



Welcome to 2015!

As Northwest United Federal Credit Union (NUFCU) prepares to begin our 61st year of service, we would like to thank you for your membership and support. We had a great year in 2014 and look forward to another great year ahead. To rise to the ever-changing needs of technology, we are happy to announce that we will be making major improvements to our Online Banking and Bill Pay systems to better fulfill the requests of our members. In addition, we will be implementing Mobile Banking. If all goes well, this will launch during the first quarter of 2016. This is a much desired product by our members, and when it comes to you, we want the best.

As we look ahead to another year together, your NUFCU staff wants to thank you for choosing us as your financial partner. We value serving you and finding ways to meet the growing needs of our fellowship.

All my best,

Justin H. Dickson
President/CEO

Supervisory Committee Report

The Supervisory Committee of Northwest United Federal Credit Union (NUFCU) consists of volunteers appointed by the Board of Directors. It serves to monitor the internal controls of the credit union through periodic examinations of various aspects of its operation. It is through appropriate audits and evaluations that the assets and interests of the members are maintained and preserved.

In 2014, an independent audit and an examination by the National Credit Union Administration were performed. In both examinations, it was demonstrated that NUFCU operates with sound business practices in providing financial services for its members.

The Supervisory Committee is pleased to report that the management, staff, elected and appointed volunteers continue to carry out duties for which they are responsible, and that the organization is in a strong financial condition.

Respectfully Submitted,
Charlie Assmus
Chair, Supervisory Committee

Treasurer's Report

With the Federal Reserve's continuation of their low interest rate policy during 2014 and uncertain economic and political problems around the world, there are signs that low interest rates may be with us for the foreseeable future. The Credit Union board of directors and management team has, therefore, kept investments fairly short term to be able to react to any changes in the market. Based on current investment maturities the Credit Union's asset/liability management projections show the Credit Union is favorably positioned for a rising interest rate environment. Last year's earnings were the best since 2008, and other financial data and ratios showed very positive trends as shown by the following:

- 1) Net Income totaled \$492,352 which is \$117,357 over year-end 2013.
- 2) Loans grew 8.38%; closing the year at \$37.5 million.
- 3) Deposits increased 3.79% to just over \$73.5 million at year-end. Members continue to show strong confidence in the Credit Union. Total Assets increased to \$81.2 million; an increase of 3.63%. This is the highest year-end assets have ever been.
- 4) Total reserves (basically the Credit Union savings account) ended the year at \$7,122,909; an increase of 6.41%.
- 5) A few of the Credit Union key ratios: Return on Assets (ROA) for 2014 is 0.53%; an increase from 0.40% in 2013, and the highest percentage since 2008. Delinquent Loans at the Credit Union remained well-below our peer average at 0.33%.

As the Credit Union continues its conservative approach to asset/liability management, I am confident it will be a sound member oriented financial institution with strong Catholic values for 2015 and beyond.

Respectfully submitted,
Phil Kroeker
Treasurer, Board of Directors

Financial Report

	Year Ending 12/31/13	Year Ending 12/31/14
Assets		
Loans to Members	\$34,660,138.36	\$37,564,965.12
Allowance for Loan Loss	– 96,124.46	– 63,265.69
Cash	593,149.23	519,902.05
Investments	41,894,842.70	41,762,635.31
Land, Furniture & Equipment, Other Assets	1,315,050.77	1,430,303.99
Total Assets	\$78,367,056.60	\$81,214,540.78
Liabilities and Equity		
Regular Shares	\$19,187,837.94	\$20,482,384.43
Certificates of Deposit	16,561,536.32	15,423,902.78
IRA (Individual Retirement Accounts)	1,745,789.61	1,607,406.26
IRA Certificate of Deposit	5,685,613.60	5,406,841.75
Share Draft Check Accounts	7,870,358.41	9,343,662.42
Money Market Accounts	19,845,322.86	21,321,665.16
Other Liabilities	777,041.05	505,769.07
Regular Reserves	1,193,555.12	1,193,555.12
Undivided Earnings	5,500,001.69	5,929,353.79
Total Liabilities and Equity	\$78,367,056.60	\$81,214,540.78
Statement of Operations	Year Ending 12/31/13	Year Ending 12/31/14
Income		
Interest on Loans	\$1,714,807.51	\$1,854,752.82
Income on Investments	502,073.40	469,011.49
Other Income	543,936.23	524,663.66
Gross Income	\$2,760,817.14	\$2,848,427.97
Operating Expense		
Office Operations Expense	\$2,066,536.60	\$2,139,933.34
Provision for Loan Losses	17,639.00	8,408.00
Other Operating Expense		
Total Expenses	\$2,084,175.60	\$2,148,341.34
Net Income Before Interest and Dividends	676,641.54	700,086.63
Interest and Dividends	311,927.09	272,970.15
Net Income	\$364,714.45	\$427,116.48
Gain/Loss on Disposition of Assets	– 52,719.77	2,235.62
Net Income After Stabilization	\$311,994.68	\$429,352.10

