

Finding a Way.

Proud of our past.
Prepared for the future.



COMMUNITY FIRST
CREDIT UNION

2015
OWNERS'
REPORT

FROM THE PRESIDENT & CHAIRMAN

WE'LL FIND A WAY... IT'S NOT JUST A SLOGAN, OR AN EMPTY PROMISE.

For the past 40 years it has been our deeply held belief. As we begin our fifth decade of “finding a way” for the members of Community First Credit Union, these words and what they stand for are more important than ever.

The compelling case of owning your own financial institution continues to capture the imagination and interest of consumers. As a not-for-profit financial cooperative, we have the unique opportunity to reinvest our earnings in our member-owners and the communities where they live and work. Profits are returned to our members in the form of higher dividend rates, lower interest rates on loans, additional technology, and new services.

During 2015 we welcomed 4,800 new members to the Community First family. Working together, pooling their resources to save, borrow and share, our 120,000+ member-owners make a difference for themselves, for one another, their communities and for the collective good of everyone involved.

Here are just a few of the things we achieved together in 2015:

- Assets grew \$270 million (13%) to \$2.345 billion.
- Loans to members increased by \$250 million (14.7%) to \$1.946 billion
- Deposits grew more than \$232 million (12.9%) to \$2.035 billion
- Dividends paid to members increased by 11.3% to more than \$11.5 million
- Record net income of just over \$38 million (#1 among WI Credit Unions)
- Increased reserves by 14%, ending 2015 with a capital ratio of 12.43%.

OUR MOST IMPORTANT GOAL IS TO BUILD PERSONAL RELATIONSHIPS WITH EACH AND EVERY MEMBER.

- Named as one of the Top 10 Credit Unions in the United States for financial performance (the seventh year in a row!)
- Voted BEST Credit Union in the Best of the Valley and Waupaca.
- Introduced Apple Pay and deployed new EMV Chip technology cards to enhance member security.
- Opened new branch offices in Kimberly and at the Heritage/Peabody Manor.
- Began construction of a branch within the new One Menasha Center office tower project.
- Broke ground for a new Home Office and Branch at Hwy 10/CB in the Town of Menasha.
- Surpassed the \$150 million dollar mark in savings to our members on loan interest.
- Celebrated our 40th anniversary by giving members a .40% bonus on certificates and paid out an additional .40% bonus on member savings accounts for the entire 4th quarter.

LOOKING AHEAD

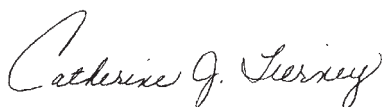
Our continued growth and success is a strong indication that we're meeting member needs, but growth alone has never been our ultimate goal. Our size is meaningful only because it enables us to do more for our members. It's also a challenge because we never want members to feel that we're "too big" or impersonal. Our most important goal is to build personal relationships with each and every member, to never forget that we exist, because we work for you and your financial well-being!

Our plans for 2016 include:

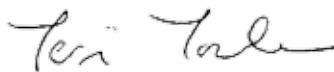
- Opening our first Menasha branch location (May).
- Continued work on the new Home office/branch (scheduled for completion in 2017).
- Introducing a new member feedback system to improve member service by providing you more opportunities to let us know how we're doing.
- Introduction of Remote Deposit Capture/Mobile Check Deposit.
- Deployment of new EMV Chip debit cards to enhance member security.
- New product development.
- Continued work to upgrade technology including our lending, online/mobile banking systems, our financial management and core processing systems.

We understand that the success we've enjoyed in the past is not guaranteed in the future. We must continue to evolve: adapting to new technologies, appealing to new members and keeping pace with rapidly changing consumer priorities and expectations. We also recognize that we are not perfect, but will continue to work hard to earn your trust and to demonstrate that our approach to service and financial integrity is different from all other choices in the marketplace.

On behalf of our board of directors and entire team, we *Thank You* for choosing Community First as your financial partner. We are grateful for the opportunity to serve you and for the integral role you have played in our 40 year history. We're proud of our past, prepared for the future and We'll Find A Way!



Catherine J. Tierney
President/CEO



Terri Towle
Board Chairman



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“I love visiting a branch, but it's also wonderful to go into Online Banking and check a balance or transfer money. That's really handy. I swore I would never do that, but it would be hard to live without it now.”

Rich Fercy, Member/Owner

When he's not enjoying the convenience of Online Banking, Rich says that coming to Community First is “like going by friends who really look out for you and help you through life.” From the early days of his career, to adopting a son, buying a home, home improvements, and vehicles for a growing family - Community First has been with Rich through many stages of his life, “Community First has always been there. No matter what we did, for whatever reason, they did find a way. Why would I go anywhere else?”



BUILDING FOR TODAY AND FOR THE FUTURE.

Electronic services have definitely changed the way you are able to access and manage your money. While some in our industry believe that electronic services replace the need for traditional branches, we believe that the relationships that are built face-to-face in our branches are incredibly important. While we offer the latest and greatest in technology, one of our greatest pleasures is to see you when you visit. It's how we get to know you so that we can serve you better. Our growing network of locations helps us to make visiting as convenient as using our technology is.

In 2015 we added our 22nd branch located in Kimberly, and a small branch to serve the residents of the Heritage/Peabody Manor in Appleton. We're also excited about our new downtown Menasha location scheduled to open in May of 2016 occupying space on the first floor of the new One Menasha Center. Great news for our members who live and work in Menasha.

The official 'groundbreaking' for the new Home Office was held on October 19, 2015. We were thrilled to become the first TID (Tax Incremental Financing District) project for the Town of Menasha with our site at the corner of Highway 10 and CB. At the heart of the building is a branch - our 24th location to serve you.

In the home office, all of our support teams: finance, IT, our member contact center, marketing, business services, human resources, loan operations and more will serve our branches and our members from this much needed space. The current Oneida St. office will continue to serve members from the branch, and will also house our Insurance and Investment Centers. The remaining space will be used as a training center. The new home office and branch will allow us to better serve members for the next 40 years and beyond.

KIMBERLY BRANCH

Our Kimberly location opened at 600 W. Kimberly Avenue in May 2015 to bring additional convenience to members in the Heart of the Valley.



HERITAGE BRANCH

Since opening in October 2015, residents of The Heritage/Peabody Manor have been enjoying on-site banking services without leaving home.



DRESANG WAY

In honor of our Founder, Maury Dresang, the street for our new branch and home office in the Town of Menasha was dedicated as Dresang Way.



ONE MENASHA CENTER

Our first Menasha location will open in May 2016 in downtown Menasha.



A HOME FOR EVERY MEMBER

To represent every member at the new home office, soil from each Community First branch was brought to the groundbreaking.



Employees and members, like Maynard Gardiner (pictured right), participated in a special ceremony combining the soil together for a tree that is being grown during construction and will be planted on the grounds of the new home office. Having grown in the soil from each branch, the tree will serve as a reminder of the members our work supports everyday and the growth we are helping them to achieve.



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“Community First helped us find a way to save us a lot of money that is going to help with our day-to-day life.”

The Haas Family, Member/Owners

Russ and Linda have dedicated their lives to teaching. After saving thousands of dollars by bringing their loans to CFCU they have a new lesson to share, “You have to go see Community First. They listen to you and teach you better ways to do things - even simple things. We are budgeting better, worrying less and are smarter about our money thanks to Community First.”



MAKING LIFE EASIER.

We're proud to find a way for members who have been with us from the beginning, and for those who are just starting on their journey.

The wonderful thing about our cooperative is that both are important, and help one another. As an example, our mission to save has helped people in our communities save more than \$150 million over the past 5 years. That's money that has helped them retire earlier, save for education, take a trip, build their savings and reduce stress. That kind of effort takes everyone in the cooperative to make it happen. Because you choose us for your savings, we have money available to lend. Because you borrow from us, we are able to pay better rates on deposits. We all have something to share with one another.

PROTECTING TODAY - PLANNING FOR YOUR FUTURE.

When your needs go beyond the basics, we are also here to help you protect and plan for your future with insurance from the Community First Insurance Center and retirement planning and investments services from Community First Financial Advisors, a full-service investment program offered through our broker dealer CUSO Financial Services, LP (CFS)*. Both are benefits of your membership with us and share the same commitment to helping you live and create your best financial life.



*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.

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“Community First understands me and what our business is trying to do. We’ve partnered with Community First since my business started in 2007. Even when the economy took a turn for the worse, our business survived and has since expanded.

They’ve always been able to find a way to help us pursue our business adventure!”

**Ed Marvin, Member/Owner
Owner of Marvin Metals Fabricating**

Locally-owned businesses, like Marvin Metals, bring so much to our communities. They create jobs, they attract employees and families to our communities, they follow their dreams and create a tide of economic vibrancy in their wake. And, when they are looking for business services to help them grow, they find it with their credit union who comes to the table as a partner, not just a provider. Ed is following his dream as a business owner, and trusts Community First to be there alongside him on the journey. Hundreds of local businesses, from sole proprietors to some of the largest businesses in our communities also place their trust in us. It’s another way, we are committed to helping our communities thrive.



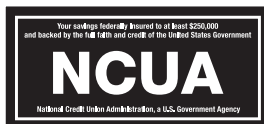
2015 Financial Statements

STATEMENT OF CONDITION

ASSETS	2015	2014
Cash	\$ 22,616,773	21,773,345
Personal Loans	281,976,745	259,143,802
Real Estate Loans	1,210,625,688	1,062,761,872
Commercial Loans	347,459,612	271,117,797
Student Loans	38,964,124	41,153,266
Credit Card Loans	67,432,814	63,844,333
Allowance for Loan Losses	(4,124,764)	(5,552,673)
Investments	329,808,998	317,790,526
Building/Land/Autos	30,408,886	22,724,366
Furniture and Other Equipment	3,193,163	2,475,218
Other Assets	16,546,146	17,706,780
TOTAL ASSETS	2,344,908,185	2,074,938,632
LIABILITIES/RESERVES		
Regular Savings	\$ 437,986,118	376,932,857
Christmas Clubs	1,235,271	1,169,657
Money Market Savings	558,765,136	522,327,344
Certificates of Deposit	560,228,980	482,569,669
IRA Accounts	153,643,095	151,471,887
Checking Accounts	324,176,931	269,333,537
Other Liabilities	25,227,242	22,446,871
TOTAL LIABILITIES	2,061,262,773	1,826,251,822
Regular Reserves	\$ 16,105,431	16,105,431
Other Reserves	267,539,981	232,581,379
Total Reserves	283,645,412	248,686,810
TOTAL LIABILITIES & RESERVES	2,344,908,185	2,074,938,632

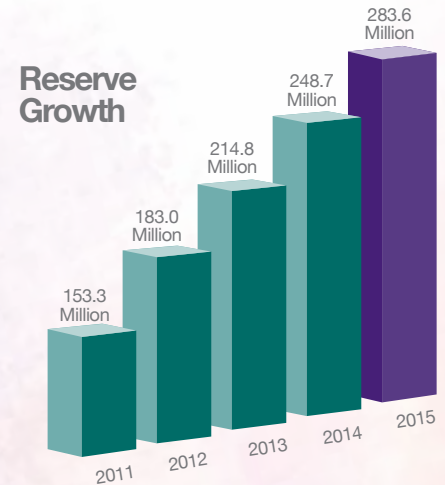
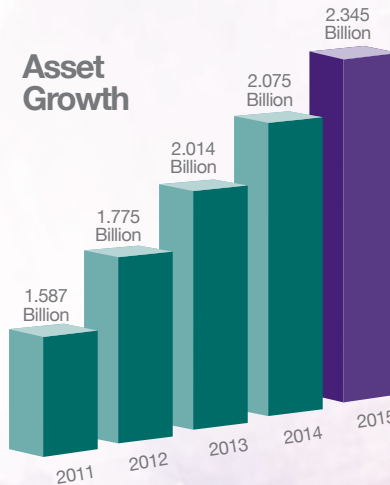
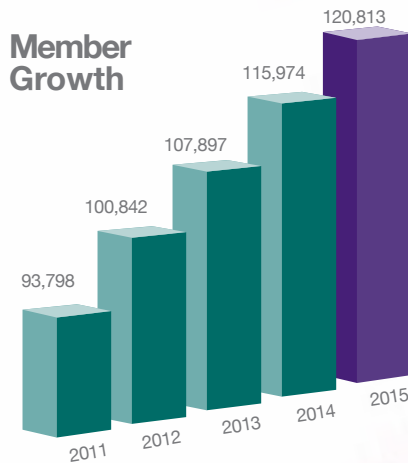
STATEMENT OF INCOME

INCOME	2015	2014
Interest on Loans	\$ 69,113,030	63,458,810
Investments	1,292,596	1,333,946
Other Income	24,557,293	20,520,694
GROSS INCOME	94,962,919	85,313,450
EXPENSE		
Salaries & Benefits	\$ 24,931,008	21,726,997
Insurance	341,631	293,559
NCUSIF	0	0
Education & Promotion	4,338,366	3,836,441
Building/Land/Equipment	2,171,194	2,050,490
Office Operation	9,257,040	8,300,539
Depreciation	2,005,887	1,738,264
Other Expenses	1,704,569	1,580,307
Provisions for Loan Losses	610,312	1,582,211
TOTAL EXPENSES	45,360,008	41,108,808
Operating Income	\$ 49,602,911	44,204,642
Dividends Paid to Members	11,547,068	10,373,555
NET INCOME	38,055,843	33,831,087



In 2015, the Audit Committee authorized the accounting firm of CliftonLarsonAllen, LLP to conduct the annual audit and verification of member accounts.

2015 Financial Statements



2015 Highlights



Celebrated our 40th Year.



Added the security of an EMV Chip to our credit cards - providing more protection for members.



Opened our newest locations in Kimberly and inside The Heritage/Peabody Manor.



Broke ground for a new branch and home office in the Town of Menasha.



Employees shared their time and talents with 453 organizations totaling more than 16,650 hours.

2015 BOARD OF DIRECTORS

Our volunteer Board of Directors are elected by fellow members of the credit union. As the chosen representatives of the membership, the board provides guidance in the organization's mission, establishes governance policies and monitors the performance of Community First CU on behalf of all members.



Terri Towle
Chairman

*CPA, Vice-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

*President and 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, Director, Coast to
Coast Contractors, Inc.*

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“Community First has always given back to the community and it keeps us all tied together. You see their name everywhere and it’s giving back - they really do care about their community.”

Trude Jacobs, Member/Owner

Self-described as ‘not a runner’, Trude looks at the involvement Community First has in the community, including the *Community First Fox Cities Marathon presented by Miron*, and feels good about it. “I’m glad that they are taking care of our communities. Their presence is here and it is for the people of the community, not for their own purposes.”



LIVING OUR NAME.

Make a difference. It’s a simple concept and one we take to heart. To make a difference in the communities you call home is important to us because it’s important to you.

In every community, we answer the call to support events, organizations and causes to have a positive impact by providing financial support, volunteers, committee and board members. In 2015, Community First employees volunteered more than 16,650 hours with more than 450 different organizations. And, our members shared more than \$70,000 with area non-profits by purchasing candybars, icons and stuffed animals in our branches. That’s real impact.

Our communities are more vibrant because of dedicated non-profits who work diligently for their cause, big or small. They are richer because of arts organizations that bring us creativity and beauty. They create a sense of place with events that call us together to celebrate and enjoy.

We are especially excited to have celebrated the 25th Annual *Community First Fox Cities Marathon presented by Miron* promoting health and wellness for participants, but also benefitting area non-profits. Over the years, the marathon and its events have distributed more than \$800,000 in proceeds to non-profits.



**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

NEENAH

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

DARBOY

W6089 Cty. Rd. KK

BELLEVUE

3282 Eaton Road

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 TECH. 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
- Roosevelt Middle School / Kaleidoscope Academy
- Appleton Retirement Community
- Heritage/Peabody Manor
- Touchmark
- Wisconsin Veterans Home at King



Retirement Planning
Investment Services
401k Rollovers & More

A full-service investment program
offered through our broker dealer
CUSO Financial Services, LP (CFS)



Home & Renters,
Auto & Recreational Vehicles
Umbrella Policies & More

(920) 830-7200 • (866) 273-2328 • www.communityfirstcu.com

*Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("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.