



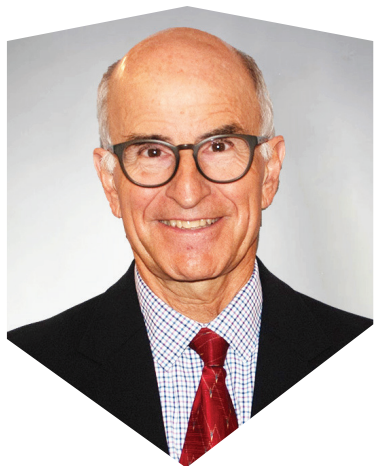
2024

Annual Report



CENTRAL ONE
FEDERAL CREDIT UNION

From the Chairman



It is with great pride that I share the continued success Central One experienced in 2024. At the heart of our mission are two key principles: delivering exceptional service to our members and maintaining strong financial performance. I'm

pleased to report that we once again exceeded expectations in both areas this past year.

Our ongoing commitment is to make every interaction with the credit union positive and effortless. Whether you visit us in person, connect with our team by phone, or use our digital services, you can count on receiving knowledgeable and compassionate support. The remarkable individuals who make up the Central One team remain dedicated to helping members at every stage of their financial journey, offering both empathy and expertise.

In an environment where the financial industry is evolving rapidly, we continue to invest in both our people and in innovative technologies. These efforts ensure we retain our reputation as one of the most resilient and well-governed credit

unions in the region. As we grow and adapt, we stay proactive in navigating regulatory changes, compliance demands, and technological advancements to deliver the best possible products and services.

I am deeply grateful to my fellow board and committee members for their partnership and leadership throughout the year. I also want to commend our dedicated staff and management team, whose tireless efforts uphold our mission each and every day. Most importantly, I thank you—our valued members—for your continued loyalty and trust. It is your belief in our institution that drives everything we do.

Warm regards,

Anthony C. Pini

Anthony C. Pini
Chairman of the Board



Big wins in 2024: Central One employees accept award for “Large Business of the Year” from Corridor 9/495 MetroWest Chamber of Commerce

From the President/CEO



In a world of constant change, some things remain steadfast—like the power of community to uplift and transform. Throughout 2024, Central One Federal Credit Union embraced this principle, cultivating financial resilience while nurturing

the communities where we live and work. Your partnership has been the cornerstone of this journey, enabling us to build more than just financial wealth, but also community strength and well-being.

The numbers tell part of our story: a remarkable \$21.7 million increase in loans, \$21.1 million growth in assets, and \$22.9 million expansion in shares. But perhaps most meaningful is the trust of 2,344 new members who chose Central One as their financial home this year. Each new relationship represents an opportunity to demonstrate our commitment to personalized service.

In addition to the success of our “wicked local banking”, our Oak Tree Insurance and Central One Retirement & Investment Center affiliates attained record growth and recognition while helping us support the financial wellness of our members. Oak Tree experienced 15.1% growth while achieving an amazing 92.4% retention rate, a strong measure of satisfaction. The Retirement & Investment Center assisted 6.2% more members in 2024, bringing assets under management to \$244.6 million. Along with the credit union, both were named among the best in their category by the Worcester Telegram & Gazette, with Oak Tree achieving “Best Insurance Agency in Central MA” for the third year in a row.

Our philanthropic endeavors reached significant milestones in 2024, highlighted by our \$50,000 donation to African Community Education (ACE). This contribution supports ACE’s crucial work

providing educational resources and opportunities to African refugee and immigrant youth in our community. By investing in education, we’re helping to build a stronger, more inclusive future for all.

Our employee volunteer initiatives flourished this year as well. Our team members enthusiastically participated in Build a Bed events, constructing beds for children who would otherwise go without this basic necessity. We also continued our partnership with Operation Playhouse, building and decorating custom playhouses for military families—a small token of appreciation for their tremendous sacrifices.

These hands-on volunteer opportunities have strengthened our team bonds while making tangible differences in people’s lives. The smiles on children’s faces when they receive their new beds or playhouses remind us that our impact extends far beyond financial services.

As a for-impact organization, we measure our success not just by financial growth but by the positive change we help create. Our commitment to you—our members—and to building stronger communities remains unwavering. With our award-winning services and dedicated team, we strive to provide the support and resources you need to achieve your financial goals while making the world a better place.

Thank you for your membership and for joining us in this journey of growth and impact. Together, we will continue to thrive and create meaningful change in the year ahead.

A stylized, handwritten signature in black ink, likely belonging to Devon Lyon.

Devon Lyon
President/CEO

2024 Community Impact

At Central One, giving back isn't just what we do—it's who we are. We are committed to making a meaningful difference in the lives of our members and communities, helping to build a brighter future for all. Through volunteerism, charitable giving, and local partnerships, we support financial literacy, essential causes, and initiatives that uplift those around us. Rooted in compassion and collaboration, our dedication to philanthropy reflects our unwavering commitment to making a lasting impact.

\$210,904

Dollars
donated

207

Organizations
supported

27

Financial Literacy
Partnerships

Growth Highlights



+14.8%

Business loans



+10.9%

Home equity loans/
lines of credit



+18.4%

Share Certificates

Zogo Financial Education

5,589

Zogo users

3,565

Hours spent learning

Savings & Spending

Top Learning Subject

Awards & Recognition

- Voted a Top Credit Union in Central Massachusetts by Worcester Telegram's "Best of Central Mass" Community Choice Awards
- Top Lender by Banker & Tradesman
- Platinum Trusted Service Award by Feefo
- Large Business of the Year by Corridor 9/495 MetroWest Chamber of Commerce
- Recognized as one of the top 10 Fastest-Growing Commercial Lenders by Boston Business Journal



Credit Union Service Organizations



- Voted #1 Insurance Agency in Worcester Telegram's "Best of Central Mass" Community Choice Awards for the third consecutive year
- 92.4% policy retention rate (compared to industry average of 85%)
- 15% increase in Total Premiums managed
- 123 existing policies remarketed, saving members over \$22K in premiums



- Named among the top Financial Planning firms in Worcester Telegram's "Best of Central Mass" Community Choice Awards
- Assets Under Management: \$244.6 Million
- Assisted 6.2% more Central One members
- New deposits invested on behalf of members: \$16.8 Million

CONSOLIDATED BALANCE SHEETS

Years ended December 31, 2024 and 2023 (In Thousands)

	2024	2023
Assets		
Cash and cash equivalents	\$ 48,173	\$ 18,484
Investment securities, held to maturity, at cost	57,698	82,162
Investment securities, available for sale	4,375	5,527
Other investments, at cost	17,318	24,264
Deferred compensation plan assets	5,763	5,350
Loans to members, net of allowance for credit losses of \$3,064 and \$2,862 in 2024 and 2023, respectively	636,577	615,043
Premises and equipment, net	23,097	22,969
Accrued interest receivable	3,065	2,819
Prepaid expenses and other assets	15,401	13,959
Stock of the Central Liquidity Facility	1,958	1,875
National Credit Union Share Insurance Fund deposit	6,304	6,172
	<u>\$ 819,729</u>	<u>\$ 798,624</u>
Liabilities and Members' Equity		
Members' share accounts	\$ 677,591	\$ 654,738
Non-member deposits	4,216	7,695
Short-term borrowings	22,211	13,035
Accrued and other liabilities	2,796	2,380
Long-term borrowings	36,791	52,000
	<u>743,605</u>	<u>729,848</u>
Total liabilities		
Members' equity		
Undivided earnings	76,953	72,011
Accumulated other comprehensive loss	(829)	(3,235)
	<u>76,124</u>	<u>68,776</u>
Total members' equity		
	<u>\$ 819,729</u>	<u>\$ 798,624</u>

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY

Years ended December 31, 2024 and 2023 (In Thousands)

	Other Reserves	Undivided Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2022	\$ 4,982	\$ 62,768	\$ (4,364)	\$ 63,386
Cumulative effect accounting adjustment for adoption of ASU 2016-13	-	(970)	-	(970)
Comprehensive income	-	5,231	1,129	6,360
Reserve transfer	(4,982)	4,982	-	-
Balance, December 31, 2023	-	72,011	(3,235)	68,776
Comprehensive income	-	4,942	2,406	7,348
Balance, December 31, 2024	<u>\$ -</u>	<u>\$ 76,953</u>	<u>\$ (829)</u>	<u>\$ 76,124</u>

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

Years ended December 31, 2024 and 2023 (In Thousands)

	2024	2023
Interest income		
Loans	\$ 34,194	\$ 27,475
Investment securities	2,073	2,345
Interest-bearing deposits	1,537	1,047
Total interest income	37,804	30,867
Dividend and interest expense		
Members' share accounts	12,605	7,941
Borrowings	2,417	2,238
Total dividend and interest expense	15,022	10,179
Net interest income	22,782	20,688
Provision for credit losses	967	677
Net interest income after provision for credit losses	21,815	20,011
Non-interest income		
Customer service fees and commissions	2,946	2,486
Credit and debit card income	2,427	2,420
Loan and servicing fees	568	613
Unrealized gain on deferred compensation plan assets	412	466
Other income	270	229
Total non-interest income	6,623	6,214
Non-interest expenses		
Compensation and employee benefits	14,669	12,552
Occupancy costs	1,612	1,544
Operating expenses	7,215	6,898
Total non-interest expenses	23,496	20,994
Net income	4,942	5,231
Other comprehensive income		
Net adjustments pertaining to defined benefit and other post employment benefit plans	2,359	1,101
Net unrealized gains on investment securities, available for sale	47	28
Comprehensive income	\$ 7,348	\$ 6,360

Notes to Consolidated Financial Statements: (as of December 31, 2024 and December 31, 2023)
The accounting firm Bollus Lynch LLP conducted the audit of our consolidated financial statements.
The complete disclosure and footnotes are available at the Credit Union upon request.



CENTRAL ONE
FEDERAL CREDIT UNION

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