

PRESIDENT'S MESSAGE

Cornerstone Financial Credit Union is committed to being a part of the communities we serve. We embrace the importance of serving those in need and seek ways to support growth. In 2023, there were many events where our neighbors needed a helping hand due to storm damage, tornadoes, and flooding. Cornerstone was there with donations, helping hands, and special loan offers to support the recovery process. Thank you to our staff and members who generously donated to help us support those in need.

Growing and providing exceptional service and products is always a top priority. In 2023, we were pleased to introduce a new modern digital banking platform. Months of planning and educating staff and members helped make our new digital platform introduction successful. Our members did a great job migrating from Online and mobile banking to digital banking. The new program provided a responsive design so no matter what device you used to log-in, you had the same experience. New features included card controls, point redemption on credit card points, mobile deposits, the ability to order checks, external transfers to other financial institutions, and a variety of customization tools to meet individual needs.

We were able to complete branch improvements in the Hendersonville and Murfreesboro offices in 2023. Our Hendersonville office now offers more privacy for members while the Murfreesboro office now has cash recyclers that improve efficiency when serving members.

Special offers to members in 2023 focused on certificate rates. It has been a long time since members have been able to take advantage of competitive rates on deposits. Economic conditions demanded higher certificate and loan rates. We adapted to market conditions and were able to balance the needs of both savers and borrowers during a year that threatened recession.

Unfortunately, fraud is an ongoing threat that our society faces. We sent several educational emails to members advising them of new types of scams that were occurring in the market. It's critical that members protect their personal information and never give out details. No one is exempt from a potential scam.

We look forward to a new year with a continued focus on meeting the needs of our members and the communities we serve. We wish to express gratitude to all our members and look forward to helping our members build lifetime memories by serving their financial needs.



Donna Young
President



LEADERSHIP TEAM

Donna Young
President

Laura Williamson
Executive Vice President

Rob Byrd
Chief Financial Officer

William Frye
Vice President, Marketing

Kallar McCown
Vice President, Branch Operations

Matt Mielke
Vice President, Information Technology

Stacie Rawls
Vice President, Lending

BOARD OF DIRECTORS

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Director

Kimberly Silvus
Director



Building Lifelong Memories Together

2023 ANNUAL REPORT



Serving members since 1955.

I am pleased to report that 2023 was a successful year for your credit union. Although the economy continues to offer us challenges each day, you can be assured the measures taken by Cornerstone's leadership throughout the year have provided a financial haven for our members' financial lives. We are happy that over 3800 new members joined the credit union and have discovered the unique advantages of being a member for life. Many of these members joined Cornerstone based on recommendations from family and friends, a true testament to the service we strive to offer every day.

We are proud to serve our members with exceptional service in our branches and in our communities. This past year taught us that you can be a partner, but you must equally be a neighbor. The devastation our areas suffered from the tragic storms last fall, once again, offered us an opportunity to bring to life the credit union philosophy of "people helping people." Cornerstone was pleased to match donations from our members and offer our affected communities over \$14,000 to help the rebuilding process. We cannot thank you enough for your generosity.

Cornerstone continued our philanthropic vision of community by assisting two worthy causes voted on by the staff for 2023: Wags & Walks and the Ronald McDonald House in Nashville. Campaigns were held throughout the year to promote awareness and contribute much needed donations to our two legged and four legged friends. Additionally, our popular "30 Deeds in 30 Days" campaign raised awareness for many smaller organizations that do not have the resources to easily spread their message.

As volunteer representatives, the board of directors of Cornerstone is committed to embracing our fiduciary responsibility to ensure that our credit union is serving your financial needs and operating in a sound financial manner. We appreciate your loyalty and look forward to continued growth for 2024.

Sincerely,



Gary Cowan
Chairman



CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

Assets	12/31/2023	12/31/2022
Cash and cash equivalents	\$39,393,676	\$21,612,103
Investments	33,584,256	36,887,915
Loans receivable, net*	482,291,594	482,994,854
Accrued interest receivable	1,740,518	1,362,597
Premises and equipment, net	14,069,366	14,556,798
Other assets	26,882,190	26,998,110
Total Assets	\$597,961,600	\$584,412,377

Liabilities & Members' Equity

Members' shares and deposits	\$537,054,968	\$522,580,232
Borrowings	-	8,500,000
Other liabilities	10,001,088	7,537,655
Total liabilities	547,056,056	538,617,887
Members' equity	50,905,544	45,794,490
Total Liabilities & Capital	\$597,961,600	\$584,412,377

CONSOLIDATED STATEMENTS OF INCOME

Interest income	\$24,663,612	\$17,683,296
Interest expense	6,328,689	1,198,216
Net interest income	18,334,923	16,485,080
Provision for loan losses	2,085,000	385,000
Net interest income after	16,249,923	16,100,080
Non-interest income	6,722,027	6,283,923
Non-interest expense	18,688,544	16,792,151
Net Income	\$4,283,406	\$5,591,852

*Loans receivable are net of allowance for loan losses of \$3,522,694 and \$3,025,121 as of December 31, 2023 and 2022, respectively.

The enclosed Consolidated Statements of Financial Condition as of December 31, 2023 and 2022 and the Consolidated Statements of Income for the years ended December 31, 2023 and 2022 have been prepared in accordance with generally accepted accounting principles and regulations of the Tennessee Department of Financial Institutions.



Rob Byrd
Chief Financial Officer



Caring Financial Advisors Providing Exceptional Service For Life.

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