



2022 ANNUAL REPORT EMPOWERING FINANCIAL SUCCESS



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ABOUT CAFCU

Purpose, Vision & Mission

Our Purpose: To serve people

Our Vision: To make a meaningful difference in the financial lives of our members.

Our Mission: CAFCU is a not-for-profit, member-owned and directed financial cooperative dedicated to being the primary financial institution for its members.



CHAIRMAN AND PRESIDENT'S MESSAGE TO OUR MEMBERS

2022 brought your credit union new challenges and opportunities in the form of rising inflation and the impact of interest rates on our savings and loan products.

All the while, we showed our members and our communities that our financial cooperative is strong.

A safe haven in changing times

At CAFCU, we offer more than just financial services — we hold firm to our philosophy of people helping people. Our focus remains steady on building

a financial home our members can trust to be there for them, with a foundation strengthened by our talented teammates, our positive attitudes, and the dedication of our members.

Thoughtful growth

Even in challenging times, we are always looking for ways to remain relevant as we nurture the members of our not-for-profit financial cooperative. We continue to provide the best resources, products, and services possible.

Our people are our greatest asset and our reason for existing. This includes not only our member-owners – 68,000 strong by the end of 2022 – but also our staff, our employer partners, and our communities.

Despite challenging economic conditions, we closed the year strong, enrolling more than 5,000 new members, adding approximately \$116 million in new member loans, and bringing our total assets to more than \$839.5 million, a 3.8% increase over the previous year. Our ongoing use of digital marketing tools and target marketing continues to help us gain new members and loans while increasing awareness of our financial education resources. In addition, our digital awareness campaigns led to a 23% increase in digital wallet usage last year.

Our Commercial Lending service continued to expand throughout 2022. The team funded 50 loans, growing our total loan portfolio by 30% to \$54 million.

Meanwhile, our sponsor company partnerships strengthened in 2022 thanks to our talented Business Development team, who partnered with 22 new sponsor companies with more than 20,000 potential members. To help engage these new members, the team made 600 site visits over the year. We also piloted new promotions to stimulate loan growth among partner company employees.

Stewarding our resources

We strive to prepare you for whatever life brings. We do this by continuously reviewing opportunities to optimize value and make thoughtful investments in our financial cooperative.

For example, in 2022 we had the opportunity to improve our branch outreach by remodeling our office in Overland Park, Kansas. We also worked to improve the efficiency of our branch in Arlington Heights, IL.

We're focused on keeping our promise to carefully steward our resources, putting purpose and people over profits.

As we continue to grow, we maintain an unwavering focus on giving our

members a world-class digital banking experience centered on security and convenience. This includes new website and mobile banking enhancements and improved digital communication initiatives.

"Even in challenging times, we are always looking for ways to remain relevant as we nurture the members of our not-for-profit financial cooperative."

Living the mission

We try to be not only a place of financial security but a beacon of kindness. Throughout 2022, we championed causes close to the hearts of our members.

For example, we supported education through our Hope Group and joined other credit unions to spread kindness on "CU Kind Day" in October. We also rallied employees and members to support nonprofit initiatives like the Boys & Girls Club, Children's Miracle Network Hospitals, St. Jude's Ranch for Children, Toys for Tots, Salvation Army, local schools, and community organizations with monetary, in-kind, and volunteer contributions.

Philanthropy will continue to play a key role in our organization as we strive to be a credit union that makes a meaningful difference in people's lives.

Your financial home

We aim to provide comfort and hope in challenging times. Despite economic uncertainty in 2022, the credit union successfully navigated our way forward by relying on our combined knowledge, experience, and insight. We finished the year financially secure and positioned to persevere and grow.

We look forward to a bright future together. Thank you for joining us to make and keep our credit union strong.

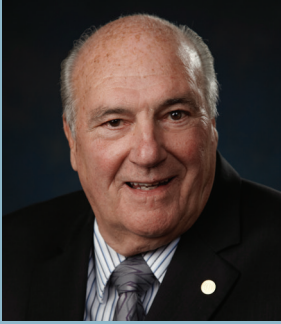
Costanzo Maestranzi
Chairman of the Board

Peter Paulson
President

A message from our Chairman

This will be my last report as your Chairman. I have been with the credit union for over 51 years and chairman for over 32 years. I believe in this organization and have taken out memberships for all my children, grandchildren and great-grandchildren, which comes to almost 50 accounts. You could say that I live the credit union. I want to thank all of the members that make our credit union one of the best organizations. God bless all our members and good luck in the future. Thank you for all you do for our credit union.

MEET YOUR CREDIT UNION BOARD OF DIRECTORS



Costanzo Maestranzi
Chairman of the Board
Nominating Committee
ALCO / Investment Committee
Compensation Committee



Thomas Sheppard
Vice Chairman
Credit/Loan Committee
Diversity, Equity and
Inclusion Committee



John Blozis
Treasurer
Nominating Committee
ALCO / Investment Committee
Compensation Committee



Kenneth Naatz
Secretary
ALCO / Investment Committee
Compensation Committee



Glenn Brown
Director
Credit/Loan Committee
Diversity, Equity and
Inclusion Committee



Tiffany Jordan
Director
Membership Committee
Diversity, Equity and
Inclusion Committee



Peter Paulson
President
ALCO / Investment Committee
Political Action Committee



Thomas Rieck
Director
Nominating Committee
Political Action Committee
Supervisory Committee
Compensation Committee



Pat Tollefson
Director
Supervisory Committee
Diversity, Equity and
Inclusion Committee



W. Jeff Gott
Associate Director
Membership Committee
Supervisory Committee

CAFCU's Board of Directors are elected by members and serves voluntarily on behalf of the membership to oversee the operations of the credit union.

2022 HIGHLIGHTS

A MEANINGFUL DIFFERENCE

Over 600 members took advantage of BALANCE, our financial fitness partner, for services such as debt management, credit report review, budget counseling, and student loan coaching.

Through our supplemental insurance options, we disbursed more than **\$1.1 million** to help our members through difficult situations.

Over **\$135,900** in disability benefits were disbursed.

Over **\$47,974** in hospitalization benefits were disbursed.

Over **\$285,417** in life benefits were paid.

More than **\$70,403** in involuntary unemployment benefits were paid.



37,231

Online Banking Users

31,317

eStatement Users

28,503

Mobile Banking Users

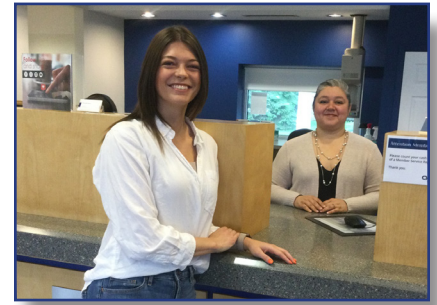
NOTABLE GROWTH

- > Enrolled over 5,000 new members
- > Grew commercial loans portfolio by 30%
- > Grew social media following 72% across all platforms
- > Total asset size reached \$839.5 million +3.8%

GROWING DIGITAL BANKING USAGE

Zelle® Users	9,942	+ 21%
Card Control Users	647	+ 13%
Bill Pay Users	5,035	+ 13%
Mobile Banking Users	28,503	+ 7%
Digital Wallet Users		+ 23%

WHAT YOU SAY ABOUT YOUR CREDIT UNION



"I always have the best experience coming here. They are always so friendly and welcoming." Kay Kay C.

"Every time I enter the building I am welcomed, they assist me when I have questions and offer the best financial advice when I bought my new car. Thank you CAFCU!" Jeriean L.



"Extremely helpful and informative while I was in the process of buying my first car. They took the anxiety out of everything and made it such a smooth and easy process for me. A+ customer service and knowledge." Tanya R.

"CAFCU has always been there for me." James H.



SUPERVISORY COMMITTEE'S REPORT



The Supervisory Committee's responsibility is to serve Corporate America Family Credit Union (CAFCU) members by ensuring that all credit union records are accurately and properly reported.

This committee fulfills its obligation to members by monitoring and auditing the activity of each credit union branch office and department for adherence to internal control procedures and board policy. This committee receives and reviews member inquiries and resolves any problems that may exist.

The committee also recommends policy changes to the Board of Directors for their approval. In addition, the financial statements of all merging credit unions are reviewed, and special audits are performed as required prior to the merger date.

The Supervisory Committee contracted Nearman, Maynard, Vallez CPAs to perform an annual audit of the credit union. Their latest report, dated July 28, 2022, states that their audit was conducted according to auditing standards generally accepted in the United States of America. Nearman, Maynard, Vallez CPAs concluded that the financial statements present fairly, in all material respects, the financial position of CAFCU as of March 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended are in accordance with accounting principles generally accepted in the United States of America.

CAFCU contracted CliftonLarsonAllen for quarterly compliance assessments, and CastleGarde, Inc for information technology and cyber security assessments. These voluntary, proactive assessments demonstrate our dedication to address emerging compliance expectations and protect our members.

The Supervisory Committee continues its devotion to compliance and internal controls.

Thomas Rieck
Supervisory Committee Chairman

COMPARATIVE FINANCIAL STATEMENTS

As of December 31, 2022 and 2021 in thousands of dollars

Statements of Financial Condition

Assets	2022	2021
Cash in Banks	\$2,712	\$3,737
Loans to Members	\$578,561	\$526,339
Allowance for Loan Loss	\$(4,000)	\$(3,800)
Investments	\$234,935	\$254,346
Other Assets	\$27,323	\$28,283
Total Assets	\$839,531	\$808,906
Liabilities & Equity		
Members' Shares	\$554,771	\$553,642
Share Certificates	\$114,792	\$139,335
Non-Member Deposits	\$2,616	\$0
Other Liabilities	\$76,871	\$10,068
Member Equity	\$90,481	\$105,861
Total Liabilities & Equity	\$839,531	\$808,906

Statements of Income

Revenues	2022	2021
Interest on Loans	\$23,763	\$23,277
Investment Income	\$4,473	\$2,945
Fee Income	\$7,416	\$7,008
Total Revenues	\$35,652	\$33,230
Expenses		
Dividends on Share	\$4,400	\$2,013
Accounts & Certificates		
Loan Loss Provision Expense	\$1,308	\$204
Operating Expenses	\$28,438	\$29,593
Total Expenses	\$34,146	\$31,810
Net Income	\$1,506	\$1,420

TREASURER'S REPORT



Corporate America Family Credit Union (CAFCU) persevered during a year of market volatility, rising interest rates, and a heightened level of inflation. We were able to maintain our strong financial position during these challenging times. The credit union finished the year with a Net Worth to Total Asset Ratio of 13.0%, lower than the prior year primarily due to the \$30.6 million increase in assets. CAFCU's Return on Average Assets was 0.18%. When compared to other financial institutions, CAFCU maintains a strong financial position.

During 2022, CAFCU's net income was \$1.5 million. Total revenue increased \$2.4 million due to the increase in loan and investment income and fee income. Provision expense increased \$1.1 million due to higher net charge-offs. Operating expenses decreased \$1.2 million.

Total members' equity decreased by \$15.4 million, or 14.5% to \$90.5 million directly due to decreased value of investments. The decrease in members' equity resulted from the \$1.5 million of net income for the year offset by the \$16.9 million decrease in the market value adjustment on investments. The strong equity position underscores the credit union's position as an exceptionally safe depository for members' savings.

Total assets of \$839.5 million at the end of 2022 increased by \$30.6 million or 3.8% from the prior year. The increase was largely due to loan growth of \$52.2 million. Total shares decreased \$20.8 million or 3.0% partially due to inflation increasing to a 40 year high and its financial impact on members.

Though 2022 was a difficult year, we were able to remain financially strong and position ourselves for opportunities and challenges in 2023 and beyond. We look forward to providing excellent products and services to our membership in the upcoming year.

John Blozis
Treasurer

HOMEGROWN ROOTS

1939

An ambitious group of 15 Automatic Electric Company employees each deposited \$5 into Automatic Credit Union.

Automatic Electric was purchased by GTE Corporation — we changed our name to GTE Employees Federal Credit Union.

1956

1986

We began serving various sponsor companies and changed our name to Corporate America Federal Credit Union.

Online Account Access became available to members. We transitioned from a federal charter to a state charter, changing our name to Corporate America Family Credit Union.

1997

2008

Mobile Banking became available to members so they can access to their accounts 24/7 with a mobile device.

Remote check deposits were introduced. Members have the ability to deposit checks anywhere, anytime with a mobile device.

2010

2014

Our first Personal Teller Machines (PTMs) were installed at our Elgin, Illinois and Chicago, Illinois branches.

CAFCU celebrated our 80th anniversary with a logo update and a move to use the acronym CAFCU more exclusively. We also launched our first social media pages.

2019

2022

We focused on growing our social media and video outreach to educate and engage our members in a digital, post-pandemic world. Our social media following saw double-digit growth over the year across platforms.

Branch Locations

Illinois

Arlington Heights
Burbank
Chicago
Crystal Lake
Elgin
Mt. Carmel
Oak Brook
Rolling Meadows
Rosemont
Streamwood
Tinley Park
Warrenville

Kansas

Kansas City

Pennsylvania

Towanda

North Carolina

High Point

Ohio

Marion

Arizona

Peoria

Connecticut

Bristol

Texas

Dallas

Virginia

Herndon

Georgia

Atlanta

California

Santa Clara



Banking made convenient for YOU

Average Google review:



60,000+ surcharge-free ATMs nationwide.

6,700+ Shared Branching locations across the country.

Making a meaningful
difference



>empowering financial success®

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