

Contact Center

800.255.1513

Monday - Friday: 8:00 AM to 6:00 PM

Saturday: 9:00 AM to 12:00 PM

Self Service 24-hour Phone Banking

800.366.4725

Self Service 24-hour Online Banking and Bill Pay

cpmfed.com & CPM Anytime Online Banking
& CPM Mobile Banking

Branch Network

North Charleston at Mill – 5600 Virginia Avenue
(Branch Closing – October 29, 2021)

North Charleston at Park Circle – 1066 E. Montague Ave.

Summerville at Nexton® – 165 Brighton Park Blvd.

Beaufort – 3481 Trask Parkway

Port Royal – 100 Midtown Drive

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



2020 Annual Report



Message from the Board Chair

In last year's report, I said the single word that best described CPM was "progress". The year 2020 brought a storm of challenges which created the need for our focus to become not just ONE word, but THREE – "prioritize", "pivot", and "persevere". To accomplish our goals, we were required to pivot from the day-to-day operations that we were accustomed to. We remained determined to persevere in our efforts to offer stability in a time of crisis. As I reflect on the work ethic and performance of our team, I believe CPM grew stronger.

Across the country, Americans endured an unprecedented number of dire health concerns. Businesses closed. Jobs were lost. Bills were left unpaid. Our contribution to helping our members weather the storm included keeping our branches open and fully staffed. Jobs at CPM remained secure.

Our first priority was to keep our members and staff safe. We changed the way we operated in order to meet the CDC and World Health Organization guidelines. Masks were provided upon entering the building, shields and sanitizer stations were set up, and social distancing floor markers were put into place. To ensure the cleanest possible environment, bipolar ionization air filters were installed, and weekly deep cleanings were implemented.

We accomplished all the above while making every effort to ensure a smooth member experience. The CPM drive-thru became a place where members were offered extended services as well as extended hours of operation. We did not suspend Home Equity Lending when borrowers needed it the most. While over one quarter of the cardholders in the nation experienced involuntary reductions in their credit card limits during the pandemic, we were proud to maintain the credit limits for over 99% of our cardholders. For those few CPM cardholders affected, we reached out to them prior to changing their limits so they could appeal or get financial counseling. Another important way we served our members was by launching our Lifeline program, providing a number of special offers for those affected by the pandemic. These offers included:

- Loan Assistance with a rate of 3.99% APR
- Penalty-free CD withdrawals
- Free Skip-a-Pay options
- Consumer loan extensions
- Fee Waivers for transfers and phone payments

The year 2020 and the first half of 2021 have obviously been extremely challenging. Our CPM family faced these challenges and persevered. I would like to take this opportunity to express my sincere gratitude to the entire CPM family for the kindness and professionalism displayed throughout this ordeal. Despite going through difficult times in your personal lives, you left your problems at the door and continued to treat our members with the exceptional member service they have come to expect from CPM. We know that in ten years, people won't remember how much money we made. They will remember how well they were treated and how we made them feel.



Sincerely,

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 30th, 2020. 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 2020 report.

Sincerely,



John Brisini, Supervisory Committee Chair



Comparative Balance Sheets >>>

	<u>2019</u>	<u>2020</u>
Gross Loans	236,809,889	237,141,272
Allowance for Loan Loss	<u>(1,578,724)</u>	<u>(2,012,101)</u>
Net Loans	235,231,165	235,129,171
Cash/Investments	112,956,939	191,474,991
Net Fixed Assets	22,476,496	21,455,812
Total Other Assets	<u>21,415,468</u>	<u>29,878,219</u>
Total Assets	<u>392,080,068</u>	<u>477,938,193</u>
Accrued Dividends	0	8
Other Accr Exps/Accounts Payable	<u>5,340,749</u>	<u>6,170,825</u>
Total Liabilities	5,340,749	6,170,833
Total Shares	343,662,646	427,471,460
Regular Reserve	4,481,474	4,481,474
Undivided Earnings	41,123,509	42,515,762
Other Comprehensive Equity	<u>(2,528,310)</u>	<u>(2,701,336)</u>
Total Shares and Members Equity	286,739,319	471,767,360
Total Liabilities and Equity	<u>392,080,068</u>	<u>477,938,193</u>

Statement of Income >>>

	<u>2019</u>	<u>2020</u>
Interest on Loans	11,043,453	11,277,677
Interest on Investments	<u>2,064,850</u>	<u>1,404,483</u>
Total Interest Income	<u>13,108,303</u>	<u>12,682,160</u>
Dividends	1,689,287	1,364,491
Cost of Borrowed Funds	<u>0</u>	<u>0</u>
Total Interest Expense	<u>1,689,287</u>	<u>1,364,491</u>
Net Interest Income	11,419,016	11,317,669
Provision for Loan Losses	<u>(1,503,377)</u>	<u>(1,317,938)</u>
Net Interest Income after PLL	<u>9,915,639</u>	<u>9,999,731</u>
Non-Interest Income	14,386,175	13,097,563
Total Operating Expense	21,327,122	21,657,918
Non-Operating Losses	<u>(21,148)</u>	<u>(47,124)</u>
Net Income	<u>2,953,544</u>	<u>1,392,252</u>

***“We continue
to be safe
and sound.”***

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

Associate Board Members

Ramón Nieves-Lugo

Supervisory Committee Members

John Brisini – Chair
Victoria Montgomery
Ardith Rossignol
Dr. Richard Gough

Year in Review >>>

I am proud to lead a team of accomplished professionals who are on a mission to serve you. They are smart, capable, flexible, and dedicated, and they bring it every single day! I am proud to report that in addition to meeting the challenges of serving you as an essential business during the pandemic, we have worked as all-one-team to continue to grow and improve your credit union. The financial results below are for the 12 months ending April 30, 2021. The other accomplishments are since our last annual meeting:

- You honored us by directing your stimulus funds to us and our deposits swelled as a result. Our total deposits grew by over 21%.
- The surge in deposit growth increased our assets to over \$527 million. We increased deposits by over \$82 million which represented an increase of over 19%.
- Driven by a strong mortgage refinance market, we had our best ever month for loan originations in April of 2021. We also saw many members paying down consumer debt in record amounts. Smart! Our net loan growth was \$6.1 million which represented an increase of 2.6%.
- We added more than 600 net new members in spite of our COVID protocols and limits on lobby access.
- We ended April 30, 2021, with a capital ratio of 9.10% which far exceeded the regulatory standard of 7.00% to be considered “well capitalized”. We continue to earn 5-star ratings for our financial strength from independent rating firms like BankRate® and Bauer Financial.
- We entered the year with great digital banking rated at 4.8 stars. It included the features you love like log in with Face ID, an easy-to-use eDeposit service, free billpay, free FICO™ scores, a widget for credit card controls, and a customizable and intuitive experience.
- We listened to our members to hear what was important to them. We continued our efforts to improve our awesome digital banking and you responded by rating our app 4.9 stars in the Apple app store! That ranked our app best-in-state including beating out all the big banks! How did we get to 4.9 stars???
- We launched Zelle® person-to-person payments. That makes us a leader among CUs in South Carolina.
- We increased daily limits for eDeposits. If you haven't used eDeposit for a while, check out the app to see your new limit. It is a lot higher!
- We better integrated CPM credit card activity into the app.
- We added a new widget giving you control over Courtesy Pay.
- We fully integrated the billpay service into the app.
- We launched online account opening.
- Many members were able to use stimulus funds to improve their financial well-being and the result was we saw the highest ever FICO™ scores for our members. Great job!
- We launched commercial lending and are ready to make commercial loans up to \$40 million in size.
- We aligned with two more financial advisors to better serve our members who need access to investment products and financial planning. Our two new advisors are based in the Upstate and are available to meet you at your local CPM branch.
- We conducted a record number of financial wellness seminars and set records for attendance.
- We continued to give back to our communities with our time and financial support. I am honored to currently serve on the Board of Trustees of the South Carolina Governor's School of Science and Math (SCGSSM) and to serve as the President of the SCGSSM Foundation.

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, Supervisory Committee, and Advisory 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