Maintaining MOMENTUM



For Another SUCCESSFUL YEAR

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REPORT TO OUR MEMBERSHIP

In 2021, our membership experienced the prolonged effects of the pandemic and all that it entailed. Simply stated, last year continued to challenge our members and our employees, their families, and the community at large. COVID has imposed a significant degree of change on all of us and requires deep levels of engagement, adaptability, and resilience to ensure success. Despite the headwinds in the environment, we have had significant momentum in our business as evidenced by strong financial, operational, and strategic outcomes. Most importantly, we are delivering on our mission at a time of great need for our membership. As we look at last year in the rearview mirror, there are many successes to highlight and celebrate at American Eagle.

The most fundamental and obvious success from last year was keeping Last year the Credit Union also participated in the second round of our members and employees safe during the most recent chapter of funding for the Small Business Administration's Paycheck Protection the pandemic. A significant portion of our staff worked from home to Program to help small business owners navigate the pandemic and provide support and service to front-line employees and members. corresponding effects on their companies. Similarly, we provided We remained flexible in our thinking and agile in action with necessary loan forbearance and extension options to members that experienced staff shifts within the branch network. In some cases, protecting financial hardship. In the spirit of giving, American Eagle, our the health of members and employees required minimizing lobby employees, and our members donated more than \$250,000 to traffic, relying on the drive-thru to conduct business, and scheduling nonprofit organizations within our field of membership. In addition, appointments to meet with our team. our employees' passion for volunteerism was evident with more than 260 hours of service delivered to our local community. The examples On the digital front, we made investments in recent years toward mentioned above are excellent illustrations of making an impact online and mobile banking solutions that are effectively meeting and bringing our mission to life by creating financial freedom for the member and market needs. During COVID, consumers emphasized communities we serve.

the importance of seamless and secure virtual banking solutions to complement our brick-and-mortar options. Consequently, we have seen an increase in transaction activity across our suite of solutions that provides access and value as members open deposit accounts, check balances, move money, and apply for loans-all in a virtual and secure manner. Moreover, our call center reports similar increases in volume and ability to support our membership in a virtual environment

"Enriching the lives of our members and communities to create a world where financial freedom is a reality"

Another key priority for our team at American Eagle last year was finalizing the conversion of our core processing system. Of course, trading out such a critical and strategic information technology platform is never easy. Completion of this two-year project provides increased efficiencies across the enterprise and enhanced member experience as well as a flexible and scalable system designed to deliver increasing value for stakeholders. This best-in-class solution sets the table for the Credit Union to enter the business banking and mortgage servicing markets in the future.

From a lending perspective, we had another strong year driven by that we are working hard to identify new ways of engaging with you, record loan production of \$645 million-the best year in our history! anticipating your financial needs, and deepening our relationship. Specifically, we helped members take advantage of low-interest rates in refinancing their cars and homes. Consumers' refinance activity Thank you all for your engagement in our financial cooperative at the was a meaningful way to help increase household cash flows as prices Credit Union. We look forward to the balance of 2022 and hope to see rose for goods and services due to supply chain issues. Moreover, you soon in our community! the reduction in members' loan rates also decreased the amount of interest paid over the remaining term of their loans. In addition, our Respectfully submitted, team piloted a new program called the Credit-Builder, intended to help consumers build a relationship with American Eagle as well as Michael P. DePasquale Howard Brac (re)establish credit, understand fundamental financial principles, and save for a rainy day or future purchase. We expect to officially launch this exciting new product early in 2022.

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It is easy to see that American Eagle takes great pride in the way that we provide service and solutions to our market. Member experience scores, generated through transactional surveys for loan and deposit-related activities, make clear that we are effectively meeting the financial needs of our membership. The corresponding

financial results from last year highlight the same with impressive growth in total assets and total loans-\$170 million and \$59 million, respectively. Equally important, asset quality continues to be a strength for the institution. The Credit Union closed out 2021 with total assets of \$2.355 billion, total loans of \$1.678 billion, and total reserves of \$199 million. We continue to work within our strategic plan to deliver increasing value for our members. Moreover, we are well-positioned to make additional investments in people, processes, and technology to ensure that the Credit Union is relevant in the financial lives of the community.

Despite the challenging and unparalleled conditions presented by the pandemic, we have considerable momentum as we move further into 2022. We are very proud to be recognized in a variety of ways for the work of our team last year. Notably, the Credit Union was highlighted by Forbes and named to the 2021 "Best Credit Unions in Connecticut" list. Know that our talented team at American Eagle stands ready to serve our membership and meet your financial needs during these difficult times. Our employees and volunteer Board of Directors are laser-focused on the future and committed to delivering on our values of caring, trust, and dependability. It is also essential to understand

Chairman, Board of Directors



COMMUNITY OUTREACH

The mission of American Eagle Financial Credit Union is to "enrich the lives of our members and communities to create a world where financial freedom is a reality." That mission extends beyond our branch network and financial services to include dedicating financial, in-kind, and volunteer resources to help our neighbors in need. In 2021, the Credit Union, our employees, and our members generously contributed over \$250,000 to 120 nonprofit organizations throughout Hartford, Middlesex, New Haven, and Tolland counties in Connecticut and Hampden County in Massachusetts. The following display of community engagement exemplifies our values of caring, trust, and dependability.

Cash Back to the Community

The Cash Back to the Community program began in 2020 and continues to gain in popularity. The Credit Union sets aside one percent of its Visa interchange transaction fee each time a member uses their AEFCU Debit or Credit Card. Once each quarter, members and the public nominate their favorite nonprofit organization. After a voting period for the nominees, the top three vote-earners every guarter each receive one-third of the accumulated fees. The more our members use their cards, the more we donate back to the community. AEFCU has distributed \$191,789 in just two years. In 2021, the program awarded \$105,364 among 12 organizations, ranging from \$7,722 to \$9,598. Recipients included Connecticut Gold Star Families Memorial, Silk City Chorus, Hartford Police Athletic League, Around the Worlds, That Newfoundland Place, Creative Living Community of Connecticut, Asnuntuck Community College Food Pantry, Our Piece of the Pie, Southington Girls Softball League, Angel of Edgewood, Cans-4-A-Cause, and Connecticut Cat Connection.

Cash Back with **IMPACT**

Grants

The Credit Union maintains a Donor-Advised Fund at the Hartford Foundation for Public Giving (HFPG). HFPG manages, administers, and distributes monies in the Fund to nonprofits as directed by the Credit Union. Five separate grants totaling \$20,000 were awarded in 2021 to Boys & Girls Clubs of Hartford, Easterseals Veterans Rally Point, Ronald McDonald House of Springfield, Springfield Partners for Community Action, and Yale Peabody Museum of Natural History. The Credit Union has awarded over \$300,000 in grants across its five-county service area since the Fund's inception in 2010.

Corporate Donations

In 2021, 16 organizations received approximately \$15,000 in direct monetary donations to fund scholarships, new technology, youth programs, community-theater, school supplies, and more. Recipients included Anna Norris Elementary School, Connecticut Foodshare, East Hartford High School Academy of Finance, Goodwill of Southern New England, Goodwin University Foundation, Newington Social Services, Opera House Players, Project Graduation (Bristol, West Hartford, Cromwell, Farmington, and Manchester), South Windsor Chamber of Commerce, United Way of Central and Northeastern Connecticut, Waterbury Police Athletic League, and West Hartford Community Interactive.

Corporate Sponsorships

The Credit Union provided event sponsorships totaling nearly \$60,000 to 71 organizations in 2021. Among the causes supported were animal welfare, arts and entertainment, children and youth, diversity and inclusion, education, environmental, family services, food insecurity, health, housing, sports, and veteran services. A sampling of the specific groups supported includes Adelbrook, American Foundation for Suicide Prevention of CT, Asnuntuck Community College, Autism Families CONNECTicut, Bloomfield Leisure Services, Capital Community College Foundation, Celebrate West Hartford, Channel 3 Kids Camp, Community Renewal Team, Connecticut Food Bank, Credit Unions Building Financial Independence Foundation, CRIS Radio, Cruzin' on Main, Dog Star Rescue, East Hartford High School, East Hartford Little League, Farmington Little League, Food Bank of Western Massachusetts, Gifts of Love, Girls Inc. of the Valley, Goodwill of Southern New England, Hartford Gay and Lesbian Health Collaborative, Highland Park Families Foundation, Klingberg Family Centers, Lucy Robbins Welles Library, MARC of Manchester, Mayors' Program for Manchester Children, New Britain Little League, Newington Veteran Firefighters' Association, North Haven Schools PTA, Riverfront Recapture, Rotary Clubs (Avon-Canton, East Hartford, and Manchester), Salvation Army, South Windsor Patriotic Commission, Spirit of Springfield, Ulbrich Boys & Girls Club, UNICO, and Wintonbury Land Trust. Additionally, AEFCU maintained business memberships and sponsored events with 15 Chambers of Commerce, including: Bloomfield, Central Connecticut, Connecticut River Valley, Greater Manchester, Middlesex County, Midstate, Newington, North Central Connecticut, Plainville, Quinnipiac, Southington, South Windsor, Springfield Regional, Tolland County, and West Hartford.

Employee Donations

AEFCU employees demonstrated one of our corporate values of "Caring" by donating nearly \$50,000 to six community organizations. Their generosity included contributions to American Eagle Fund at the Hartford Foundation for Public Giving, Credit Union Legislative Action Committee (CULAC), Credit Unions Building Financial Independence Foundation (CUBFI), Mary's Place, New Haven Pride Center, and United Way of Central & Northeastern Connecticut.

Employee Volunteerism

The emergence of new COVID variants resulted in limited community events in 2021. However, that did not deter the spirit of 52 AEFCU employees who volunteered over 260 hours at 20 organizations. These employees performed numerous acts of kindness (virtually and in-person), including reading to children and visually impaired, selling tickets and pies, distributing food and Halloween candy, registering runners and walkers, directing traffic, sorting toys, and teaching financial education. Among the groups benefiting from these efforts were American Foundation for Suicide Prevention, Channel 3 Kids Camp, Community Renewal Team, Connecticut River Valley Chamber of Commerce, CRIS Radio, East Hartford CONNects, East Hartford Hunger Action Team, Greater New Haven NAACP, Klingberg Family Centers, Marine Corps League, Middlesex County Chamber of Commerce, Peter Monaco Detachment, National Coalition of 100 Black Women - New Haven Chapter, Pathways Academy of Technology & Design, Salvation Army, Synergy High School, Town of Manchester, United Way of Central & Northeastern Connecticut, and Wesleyan University.

In-kind Donations

Complementing its charitable giving and volunteerism, AEFCU donated goods and services such as computer equipment, furniture, school and office supplies, holiday decorations, tickets, and gift cards to 15 organizations. Recipients included Baystate Children's Hospital, Boys & Girls Clubs of Hartford, Boys & Girls Clubs of Springfield, CRIS Radio, East Hartford CONNects, East Hartford High School, Hartford Area Habitat for Humanity (Restore), Journey Home, Jumoke Academy Elementary School, Klingberg Family Centers, Ronald McDonald House of Springfield, Rotary Club of Avon-Canton, Shriners Children's (Springfield), United Way, Veterans Inc., Wesleyan University, and West Springfield High School.

Member Donations

American Eagle members purchased over \$5,000 in raffle tickets at branches to benefit the Credit Unions Building Financial Independence Foundation. The funds are used to support financial literacy programs for students in Connecticut.



Awards and Recognition

American Eagle was honored to receive eight awards during 2021 that recognized the Credit Union's commitment to its members, employees, and community. We were grateful as "one team" to receive: Outstanding Credit Union Executive Award, Outstanding Credit Union Advocate Award, Desjardins Financial Education Award, Dora Maxwell Social Responsibility Community Service Award, Marketing Excellence Public Relations Award (Credit Union League of CT), Knight of the Blind Humanitarian Award (Lions Club of East Hartford), Shining Star Award/ North Haven branch (Quinnipiac Chamber of Commerce), and Best of Hartford Credit Unions (Hartford Courant).

Looking ahead, you can count on American Eagle to continue its philanthropy with passion and conviction to improve the lives of individuals in the communities we serve.



REPORT OF THE SUPERVISORY COMMITTEE

During the year, the Supervisory Committee, appointed by the Board of Directors, provides membership with an independent appraisal of the safety and soundness of the Credit Union's operations and activities in compliance with federal and state laws as well as the American Eagle Financial Credit Union bylaws.

The Committee, together with the Credit Union's internal audit staff and external auditors, perform a variety of audits to ensure that effective controls are in place to protect your assets. The State of Connecticut Department of Banking Commission and the National Credit Union Administration (NCUA) also perform periodic examinations. The Committee reviews all audit reports and meets monthly to discuss audit results, audit recommendations for strengthening internal controls, and the status of management's action on all prior audit recommendations. We are pleased to report that the business affairs of your Credit Union are handled accurately and in compliance with state and federal regulations.

The Supervisory Committee is also available to assist individual members in resolving any questions or problems they may have regarding their accounts or transaction activity. Please mail questions or concerns directly to the Supervisory Committee, P.O. Box 280128, East Hartford, CT 06128-0128. Upon receipt of a member's written request, the Committee will investigate and work with management to resolve issues of concern as fairly and expeditiously as possible. Your comments help ensure that the American Eagle Financial Credit Union maintains the highest levels of service to its members.

For the fiscal year ended December 31, 2021, we hired Doeren Mayhew CPAs and Advisors to conduct an independent comprehensive annual audit. This year, as in the past, an unqualified opinion was issued on the financial statements of the Credit Union. This means that the financial statements fairly represent the financial results achieved during 2021 and that the practices and procedures followed are in accordance with generally accepted accounting principles in the United States of America.

Respectfully submitted,

Michael Rogers Chairman, Supervisory Committee









Board Officers



Michael P. DePasquale Chairman of the Board Volunteer since 2002

Raymond C. Gandy III

First Vice Chairman

Volunteer since 1997

Michael W. Hawman

Second Vice Chairman

Volunteer since 1998

Allison W. Burch

Volunteer since 2009

Secretary



Directors

Volunteer since 1998

Gerald Benedetto

Volunteer since 1981

Volunteer since 1998

A. Lisa Burgarella

Volunteer since 1992

Angela F. Bull

Director

Director

Director



Director Volunteer since 1977

Joseph R. Camposeo

Kenneth D. Stevenson, Jr. Director Volunteer since 1992



Joseph Ploszay Director Volunteer since 2010

Catherine Banbury Senior Associate Director Volunteer since 1983



Michael Rogers Associate Director Volunteer since 2010

Officers



Howard Brady President & Chief Executive Officer



Brian A. Kennedy Executive Vice President, Chief Strategy & Revenue Officer





Teresa E. Knox Executive Vice President, Chief Operations & Experience Officer



Jim Evans

Senior Vice President, Chief Information Officer



Ryan McEleney

Dean Marchessault

Chief Executive Officer

President &

2000-2021



Senior Vice President, Chief People Officer



Channasandra Nagaraj Supervisory & Cybersecurity Committees Volunteer since 2010

Mohammed Islam Supervisory Committee Volunteer since 2016



Ann-Marie Katzer Senior Vice President, Retail Delivery

Dara Macchi Senior Vice President, Marketing & Data Analytics

Larry W. Michaud, Jr. Senior Vice President, Finance & Accounting

Pamela R. Villanova Senior Vice President, Digital Solutions



Khaled Ahmed Vice President. Information Technology



Patty Mason Vice President, Real Estate Lending



Katherine Meyer Vice President. Human Resources





Ann G. Riley Vice President, Member Experience & Innovation



The above titles are effective January 1, 2022.

Dedication & Leadership - Honoring American Eagle Financial Credit Union Retirees in 2021

John C. Conant Executive Vice President, Chief Finance & Risk Officer 1987-2021



Susan M. Bushnik Senior Vice President, Chief Talent Officer 1998-2021



Consolidated Statement of Financial Condition

(In thousands)	2021	2020
Assets		
Cash and Cash Equivalents	\$278,721	\$361,027
Loans to Members	1,669,010	1,609,063
Investment Securities	322,719	132,741
Other Assets	33,785	31,173
Premises and Equipment	27,080	28,840
National Credit Union Share Insurance Fund	20,171	18,346
Accrued Interest Receivable	3,912	4,214
Total Assets	\$2,355,398	\$2,185,404
Liabilities and Members' Equity		
Members' Shares	\$2,141,254	\$1,988,069
Notes Payable	-	-
Accrued Expenses and Other Liabilities	15,310	7,521
Dividends Payable	113	291
Members' Retained Earnings	198,721	189,523
Total Liabilities and Members' Equity	\$2,355,398	\$2,185,404

Consolidated Statement of Income

(In thousands) Interest Income	2021
Interest on Loans	\$58,032
Income from Investments	2,001
Total Interest Income	60,033
Interest Expense	
Dividends on Shares	5,244
Interest on Borrowed Money	13
Total Interest Expense	5,257
Net Interest Income	54,776
Provision for Loan Loss	1,350
Net Income after Provision	53,426
Non-interest Income	
Visa® Operating Income	3,665
Other	16,883
Total Non-interest Income	20,548
Non-interest Expense	
Compensation and Benefits	34,722
Office Operations	17,870
Office Occupancy	4,796
Loan Servicing	4,057
Other	3,341
Total Non-interest Expense	64,786
Net Income	\$9,188

2020
\$61,790
2,077
63,867
12.386
37
12,423
51,444
8,037
43,407
3,269 15,974
19,243
34,327
15,166
4,603
3,087
3,332
60,515

\$2,135

Avon 427 West Avon Road Avon, CT 06001

Bloomfield 699 Cottage Grove Road Bloomfield, CT 06002

Cromwell 4 Hammerhead Place (Rt. 372) Cromwell, CT 06416

East Hartford 361 Main Street East Hartford, CT 06118

Enfield 201 Elm Street Enfield, CT 06082

Glastonbury 109 Sycamore Street Glastonbury, CT 06033

Manchester 304 Broad Street Manchester, CT 06040

Newington 3579A Berlin Turnpike Newington, CT 06111

North Haven 84 Washington Avenue North Haven, CT 06473 **Plainville** 378 New Britain Avenue Plainville, CT 06062

Southington 888 Queen Street Southington, CT 06489

South Windsor 530 Buckland Road South Windsor, CT 06074

Vernon 455 Hartford Turnpike (Rt. 30) Vernon, CT 06066

West Hartford 1245 New Britain Avenue West Hartford, CT 06110

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americaneagle.org

