

## A NOTE FROM LEADERSHIP

Dear Member-Owners,

As we look toward the future of the credit union, we reflect on past years. We ask ourselves what we're good at and we ask ourselves how we can improve. 2021 was a year of reflection. It was a year of planting seeds for the future, and shoring up the bedrock upon which our foundations stand.

In response to member satisfaction surveys and following industry trends, we began the process of making some critical changes to our technology and infrastructure.

- » We built a new flagship branch in Waldorf to better service our Charles County membership.
- » We implemented appointment scheduling software on our website, allowing members to better manage their time.

» We began the process of choosing a new digital banking platform for greater convenience.

» We reduced our average loan decisioning time and began the process of partnering with local dealerships for greater community access to Cedar Point loan offerings.

» Most importantly, we began a partnership with Cornerstone Advisors to assist us in our search for and implementation of several new technologies to help our membership adapt to the changing landscape of modern banking.

As the industry changes and fintech firms become ubiquitous, Cedar Point continues to provide financial solutions to our members with integrity, honesty and outstanding

service. We look forward to the changes to come, while remembering and honoring the foundations upon which we are built. We thank our members and employees for their continuous support in our endeavors.



**GENE W. TOWNSEND**  
CHAIRMAN OF THE BOARD



**CHARLES ROACH**  
PRESIDENT & CEO

## TREASURER'S REPORT

Cedar Point Federal Credit Union experienced continued growth and financial success in 2021 despite the many challenges stemming from the COVID-19 pandemic. Highlights of this growth include:

- » Total assets increased by \$72.3M to \$745.9M for an annual growth rate of 10.7%.
- » Outstanding loans to members increased by 17.1%, or \$46.5M. This increase in most part is attributable to New and Used Auto, Mortgage, Home Equity, and Member Business Loans.
- » Member deposits increased by \$73.9M to \$685.1M. The 12.0% growth is in most part an increase in deposits to savings and checking accounts.

» Net income of \$2.8M added to Cedar Point's capital (net worth).

This continued success and profitability allows Cedar Point to provide some of the most competitive interest rates in the industry as well as improvements to our infrastructure. We continue to improve and enhance our cybersecurity infrastructure in an effort to stay vigilant toward the ever-changing landscape. We are also planning to update our core system in order to provide the most state of the art technology related to our business. This update will ultimately allow our employees to enhance the member experience through reduced paperwork, shorter office visits, and greater member access to their accounts. Our Waldorf

branch officially opened in January of 2022, giving our Charles County members another touchpoint closer to home. We believe this branch will have a positive impact in Waldorf and the surrounding communities.

As treasurer, I would like to thank all of you for your continued support of your Credit Union. We are here to serve your financial needs and look forward to doing so in the future.



**PATRICIA ROBRECHT**  
TREASURER

## CEDAR POINT LEADERSHIP

### BOARD OF DIRECTORS



**GENE W. TOWNSEND**  
CHAIRMAN



**ROBERT A. CLEMENTS**  
VICE CHAIRMAN



**PATRICIA ROBRECHT**  
TREASURER



**WILLIAM R. HAYES**  
SECRETARY



**DR. BOB SCHALLER**  
SUPERVISORY COMMITTEE CHAIR



**BRUCE JACKSON**  
DIRECTOR



**B. MICHAEL LEGG**  
DIRECTOR



**LISA MANN**  
DIRECTOR



**KELLY ROBERTSON-SLAGLE**  
DIRECTOR



**WILLIAM B. WAGONER**  
DIRECTOR

### ADMINISTRATION

<b>CHARLES ROACH</b>	President & CEO
<b>LINDA KNOTT</b>	Executive Vice President
<b>LAUREL WARD</b>	VP, Compliance
<b>KATY WHITE</b>	VP, Product & Staff Dev.
<b>COLLEEN BLUNDELL</b>	VP, Investment & Business Svcs.
<b>BJ SIEVERS</b>	Chief Information Officer
<b>KRISTIN KAUFFMAN</b>	Chief Marketing Officer
<b>MELISSA FARREN</b>	Controller
<b>BABAR KHAWAJA</b>	Chief Lending Officer

**DUGAN, MCKISSICK & LONGMORE, LLC** - Legal Counsel

### BRANCH MANAGERS

<b>JESSICA DENNISON</b>	Lexington Park
<b>KATHLEEN HOLTZCLAW</b>	Prince Frederick
<b>OWEN LEWIS</b>	Headquarters
<b>TRACY MAXWELL</b>	Charlotte Hall
<b>DEBI MELENDEZ</b>	Support Services Annex
<b>MARY SIMMONS</b>	Leonardtown
<b>HANNAH STRINGER</b>	Waldorf

### SUPERVISORY COMMITTEE

<b>DR. BOB SCHALLER</b>	Chair
<b>BEN COOPER</b>	Member
<b>SPENCER DRAKE</b>	Member
<b>FRANK EDMONYI</b>	Member
<b>DON FRENCH</b>	Member

# 2021 ANNUAL REPORT



## SUPERVISORY COMMITTEE REPORT

### Who are the committee members?

The Supervisory Committee for 2022 is comprised of five volunteers including current board member; Bob Schaller, previous board member; Don French, previous employees; Spencer Drake and Ben Cooper and our newest addition; David George. In the past year, former committee members, Lisa Mann and Frank Edomwonyi left the supervisory committee to serve on the Board of Directors. Also, long-serving member, Kathy Lasley retired from the committee. We thank Ms. Lasley for 35 years of faithful service to Cedar Point as an employee and volunteer on the Supervisory Committee. Brontë Wagner, Cedar Point Internal Auditor is the primary staff member.

### What does the Supervisory Committee do?

Per the January 2020 Credit Union National Association (CUNA

Newsletter, the Supervisory Committee is charged with safeguarding members' assets and ensuring the credit union operates in a safe and sound manner. "The CEO is the brains and the board is the heart. But the supervisory committee is the eyes and ears," says attorney David Reed of Reed and Jolly PLLC.

Our Supervisory Committee meets quarterly to review audit reports completed by CliftonLarsonAllen, the NCUA, and the Internal Auditor. Additional responsibilities include:

- » Supervising the annual opinion audit and verification of member accounts performed by CliftonLarsonAllen LLP, a CPA auditing firm.
- » Overseeing the regular federal examination by NCUA that reviews credit union safety and soundness to ensure the protection of member data and financial information.



**DR. BOB SCHALLER**  
SUPERVISORY COMMITTEE CHAIR

- » Ongoing review of Cedar Point's Internal Auditor's multiple internal control and financial audits of our departments that are generally not reviewed by the larger outside audits.

As the Chairperson of the Supervisory Committee, on behalf of all committee members, it has been a pleasure to serve you in 2021-2022. The committee will continue to work diligently in the coming year to ensure that Cedar Point remains a safe and sound institution, ready to meet your financial needs.

## FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL CONDITION

	2021	2020
<b>ASSETS</b>		
Cash and Cash Equivalents	\$111,503,896	82,531,529
Deposits in Other Financial Institutions	33,577,000	51,496,000
Securities - Available-for-Sale	217,279,650	189,291,087
Securities - Held-to-Maturity	37,376,663	54,123,148
Other Investments	2,179,608	2,135,772
Loans (Net)	316,648,690	270,203,350
Accrued Interest Receivable	1,244,814	1,399,837
Premises and Equipment (Net)	13,741,952	11,108,489
NCUSIF Deposit	6,109,003	5,293,363
Other Assets	6,283,529	6,082,179
<b>TOTAL ASSETS</b>	<b>\$745,944,805</b>	<b>\$673,664,754</b>

### LIABILITIES AND MEMBERS' EQUITY

<b>LIABILITIES</b>		
Members' Share and Savings Accounts	685,124,622	611,231,541
Accrued Expenses and Other Liabilities	2,536,030	2,469,364
<b>TOTAL LIABILITIES</b>	<b>\$687,660,652</b>	<b>\$613,700,905</b>
<b>MEMBERS' EQUITY</b>		
Regular Reserve	3,148,340	3,148,340
Undivided Earnings	55,816,002	53,055,078
Accumulated Other Comprehensive Loss	-680,189	3,760,431
<b>TOTAL MEMBERS' EQUITY</b>	<b>\$58,284,153</b>	<b>\$59,963,849</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$745,944,805</b>	<b>\$673,664,754</b>



**ROBERT A. RUSSELL**  
PRESIDENT  
CEDAR POINT  
FINANCIAL SERVICES, INC

2021 on the compliance, economic, health and political fronts, more investors opened accounts and entrusted us with more of their hard-earned money than any other year in our 28-year history. We added nearly 100 brokerage investments and total brokerage accounts grew to over \$180 million. Life insurance grew at a more conservative level with annualized premium increasing to nearly \$450 thousand.

In turn, it is with a deep sense of gratitude to our Cedar Point membership and local community that we were able to achieve these results. 2022 brings a recommitment to Cedar Point's strategy of enriching lives by creating meaningful experiences

when it comes to financial solutions. We are dedicated to providing quality products and services no matter the line of communication - virtual, on the phone or in person. Lastly, we will continue our efforts to be a partnership you can feel proud to be associated with - we look forward to assisting you with all your planning needs!

## CPFS REPORT

A cornerstone of Cedar Point Financial Services, Inc. (CPFS) business plan is to assist Cedar Point Federal Credit Union (CPFCU) in achieving their goal of increasing membership and non-interest income. Our Vision is to be the primary financial solution for CPFCU member financial planning, market investment and insurance needs. Our Mission is to enrich member's lives with financial management education through individual and group meetings, competitive investment, and insurance options, and cultivating exceptional financial partnerships that aid in creating meaningful experiences.

Despite challenges that occurred in

### STATEMENT OF INCOME

	2021	2020
<b>INTEREST INCOME</b>		
Loans	\$11,693,476	10,751,003
Securities, Interest Bearing Deposits and Cash Equivalents	4,169,470	5,217,493
<b>TOTAL INTEREST INCOME</b>	<b>\$ 15,862,946</b>	<b>\$15,968,496</b>
<b>INTEREST EXPENSE</b>		
Members' Share and Savings Accounts	1,922,286	2,644,804
<b>NET INTEREST INCOME</b>	<b>\$ 13,940,660</b>	<b>\$13,323,692</b>
PROVISION FOR LOAN LOSSES	181,154	609,307
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>\$13,759,506</b>	<b>\$12,714,385</b>
<b>NON-INTEREST INCOME</b>		
Service Charges and Fees	2,723,403	2,519,942
Other Non-Interest Income	3,890,918	3,125,413
<b>TOTAL NON-INTEREST INCOME</b>	<b>\$6,614,321</b>	<b>\$5,645,355</b>
<b>NON-INTEREST EXPENSE (GENERAL AND ADMINISTRATIVE)</b>		
Employee Compensation and Benefits	9,657,325	9,381,588
Office Occupancy and Operations	6,073,747	5,221,075
Other Operating Expenses	1,881,831	1,611,681
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>\$17,612,903</b>	<b>\$16,214,344</b>
<b>NET INCOME</b>	<b>\$2,760,924</b>	<b>\$2,145,396</b>
<b>OTHER COMPREHENSIVE LOSS</b>		
Unrealized Holding Loss Arising During the Period	-4,207,879	3,408,431
Reclassification of Gain Included in Net Income	-232,741	-29,240
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>-\$4,440,620</b>	<b>\$ 3,379,191</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-\$1,679,696</b>	<b>\$5,524,587</b>