

## A NOTE FROM LEADERSHIP

Dear Member-Owners,

2020 was a year to remember on many points. Despite the pandemic's impact on much of the country, Southern Maryland remained a beacon of economic development and progress. Some members experienced financial hardship during this challenging year, and Cedar Point was there to help. We were able to disburse 88 Paycheck Protection loans to area businesses needing to support their staff. We offered over 100 skip-payments, forbearance on loans for several dozen homes and commercial properties, and penalty-free certificate withdrawals.

Many members sought to pay down their debts and concentrate on financial well-being. Because we kept our doors open for much of the

year, we saw a marked increase in new members as well as new loans. As a result, we were able to lower our auto loan rates significantly in 2021. We believe that by consistently having some of the lowest rates in Southern Maryland, the community benefits.

We recognize that as the world begins to bounce back from the effects of the pandemic, we will all face challenges. But Cedar Point's flexibility and stability throughout 2020 have made us more resilient and able to meet the future with resolve. We owe a debt of gratitude to our tireless employees for their work ethic throughout the year; we also owe hearty thanks to our members for their continued support during difficult times. Thanks to these two groups, Cedar

Point looks back on 2020 with pride and looks forward to 2021 and beyond with a clear vision.



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



**CHARLES ROACH**  
PRESIDENT & CEO



## CEDAR POINT LEADERSHIP

### BOARD OF DIRECTORS



**GENE W. TOWNSEND**  
CHAIRMAN



**ROBERT A. CLEMENTS**  
VICE CHAIRMAN



**PATRICIA ROBRECHT**  
TREASURER



**B. MICHAEL LEGG**  
SECRETARY



**BRUCE JACKSON**  
DIRECTOR



**ANNE MARUM**  
DIRECTOR



**DR. BOB SCHALLER**  
DIRECTOR



**KELLY ROBERTSON-SLAGLE**  
DIRECTOR



**WILLIAM B. WAGONER**  
DIRECTOR

### ADMINISTRATION

- CHARLES ROACH** President & CEO
- LINDA KNOTT** Executive Vice President
- LAUREL WARD** VP, Compliance
- KATY WHITE** VP, Product & Staff Dev.
- COLLEEN BLUNDELL** VP, Investment & Business Svcs.
- BJ SIEVERS** Chief Information Officer
- KRISTIN KAUFFMAN** Chief Marketing Officer
- ALAN MATTINGLY** Chief Financial Officer
- BABAR KHAWAJA** Chief Lending Officer

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

### BRANCH MANAGERS

- SHANNON DIMICHELE** Lexington Park
- KATHLEEN HOLTZCLAW** Prince Frederick
- OWEN LEWIS** Headquarters
- TRACY MAXWELL** Charlotte Hall
- DEBI MELENDEZ** Support Services Annex
- MARY SIMMONS** Leonardtown
- HANNAH STRINGER** Waldorf

### SUPERVISORY COMMITTEE

- DR. BOB SCHALLER** Chair
- KATHY LASLEY** Member
- DON FRENCH** Member

# 2020 ANNUAL REPORT



## TREASURER'S REPORT

This past year presented many unique challenges in our industry, which included both economic and operational challenges stemming from the Covid-19 pandemic. Fortunately, Cedar Point Federal Credit Union experienced continued growth and financial success in 2020. Among the highlights were:

- Total assets grew by \$120.3M to \$673.7M for an annual growth rate of 21.7%.
- Outstanding loans to members grew by 15.2%, or \$35.6M. This growth is an increase in most part due to Used Auto, Real Estate, and Member Business Loans.
- Member deposits increased by \$114.5M to \$611.2M. The 23.1% growth is in most part an

increase in savings and checking accounts deposits.

Our 2020 net income of \$2.1M was added to the credit union's capital, or net worth, to provide financial stability and to ensure proper funding for future growth. This continued success and profitability allows Cedar Point to provide some of the most competitive interest rates in the industry as well as keeping our infrastructure up to date. Our highest priority remains the confidentiality, integrity and availability of our Members' personal information and assets. We continue to improve and enhance our cybersecurity infrastructure in an effort to stay vigilant toward the ever-changing landscape. We also look forward to opening our Waldorf branch in



**PATRICIA ROBRECHT**  
TREASURER

2021 and believe this will have a positive impact on Cedar Point 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.

## CPFS REPORT

I hope you, your families and loved ones are safe and doing well. We are certainly living in interesting times. 2020 will go down in history as a year that tested our ability to adapt to disruption not only as a business but as a nation. From remote work, to virtual meetings using WebEx, to work/family balance, being able to stay connected and in control has taken on new meaning. And, for an industry that's built on relationships, staying connected is critical to Cedar Point Financial Services, Inc. (CPFS).

Fortunately, CPFS has a long history of staying connected to Cedar Point Federal Credit Union's (CPFCU) membership and the local community so that we are able to continue to meet our clients' financial needs. Our relationship with CPFCU has never been more important than it is

right now. During challenging times, opportunities for positive change are usually prevalent.

This past September we held our first ever virtual educational seminar and it was very successful. The online venue allowed for larger class size and flexibility to attend from anywhere – home, office or on travel. In addition, our Financial Representatives are meeting virtually with clients on a daily basis to ensure their financial goals are still on track. We are committed to working with CPFCU to set and meet strategic goals for both CPFS and CPFCU and will continue to contribute to making sure those goals are met.

Remember, when you're a member of CPFCU, you're automatically eligible to utilize all the products and



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

services offered. This includes the planning services offered by CPFS. Our Financial Representatives are here to assist you in meeting your financial goals.

During these unprecedented times, it's more important than ever to know we care about you and we are here for all your financial needs. I hope that you finish 2021 strong and continue striving to build your financial future.

## FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL CONDITION

2020

2019

#### ASSETS

Cash and Cash Equivalents	82,531,529	32,281,409
Deposits in Other Financial Institutions	51,496,000	57,382,000
Securities - Available-for-Sale	189,291,087	103,975,794
Securities - Held-to-Maturity	54,123,148	103,148,406
Other Investments	2,135,772	2,002,870
Loans (Net)	270,203,350	234,587,503
Accrued Interest Receivable	1,399,837	1,611,963
Premises and Equipment (Net)	11,108,489	9,931,998
NCUSIF Deposit	5,293,363	4,567,143
Other Assets	6,082,179	3,893,674

#### TOTAL ASSETS

\$673,664,754

\$553,382,760

### LIABILITIES AND MEMBERS' EQUITY

#### LIABILITIES

Members' Share and Savings Accounts	611,231,541	496,697,430
Accrued Expenses and Other Liabilities	2,469,364	2,246,068

#### TOTAL LIABILITIES

\$613,700,905

\$498,943,498

#### MEMBERS' EQUITY

Regular Reserve	3,148,340	3,148,340
Undivided Earnings	53,055,078	50,909,682
Accumulated Other Comprehensive Loss	3,760,431	381,240

#### TOTAL MEMBERS' EQUITY

\$59,963,849

\$54,439,262

#### TOTAL LIABILITIES AND MEMBERS' EQUITY

\$673,664,754

\$553,382,760

### STATEMENT OF INCOME

2020

2019

#### INTEREST INCOME

Loans	10,751,003	10,592,716
Securities, Interest Bearing Deposits and Cash Equivalents	5,217,493	5,930,182

#### TOTAL INTEREST INCOME

\$15,968,496

\$16,522,898

#### INTEREST EXPENSE

Members' Share and Savings Accounts	2,644,804	2,896,742
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#### NET INTEREST INCOME

\$13,323,692

\$13,626,156

#### PROVISION FOR LOAN LOSSES

609,307

255,171

#### NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES

\$12,714,385

\$13,370,985

#### NON-INTEREST INCOME

Service Charges and Fees	2,519,942	3,371,111
Other Non-Interest Income	3,125,413	2,782,316

#### TOTAL NON-INTEREST INCOME

\$5,645,355

\$6,153,427

#### NON-INTEREST EXPENSE (GENERAL AND ADMINISTRATIVE)

Employee Compensation and Benefits	9,381,588	8,714,983
Office Occupancy and Operations	5,221,075	5,489,136
Other Operating Expenses	1,611,681	1,481,257

#### TOTAL NON-INTEREST EXPENSE

\$16,214,344

\$15,685,376

#### NET INCOME

\$2,145,396

\$3,839,036

#### OTHER COMPREHENSIVE LOSS

Unrealized Holding Loss Arising During the Period	3,349,951	1,323,508
Reclassification of Gain Included in Net Income	29,240	-

#### TOTAL OTHER COMPREHENSIVE INCOME

\$3,379,191

\$1,323,508

#### TOTAL COMPREHENSIVE INCOME

\$5,524,587

\$5,162,544