



Thank you for your membership!



P.O. Box 2600, Jacksonville, FL 32232 | 904.354.8537 | 800.342.8416 | CommunityFirstFL.org

Federally insured by **NCUA**



Annual Report 2019

Helping our

members employees community

Our History

Since 1935, the story of Community First has unfolded from our launch in a high school basement as the Duval County Teachers Credit Union, to a 19-branch, more than 144,000-member financial institution open to all residents in Baker, Brevard, Broward, Clay, Duval, Flagler, Indian River, Lake, Martin, Nassau, Orange, Palm Beach, Putnam, Seminole, St. Johns, St. Lucie, and Volusia counties.

Our Mission

To provide financial solutions for every stage of life.

Our Core Values

Collaboration | Commitment to Members | Community Focus

Continuous Improvement | Creating Trust | Creativity and Innovation

Federally insured by **NCUA**



Helping our Members



Helping our Employees



Helping our Community



Helping our  members  employees  community

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Board of Directors



The Board of Directors is responsible for ensuring your credit union is operating safely and soundly and creating a solid financial foundation for the institution. They also establish policies and procedures for the leadership to implement for improved operations and service.



SCOTT BENNETT
Vice Chair
Interim
Vice President,
Administration
& Finance, UNF

BETTIE ADAMS
Secretary
Retired,
Assistant
Professor
of Accounting
& Finance, UNF

BRUCE DOUECK
Realtor,
Keller Williams
Realty

ELVIA WILLIAMS
Chair of the Board
Communications
Specialist,
JEA

DR. BRENDA R. SIMMONS-HUTCHINS
Retired, FSCJ
Independent
Educational
Consultant

MALINDA PRUDENCIO
Vice President,
Risk Control &
Chief Risk Officer,
The Energy
Authority

ELLEN PAIGE
Treasurer
Director
of Insurance &
Risk Management,
JU

MARSHA COARSEY
Retired,
Duval County
Public Schools

WILLIAM PERMENTER
Retired,
Duval County
Public Schools

Audit Committee



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.



**BRUCE
DOUECK**
Chair
Realtor,
Keller Williams
Realty

**JOHN
JOLLY**
Retired,
Captain USNR

**CHANTELLE
SCHART**
CPA
Senior Vice President,
Controller,
Stein Mart

**ALAN
LOVETT**
CPA
Vice President,
Internal Audit Services,
Advanced Disposal

**NAOMI
PAULINO**
CPA
Accounting Manager,
MODE Transportation



Chair of the Board's Report



On behalf of the volunteer Board of Community First Credit Union, thank you for supporting locally based financial services. I am proud to help present our 2019 Annual Report which highlights the ways our financial products and services and our community commitments help people every day.

The Community First Board of Directors is responsible for ensuring your 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 our financial services are helping more people than ever before, I am also personally proud of the work we do for our employees as well as our greater community.

2019 was another great year for progress.

Community First was named a **best place to work by the Jacksonville Business Journal** and high employee engagement is reflected in the organization's ability to retain more than **86%** of employees.

JACKSONVILLE BUSINESS JOURNAL



2019 BEST PLACES TO WORK

These employees and their job satisfaction are paramount to being able to help our members. Our philanthropic commitment through the Community First Cares Foundation crossed the half-million mark in donations to our community – often helping organizations that are forgotten or overlooked by traditional funding channels.

The team at Community First also made major facilities investments that will improve the ways we support our members. These improvements include the purchase of an existing building to expand the headquarters campus at a tremendous cost savings compared to other options. We also made a major investment in Neptune Beach to provide members a new, freestanding branch location with a drive-thru and other expanded services.

As we look forward to a prosperous and successful 2020, I am excited about expanding the ways we help our members and community.

We know our members have many options for financial service partners. It is imperative that we partner in their success, and understand how our services improve lives every day. This is a unique perspective in an industry full of competition and sometimes impersonal services. I am proud of how our board, leadership and staff throughout this credit union find innovative ways to help our members. I'm looking forward to a very bright 2020. ■

Sincerely,



Elvia Williams

Chairman of the Board



“Community First Credit Union has impacted my career for many years to come because of the unmatched leadership at the top of this company that spills over to all other employees. Each executive has taught me about leadership in their unique way and my colleagues are second to none.”

Throughout my career, I have had the opportunity to work for many amazing bosses. In 2019, however, I had my first experience to work for a leader, Jimmy Lovelace, that shook the foundation of my career with his commitment to leadership. The experience of working for a leader vs. boss is incomparable and it has made a difference in the way I think, act and lead. My career became less about what I want out of a company and became more about what I can do to radiate the character of Community First Credit Union to my employees, my colleagues, the community and to our members.

Marylynn “MJ” Rood
Branch Manager - Westside



CEO and President's Report



Thank you for your interest in Community First Credit Union's 2019 annual report. We are proud to present this to our members, employees and partners who entrust us to help to improve and enhance their work and financial lives.

While our 2019 financial report shows growth and financial stability, it's the story beyond these numbers that is important to us. The story behind this growth is reflected in people - those we serve, those we help and those who make up our team. This report features our members and community partners who work closely with us to advance their financial goals and their lives.

Here are some highlights:

- Community First helped more than **1,100 people become homeowners or refinanced existing mortgages** in 2019. Our mortgage division more than doubled its original projections for mortgage loans in 2019 and we made a record number of new mortgages.
- **More than 16,000 people joined Community First.** We are helping a record number of people enjoy the value of our strong cooperative.
- **Community First generated near record net income of \$18.7 million.** This is crucial to supporting our ability to serve more members with even greater services.
- **Community First grew loans from \$1.16 to \$1.33 billion and loaned more than \$30 million to area businesses.** We are helping our members thrive.

As proud as we are about our strong growth in 2019, we are even more proud about how we are helping our employees, our members, local businesses and our community partners in areas beyond traditional banking services.

- Community First negotiated a 10-year deal to keep our popular UNF Branch on the campus to continue serving students, staff and professors with convenient financial services where they need them.
- Community First invested in a new Neptune Beach branch to better serve you.
- Community First invested in an existing downtown building to expand our headquarters operations in the most cost-effective way.
- And, the Community First CARES Foundation crossed the half-million-dollar mark for donations and support of philanthropic efforts in your community.

In 2019, Community First was named one of Jacksonville's Best Places to Work.
 This honor comes directly from employee surveys and feedback.

Making a positive impact is what we strive to do so it is only appropriate that we devote the majority of this report to our members, employees and community. Throughout this report we wanted to share real-world stories from our members, community partners and our employees about how the credit union makes a difference in their lives. By focusing on outcomes rather than products, processes and job descriptions, we hope to create the type of organization that creates a high level of engagement with all of our stakeholders. We want Community First to be all about you – a place where you feel welcome, comfortable and have the peace of mind knowing that we are committed to improving your financial well-being.

In the upcoming sections, you'll find:

- | | |
|------------------------------------|-----------------------------------|
| 2019 by the numbers Pages 10-11 | Helping our members Pages 13-26 |
| Helping our employees Pages 5, 9 | Helping our community Page 27 |

Thank you for attending our 86th Annual Meeting. **We look forward to helping you in 2020 and beyond.** ■



John Hirabayashi
 CEO and President



Audit Chair's Report



In connection with its responsibilities, the Audit Committee engaged CliftonLarsonAllen, LLP to perform an independent financial statement audit for the year ending December 31, 2019. 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 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.

Helping our Community



Testimonial

"The Florida Theatre is managed by a nonprofit corporation, and one of the reasons that is important is because our focus is on serving the community. We still have to be financially viable to stay in business, but profit is not our primary motivation. Serving the community is our primary motivation."

We do our fair share of programming to pay the bills, but the support we receive from our supporters and sponsors makes it possible for us to take a risk here and there on a program that we know will serve a segment of our community, but may or may not be financially viable yet. Our season sponsorship with Community First provides some of the security we need to keep expanding our community service.

Numa Saisselin | President
Florida Theatre Performing Arts Center, Inc.

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 2019, noting the Credit Union is in sound financial condition and performs 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 2020. ■



Bruce Doueck
Chairman | Audit Committee

Helping our Employees ■ Testimonial



"Community First cultivates a culture that mirrors our core values which in turn creates a positive work life for employees."

Being encouraged to identify areas of opportunity and challenged to think outside of the box in order to improve and move forward creates a work experience that is equally challenging and satisfying.

We are an incredibly diverse group of people and every day we work together to find improved solutions, to remove friction for our members and our staff, and to be better than we were the day before. We are passionate about serving our membership and helping them achieve their financial goals as well as being a strong community partner.

Karen Bernstein
Training & Development Supervisor
Training

Helping our Community



Testimonial

"We love working with a local community business that has the same interest as us in growing our great community. Their involvement with so many outstanding community partners from sports to arts all have a major effect on the quality of life for all of us who live on the First Coast."

When we first arrived on this amazing journey, Missy and Roger stepped up because they believed in us and our vision for the sport and our community. Their support and friendship has aided us in expanding the Icemen Experience!

Bob Ohrablo | President
Jacksonville Icemen Hockey

2019 by the Numbers | Financial Report



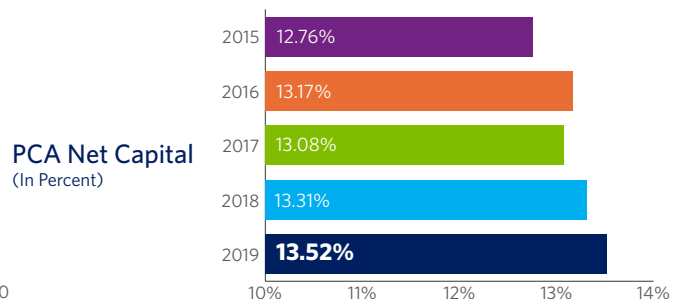
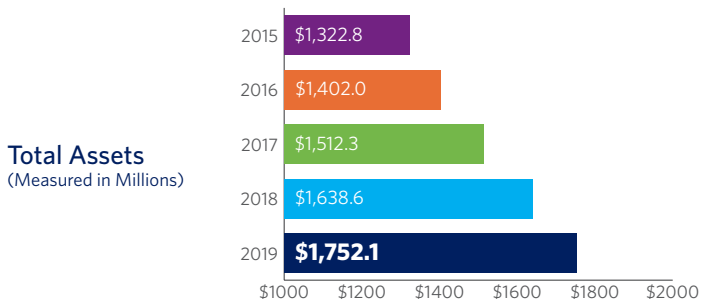
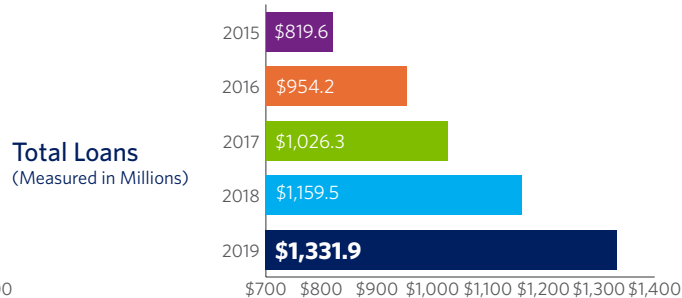
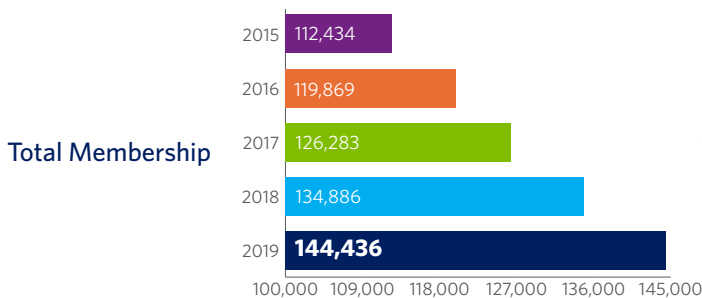
		Thousands (000's)	
Assets		Dec. 2019	Dec. 2018
Loans (Gross)		\$1,323,560,697	\$1,152,361,071
Unamortized Fees/Costs		\$8,384,291	\$7,101,349
Loans Loss Reserve		(\$16,679,159)	(\$15,112,936)
Loans (Net)		\$1,315,265,829	\$1,144,349,484
Cash		\$87,176,689	\$50,806,079
Investments	U.S. Government Obligations	\$249,354,248	\$359,410,526
	Corporate Federal CU (Capital Shares)	\$750,000	\$750,000
Other Investments		\$20,092,567	\$20,185,679
Total Investments		\$270,196,815	\$380,346,205
Building, Land and Equipment		\$43,142,667	\$38,536,975
Insurance Fund Deposit		\$14,085,578	\$13,282,649
Other Assets		\$22,193,676	\$11,244,902
Total Assets		\$1,752,061,254	\$1,638,566,294

Liabilities & Retained Earnings		Dec. 2019	Dec. 2018
Other Liabilities		\$30,744,630	\$25,023,758
Member Deposits	Certificates of Deposit	\$350,761,070	\$372,502,994
	Retirement Shares	\$42,701,932	\$45,453,547
	Share and Club Accounts	\$416,944,728	\$372,085,477
	Checking Accounts	\$310,051,128	\$280,789,854
	Money Market Accounts	\$363,071,569	\$329,352,444
Total Share & Deposits		\$1,483,530,427	\$1,400,184,316
Reserves		\$9,401,670	\$3,712,256
Undivided Earnings		\$228,384,527	\$209,645,964
Reserves & Retained Earnings		\$237,786,197	\$213,358,220
Total Liabilities & Equity		\$1,752,061,254	\$1,638,566,294

2019 by the Numbers | Financial Report



Income & Expenses		Dec. 2019	Dec. 2018
Interest Income and Expenses	Interest on Loans	\$54,400,464	\$46,548,530
	Interest on Investments	\$8,551,037	\$8,368,742
Total Interest Income		\$62,951,501	\$54,917,272
Net Interest Income	(Less) Dividends and Interest Paid to Member:	\$11,893,364	\$8,305,859
	Provision for Losses	\$6,530,459	\$4,015,658
Net Interest Income after PLL		\$44,527,678	\$42,595,755
Other Income		\$26,637,501	\$26,059,296
Operating Expenses	Compensation and Benefits	\$25,795,852	\$19,900,827
	(Less) Educational and Promotional	\$3,498,506	\$3,006,519
	Occupancy & Office Operations	\$8,478,451	\$8,152,869
	Other	\$17,395,552	\$15,663,904
Total Operating Expenses		\$55,168,361	\$46,724,119
Non-Operating (Income)/Expense & Other Losses		(\$2,741,745)	\$1,711,916
Net Income		\$18,738,563	\$20,219,016



New Neptune Beach Branch



1425 Atlantic Blvd., Neptune Beach, FL 32266



"I have been a member since I was a teenager."

Everything I know about finances is because of Community First Credit Union. I have known some of the branch staff for YEARS now! They have helped me and my family with all the questions we have ever had. I love Community First! And now, I can pass this on to my kids by setting them up with their first teen accounts. Can't ask for anything else. Thank you."

Community First Member
Daisy Green | Yulee Branch

"I've been with Community First since I was 17 years old."

I love the personal relationship I have with everyone there, heck I even went to high school with more than a few of your employees and see them every time I come to the branch. Community First has financed my home, my business, and my dreams by helping me buy my first car, keep my small business running, and start a home with my husband. The connection I have to this bank is more than financial it's personal."

Community First Member
Kortney N. Wesley | Arlington Branch

The story behind this growth is reflected in people
– those we **serve**, those we **help** and those who make up our **team**.



"I love Community First because they are a family credit union."

When my fiancé and I discovered we were pregnant with our second little girl, we knew we needed a larger car to fit both children. We couldn't get financing through any other bank, but Community First heard our story and was able to finance a new car for us. That is what you call family. We will be forever grateful. Thank you, Community First!

Community First Member
Dillon Watts | Bartram Branch

"I am a college student with little funds and a lot of responsibilities."

I love Community First because I trust that the staff have my best interests at heart, especially when I come into the branch frazzled with many things on my mind. Never once have I left Community First branch feeling like just another number. They know me by name and make efforts to ensure I am happy with my service every time. I have seen them treat each and every customer in the same family-oriented way, and that makes all the difference for me. Thanks!

Community First Member
Emmalynn Myles | UNF Branch



West Westmoreland | President with "Peanut" The Construction Dog
Westmoreland Construction, LLC

“Finally, a breath of fresh-air. When it came time to secure financing on my commercial property, I contacted Community First Credit Union.”

After years of dealing with other financial institutions, I found CFCU eager to earn my business. Allen Sage (my personal banker) and the staff made sure the process was quick and streamlined . As a contractor I highly recommend CFCU to my clients for their construction loans and financing. This has been and will continue to be a great relationship.

Community First Member
West Westmoreland | President
Westmoreland Construction, LLC



Dennis Chan | Blue Bamboo

“Community First helped us plant the seeds for our biggest growth year in 2019 by securing a land purchase and construction loan so that we can plan for our future.”

Community First has set us up this past year for decades of growth. They've put us in a position to at least triple our sales immediately in 2020 and continue to grow beyond that. A big part of our business is giving back to our community through charitable events and supporting worthwhile local causes. Community First will allow us to make an even bigger impact this year, and in years to come.

I love working with my banker, John Keeley, because he sees our needs before we need them. A few years ago, I was a part of the SBDC Scale UP program, sponsored by Community First. That's where I met John. Last year, when I started mapping out our plans for our company's growth, John reached out to me to see how Community First could be of help even before I was able to contact him. He's really someone who looks out for his clients and their upcoming business needs.

My experience is that Community First really does seek out businesses to help our community grow. In my particular case, no other financial institution would have sponsored a series of seminars for a local business like mine just to watch us grow and then to offer help along the way. Any other institution would have turned us away, and said, “Come back when you are a bigger company.”

Community First Member
Dennis Chan | Blue Bamboo



Tejal Patel | Elements Hotel | Shivam Properties

“Community First was able to deliver a very competitive construction loan for a landmark project in Jacksonville Beach. We were also able to get competitive interest rates on our checking accounts.”

We were able to break ground on a hotel project that was 13 years in the making. Community First branches are conveniently located, making it easier for our managers to do their banking.

Senior bank executives are available by phone and email. Community First presented us with solutions for our banking and lending needs. We were offered competitive loan rates, efficient loan processing and lower loan costs.

Community First Member
Tejal Patel | Elements Hotel

Shivam Properties



available
pest control
inc.

904.713.0085

Commercial + Residential Lic. + Insured

vegetation management

RAM
1500
TRUCK

Lee Mills | Owner Operator | Available Pest Control

“When we needed to secure additional space for our business, Community First Credit Union was there when we needed them.”

Thanks to Community First Credit Union, we've added long term value to our company, and we are invested to provide for future generations. Whenever we've had a business idea or need, Community First Credit Union has provided a solution.

Banking is all about relationships. Our business greatly values the relationship we have with Community First Credit Union. They are our neighbor. They know us by name. Every day, year after year, we know we can count on them.

After years of dealing with large corporate banks, we've found Community First Credit Union to be flexible, cooperative and easy to work with. Here, we feel we have a partnership; we work together, and we both benefit. We love banking at Community First Credit Union.

Community First Member
Lee Mills | Owner Operator
Available Pest Control



Megan Vidal and Spencer Hooker | The Kookaburra Coffee

“Community First helped us purchase a building for our beach location. We also use them for all of our business banking and they are amazing.”

We were able to get a great rate on our commercial mortgage. We used the savings to make some upgrades to the building, allowing for a better customer experience and higher revenues. Everyone from the tellers to the commercial mortgage team are always wonderful to work with. Everyone is helpful and nice.

Community First Member
Megan Vidal and Spencer Hooker
The Kookaburra Coffee



David Barron | BWT Property Management

“As a new member of Community First Credit Union, it has been a sincere pleasure working with the Commercial Lending Team.”

They have been diligent, insightful and responsive to my needs and delivered on everything they promised. They have streamlined the process on my construction loan and really made the project easy to get done. I work with other banks but their customer service and ability to get things done has been outstanding. I look forward to working with my Commercial Banker, Allen Sage, and the rest of the Commercial Lending Team in the future and would recommend them without reservation.

Community First Member

David Barron

BWT Property Management



Charles Laskey | Neurotech Inc.

"It has been my pleasure to have had the opportunity to deal directly with Allen Sage and Greg Bossow who are both stellar representatives of the Community First Credit Union. They both have been extremely responsive to any requests which may arise and have acted in a timely fashion on all counts. The courteous, helpful nature that the aforementioned two gentlemen exhibit appears not to be atypical for Community First organization as those souls whom I have not yet had the privilege to meet in person have also been both responsive and helpful with my various needs."

In closing, Community First truly demonstrates those traits that one would expect from a "community" based organization as they are able to focus on the healthy economic growth of the community and those businesses like ours looking to elevate the available services within those same communities.

Community First Member
Charles Laskey | Neurotech Inc.



"Everyone we work with is such a kind and dedicated individual. You can tell that CFCU is a wonderful place to work because it's reflected in their employees' attitudes and service to the Community. Community First goes above and beyond in everything they do. Anything they do for our organization is done with the intention of giving 110% to the Jacksonville Zoo and Gardens. Our partnership with Community First allows us to do more for our community, our animals and play a larger part in our conservation efforts. They understand the importance of our work and support us any way they can."

Nikki Smith | Director of Development | Jacksonville Zoo and Gardens



"With Community First's sponsorship we are able to allocate portions of our budget to help the local community through our community involvement program: "Our Fair Cares". It's because of sponsors like Community First that we're able to donate tickets to those people who may not be able to afford fair tickets, or to provide tickets to foster children, host pet adoption days, or do school supply drives for our local teachers. Thank you for helping us help the community we both serve."

Tasha Hyder | Fair General Manager | FFEA Board of Director | Clay County Fair



"The partnership with Community First is efficient because the [moveUP] program manager presents the overall design, administers the pieces, and partners along the way to make sure that we are in alignment with our goals. I appreciate the fact that there is minimal added work on our end with the way the program is designed."

Katie Sutter | Benefits and Wellness, Human Resources | Web.com



"Several Hylant clients have created a partnership with Community First to offer the moveUP financial wellness program to their employees. The short survey that is sent out to employees prior to launching the program gives the employer a picture of the financial stressors that are negatively affecting their employees and serves as a starting point to address those stressors. Financial wellness is a topic that our clients frequently talk about as a key component to their overall wellbeing strategy, and I am glad to have the Community First moveUP program as a solution."

Vicki Griffis Roy, CWWS | Senior Health Strategist, Employee Benefits | Hylant



"We love working with the moveUP team for client and community events! Kenyon and Archelle are reliable, personable, and engaging, and always bring a great energy to client events and presentations. On top of having a stellar team, the content and structure of Community First's moveUP program provides education and resources that have proven to be a great benefit to clients and their employees."

Sarah Marti, MSH, EP-C, CWWS | Wellness Coordinator | Harden

We look forward to *helping you* in 2020 and beyond.

