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Bluffton – 95 Buckwalter Place Blvd.

Orangeburg – 1174 Boulevard Street NE

Greer – 1445 Hwy 101 South

Simpsonville – 307 Harrison Bridge Road

Spartanburg – 240 East Blackstock Road

Greenville at Butler Rd – 1270 East Butler Road

Greenville at Augusta – 1111 Augusta Street



# 2021 Annual Report



## Message from the Board Chair

Speaking for myself and the rest of the board, I'd like to offer my sincere gratitude for another excellent year at CPM. As this fiscal year comes to a close, we are pleased to reflect on the many accomplishments of the CPM family.

2021 was a year of "firsts". We saw our membership grow to more than 60,000 members! For the first time ever, we crossed over \$500 million in assets and exceeded our goal of consumer lending by over \$15 million, helping our members achieve financial success.

In 2021 and 2022, labor shortages become a major concern for credit unions and other businesses across the country. Even as CPM faced its own staffing shortages, I'm proud that our staff was able to maintain their outstanding member satisfaction score of 9.2 out of 10.

This past January, CPM was awarded Community Development Financial Institution status – making us one of only 7% of credit unions nationwide to hold the honor. This status will allow us to participate in a Treasury program that offers grants to the underserved markets.

Education was a priority this year. Our Business Development Officers hosted 34 financial wellness seminars for our members and community. Some of the topics were *Understanding Credit, Saving and Budgeting, How to Cut Expenses, Homebuying Basics, and How to Avoid Financial Fraud & Scams*. Classes like these offer opportunities for our members and community to make their financial future bright. The Business Development Officers also passed their Financial Counseling Certification Program training, making them Certified Credit Union Financial Counselors. They are excited to implement this new certification in 2022.

This year we remained committed to encouraging the educational pursuits on our young adult members by awarding the Russell Easterling Memorial Scholarship totaling \$6,000.

In conclusion, I would like to thank all the employees of CPM for their hard work and dedication which was crucial in making 2021 a success. The CPM family continues to serve its members with the dedication they have come to expect. We remain strong and successful because our commitment to our members is unwavering.



Sincerely,

A handwritten signature in blue ink that reads "Michael Chodnicki".

Michael Chodnicki, Chair

*All One Team  
All About the Member  
Deliver Service and Value Every Day*

## Message from the Supervisory Chair >>>

The Credit Union operates under the laws of the United States of America and is regulated by the National Credit Union Administration (NCUA), an agency of the federal government. Examiners of the NCUA make periodic examinations to ensure proper operation of the Credit Union. The Credit Union's Board of Directors appoints a Supervisory Committee responsible for safeguarding the Credit Union's assets and protecting the interests of the members. The Committee engaged the certified public accounting firm CliftonLarsonAllen LLP to perform an independent audit. In the opinion of the auditors, the Credit Union's Balance Sheet, which is not presented in this report, presents fairly, in all material respects, the financial position of the Credit Union as of September 30<sup>th</sup>, 2021. In this report, we present the unaudited calendar year-end results. The Committee meets monthly to review independent and internal audits and to ensure the safety and soundness of the Credit Union. We are pleased to present the 2021 report.

Sincerely,



**John Brisini, Supervisory Committee Chair**



### Comparative Balance Sheets >>>

	<u>2020</u>	<u>2021</u>
Gross Loans	237,141,272	269,361,107
Allowance for Loan Loss	<u>(2,012,101)</u>	<u>(1,524,473)</u>
Net Loans	235,129,171	267,836,634
Cash/Investments	191,474,991	232,697,445
Net Fixed Assets	21,455,812	20,212,109
Total Other Assets	<u>29,878,219</u>	<u>20,582,954</u>
<b>Total Assets</b>	<b><u>477,938,193</u></b>	<b><u>541,329,142</u></b>
Accrued Dividends	8	2
Accrued Expenses/Accounts Payable	<u>6,170,825</u>	<u>4,718,920</u>
Total Liabilities	6,170,833	4,718,922
Total Shares	427,471,460	488,679,279
Regular Reserve	4,481,474	4,481,474
Undivided Earnings	42,515,762	45,898,612
Other Comprehensive Equity	<u>(2,701,336)</u>	<u>(2,449,145)</u>
Total Shares and Members Equity	471,767,360	536,610,220
<b>Total Liabilities and Equity</b>	<b><u>477,938,193</u></b>	<b><u>541,329,142</u></b>

### Statement of Income >>>

	<u>2020</u>	<u>2021</u>
Interest on Loans	11,277,677	10,989,846
Interest on Investments	<u>1,404,483</u>	<u>1,154,869</u>
<b>Total Interest Income</b>	<b><u>12,682,160</u></b>	<b><u>12,144,715</u></b>
Dividends	1,364,491	722,282
Cost of Borrowed Funds	<u>0</u>	<u>0</u>
<b>Total Interest Expense</b>	<b><u>1,364,491</u></b>	<b><u>722,282</u></b>
Net Interest Income	11,317,669	11,422,434
Provision for Loan Losses (PLL)	<u>(1,317,938)</u>	<u>(129,907)</u>
<b>Net Interest Income after PLL</b>	<b><u>9,999,731</u></b>	<b><u>11,292,527</u></b>
Non-Interest Income	13,097,563	14,808,329
Total Operating Expenses	21,657,918	22,619,546
Non-Operating Losses	<u>(47,124)</u>	<u>(98,459)</u>
<b>Net Income</b>	<b><u>1,392,252</u></b>	<b><u>3,382,851</u></b>

***“We continue to grow and remain strong.”***

**Ralph Micalizzi, CFO**

#### Board Members

Michael Chodnicki, Chair  
Randall Trigg, Vice Chair  
James Jeffries, Secretary  
Alicia Webb, Treasurer  
Herbert N. Glaze  
Ardith Rossignol  
Esther Wilkins

#### Supervisory Committee Members

John Brisini – Chair  
Victoria Montgomery  
Ardith Rossignol  
Ramón Nieves-Lugo  
Cameron Duthie

## Year in Review >>>

We are on a mission to serve you and all our member-owners and the staff really brought their “A” game this past year! The financial results below are for the 12 months ending April 30, 2022. The other accomplishments are since our last annual meeting:

- We continued to earn 5-star ratings for our financial strength from independent rating firms.
- Every month we gave time and money to support needs in our communities, including awarding \$6,000 in college scholarships last month.
- You continued to trust us with your deposits and direct deposits and our total deposits grew 10.4% to a record \$524.7 million.
- During a period of historically low rates we were incredibly busy extending affordable credit, including record mortgage originations, and our total loans grew 28.4% to a record \$310.9 million.
- We added over 900 net new members and increased our total membership by 1.6% to reach a record of 60,916.
- Our total members equity increased by 9.1% and reached a record \$49.3 million.
- We offer a best-in-State digital banking experience and are proud of our rating of 4.9 stars in the Apple app store. Our rating tops all the big banks, and we continue to make improvements to keep our lead.
- We integrated the debit card on/off function and debit card alerts and controls into our digital banking.
- We upgraded our credit card alerts and controls to the same superior and intuitive experience as our debit card alerts and controls.
- All of our card on/off functions and alerts and controls are now found in our digital banking. All in one place. All in the right place. All offer the same great experience.
- We improved our remote deposit experience and that included offering higher daily deposit limits.
- We completed the integration of mortgages into our digital banking. The experience is particularly robust if you use a desktop which allows us to present more information, including graphs of your loan amortization.
- We now have over 8,600 registered users for Zelle which allows our members to make free person-to-person payments from within our digital banking.
- We now have 6 employees with CUNA certifications in financial counseling, and 4 of those employees have financial wellness training as their primary responsibilities. We supported a record number of financial wellness activities, and the average deposit balances and average FICO scores for our members increased to record levels.
- We helped many members affected by COVID including offering mortgage forbearance. We are proud of how we worked with members. We did not foreclose on a single home due to COVID!
- We launched a first-time homebuyer mortgage requiring as little as a 3% down payment.
- We improved our HELOC product to offer lines of credit up to 100% of the value of a member's home.
- We made our debit cards even easier to use by raising the daily purchase limits and the daily ATM cash limits.

On behalf of the entire team at CPM I thank you for your continued membership and loyalty! We have the best members! I also thank our all-volunteer Board of Directors and Supervisory Committee. We have the best volunteers! Their wisdom, guidance, and support continue to inspire us on our mission to deliver service and value every day.



Be Well,



**James Gergen**

Chief Executive Officer