opened a branch on campus in Neubig Hall, deepening our roots and providing great benefits to SUNY Cortland's students, faculty, and staff.

In my eleven years of serving as your CFCU President and CEO, I have been fortunate to steer and ride alongside many dedicated Executive Leadership Team partners, as well as volunteers on both the Board of Directors and Supervisory Committee. Thank you all for your guidance, wise counsel, and committed oversight!

And of course, as we celebrate our 70th year as this community's credit union, I extend my heartfelt thanks to all our CFCU members. Thanks for taking Team CFCU on your financial journey with you.

Sincerely,
Lisa Whitaker
President & Chief Executive Officer
 CFCU Community Credit Union



The role of CFCU's Board of Directors is to ensure its strategic plan was enacted, its policies were enforced, and its goals were pursued and achieved.

It's been my privilege to serve on the Board for the last 13 years alongside a great team of volunteers who dedicate their time freely to strengthen CFCU and therefore the positive impact it has on our communities. I am especially proud to have also welcomed new volunteers to the Board, CFCU's Supervisory Committee, and the Education Committee in 2022. As part of the successful merger with CORE Federal Credit Union in May 2022, Michelle Miner joined the Board, Douglas North joined the Supervisory Committee, and Phil Cleary joined the Education Committee. Each of them has already demonstrated how valuable they will be in supporting CFCU's strategic objectives and goals.

I'd also like to extend a heartfelt farewell to Dana Decker. Dana retired in May 2022 after serving nearly 10 years. He will leave a lasting impression on all of us for years to come. My appreciation also goes to those who serve on CFCU's Supervisory Committee, which maintains prudent oversight to the credit union and protects members' assets.

One of my favorite parts of serving on the Board is hearing the reports of how CFCU employees lived out the organization's values

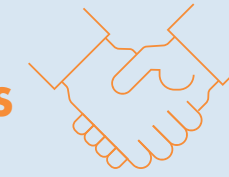
and strategy in their own individual roles. We continue to be so grateful for those employees' steady commitment, willingness to innovate, and of course, their collective drive to meet CFCU members' needs.

I also want to recognize CFCU's COO/CFO, Paul Kirk, for celebrating 25 years at CFCU. Paul has made a tremendous contribution to the success of the organization over the years, and the Board is thankful for his continued leadership and mentorship.

I would be remiss if I didn't say that while 2022 was a year of reflection, revitalization, and growth, it was also a year with sadness for Team CFCU. We experienced the loss of an employee who throughout the organization and community was known for his kindness, his ready smile, and his dedication to helping others. Vince Marziano is dearly missed, and he will be remembered as our dear colleague and friend.

On behalf of the Board of Directors, we are honored to play an essential role in guiding CFCU to achieve its strategic initiatives. We look forward to celebrating CFCU's 70th anniversary of positively impacting and serving its communities in 2023.

Sincerely,
Amy Wood Gonzalez
Board Chair
CFCU Community Credit Union



Amy Wood Gonzalez
CHAIR



Katie Foley
VICE CHAIR



Skip Hewitt
DIRECTOR



Blix Taetzsch
TREASURER



Robert Cree
SECRETARY



Michelle Miner
DIRECTOR



Lisa Whitaker
DIRECTOR

Joe During
POSTHUMOUS
DIRECTOR EMERITUS
(not pictured)



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, 2022. The full report is available at CFCU's offices for inspection. Similar to previous years, members of the Committee met with our independent auditors. Findings were minimal, and management was quick to address and resolve any issues or concerns. Based on the 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 About CFCU page at mycfcu.com/about-us under Volunteers and Supervisory Committee.

I am honored to serve on the Committee with Debbie Conley Jordan, CPA, Gregory Mezey and Douglas North. Douglas joined the Committee upon completion of the merger with CORE Federal Credit Union in May 2022. As a volunteer on the CORE Board of Directors for 10 years, Douglas is very familiar with the roles and responsibilities of the Committee. He brings a wealth of knowledge and has been a great addition to the Committee.

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



Gregory Mezey
SUPERVISORY COMMITTEE
MEMBER



Debbie Conley Jordan
SUPERVISORY COMMITTEE
SECRETARY



Douglas North
SUPERVISORY COMMITTEE
MEMBER

MISSION AND VISION

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 Vision:

Transforming generations and communities. Simply. Personally.

TREASURER'S REPORT



Greetings, CFCU Members.

I am proud to serve as your Treasurer and pleased to share with you highlights of our accomplishments in 2022. I would characterize 2022 as a year of recovery and growth, shepherded by excellent leadership and a dedicated team of staff. As we continue to face economic uncertainty, Team CFCU has forged ahead with strategies that keep our credit union strong, achieving excellent results for our members.

CFCU successfully completed a merger with CORE Federal Credit Union in Syracuse, allowing us to grow our membership and expand to new markets. But more than that, we added a talented group of staff and credit union leaders with experience and creativity that allow us to become greater together.

We far exceeded our expectations for loan growth. During 2022, CFCU experienced total loan growth of 23.7%, increasing our loan to share ratio from 73.16% to 86.33%.

We continue to invest in facilities, technology, and process improvements to serve members more efficiently and effectively. This includes opening and renovating branches, rolling out mobile applications, and upgrading our website.

Lastly, I would like to emphasize our investment in people. CFCU has focused on recruitment, retention, and development

of staff, and will continue to do so. We remain above peer averages in employee retention and compensation but strive to do better. Ensuring our staff have what they need to thrive, allows members to be served in the best possible way.

I'd also like to share with you a few highlights from our December 31, 2022, financial statements:

Balance Sheet: in addition to the loan growth of 23.7%, deposits grew 4.8%, and overall asset growth was 7.8% ending the year with assets of \$1.49 billion.

Ratios: CFCU's key ratios remained sound, with our loan to share ratio growing to 86.33% and our net worth ratio remaining stable at 12.78% and well above our peers. Our delinquency and charge off ratio increased to 1.58%, a reflection of our loan growth and current economic factors.

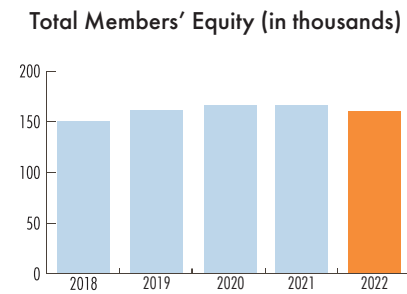
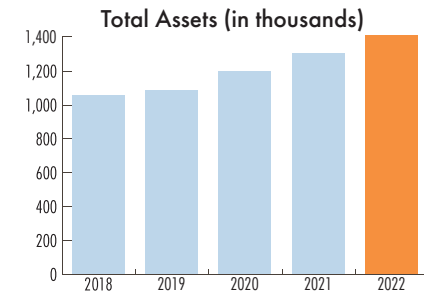
How does this translate to you, the member? Service and ease of access – whether online or in person – for banking, lending, payment cards, financial planning, and more. Competitive loan rates. Competitive share certificate rates. Staff who care about you, the member. Confidence that your funds are safe and prudently managed.

Respectfully Submitted,
Blix Taetzsch
Board Treasurer
CFCU Community Credit Union

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

DECEMBER 31, 2022 AND 2021

ASSETS	2022	2021
Cash and cash equivalents	\$85,141,130	\$250,304,275
Certificates of deposit in other financial institutions	\$2,078,796	
Investments:		
Equity	\$31,219,930	\$36,731,205
Available-for-sale	\$231,702,164	\$184,521,577
Loans to members, net of allowance for loan losses	\$1,077,417,053	\$869,855,848
Accrued interest receivable	\$3,871,145	\$2,781,975
Prepaid and other assets	\$27,183,989	\$9,798,279
Property and equipment	\$15,145,098	\$13,172,553
NCUSIF deposit	\$11,389,346	\$9,952,965
TOTAL ASSETS	\$1,485,148,651	\$1,377,118,677
LIABILITIES AND MEMBERS' EQUITY		
Liabilities:		
Members' shares and savings accounts	\$1,241,688,635	\$1,184,509,482
Borrowed Funds	\$48,000,000	
Accrued expenses and other liabilities	\$29,466,938	\$17,093,587
TOTAL LIABILITIES	\$1,319,155,573	\$1,201,603,069
Members' equity:		
Regular reserves	\$15,582,928	\$15,582,928
Undivided earnings	\$174,277,929	\$162,988,578
Accumulated other comprehensive income/(loss)	(\$23,867,779)	(\$3,055,898)
TOTAL MEMBERS' EQUITY	\$165,993,078	\$175,515,608
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$1,485,148,651	\$1,377,118,677

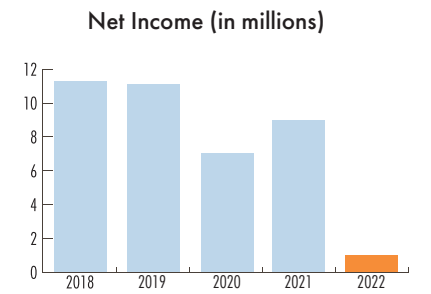
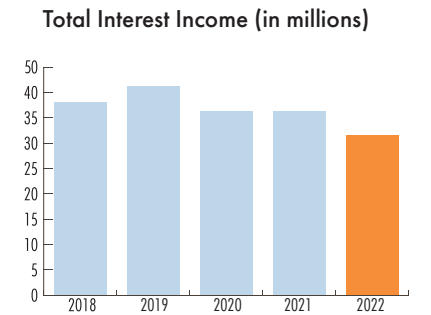


\$1,241 M
MEMBERS' SHARE AND SAVINGS ACCOUNTS

CONSOLIDATED STATEMENTS OF INCOME

DECEMBER 31, 2022 AND 2021

INTEREST INCOME	2022	2021
Loans to members	\$38,106,566	\$32,666,789
Investment securities	\$5,828,607	\$3,308,902
TOTAL INTEREST INCOME	\$43,935,173	\$35,975,691
Members' share and savings accounts	\$2,669,697	\$2,599,714
Borrowed Funds	\$14,874	
NET INTEREST EXPENSE	\$2,684,571	\$2,599,714
NET INTEREST INCOME	\$41,250,602	\$33,375,977
Provision for loan losses	\$4,098,144	\$1,135,751
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$37,152,458	\$32,240,226
NON-INTEREST INCOME		
Fees and service charges	\$7,005,122	\$6,376,230
Interchange fees	\$4,836,435	\$4,513,740
Other	\$1,063,378	\$1,297,338
Net (loss)/gain on equity securities	(\$6,242,160)	\$2,741,852
TOTAL NON-INTEREST INCOME	\$6,662,775	\$14,929,160
NON-INTEREST EXPENSES		
Compensation and benefits	\$22,670,834	\$20,997,611
Office occupancy and operations	\$10,956,333	\$9,229,012
Other	\$9,136,382	\$7,815,859
TOTAL NON-INTEREST EXPENSE	\$42,763,549	\$38,042,482
NET INCOME	\$1,051,684	\$9,126,904



EXECUTIVE LEADERSHIP TEAM



Lisa Whitaker
PRESIDENT &
CHIEF EXECUTIVE OFFICER



Paul Kirk
CHIEF OPERATIONS OFFICER &
CHIEF FINANCIAL OFFICER



Cathy Benson-Aloi
CHIEF LENDING OFFICER



William Crane
CHIEF PRODUCTION OFFICER



Mallorie David
CHIEF PEOPLE OFFICER



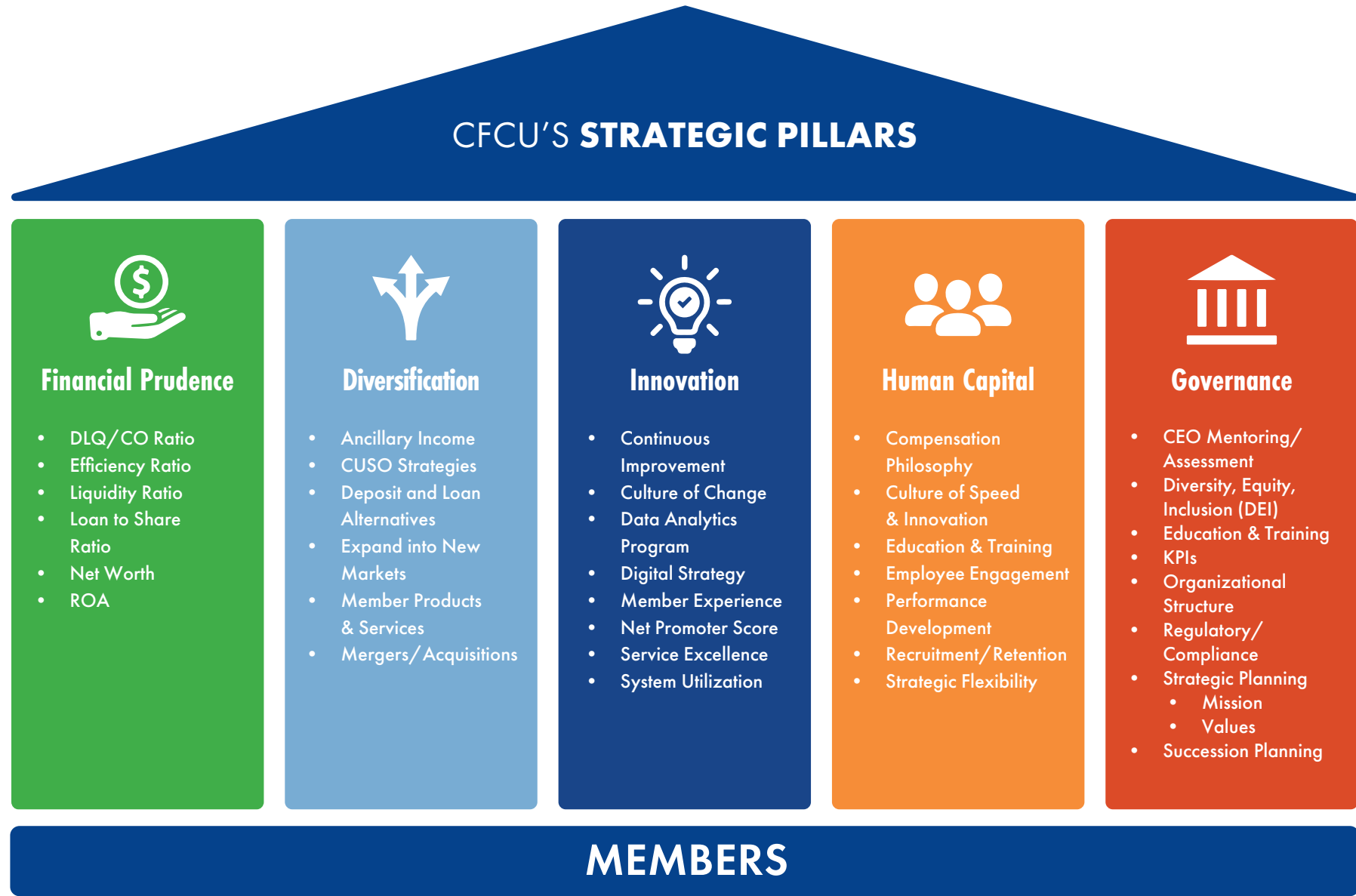
Eliza Mulhern
CHIEF RISK OFFICER & GENERAL COUNSEL



Cortney Lowie
EXECUTIVE MANAGER

SENIOR MANAGEMENT TEAM





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.

2022 ANNUAL REPORT



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Federally Insured by NCUA