

# THE NELSON FAMILY IS BUILDING & WE ARE THERE

Since becoming a member of Community First at age 18, David Nelson has been building toward his future, which now includes his wife Barb and adopted twins Olivia and Hunter. "Community First worked with us to get the money to finalize the adoption. They came through and made our dreams come true."

Like the Nelson's, you are building your future every day – toward what tomorrow will look like for you and your family, where you'd like to be in retirement and how you will make a lasting impact in your world and the world of the people around you. And, we are there.



David, Barb, Olivia & Hunter Nelson  
Member-Owners

# MENASHA'S FUTURE IS BUILDING & WE ARE THERE



*"It makes us proud to see Community First involved in our community and so many others."*  
Member-Owners Gary and Sue Wisneski, who have spent their careers living and working in Menasha.

There is a movement underfoot. A movement that is breathing fresh life and pride into the Menasha community and we are there. In physical ways, like the 2016 opening of our downtown Menasha branch and community space. And in ways that are more behind the scenes, like sponsorship of the Boys & Girls Club, renovations to Calder Stadium and more.

Like Menasha, each of our 24 locations become part of the community fabric – from the relationships that are built inside to the ways that we get involved in community endeavors and organizations that strive to build brighter futures for the people they serve.



**Appleton**  
2626 S. Oneida St.  
509 N. Richmond St.  
2701 N. Ballard Rd.  
455 S. Nicolet Rd.  
1235 W. Spencer St.

**Greenville**  
N1230 Cty. Rd. CB

**Neeah**  
125 E. Forest Ave.  
2300 Industrial Dr.  
1193 W. Winneconne Ave.

**Menasha**  
201 Main St.

**Darboy**  
W6089 Cty. Rd. KK

**Bellevue**  
3282 Eaton Rd.

**De Pere**  
1700 Lawrence Dr.

**Howard**  
2949 Riverview Dr.

**Kimberly**  
600 W. Kimberly Ave.

**Oshkosh**  
2424 Westowne Ave.  
1492 W. South Park Ave.

**Fox Valley Technical College**  
Appleton Campus, Entrance 10

**Manitowoc**  
1100 S. 30th St.

**Two Rivers**  
1819 Washington St.

**Waupaca**  
1006 Royalton St.

**New London**  
603 W. Wolf River Ave.

**Nichols**  
W5644 Cty. Rd. F

**Non-Traditional Branches**

- Appleton West High School
- Appleton North High School
- Appleton East High School
- Kaleidoscope Academy
- Badger Elementary School
- Appleton Retirement Community
- Heritage/Peabody Manor
- Touchmark Retirement Community
- Wisconsin Veterans Home at King

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\*Non-deposit investment products and services are offered through CUSO Financial Services, LP ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: are not NCUA/NCUSIF or otherwise federally insured, are not a deposit or guarantee of the credit union, and may involve investment risk including possible loss of principal. Investment Representatives are registered through CFS. Community First Credit Union has contracted with CFS to make non-deposit investment products and services available to credit union members.

[communityfirstcu.com](http://communityfirstcu.com)



# BUILDING A FUTURE

**TOGETHER**

**2016 OWNERS REPORT**



Jerry & Selene Finch  
Member-Owners

Betsy Hemminghaus  
Member-Owner

Graham & Brittany Stewart  
Member-Owners

# EVERY DAY IN EVERY WAY YOUR LIFE IS BUILDING & WE ARE THERE



*"It makes me feel really good to know I am part of something that helps me and other people at the same time. That means a lot to me."*  
Dave Tesch, Member-Owner

Today a member made a deposit into a savings account for their child's education. Tomorrow a couple is meeting with one of our financial advisors to plan for their retirement. Next week a family will close on the mortgage for their first home. Right now – every member's deposits and every member's loans are working together, to create the future they've been dreaming of.

**We are all building a future together.**

## A letter from the PRESIDENT & CHAIRMAN

Every member-owner of Community First plays a key role in the success and growth of our credit union. Together, we're building an organization that is making a significant difference for each other, our communities and our world.

2016 was an extraordinary year. A year of peak performance, transformation, and innovation – all building for the future.

### Performing

Assets grew by \$270 million (11.7%) to over \$2.619 billion. Member deposits increased \$202 million (11.5%) and loans outstanding grew \$204 million (10.5%).

More than 95% of member deposits are being used to make loans, which in turn increases our earnings and allows us to pay higher dividends on deposit accounts. Members earned more than \$14.8 million in dividends in 2016, and we achieved record earnings resulting in an ROA of 1.55%. Our growth is balanced with safety and soundness. Delinquency (.30%) and charge-offs (.08%) remained far below State and National averages, while net worth climbed to 12.59%, increasing more than 13%.

Community First was recognized for the 8th consecutive year in the top 10 credit unions nationally for financial performance. This rating is published by Raddon, an independent National research and data analytics company. They also provide a **Membership Value Score**, which measures our capacity to provide tangible financial benefits to our members. The score has three components: Financial stability (Reserves, ROA and Efficiency), Member Giveback (interest rates & fees compared to national averages) and Depth of Relationship (based on members use of checking, loan and deposit services.) We scored in the 100th percentile of all credit unions in the country. This quantifies the benefit of being a member-owner of a financial cooperative: the more you do business with us, the more everyone wins, the more value we build – together.

### Transforming

Part of making an impact for our members and the community is maintaining a strong and active footprint in our markets. We were thrilled to be a part of the revitalization of downtown Menasha with the opening of our One Menasha Branch and Community Center in May of 2016. It has quickly become a valued resource for our members and the community.

Work continues on the new Home Office, with move in scheduled for Labor day weekend of 2017. Our Oneida Street office opened Labor Day weekend of 1995, and is home to our

busiest branch. The branch will remain at Oneida Street and the building will house the Community First Insurance Center, Community First Financial Advisors as well as a training and community center. Plans are also underway to construct a new branch at the corner of Hwy 114 & Lake Park Road in Menasha. We are helping to build economic vitality in a very tangible way. We're creating jobs, and also providing work for local and regional businesses contractors and suppliers.

Your credit union adopted EMV Chip technology in 2016, replacing more than 117,000 debit cards. Financial institutions in the U.S. are making chip cards available to consumers because of the extra layer of protection the technology provides. This transformation for both debit and credit cards has already saved thousands of dollars in fraud costs. Samsung Pay was added to our mobile banking suite, and now with Apple Pay, Touch ID and mobile alerts, members have the power to safely choose how, when and where they want to access their information and money.

Providing financial and volunteer support in our communities is another way we leverage the power of our financial cooperative on behalf of our member-owners. In 2016, Community First team members donated 17,990 volunteer hours, and we partnered with members to contribute almost \$1 million in financial support to over 473 organizations. That's building strong communities!

### Innovating

In 2016, we began a process to replace all of our legacy technology systems. Over the next three years we will install new financial, lending, online banking/mobile and core systems. This is an enormous undertaking with significant member impact, but is crucial to operating efficiently, and more importantly, to bring additional convenience to all of our members in our branches, in their homes and on their mobile devices.

### Building A Future Together

Community First is not just a financial institution, and you're not just someone who banks here. As a member-owner you can be proud of what you are building for yourself, your fellow members and your community. On behalf of the Board of Directors and our entire team, thank you! We are grateful for the opportunity to serve you and are excited about the future we're building together!

*Catherine J. Tierney*  
Catherine J. Tierney  
President/CEO

*Terri Towle*  
Terri Towle  
Board Chairman

## STATEMENT OF CONDITION

ASSETS	2016	2015
Cash	\$ 34,601,396	22,616,773
Personal Loans	318,506,552	281,976,745
Real Estate Loans	1,316,360,025	1,210,625,688
Commercial Loans	403,552,675	347,459,612
Student Loans	36,615,672	38,964,124
Credit Card Loans	75,372,171	67,432,814
Allowance for Loan Losses	(4,242,964)	(4,124,764)
Investments	369,596,611	329,808,998
Building/Land/Autos	49,066,579	30,408,886
Furniture and Other Equipment	3,694,062	3,193,163
Other Assets	15,980,867	16,546,146

**TOTAL ASSETS \$2,619,103,646 2,344,908,185**

### LIABILITIES/RESERVES

Regular Savings	\$ 488,347,675	437,986,118
Christmas Clubs	1,207,545	1,235,271
Money Market Savings	634,885,448	558,765,136
Certificates of Deposit	609,798,071	560,228,980
IRA Accounts	167,978,658	153,643,095
Checking Accounts	362,148,933	324,176,931
Other Liabilities	34,047,237	25,227,242

**TOTAL LIABILITIES \$2,298,413,567 2,061,262,773**

Regular Reserves	\$ 16,105,431	16,105,431
Other Reserves	304,584,648	267,539,981
Total Reserves	320,690,079	283,645,412

**TOTAL LIABILITIES & RESERVES \$2,619,103,646 2,344,908,185**

## BUILDING Financial Strength

### STATEMENT OF INCOME

INCOME	2016	2015
Interest on Loans	\$ 75,610,303	69,113,030
Investments	2,218,821	1,292,596
Other Income	25,444,973	24,557,293

**GROSS INCOME \$ 103,274,097 94,962,919**

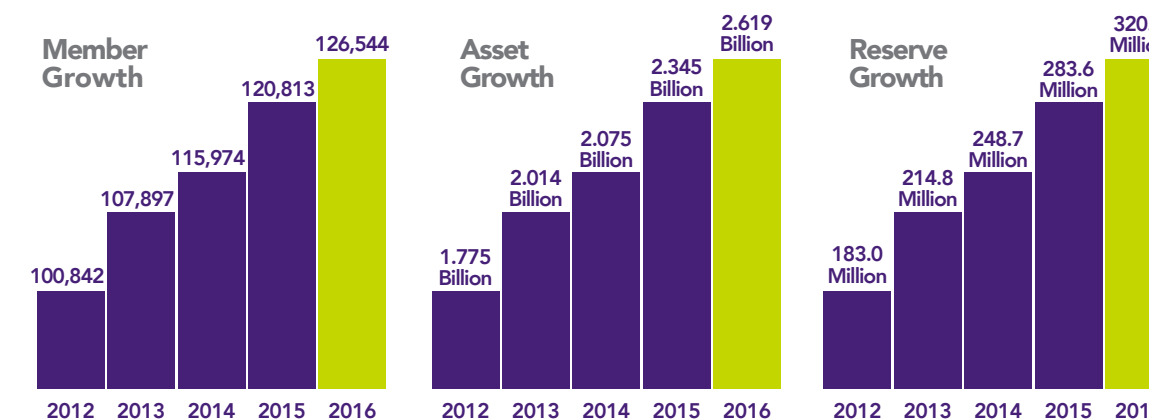
### EXPENSE

Salaries & Benefits	\$ 26,953,342	24,931,008
Insurance	365,117	341,631
NCUSIF	0	0
Education & Promotion	4,591,557	4,338,366
Building/Land/Equipment	2,402,406	2,171,194
Office Operation	10,130,702	9,257,040
Depreciation	2,255,722	2,005,887
Other Expenses	1,649,251	1,704,570
Provisions for Loan Losses	1,794,921	610,312

**TOTAL EXPENSES \$ 50,143,018 45,360,008**

Operating Income	\$ 53,131,079	49,602,911
Dividends Paid to Members	14,759,549	11,547,068

**NET INCOME \$ 38,371,530 38,055,843**



In 2016, the Audit Committee authorized the accounting firm of CliftonLarsonAllen, LLP to conduct the annual audit and verification of member accounts.



### MEET YOUR VOLUNTEER BOARD OF DIRECTORS

The Board of Directors is made up of member-owners from our local communities who volunteer their time. You elect them as your representatives to guide the organization in its mission, to establish governance policies and to monitor the performance of Community First.



**Terri Towle, CPA**  
Board Chairman  
VP-Finance Community Foundation Fox Valley Region



**Dan Ferris**  
Vice-Chairman  
VP and General Counsel, Secura Insurance Company



**Catherine Tierney, CCUE**  
Treasurer  
President and CEO, Community First Credit Union



**Mary Hultgren**  
Secretary  
Retired Appleton Area School District



**Jay Fulkerson**  
CEO, Health Payment Systems, Inc.



**Dean Hawkinson**  
Licensed Architect



**Dr. Susan May**  
President, Fox Valley Technical College



**David Peperkorn**  
Retired Human Resource Manager  
Presto Products



**William Peters, CPA**  
Financial Consultant