



# 2019 Annual Report



Building lifelong relationships  
one member at a time.

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## CHAIR'S REPORT

The significance of financial health on the physical and mental well-being of people is undeniably real and well-documented. My membership with the CDC Federal Credit Union and serving as the Chair of the Board of Directors enhance my understanding of fiscal stewardship as well as the relationship between good health and financial wellness. I believe this is the underlying philosophy that existed when the employees of CDC founded the credit union in 1949.

Today, we still stand beside the founders' intent to provide people with a safe and sound place to deposit their money, and we remain focused on the core meaning of being a financial cooperative by lending those funds to others for a fair return on savings and an affordable rate on loans. It is not always easy to maintain a cooperative philosophy in a world where profits are so often the only goal, but we do it, and we remain committed to striking that balance well into the future. It's a tradition worth preserving!

Offering membership to people outside of the CDC is a source of pride for us. We know our same core values of trust, respect for others and, above all, integrity are shared by many in our community and the health sciences profession. The associates at CDC Federal Credit Union truly embrace community service through our "Because We Care" initiatives and the credit union's mission to "Build Lifelong Relationships One Member at a Time." We all work together as we strive to go beyond excellence in the delivery of service to every member, every time. It is an honor to be of service through my position as the Chair of the Board of Directors.

Shelia Humphrey  
*Chair*



## PRESIDENT'S REPORT

Not often do you find financial institutions advertising healthy choices, but that is at the core of the services you receive from CDC Federal Credit Union. We have been serving professionals in the health sciences fields for 70 years and have discovered the true meaning of "well-being" involves more than the physical and emotional health of people.

Financial well-being is a critical component of a person's general health, and that is the principle that drives our products and service delivery to our members throughout the stages of their lifetimes. We have a genuine respect for providing financial services that help people afford life! We deliver those services in a spectrum broad enough to include face-to-face meetings, telephone interactions, worldwide ATMs and internet and mobile banking.

Originally founded by employees of the Centers for Disease Control and Prevention (CDC), our membership is now open to people from more than 100 other employers including CDC contractors, Children's Healthcare of Atlanta and the American Cancer Society.

As a not-for-profit financial cooperative, we welcome new members while maintaining a very high level of satisfaction with members who long ago made the choice to be financially fit! Members own the credit union and benefit from fair pricing on the services they use.

Moreover, all dividends are paid back to the owners. The credit union provides a safe place for savers to deposit their money and a trustworthy alliance of lending services to benefit anyone with a need to borrow. We take a great deal of pride in being honest, respectful and forthcoming in all we do!





Our mission – to **Build Lifelong Relationships One Member at a Time** – is a clear and true reflection of how we do business at CDC Federal Credit Union. Within the walls of the credit union is a culture that simply says, “We are a people credit union: we are people; we serve people; and people choose us as a trusted source for financial services.”

We believe it is an honor to serve people. We take pride in the manner by which we serve our members and in our unwavering quest to improve upon all we do. We are committed to the highest level of integrity and respect for our members and each other. We accept and own the results of our efforts and recognize our responsibilities as opportunities to excel and make a positive difference in the lives of our members. We consistently treat people the way we want to be treated, and we lead by example within our community.

Because we care, credit union associates proudly volunteer in a variety of community service projects with such organizations as Children’s Miracle Network, Habitat for Humanity, March of Dimes, the American Cancer Society and the CDC Foundation. Hours of time are volunteered and several fundraising events are held to ensure our communities know we are here and we support them!

The credit union would not exist without you, our valued members, and I extend to you many thanks for your continued support. It is an honor to be of service to you!

Elizabeth P. Mercier  
*President/CEO*

# SUPERVISORY COMMITTEE REPORT

The Supervisory Committee, which is appointed by the Board of Directors, is responsible for ensuring the financial records of CDC Federal Credit Union are correct and that safeguards are in place to protect the assets and information of the credit union and its members. The committee does this through its annual opinion audit and member account verification process conducted by Crowe LLP. The goals of this audit were to determine the reliability and integrity of the financial operating information and to determine compliance with generally accepted accounting principles.

Alison Johnson  
*Chair*

# 5 NOMINATING COMMITTEE REPORT

For the 2020 election year, the Nominating Committee reviewed the qualifications and interests of a number of qualified candidates for three positions on the Board of Directors. We are pleased to nominate the following members for the positions stated.

- Position #5** Mr. Kimbertly Jones
- Position #6** Mr. Steve Reynolds (Incumbent)
- Position #9** Ms. Shea Lockheart (Incumbent)

There were no nominations by petition. Accordingly, the committee nominates the members named above to be elected to the credit union's Board of Directors at the Annual Meeting of the membership on Thursday, April 16, 2020.

Sarah Smith  
*Chair*





## TREASURER'S REPORT

As of December 31, 2019, member deposits totaled \$282 million, representing a 1% increase over 2018. Total Assets were \$315 million, representing an increase of 2.5% over 2018.

In 2019, CDC Federal Credit Union handled more than 4,200 consumer loan applications, which resulted in more than \$24 million in automobile, personal and other loans to members. 2019 also reflected robust mortgage loan activity, with the credit union handling over \$39 million dollars worth of real estate purchases and refinances for our members.

Net Income for the year was \$3,025,566. The credit union remained well capitalized with over \$30 million in equity and served more than 19,500 members.

Dan Defnall  
*Treasurer*

# STATEMENT OF FINANCIAL CONDITION

	December 2019	December 2018	
ASSETS	Cash & Cash Equivalents	16,952,511	18,917,377
	Investments	193,829,046	184,282,913
	Consumer Loans	55,947,835	56,927,131
	Real Estate Loans	20,041,365	17,995,395
	Equity Lines of Credit	12,300,362	14,008,558
	Member Business Loans	204,312	290,267
	Mortgage Loans in Process	2,482,864	1,031,250
	<b>Total Loans</b>	<b>90,976,738</b>	<b>90,252,601</b>
	Allowance for Loan Loss	705,784	557,812
	<b>Net Loans</b>	<b>90,270,954</b>	<b>89,694,786</b>
	OREO	0	0
	Land & Buildings	3,137,730	3,240,657
	Other Fixed Assets	593,569	582,863
	NCUA Share Insurance	2,468,632	2,556,708
Other Assets	7,576,775	7,731,813	
<b>Total Assets</b>	<b>314,829,217</b>	<b>307,007,115</b>	
LIABILITIES & CAPITAL	Total Borrowing	0	0
	Accounts Payable	2,588,499	3,439,918
	Transaction Accounts	138,368,694	137,383,002
	Shares, Clubs & IRAs	129,530,135	126,664,978
	Certificates	13,935,028	14,858,786
	<b>Total Deposits</b>	<b>281,833,856</b>	<b>278,906,766</b>
	Regular Reserves	6,627,196	6,627,196
	Unrealized Gain (Loss)	(162,258)	(2,883,124)
	Other Reserves	0	0
	Undivided Earnings	20,916,359	18,419,361
	CU Income Year to Date	3,025,566	2,496,998
	<b>Total Equity</b>	<b>30,406,862</b>	<b>24,660,431</b>
	<b>Total Liabilities &amp; Equity</b>	<b>314,829,217</b>	<b>307,007,115</b>

We certify to the best of our knowledge and belief, this statement and the related statements are true and correct and present fairly the financial position and the results of operations for the period ended.



## STATEMENT OF INCOME

		December 2019	December 2018
INTEREST INCOME	Interest on Loans	4,347,506	4,220,673
	Income from Investments	4,141,922	3,571,548
	<b>Total Interest Income</b>	<b>8,489,428</b>	<b>7,792,221</b>
INTEREST EXPENSE	Dividends on Shares	57,793	47,552
	Interest on Deposits	134,977	105,131
	Interest on Borrowed Money	0	185
	<b>Total Interest Expense</b>	<b>192,770</b>	<b>152,867</b>
	Net Interest Income	8,296,658	7,639,354
	Provision for Loan Loss	480,000	440,000
	<b>Net Income after Provision</b>	<b>7,816,658</b>	<b>7,199,354</b>
NON-INTEREST INCOME	Fee Income	3,035,364	3,013,367
	Other Operating Income	247,930	258,371
	Gain (Loss) Investments	395,395	92,298
	Gain (Loss) Fixed Assets	0	0
	<b>Total Non-Interest Income</b>	<b>3,678,689</b>	<b>3,364,035</b>
NON-INTEREST EXPENSE	Compensation & Benefits	4,742,631	4,568,462
	Travel & Conference	99,495	96,329
	Office Occupancy	291,771	253,122
	Office Operations	1,540,858	1,479,072
	Marketing	320,052	310,500
	Loan Servicing	629,393	651,014
	Professional & Outside Service	631,017	505,856
	Operating Fees	82,708	80,127
	Miscellaneous Operating	131,856	121,910
	<b>Total Non-Interest Expense</b>	<b>8,469,781</b>	<b>8,066,392</b>
	<b>Total Operating Income</b>	<b>3,025,566</b>	<b>2,496,998</b>

# BRANCH HOURS & LOCATIONS

## Northlake Office Park Location

2301 Parklake Drive  
Atlanta, GA 30345

### Monday through Thursday

All Services: 8:00 a.m. – 4:00 p.m.

### Friday

8:00 a.m. – 6:00 p.m.

### Saturday

9:00 a.m. – 1:00 p.m.

## Clifton Road Location

1600 Clifton Road  
Atlanta, GA 30333

### Monday through Friday

All Services: 8:00 a.m. – 4:00 p.m.

## Chamblee Branch Location

4770 Buford Highway  
Chamblee, GA 30341

### Monday through Friday

All Services: 8:00 a.m. – 4:00 p.m.

## Contact Center

404 325 3270, option 3  
800 245 9655, option 3 (outside Atlanta)

### Monday through Friday

All Services: 8:00 a.m. – 6:00 p.m.

## Mailing Address

CDC Federal Credit Union  
P.O. Box 49169  
Atlanta, GA 30359 1169

## Personal Access Line (PAL)

Available 24 Hours

## In Atlanta

404 325 3270

## Toll Free

800-245 9655

## Website

[www.cdcfcu.com](http://www.cdcfcu.com)





## BOARD OF DIRECTORS

Shelia Humphrey	<i>Chair</i>
Sarah Smith	<i>Vice-Chair</i>
Dan Defnall	<i>Treasurer</i>
Shea Lockheart	<i>Assistant Treasurer</i>
Carlinda Nelson	<i>Secretary</i>
Alison Johnson	<i>Director</i>
Steve Reynolds	<i>Director</i>
Chare' Brown	<i>Director</i>

## EXECUTIVE MANAGEMENT

Elizabeth P. Mercier	<i>President &amp; CEO, ext. 5384</i>
Australia Hoover	<i>Executive Vice President, ext. 5355</i>
Tim Gardner	<i>Chief Financial Officer, ext. 5335</i>

## SUPERVISORY COMMITTEE

Alison Johnson	<i>Chair</i>
Kimberly Jones	<i>Member</i>
Laura Angel	<i>Member</i>
Lynn Austin	<i>Member</i>

## BRANCH MANAGEMENT

David Wofford	<i>Team Leader, Clifton Branch, ext. 5343</i>
Erica Hall	<i>Team Leader, ext. 5380</i>
Michael Hawkins	<i>Team Leader, Chamblee Branch, ext. 5463</i>
Lauren Taylor	<i>AVP, Sales &amp; Service, ext. 5321</i>



404-325-3270 (Atlanta)  
800-245-9655 (outside Atlanta)  
[www.cdccu.com](http://www.cdccu.com)