

2021 ANNUAL REPORT

Report To Members

Throughout 2021, over 369,000 members looked to CEFCU® to help them reach their financial goals, and this resulted in another strong year. Despite ongoing challenges to the economy, your Credit Union remained committed to providing members with better value and better service.

The following are just a few Credit Union highlights from 2021:

	2021	Increase over 2020
Assets	\$7,713,957,000	8.7%
Savings	\$6,873,757,000	9.1%
Loans	\$4,939,763,000	1.2%
Net Worth	\$ 750,812,000	7.0%

- Expanded into the Metro East area of Southern Illinois near St. Louis; this grew the area eligible for CEFCU membership by 11 new counties and added four Member Centers which are located in Columbia, Edwardsville, Godfrey, and O'Fallon, Illinois.
- Continued member support and loyalty resulted in the return of a \$20 million Extraordinary Dividend in December; this marks \$380 million in Extraordinary Dividends returned to members since 2000.
- Opened the Rivermark Member Center in Santa Clara, California; this is the sixth branch location in the California market.

Consumer Lending had a record-breaking year, with over \$1.5 billion loaned to members for their Consumer Loan needs, including Vehicle Loans, Student Loans, and Credit Cards. The Credit Union also helped close to 4,000 members with their specialized financial needs resulting from hardships due to the pandemic, along with achieving CEFCU's lowest overall delinquency percentage since 1995. The Home Loan Department received over 9,600 mortgage application and modification requests, with more than \$591 million closed or modified — the 3rd highest ever! Through the Paycheck Protection Program, backed by the Small Business Administration, CEFCU assisted 503 businesses, of which 134 were new business members to the Credit Union. Those businesses received much-needed COVID-19 relief totaling \$16.9 million. This was just a portion of the nearly \$176 million CEFCU provided in Member Business Loans. CEFCU's California market ended the year with strong loan volume of more than \$152 million, which included a record year for Consumer Loan volume. This helped to increase the overall book of business by \$46.9 million!

Digital enhancements were also developed in 2021 in order to meet the ever-changing needs of members. CEFCU On-Line® and Mobile Banking had many system updates, including enhanced security measures, and the addition of Digital Assistant, which allows members to securely connect to CEFCU through Google, Alexa, and SMS Text messaging. Online Account Opening service was upgraded, providing new members with a shopping cart experience in less than five minutes. Debit Instant Issuance was also implemented at 18 Member Center locations for quicker card and PIN distribution. Looking forward, CEFCU will continue to focus on meeting members' financial needs, sharing our success, and making a difference in the communities we serve. Because we truly believe that's what makes us Not a Bank. Better.™

Thank you for choosing CEFCU!

For the Board of Directors,



Sean D. Scranton, Chairman

CEFCU

Not a bank. Better.®

Consolidated Statements Of Financial Condition

December 31, 2021 and 2020

(Dollars in Thousands)

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 650,603	\$ 588,338
Interest bearing time deposits in financial institutions	5,107	14,383
Investments available for sale	1,953,993	1,463,920
Loans, net of allowance for loan losses	4,907,243	4,848,134
Accrued interest receivable	16,366	18,564
NCUSIF deposit	62,409	55,897
Restricted stock	5,000	5,000
Property and equipment, net	81,468	78,340
Other assets	31,768	23,431
Total assets	<u>\$7,713,957</u>	<u>\$7,096,007</u>
LIABILITIES AND MEMBERS' EQUITY		
Members' savings accounts	\$6,873,757	\$6,301,822
Accrued interest payable	1,107	1,517
Accrued pension and postretirement benefits	107,868	128,225
Other liabilities	69,618	62,295
Total liabilities	<u>7,052,350</u>	<u>6,493,859</u>
Members' equity	661,607	602,148
Total liabilities and members' equity	<u>\$7,713,957</u>	<u>\$7,096,007</u>

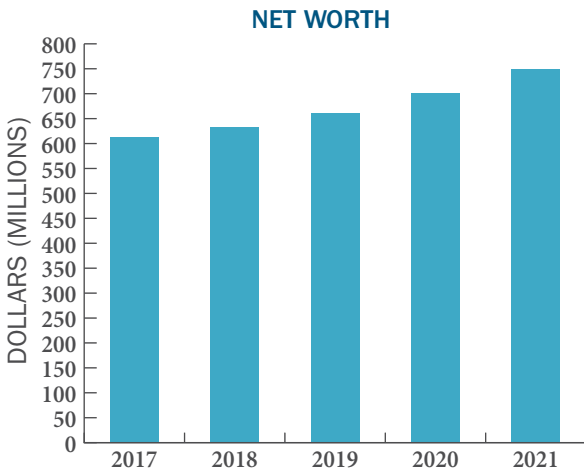
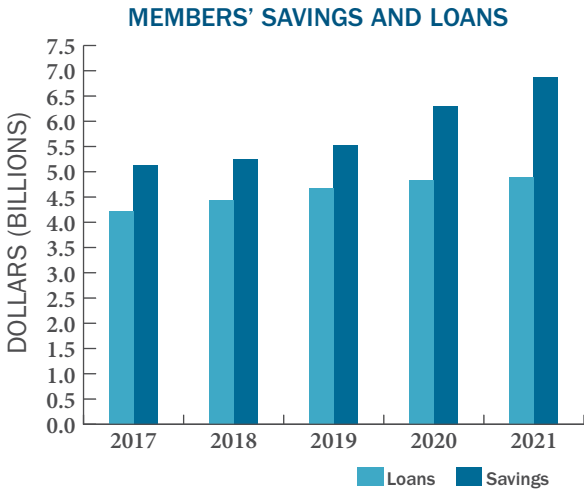
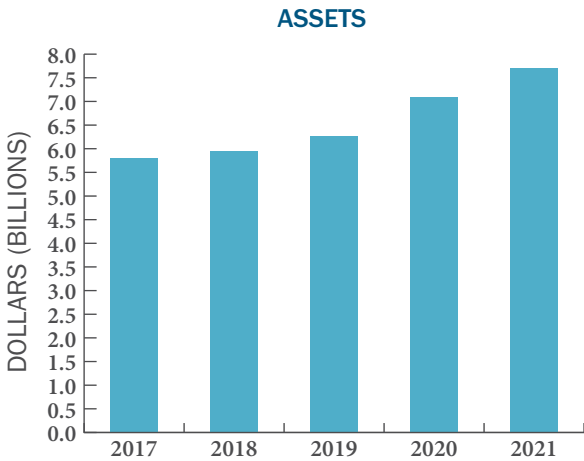
Consolidated Statements Of Income

Years ended December 31, 2021 and 2020

(Dollars in Thousands)

	2021	2020
Interest income:		
Loans receivable	\$ 200,846	\$ 207,290
Investments	12,089	20,372
Interest bearing time deposits	168	291
Total interest income	<u>213,103</u>	<u>227,953</u>
Interest expense:		
Savings accounts	51,334	72,538
Net interest income	161,769	155,415
Provision for loan losses	8,261	15,535
Net interest income after provision for loan losses	<u>153,508</u>	<u>139,880</u>
Non-interest income:		
Administrative insurance fees	3,485	2,920
Interchange income	26,679	21,758
Gain on sale of loans	1,552	-
Other	26,551	22,204
Total non-interest income	<u>58,267</u>	<u>46,882</u>
Non-interest expense:		
Compensation and benefits	90,978	80,709
Occupancy and equipment	19,654	17,326
Communications	5,775	5,316
Marketing	8,899	8,178
Other	37,533	33,288
Total non-interest expense	<u>162,839</u>	<u>144,817</u>
Net income	<u>\$ 48,936</u>	<u>\$ 41,945</u>

Audited consolidated financial statements are available from the Credit Union for the fiscal years ended December 31, 2021 and 2020. To review statements or for more information, call 309.633.7000 or 1.800.633.7077.



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Angel G. Martinez	Grant M. Seshul
Robert M. Metzinger	Reed A. Stuedemann
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Robert M. Metzinger	Jennifer T. Strickland

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<i>Vice President</i>	Joseph E. Varda

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<i>Director</i>	Arthur R. Anliker
<i>Director</i>	Nichol Allen
<i>Director</i>	Keith M. Reynolds

