

Statement of Financial Condition as of December 31, 2015

Assets	
Consumer Loans	\$ 36,227,116
Private Student Loans	3,279,509
Home Equity Loans	14,917,891
Mortgage Loans	6,843,542
Allowance for Loan Losses	(785,623)
Cash	2,049,585
Investments	9,818,979
Prepaid Expenses	170,482
Accrued Income	279,336
Fixed Assets	817,065
NCUA Share Insurance Fund	650,960
Other Assets	1,612,472
Total Assets	\$ 75,881,314
Liabilities and Equity	
Accounts Payable	\$ 9,020
Other liabilities	(52,725)
Regular Shares & Other Savings	11,663,864
Checking Accounts	6,180,020
Money Market Shares	16,691,534
Share Certificates	24,579,348
IRA Shares	1,788,862
IRA Certificates	5,609,803
Regular Reserves	743,232
Unrealized Gain	50,909
Undivided Earnings	8,617,447
Total Liabilities & Equity	\$ 75,881,314

Statement of Income as of December 31, 2015

Operating Income	
Income from Loans	\$ 4,071,867
Investment Income	170,239
Other Fee Income	577,032
Misc. Operating Income	92,105
	4,911,243
Dividend & Interest Expense	
	(455,017)
Margin	
	4,456,226
Expenses	
Compensation & Benefits	1,601,040
Travel & Conference	31,480
Office Occupancy & Operations	392,544
Education & Promotions	191,764
Loan Servicing	257,709
Professional & Outside Services	376,043
Provision for Losses	(911,237)
NCUSIF & NCUA Supervisory	13,723
Cash Over and Short	956
Miscellaneous Operating Expenses	(54,628)
Total Operating Expenses	(3,829,211)
Net Operating Income	
	627,015
Total Non-Operating Income	
	(42,296)
Net Income	
	\$ 584,719



~ **2015 Annual Report** ~



Board of Directors, Committees, Management and Staff

Board of Directors

Thomas Ellis, Chairperson
 Russell Haight, Vice Chairperson
 James Keegan, Treasurer
 Daniel Abatto, Secretary
 Ellin Luft
 Eugene Reyes
 John Shellard

Emeritus: Anthony DiAcetis
 Michael Mansion

Retired: Victor Ciancetta

Supervisory Committee

Daniel Abatto, Chairperson
 Joseph Kryzak
 Mary Ellen Quinn

Management Team

Terry Langlios, President/CEO
 Susan Munks, VP of Lending and Operations
 Elissa Chovan, Loan Manager
 Deana Harrington, Operations Manager
 Kevin Henchy, Financial Services Manager
 Christine Somers, Director of Marketing
 and Business Development

Financial Services

Michelle Conway, Service Associate Supervisor
 Jamie Hamilton, Financial Service Representative
 Kevn Hoag, Financial Service Representative
 Joanne Lajeunesse, Receptionist
 Kayla Rhynders, Service Associate
 Dawn Smith, Service Associate
 Ryan Yanni, Financial Service Representative

Fianance and Information Technology

Michael Galea, Information Technology Director
 Jeffrey Gallo, Accountant

Operations

Courtney Hill, Processing Specialist
 Kira Quintana, Processing Specialist

Lending

Kristen Hickey, Payment Solution Specialist
 Ed Lansing, Loan Underwriter
 Kelly Schubert, Real Estate Loan Processor
 and Consumer Underwriting
 Yvonne Vickery, Payment Solution Specialist
 Amy Westfall, Lending Support Specialist

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Report of the Chairman of the Board

Thomas Ellis

Good evening. Welcome to Community Resource Federal Credit Union's eightieth annual meeting. My name is Tom Ellis, and I am Chairman of the Board.

Each year, I try to look back on some of the key items that occurred in the Credit Union during the past year. I also try to give a glimpse of those things that are planned for the future. After you have listened to this report, I'm sure you will agree, that by any measure, it is an extraordinary time for your Credit Union.

You may recall that at last year's annual meeting we said good bye to the individual that had guided our Credit Union for so long, former President and Chief Executive Officer Betsy Kindlon. We all owe a debt of gratitude to her.

Her departure triggered a national search for a successor. By now I'm sure you know the results. Her successor was found right here in Terry Langlois, who was our Chief Financial Officer. On May 1, 2015 he assumed the role of leading the CU into the future. Even as that was taking place, thanks to Betsy's foresight, the Credit Union was already working on two major changes to position itself to move forward. The first was to change our operating charter and the second was to select a site for a future branch. The NCUA approved our application to enlarge our service area by changing our operating charter to include the counties off Albany, Rensselaer, Saratoga and Schenectady and a site in North Greenbush was selected as the location for our first full service branch.

The dictionary defines change as "becoming different" and "to pass from one phase to another". Both of those thoughts apply to the CU for the coming year. Much effort has gone into these "changes", they are major transitions for your CU. This evolution will result in a stronger and better positioned organization for a future marked by growth in service for its members.

Since that time, much effort has been expended to acquire the site and to break ground for construction. These milestones should take place in the near future. As details and timing of these events become finalized, you will be kept informed.

The Board recognizes the effort made by the staff and management and volunteers that make this Credit Union flourish. They give their best effort day in and day out, some directly

interacting with our members, some operating in the background, but no less importantly. They exhibit great teamwork and go the extra mile required to accomplish the task, be it financial work or charity endeavors. The Board of Directors is keenly aware of these efforts and has only the highest praise for each and every one of you.

I would be remiss if I didn't thank Director Ciancetta, who retired at the end of 2015, for his twenty years of volunteer service to this Credit Union, serving both as Treasurer and Director at various times. Thank you Vic for your years of service. Last but not least, we take note of our members, without whose support none of our accomplishments would be possible.

Based on its past success, the Credit Union looks forward to this coming year and its new facility, confident in our ability to meet the challenges that lay ahead. We are committed to being the superior provider of financial products and services at the lowest cost, while remaining firm in our endeavor to be a benefit to the community around us. The future, as usual, is unpredictable, but the Board intends to continue the mission of the Credit Union as it has in the past – to expand its business and provide for its members the best place to conduct your financial pursuits.

Thank you for attending tonight.

Report of the Treasurer James Keegan

During 2015, Community Resource FCU charted a new and exciting course for the future by committing to both expanding our Community charter and building a new full-service branch office. Our charter change was approved by the NCUA and this approval will give us access to people and businesses from Rensselaer, Saratoga and Schenectady Counties.

It will allow us to better serve our existing community and provide us with opportunities to increase our Membership. At this time, we are in the process of procuring land and moving forward with plans to build our new branch. Our new CEO and President Terry Langlois' hard work and dedication will allow us to accomplish these endeavors and his efforts will enable us to compete with the multitude of Banks, Credit Unions and other financial institutions that we face today.

During 2015, Community Resource added 856 new members, resulting in a net gain of 69 members. Net loans totaled \$62,212,249 and our net income for the year was \$584,719. End of year investments were \$9,818,979. Our assets are now \$76,134,660 and our total operating expenses for the year were \$3,829,211.

Thank you to Management, staff and volunteers for their efforts throughout this past year. Your hard work and dedication have resulted in another successful year.

Congratulations and thank you to Victor Ciancetta, on his retirement from the board. Victor, a 60 year plus member, spent 20 years faithfully serving the credit union community in various positions. He truly embodies the Credit Union slogan, "People Helping People". I am very grateful to my friend Victor for his support, counsel, wisdom and his phenomenal record keeping.

For more details about the financial conditions of Community Resource FCU, please review our statement on the back of this report.

Report of the President/CEO Terry Langlois

Edward Filene, father of the credit union movement in America said "Progress is the constant replacing of the best there is with something still better." Not only is that a philosophy worth noting, so is the old saying "credit unions are the best kept secret in banking."

The major changes mentioned by Tom and Jim were conceived by our motivation to serve all our current and potential members even better.

Constructing a branch in Rensselaer County will allow us to provide convenient, full-service financial solutions to our many members living in the areas surrounding North Greenbush. We will also be seeking to serve potential new members there. Efforts to increase awareness of Community Resource in the North Greenbush area are already underway.

With the expanded community charter now allowing Community Resource to fully serve Albany, Rensselaer, Saratoga, and Schenectady counties; our potential membership has now tripled in size. We remain committed to being socially responsible in the communities we serve.

As such, we will be significantly increasing our community involvement throughout the four counties in the coming months and years. Our Employee Charity Committee will continue to play a key role along with Community Resource's management.

Many changes are underway within our marketing plan. It is pivotal to enhance our current relationships with existing members along with creating new strategies to acquire new members. We are also generating digital marketing activities to get the word out.

In closing, I would like to thank our staff for their continued support and dedication in having Community Resource reach its full potential. You are what continues to make Community Resource "The friendly place to bank!"

Additionally, I want to thank the Board of Directors for their support and commitment to fulfilling their fiduciary responsibilities. Our Board of Directors are volunteers whom without them we would not exist.

Finally, I want to thank our members for allowing us the privilege of serving them and their families' financial needs for the past 80 years.

Report of the Supervisory Committee

During 2015 the Supervisory committee engaged the independent accounting firm of Wojeski and Company to complete a comprehensive audit to ensure that Community Resource Federal Credit Union operates within established laws and regulations and that its records are a true reflection of its financial condition. Also to ensure that member assets are safeguarded and used in accordance with credit union bylaws and that the credit union records are maintained properly and accurately. The audit was completed as of September 30, 2015.

In addition, Wojeski and Company performed quarterly reviews throughout the year and the results are reviewed and addressed by the committee and management.

During 2016 the committee will complete a bi-ennial verification of all member accounts. The purpose of the verification is to ensure the accuracy of member account information and balances.

The Supervisory Committee would like to thank the Board of Directors, managers and staff for their ongoing support and commitment to excellence.

If any member has any unresolved concerns or questions about their accounts they are welcome to contact me by sending correspondence to:

Daniel A. Abatto
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