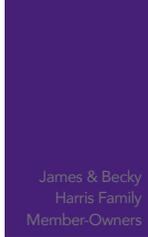




Jerry & Carol  
Van Der Steen  
Member-Owners



James & Becky  
Harris Family  
Member-Owners



# MEMBER OWNED



Jason & Kari Londo  
Member-Owners



Gregg Marweg  
Member-Owner

Joaquin & Tracy Lira  
Member-Owners

## 2017 OWNERS REPORT

## MESSAGE FROM THE CHAIRMAN & PRESIDENT

Community First Credit Union is a cooperative financial institution, owned and controlled by the people who use and benefit from the products and services. This makes us unique in the financial services industry. The philosophy of all credit unions is “people helping people.” Each member is an equal owner, regardless of how much money he or she has invested with the credit union.

As member-owners, we help each other meet each other’s financial goals by providing a safe, convenient place to save money, get loans at reasonable rates, and receive honest, factual information to help us make better life decisions. The success of our members is reflected in the success of our credit union.

Our members are the heart and soul of this organization and we feel honored to be able to serve you. This report is a celebration of our success as an organization and a thank you to the 132,396 members (and counting) for sustaining and supporting us yesterday, today and tomorrow.

### MILESTONE: A SIGNIFICANT POINT IN DEVELOPMENT

In many ways, life can be measured by defining moments, by milestones. Birthdays, anniversaries, graduations, moments of joy and of sorrow are woven into the fabric of our lives.

Here are just a few of the milestones we accomplished together in 2017:

- Completed construction and moved into our new home office and 25<sup>th</sup> branch on Dresang Way, in the Village of Fox Crossing.
- Welcomed 5,852 new member-owners to our cooperative.
- Achieved record net income of \$43 million, a Return on Assets of 1.58% and one of the lowest expense ratios in the nation.
- Assets climbed to \$2.827 billion.
- Loans grew to \$2.4 billion. Made 22,733 loans to members for \$896 million.
- Deposits increased by more than 7% to \$2.4 billion.
- Reserves grew by 13.6% to more than \$364 million. Our capital ratio of 13.4% is significantly above the regulatory requirement of 7%.
- Introduced mobile deposit for both personal and business accounts.
- Began our “Technology Transformation” to enhance member service by converting our financial accounting and lending systems.
- Welcomed the members and employees of St. Elizabeth Hospital Employees Credit Union to the Community First family in September through a merger.
- Delivered financial literacy to thousands of students through our School Branch programs, including a new student-run branch at Badger Elementary in Appleton and Reality Check budget simulations in Oshkosh.

- Received the Crystal Performance Award (9<sup>th</sup> consecutive year) as one of the top 10 credit unions in the nation for financial performance. One of three credit unions to achieve the 100<sup>th</sup> percentile. (Awarded by Raddon Financial Group)

### YOUR COMMUNITY FIRST MEMBERSHIP MAKES AMAZING THINGS HAPPEN!

When we work together, we make life better. In 2017, 483 Community First employees (83%), volunteered 20,468 hours, at 468 local non-profit and community organizations. Together with our members we contributed just over \$1 million to enhance lives, fulfill dreams, build communities and improve the quality of life for all in the places we call home. Our achievements are your achievements.

### LOOKING AHEAD

Community First Credit Union has always been guided by the principle that people come first and profits second. We exist to make a positive difference in the lives of our member-owners.

The Board of Directors is committed to making smart financial decisions to ensure your credit union remains strong, relevant and can serve you for many more years to come. Community First will continue to invest time and resources appropriately and efficiently to provide members the best financial products and services, and to be a place where everybody counts, everybody cares and everybody delivers – everyday!

### Plans for 2018 include:

- A new online/mobile banking system for enhanced member service and access.
- New website, social media and improved member communications.
- Constructing a new branch at Lake Park & Highway 10/114 in Menasha, opening December 2018.

- New product development for business services, deposits and loans.
- Rollout of a new “No Money Down, Home Loan” program.
- Continued work to remodel the Oneida Street branch and training facility.
- Ongoing preparation for a core data system conversion in 2019.
- More communication to members about the benefits of working with Community First Financial Advisors and Community First Insurance Center teams.

Thanks to our wonderful members, our dedicated staff and a visionary board, 2017 was a year of great progress and special milestones. Our record-breaking success could not have been achieved without the passion and talent of everyone on our team.

We hope you enjoy reading this year’s report. And if, by chance, it inspires you with a new idea about how we can serve you better, or help you build a better future for your family, we hope you’ll let us know.

*We are committed to “Finding A Way!”*



*Daniel P. Ferris*  
Daniel Ferris  
Board Chairman



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

WELCOMED  
5,852  
NEW MEMBERS

DEPOSITS GREW TO  
\$2.4 BILLION

MADE 22,733  
LOANS TO MEMBERS FOR  
\$896 MILLION

ACHIEVED RECORD  
NET INCOME OF  
\$43 MILLION

## A PLACE TO CALL HOME – FOR EVERY MEMBER

From the charter meeting where founder Maury Dresang and several Outagamie County Highway Department co-workers each contributed \$10 to form our credit union... to the dedication of our new home office on the street named in Maury's honor... the cooperative spirit continues!

On October 9, 2017, more than 220 employees arrived at Dresang Way for their first day in our new home office. While their view was different, their mission hadn't changed. Each has a purpose of supporting you, our members-owners, as you go after your dreams in communities across Northeast Wisconsin and beyond. They are the team behind the familiar faces you see at the branch and the helpful voices on the phone.

More than five years of planning and two years of construction has created a home not just for today, but for the future. Thoughtful planning and stewardship entered every phase to ensure the changing needs of our membership can be met for many years to come from Dresang Way.

### ECONOMIC IMPACT

Along the way, the positive impact of the project was felt throughout the community; spurring additional growth and development nearby, generating work for local businesses and jobs for individuals throughout the region. In all, more than 640 workers had a hand in the building, earning at least one week's wages – while others worked months and some even years – bringing it from concept to completion. Those wages went back into the community for homes and cars, groceries and gas, and much more – creating a ripple effect that extends far beyond our walls.

### BUILT WITH PRIDE AND CARE

There is something incredibly special about the heart that was put into this project by our partner businesses and even more so by the skilled and talented craftsman that have left their mark. Each came to do their job, but left behind friendships and their best work.

Many told us they were also Community First members and took particular pride in creating the home for the credit union they owned. In their wake, is a space that belongs to you, our member-owners. We welcome you and the community to stop in and connect.

**“It's not everyday that you have the opportunity to build something that you own.”**

Steve Lenz,  
Community First Member-Owner  
Project Supervisor, Miron Construction



## YOUR VOLUNTEER BOARD OF DIRECTORS

As a financial cooperative, we are guided by a volunteer board of directors elected by and from the membership to represent your interests.



**Daniel Ferris**  
Chairman  
VP/General Counsel/Corporate Secretary  
SECURA Insurance



**Mary Hultgren**  
Vice-Chair  
Retired  
Appleton Area School District



**Catherine Tierney**  
CCUE  
Treasurer  
President/CEO  
Community First Credit Union



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



**Jay Fulkerson**  
Director  
President/CEO  
Health Payment Systems, Inc.



**Dean Hawkinson AIA**  
Director  
Licensed Architect



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



**William Peters, CPA**  
Director  
Financial Consultant



**Terri Towle**  
Director  
VP-Finance & Administration  
Community Foundation for the Fox Valley Region



### REAL MEMBERSHIP VALUE \$31 MILLION RETURNED TO MEMBERS

The benefits of member-ownership are tangible and making a difference every day for members. Better deposit rates, lower loan rates and fewer fees fuel our promises to “Find A Way” and “bring the profits back to you.” Sounds good, but what does it mean?

In 2017, it meant **\$340 of value** for every household we serve; money saved on loans and more money earned on deposits over what they would have received from other financial institutions. Extra money in their pockets just for choosing to be part of the financial cooperative they own.



### STRENGTH IN NUMBERS AWARD WINNING PERFORMANCE

For the 9<sup>th</sup> year in a row, Raddon, a leading provider of financial industry research, recognized Community First with the Crystal Performance Award that acknowledges the top ten U.S. credit unions for exceptional financial performance. Our greatest pride comes not from the award, but from what it means – that the health of the credit union is among the best in the nation for our members.

## 2017 FINANCIAL STATEMENTS

### STATEMENT OF CONDITION

ASSETS	2017	2016
Cash	\$ 31,897,128	34,601,396
Personal Loans	363,933,117	318,506,552
Real Estate Loans	1,422,526,169	1,316,360,025
Commercial Loans	457,143,797	403,552,675
Student Loans	34,845,570	36,615,672
Credit Card Loans	81,016,498	75,372,171
Allowance for Loan Losses	(4,543,985)	(4,242,964)
Investments	327,044,866	369,596,611
Building/Land/Autos	60,703,626	49,066,579
Furniture and Other Equipment	9,569,855	3,694,062
Other Assets	42,895,704	15,980,867

**TOTAL ASSETS \$ 2,827,032,345 2,619,103,646**

### LIABILITIES/RESERVES

Regular Savings	\$ 544,474,144	488,347,675
Christmas Clubs	1,222,932	1,207,545
Money Market Savings	642,703,202	634,885,448
Certificates of Deposit	659,257,940	609,798,071
IRA Accounts	173,517,068	167,978,658
Checking Accounts	404,998,329	362,148,933
Other Liabilities	36,567,729	34,047,237

**TOTAL LIABILITIES \$2,462,741,344 2,298,413,567**

Regular Reserves	\$ 16,105,431	16,105,431
Other Reserves	348,185,570	304,584,648
Total Reserves	364,291,001	320,690,079

**TOTAL LIABILITIES & RESERVES \$ 2,827,032,345 2,619,103,646**



Federally insured by NCUA.

In 2017, the Audit Committee authorized the accounting firm of CliftonLarsonAllen, LLP to conduct the annual audit and verification of member accounts.

### STATEMENT OF INCOME

INCOME	2017	2016
Interest on Loans	\$ 82,943,033	75,610,303
Investments	3,709,946	2,218,821
Other Income	26,858,131	25,444,973

**GROSS INCOME \$ 113,511,110 103,274,097**

### EXPENSE

Salaries & Benefits	\$ 26,724,530	26,953,342
Insurance	368,674	365,117
NCUSIF	0	0
Education & Promotion	4,895,445	4,591,557
Building/Land/Equipment	2,605,474	2,402,406
Office Operation	11,654,392	10,130,702
Depreciation	2,711,239	2,255,722
Other Expenses	2,276,959	1,649,251
Provisions for Loan Losses	2,206,255	1,794,921

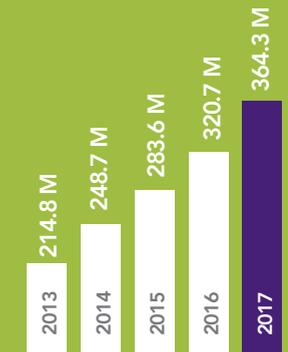
**TOTAL EXPENSES \$ 53,442,968 50,143,018**

Operating Income	\$ 60,068,142	53,131,079
Dividends Paid to Members	17,058,404	14,759,549

**NET INCOME \$ 43,009,738 38,371,530**



### Member Growth



### Reserve Growth



### Asset Growth

# SERVING YOU IN NORTHEAST WISCONSIN



## APPLETON

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

## GREENVILLE

N1230 Cty. Rd. CB

## NEENAH

125 E. Forest Ave.  
2300 Industrial Dr.  
1193 W. Winneconne Ave  
1575 Dresang Way

## 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

**(920) 830-7200**

**TOLL-FREE (866) 273-2328**

## PROTECTING TODAY

Protect yourself from the unexpected with the Community First Insurance Center, an independent agency representing a variety of carriers to match your needs with the right coverage.



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

## PLANNING FOR TOMORROW

Prepare for your future with retirement planning and investment services from Community First Financial Advisors, a full-service investment program offered through our broker dealer CUSO Financial Services, LP (CFS)\*.

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.



Retirement Planning, Investment Services, 401k Rollovers & More

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