



Annual Report 2020

COMPASS FINANCIAL
FEDERAL CREDIT UNION

"Contemporary Products. Traditional Service."

Report From the Chairman of the Board of Directors

It is always a great pleasure for me to tell you about our credit union. Since 1936, we have provided value added financial services to our membership. Our credit union is the oldest, continuously operating credit union in South Florida, and continues to provide our members with the best in class financial products and services. We take pride in the fact that our credit union continues to serve many families that have been members of our credit union for a couple of generations.



COVID 19 has changed the landscape globally. Our safety measures and protocols changed almost immediately in an effort to keep our employees and members safe.

Our Branch was retrofitted with social distancing measures, shield guards throughout the office and hand sanitizing stations. We implemented reduced operating hours and rotating schedules for employees to work remotely to keep them safe. Our employees were tested on a regular basis to ensure safety for all concerned. We have learned and evolved from the pandemic crisis by enhancing our digital platform. We upgraded our Virtual Banking Platform to facilitate online transactions, account to account transfers (from Bank to Bank) and Bill Pay. As of September 2020, we introduced Zelle to our platform. We will continue to introduce new virtual services in the years to come.

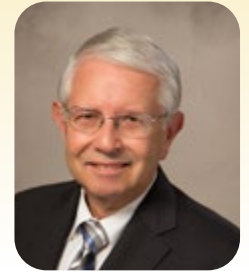
Our Board of Directors consists of volunteers who apply their business and technical experience to manage the direction of the credit union. It is a great honor for me to work side by side with these volunteers as we ensure that our credit union remains stable and financially sound for many more generations of members.

On behalf of the Board of Directors, thank you for your membership.

Raymond Jones, *Chairman, Board of Directors*

Report From the Supervisory Committee

Good evening and welcome to the 2020 Annual Meeting. The Supervisory Committee ensures that our Credit Union meets reporting requirements and safeguards members' assets. To this end, the Committee retained the services of a CPA firm to conduct an annual audit for the year 2019. The opinion audit concluded that the financial condition of the credit union met required regulatory guidelines of safety and financial security.



During 2019, the CPA firm also conducted two mandatory audits: the Bank Secrecy Act (BSA) audit and National Automated Clearing House Association (NACHA) audit. Both audits reflected satisfactory results. Our federal regulatory agency, NCUA, also conducted its yearly examination. Examiner findings have been addressed.

Based on the CPA audits and the yearly examination from NCUA, the Committee is confident that Compass operates in compliance with required regulations and Board-approved policies and procedures.

The Committee is also responsible for reviewing new nominations for the Board of Directors. The 3-year terms of Board members Fernando Garcia, Leonardo Acosta and Jim Keeley have expired. Since petitions, for advertised new nominations were not received by October 13, 2020 the incumbents retain their positions on the Board of Directors by acclamation.

Thank you for your loyal membership to Compass Financial.

Fernando A. Garcia, *Director, Chairman, Supervisory Committee*

2020 Board of Directors

Leonardo M. Acosta
Treasurer



Fernando A. Garcia
Director



William "Jim" Keeley
Vice Chairman



Soledad "Raisa" Solis
Secretary



Supervisory Committee

Alberto Nadal
Member



Julio Jimenez
Member



Report From the President/CEO

This year 2020 will long be remembered as bringing personal and business challenges to everyone. With that said, it has brought new opportunities with value-added products and services to introduce to our membership. Despite a financially challenging year, we have managed to introduce new products to our lending and business offerings.



As of September 2020, we have entered a new mortgage relationship with AmeriCU Mortgage, a subsidiary of Towne Mortgage, in Michigan. Through AmeriCU, we have the ability of originating, processing, underwriting and servicing our mortgages for our membership. To date, we have experienced over \$3,125,000.00 in mortgage loan commitments.

Our Visa product, through our agency agreement with Elan (US Bank) has outperformed our expectations, with over \$3,279,057 in outstanding balances since inception in July 2018. Our credit union has been awarded the "Elan Elite" title for top 200 performing institutions in the Elan Visa (US Bank) network.

For our business account members through the partnership with FISERV/First Data, we are able to offer a robust, cost-effective Merchant Service product with best in class pricing, customer service (including after hours) and new technology with Clover devices. We have much more to come in 2021!

We encourage all our members to follow us on Social Media, read our emails and Newsletters for our latest updates and promotions throughout the year.

My deepest thanks to our credit union management team, employees, volunteer Board of Directors and Supervisory Committee for their time and expertise.

Most importantly, thanking our members for your continued patronage referring your family, friends and co-workers to become part of our Compass Financial Federal Credit Union family.

Leonardo M. Acosta, *President/CEO*

STATEMENT OF CONDITION		
	06/30/2020	06/30/2019
ASSETS		
Total Cash and Cash Equivalents	\$4,878,477	\$2,063,187
Investments	\$900,688	\$1,799,437
Loans to members, net of allowance for loan losses	\$14,855,859	\$15,482,054
Accrued Income on loans	\$57,772	\$51,927
Accrued Income on Investments	\$5,091	\$6,952
Property and Equipment	\$123,075	\$167,482
NCUSIF Deposit	\$153,993	\$165,736
Prepays and other Assets	\$1,574,088	\$1,020,786
Total Assets	\$22,549,043	\$20,757,561
Liabilities		
Member's share and share equivalents	\$19,453,105	\$17,310,134
Accounts payable and accrued liabilities	\$37,353	\$195,637
Total Liabilities	\$19,490,458	\$17,505,771
Members Equity		
Regular Reserves	\$1,214,103	\$1,214,103
Undivided Earnings	\$1,844,481	\$2,037,687
Accumulated Other Comprehensive (Loss) Income		
Total Equity	\$3,058,585	\$3,251,790
Total Liabilities and Member's Equity	\$22,549,043	\$20,757,561
STATEMENT OF INCOME AND EXPENSES		
Interest Income		
loans	\$522,520	\$541,615
Investments	\$13,736	\$22,146
Total interest income	\$536,256	\$563,761
Interest Expense		
Members Savings Accounts	\$9,092	\$8,320
Members Certificate of Deposits	\$44,579	\$36,169
Total Dividend and Interest Expense	\$53,671	\$44,489
Net Interest income	\$482,585	\$519,272
Provision for Loan Loss	\$20,568	\$84,901
	\$462,017	\$434,371
Operating Income	\$874,785	\$976,321
Operating Expenses		
NCUA Corporate CU Stabilization Fund Assessment	\$0	\$0
Net Income	(\$89,805)	(\$97,078)



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Federally insured by NCUA