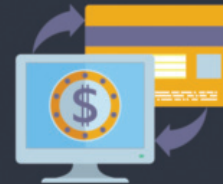
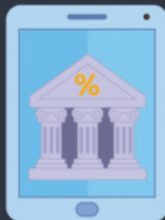
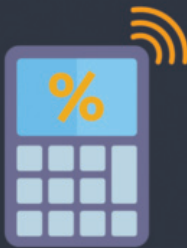
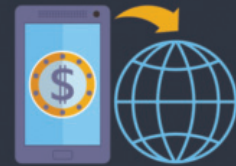
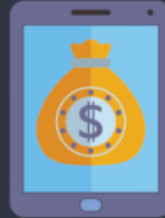


# 2015 Annual Report



*Building a better banking experience.*

# 2015 in Review: President's Message

by Mike Enright, CEO and President

“Progress is impossible without change.” - George Bernard Shaw

Like the 35E road construction currently surrounding us, Cities Credit Union has made some bold improvements in recent years--many taking place in 2015. And, once the dust settled and smoke subsided, Cities Credit Union has emerged stronger and better.

We entered the year with many exciting technology changes and upgrades making “anytime banking” with the credit union easier and more convenient. In spring, we launched the new and improved website with easier navigation and better, more intuitive loan applications. We also added an automated, 24/7 toll-free number for members to activate their debit cards with the ability to choose and change their debit/ATM card PIN numbers.

During the fall, we kicked the mobile account access app in high-gear by adding the remote deposit capture function that allows members to take pictures of their checks to be submitted securely through the mobile app for deposit. Usage of the mobile app and deposit capture is increasing each month.

Technology aside, we have many other reasons to give 2015 a “thumbs up.” Here are more highlights:

- **Asset growth:** The credit union's assets and deposits grew at a steady pace of more than \$600,000 in 2015.
- **Membership:** We welcomed 186 new members in 2015, a 10% increase over 2014's new member count.
- **Steady lending practices:** We closed 464 new loans during 2015 for \$5.71M. Loan delinquencies continued to decline as well.
- **NCUA Audit:** The NCUA performed a federal audit in early 2015 that went very well. The credit union received high ratings from the NCUA and is considered healthy, safe and stable.

## **Looking ahead: more positive changes to benefit our members.**

The staff and volunteers at Cities Credit Union are anticipating another busy and productive year in 2016. We have already added the WinCentive™ savings account in January and transitioned to the new CheckFree bill pay system in April. We are also in the process of changing all of our plastics (debit and credit cards) to the chip-enabled EMV cards.

We appreciate your support as we continue to build a better credit union experience--for now and the future.

# Statement of Financial Condition

	<u>DECEMBER 2015</u>	<u>DECEMBER 2014</u>
<b>ASSETS</b>		
Loans to Members	\$ 16,250,540.74	\$ 16,735,830.04
Allowances for Loan Loss	(176,746.66)	(197,475.95)
Receivables	31,000.00	31,000.00
Cash	150,929.86	144,102.20
Investments	10,536,125.84	9,411,228.41
Prepaid Expenses & Deferred Charges	51,512.67	48,227.07
Fixed Assets	750,997.67	793,493.18
Accrued Income	124,588.27	135,946.04
Deposit in NCUSIF	244,174.26	237,629.02
Other Assets	<u>4,361.10</u>	<u>4,361.10</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 27,967,483.75</u></b>	<b><u>\$ 27,344,341.11</u></b>
<b>LIABILITIES &amp; EQUITY</b>		
Accounts Payable	\$ 9,746.51	\$ 2,618.80
Notes Payable	0.00	0.00
Dividends Payable	0.00	0.00
Taxes Payable	5,120.76	0.40
Accrued Expenses	99,777.60	109,235.14
Other Liabilities	<u>48,655.67</u>	<u>42,176.27</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 163,300.54</u></b>	<b><u>\$ 154,030.61</u></b>
<b>MEMBER EQUITY</b>		
Regular Shares	\$ 8,152,590.67	\$ 7,425,041.73
Share Drafts	4,567,345.80	3,658,812.58
IRAs	1,399,847.86	1,779,660.08
Share Certificates	3,481,644.18	4,191,006.79
Other Shares	<u>7,807,719.63</u>	<u>7,845,087.30</u>
<b>TOTAL MEMBER EQUITY</b>	<b><u>\$ 25,409,148.14</u></b>	<b><u>\$ 24,899,608.48</u></b>
<b>TOTAL CAPITAL</b>	<b><u>\$ 2,395,035.07</u></b>	<b><u>\$ 2,290,702.02</u></b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>\$ 27,967,483.75</u></b>	<b><u>\$ 27,344,341.11</u></b>

# Cities Credit Union

## Board of Directors

Dan Pederson - Chair  
Tom Brockway  
Roger DeBace  
Jerry Morri  
Jim Walker

## Supervisory Committee

Bob Bieniek  
Michael Peterson  
Sylvester Schmidt

## Cities Credit Union Staff

Mike Enright - President  
Kristine Heuer - Vice President  
April Stephenson - Manager of  
Operations & Network Administration  
Karen Knutson - Director of Marketing &  
Website Administration  
Janet Frank - Loan Officer  
Brenda White - Loan Officer  
Barb Tesch - Member Services Specialist  
Teresa Watson - Member Services Specialist

# See the difference:

- Checking accounts with no monthly maintenance fees
- Our savings and loan rates beat the big banks and even other credit unions
- Access to nearly 48,000 fee-free ATMs nationally with MoneyPass and CO-OP networks
- First mortgage loans available for purchase or refinance through CU Companies Mortgage and First Class Mortgage
- Free car purchasing consultant/broker for both new and used cars
- Free online/mobile banking with bill-pay
- Free shred events in April and October
- Fixed low fixed rate Visa cards as low as 8.95%
- Member referral program that rewards members to tell their friends/family/co-workers about us



**Cities Credit Union**  
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Vadnais Heights, MN 55110  
651-426-3773 • [citiescu.org](http://citiescu.org)

