



COMMUNITY
Credit Union **FIRST**
just be yourself

2020 Annual Report

Federally insured by **NCUA**.

P.O. Box 2600, Jacksonville, FL 32232 904.354.8537 www.CommunityFirstFL.org





Elvia Williams
Board Chair

Board Chair Report

As chair of the Community First Board of Directors, it is my honor to be part of the organization's annual reporting process and present this final 2020 report to our membership.

The Community First board of directors is responsible for ensuring our credit union is operating safely and soundly and creating a solid financial foundation for the institution. We also establish policies and procedures for the leadership to implement for improved operations and service.

While 2020 presented many challenges, it also gave us new opportunities to collaborate, help each other and connect through technology. The credit union exists to serve members, even in trying times, and Community First helped meet the challenges through a variety of innovations in how we serve you.

I'm proud of the success shown in the numbers in our annual report. The numbers tell a story about the people who make up our team and our membership. Community First surpassed the \$2 billion mark for the first time in our history and new members pushed our total membership over 150,000.

In addition to the growth, we are pleased the credit union completed and moved into our new headquarters expansion building. This strengthens our longtime presence downtown while being fiscally responsible through the strategic reuse of an existing downtown building.

Throughout 2020, our board and the entire team at the credit union worked to respond to the needs of members while planning for our shared future. Thank you for being a member of Community First.

A handwritten signature in black ink, reading "Elvia Williams". The signature is fluid and cursive.

Elvia Williams | Board Chair



John Hirabayashi
CEO and President

CEO and President Report

On behalf of the team at Community First, I'm proud to present our 2020 annual report. As we embark on our 87th annual meeting, this report serves as our reflection of the year's successes and gives us an opportunity to contemplate the lessons we've learned for how to build a strong future.

We recently launched our new tagline "Just Be Yourself".

It is much more than just a slogan – it's our promise to you and we're putting it into action. When we started this project, we studied our market and took a hard look at our internal operations and service to members and the community. We found a big gap between what you want and what you're getting, and we set out to change that. "Just Be Yourself" means we value authenticity and transparency. It means taking away all pretense from banking, meeting you where you are and helping you feel confident and supported in your financial decisions. Our brand begins with you and focuses on helping you to succeed. While our approach is new and fresh it builds on the foundation we've created over the last 85 years.

2020 was challenging for us all. We learned so much about how to be more adaptive and resilient when facing the unknown. We learned how to help one another and take comfort in knowing that we're not alone when dealing with adversity. As disruptive as this past year has been, there's a silver lining to the Covid-19 pandemic. As a credit union, we've collaborated better than ever before. We have adapted and reshaped our operations to a better way of doing business for the future. We've embraced technology more than ever and we've worked together to overcome numerous challenges. We've created the solutions you've requested to enable the credit union to grow and flourish in this new world.

I am happy to report that the credit union performed very strongly in 2020, growing at the fastest rate since 2005.

- **Total shares and deposits increased \$297.9 million, an annualized growth rate of 20.1%. This compares to 6% growth in 2019.**
- **During 2020 Community First funded \$525.3 million in loans, increasing loan balances 5.2% to \$1.40 billion.**
- **With this growth we surpassed two noteworthy milestones in 2020 by surpassing 150,000 members and exceeding \$2.0 billion in assets.**

You can find additional data about the credit union's performance in in this report.

Community First Credit Union is proud to be an important part of our members' financial lives. We look forward to a brighter future together as we emerge from a challenging year that provided opportunities for growth, innovation and collaboration. **Thank you for being the best part of Community First.**

John Hirabayashi | CEO and President



Bruce Doueck
Chairman

Audit Committee Report

The responsibility of the Audit Committee is to help assure, for the benefit of the Credit Union and its members, the safety of deposits, the soundness of management, and fairness to all members.

In connection with its responsibilities, the Audit Committee engaged CliftonLarsonAllen, LLP to perform an independent financial statement audit for the year ending December 31, 2020. Results of the audit indicate that the financial statements present fairly the results of the operations and financial position for the period, and no material weaknesses in internal control were reported.

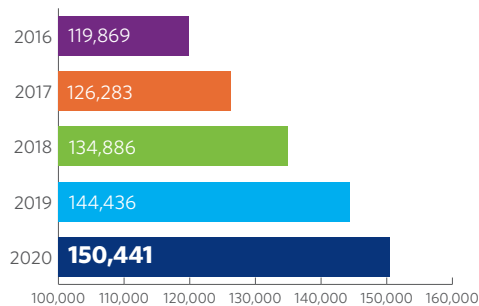
The Credit Union’s Internal Audit Department operates under the direction of the Audit Committee. The Internal Audit Department monitors credit union operations through the development of a risk-based audit plan, scheduling and conducting a continuing program of reviews of credit union processes and procedures. The Audit Plan, approved by the Audit Committee, is updated during the year as processes, controls, and events change. The Internal Audit Department works with Management in a collaborative manner on each internal audit and communicates the results of each audit to the Audit Committee on a regular basis.

Community First Credit Union of Florida is also examined on a regular basis by the State of Florida’s Office of Financial Regulation and the National Credit Union Administration (NCUA). The regulators completed their most recent examination in July 2020, noting the Credit Union is in sound financial condition and performing in a consistent manner providing for safe and sound operation.

Based on the results of the above-referenced activities and related reports, the Audit Committee believes all audits, verifications, examinations and compliance reviews present an accurate reflection of the financial results and status of the credit union as a well-managed and financially sound financial institution. On behalf of the entire Committee, we appreciate the opportunity to serve you, the members, and look forward to a secure and successful 2021.

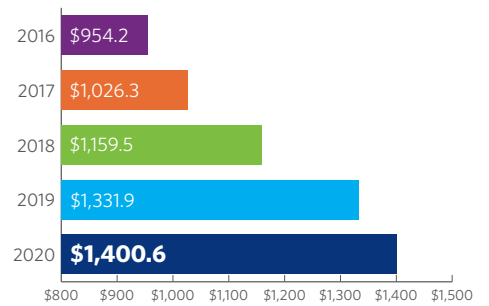
Bruce Doueck | Chairman

Total Membership



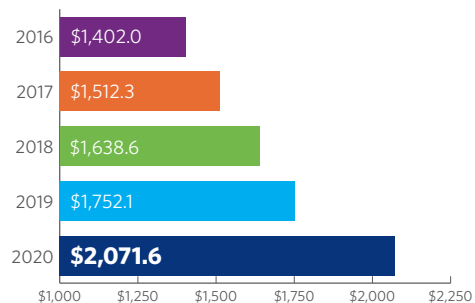
Total Loans

(Measured in Millions)



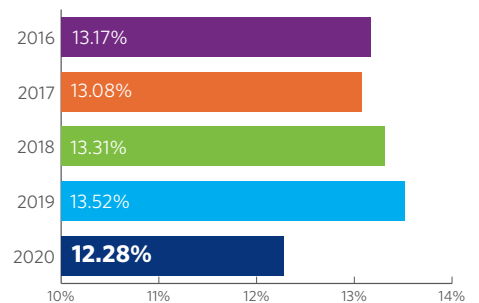
Total Assets

(Measured in Millions)



PCA Net Capital

(In Percent)



Financial Report

Assets		Dec. 2020	Dec. 2019
Loans (Gross)		\$1,390,576,593	\$1,323,560,697
Unamortized Fees/Costs		\$10,046,193	\$8,384,291
Loans Loss Reserve		(\$22,257,613)	(\$16,679,159)
Loans (Net)		\$1,378,365,173	\$1,315,265,829
Cash		\$182,154,976	\$87,176,689
Investments	U.S. Government Obligations	\$374,004,838	\$249,354,248
	Corporate Federal CU (Capital Shares)	\$750,000	\$750,000
Other Investments		\$22,532,755	\$20,092,567
Total Investments		\$397,287,593	\$270,196,815
Building, Land and Equipment		\$46,348,860	\$43,142,667
Insurance Fund Deposit		\$15,927,820	\$14,085,578
Other Assets		\$51,529,644	\$22,193,676
Total Assets		\$2,071,614,066	\$1,752,061,254

Liabilities & Retained Earnings		Dec. 2020	Dec. 2019
Other Liabilities		\$32,049,542	\$30,744,630
Member Deposits	Certificates of Deposit	\$258,206,898	\$350,761,070
	Retirement Shares	\$47,003,437	\$42,701,932
	Share and Club Accounts	\$549,918,046	\$416,944,728
	Checking Accounts	\$431,119,255	\$310,051,128
	Money Market Accounts	\$495,220,511	\$363,071,569
Total Share & Deposits		\$1,781,468,147	\$1,483,530,427
Reserves		\$12,150,092	\$9,401,670
Undivided Earnings		\$245,946,285	\$228,384,527
Reserves & Retained Earnings		\$258,096,377	\$237,786,197
Total Liabilities & Equity		\$2,071,614,066	\$1,752,061,254

Income & Expenses		Dec. 2020	Dec. 2019
Interest Income and Expenses	Interest on Loans	\$58,884,274	\$54,400,464
	Interest on Investments	\$4,854,548	\$8,551,037
Total Interest Income		\$63,738,822	\$62,951,501
	(Less) Dividends and Interest Paid to Members	\$8,623,794	\$11,893,364
	Provision for Losses	\$11,346,312	\$6,530,459
Net Interest Income	Net Interest Income after PLL	\$43,768,716	\$44,527,678
Other Income	Fee & Other Income	\$27,944,142	\$25,415,597
Operating Expenses	Compensation and Benefits	\$27,306,162	\$25,795,852
	(Less) Educational and Promotional	\$3,038,007	\$3,498,506
	Occupancy & Office Operations	\$9,126,404	\$8,478,451
	Other	\$16,580,283	\$16,173,648
Total Operating Expenses		\$56,050,856	\$53,946,457
Non-Operating (Income)/Expense	Non-Operating (Income)/Expense & Other Losses	(\$1,899,756)	(\$2,741,745)
Net Income		\$17,561,758	\$18,738,563