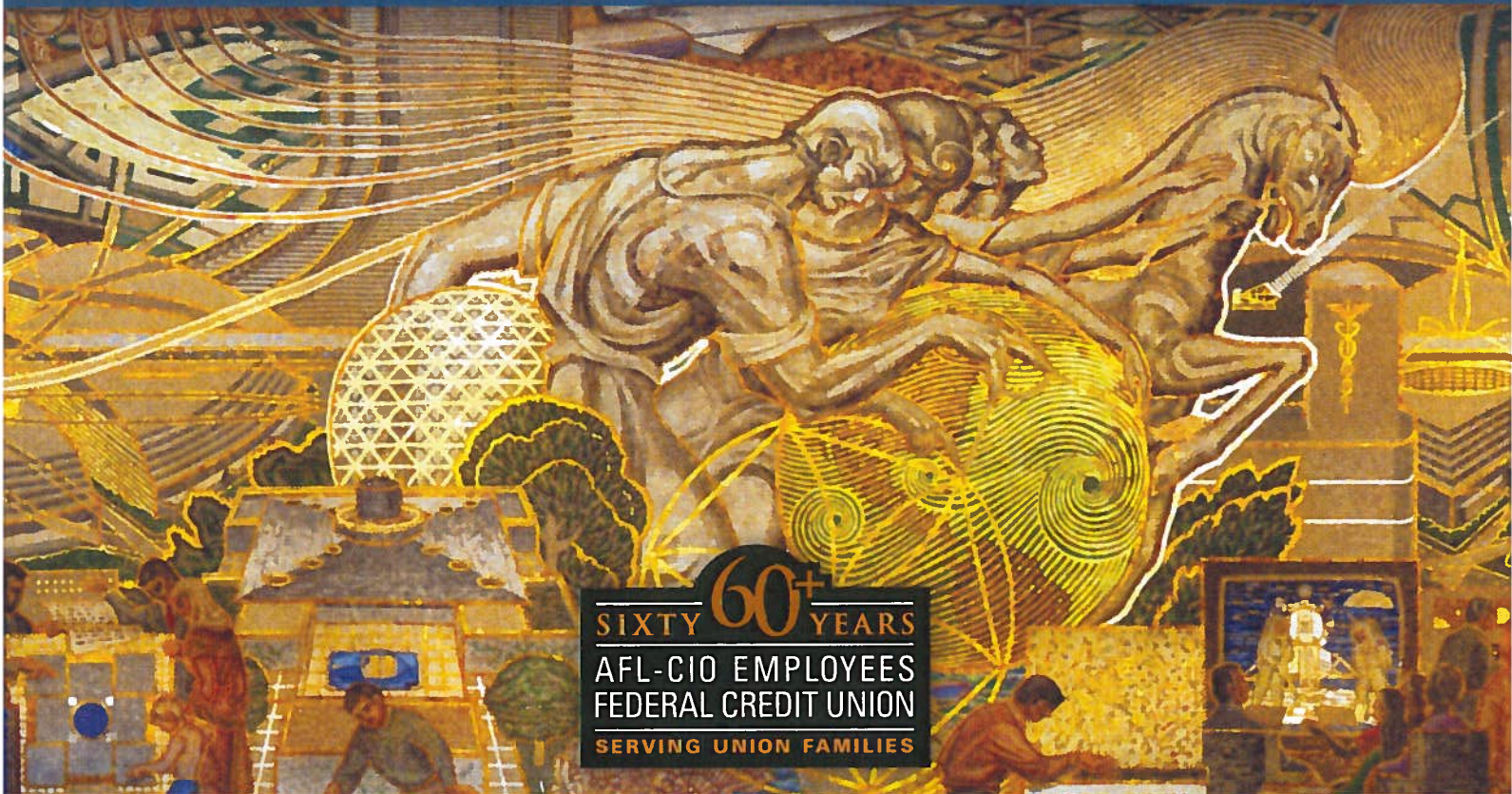


AFL-CIO EMPLOYEES FEDERAL CREDIT UNION  
**2015 ANNUAL REPORT**



**SIXTY 60+ YEARS**  
AFL-CIO EMPLOYEES  
FEDERAL CREDIT UNION  
SERVING UNION FAMILIES

# TO OUR CREDIT UNION MEMBERS:

With great pride we would like to thank our members, the Board, staff and volunteers for your loyalty to your AFL-CIO Employees Federal Credit Union. In 2015, the credit union experienced a change in senior management. The new management team worked on further reductions to expenses without sacrificing services to the membership. We continue to look forward to a strong and improved fiscal outlook. Despite the financial challenges we have experienced with the low interest rate environment and new regulatory requirements, you have continued to put your faith and trust in the credit union and we have made it our priority to focus on the challenges. We are resolved to continue to provide our members with the quality service they deserve.

We continue to strive to make decisions that are in the best interests of credit union members. We continue to look for ways to benefit members and we have committed ourselves to the task. The Board and staff have begun looking at ways to make the credit union more accessible and convenient for all your financial needs. In 2015, the credit union committed itself to improve lending to our members. New loan products were introduced; the Member Advantage (replaced the 'Quick Loan' program) and Member Advantage PLUS was implemented for members who may need a short-term loan for up to \$1,000 and \$1,500 with no credit check. The 'Fresh Start' loan program was implemented to assist those members who have suffered credit challenges

and setbacks that can make it difficult to borrow. Credit union loan rates were reviewed and adjusted to become more competitive within the market resulting in continued positive loan growth.

As we embark upon our goals and mission, the credit union is also looking for new and improved technologies to assist with the member experience; mobile banking is lurking on the horizon and could be a reality in late 2016 or early 2017.

The staff and Board of Directors want to thank you for your continued support and commitment. Thank you for making the AFL-CIO Employees Federal Credit Union your Primary Financial Institution. We are honored to be your financial partner.



Richard Womack  
Board Chairman



Robert James  
Interim CEO & CLO

# STATEMENTS OF FINANCIAL CONDITION

For the Years Ended December 31, 2015 and 2014

## ASSETS

	<u>2015</u>	<u>2014</u>
Cash.....	\$2,088,687	\$5,741,399
Loans to members, net allowance for loan losses.....	25,261,019	23,467,049
Accrued income receivable .....	359,503	158,250
Investment securities available for sale at fair value.....	25,132,527	15,460,011
Other investments.....	147,052	8,785,982
Property and equipment, net accumulated depreciation and amortization .....	43,709	68,234
Prepaid expenses and other assets.....	109,106	256,950
Foreclosed and repossessed assets.....	0	0
NCUSIF deposit.....	457,432	471,991
<b>TOTAL ASSETS</b> .....	<u>\$53,599,035</u>	<u>\$54,409,866</u>

## LIABILITIES AND MEMBERS' EQUITY

	<u>2015</u>	<u>2014</u>
Member shares and savings accounts.....	\$47,960,460	\$48,537,358
Notes payable.....	-	-
Dividends payable .....	0	3,186
Accounts payable, accrued expenses and other liabilities.....	111,502	154,237
<b>TOTAL LIABILITIES</b> .....	<u>48,071,962</u>	<u>48,694,781</u>
Members' equity, partially restricted.....	5,527,073	5,715,085
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b> .....	<u>\$53,599,035</u>	<u>\$54,409,866</u>

# STATEMENTS OF INCOME

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<b>INTEREST INCOME</b>		
Interest on member loans .....	\$1,370,013	\$1,460,735
Investment income .....	246,232	249,906
Total interest income .....	1,616,245	1,710,641
<b>INTEREST EXPENSE</b>		
Members' shares and savings accounts.....	47,205	59,941
Net interest income, before provision for loan losses.....	2,208,721	1,650,700
Provision for loan losses.....	(9,934)	(69,464)
Net interest income after provision for loan losses.....	2,198,787	1,581,236
<b>NON-INTEREST INCOME</b>		
Fees and other operating income .....	343,912	639,409
Other gains (losses).....	(8,732)	(28,804)
Total non-interest income.....	\$335,180	\$610,605

	<u>2015</u>	<u>2014</u>
<b>NON-INTEREST EXPENSES</b>		
Employee compensation and benefits.....	\$1,314,398	\$1,448,070
Office occupancy and operations.....	786,877	816,870
General and administrative .....	174,260	171,214
Professional and outside services.....	94,812	90,953
Member insurance premium.....	0	0
Miscellaneous expense .....	(225)	13,625
Total non-interest expense.....	2,370,122	2,540,73
Net operating income (loss).....	(\$ 189,940)	(\$348,891)
<b>NON-OPERATING EXPENSE (INCOME)</b>		
Total non-operating expenses.....	0	0
Net income (loss).....	(\$189,940)	(\$348,891)