THE POWER OF COmM UNION

CASE CREDIT UNION

2017 ANNUAL REPORT
2017 CASE CREDIT UNION
COMMUNITY SUPPORT

MISSION STATEMENT
Respect & Fairness to Employees
Education Members First
Diversity

CHAIRMAN’S REPORT

award winner. (CUNA) as a 2017 Excellence in Lending from the Credit Union National Association. Products earned us national recognition with a Tax Relief Loan and an auto loan program. AAA of Michigan to create a Home Equity Area Community Services (CACS), and a Community Development Financial Institution (CDFI). This is particularly best displayed with our designation as a CDFI, we partnered with success of low to moderate income developed specifically to support the union to offer products and services to ensure member growth that allows more of our community to our members and to community – CASE

STANDARDS

CASE EMPLOYEES

PORTFOLIO GROWTH.
We also saw a 27.41% in business loan assisting business members to more. A new online business banking portal, looking to invest in the future success of people interested in learning how to use seminars for first time home buyers, ownership. Our mortgage team hosted in 2017, CASE helped a record number of people realize their dreams of home our board members and employees for our members for more than 80 years. Allowed CASE to provide superior service and other electronic services has resulted by 16.75% and more than 20,000 eSign member, as well as being recognized nationally as one of the major workplace awards. CASE was able to have their financial needs met by 16.75% and more than 20,000 eSign

EFFORTS WITH FOUR LOCAL CHARITIES, CHOOSED BY EMPLOYEES, TO RAISE FUNDS TO SUPPORT EACH ORGANIZATION THROUGH FUNDRAISING EFFORTS

CHARITABLE GIVING
EACH YEAR, CASE CREDIT UNION EMPLOYEES STRIVE TO GIVE BACK TO THE COMMUNITIES IN WHICH THEY LIVE AND WORK. IN ADDITION, EACH EMPLOYEE IS ENTITLED TO A PAID DAY OFF FROM WORK TO VOLUNTEER IN HIS OR HER COMMUNITY

CONTRIBUTIONS TO ORGANIZATIONS
IN 2017, CASE PARTNERED WITH FOUR LOCAL CHARITIES, CHOSEN BY EMPLOYEES, TO RAISE FUNDS TO SUPPORT EACH ORGANIZATION THROUGH FUNDRAISING EFFORTS.

62% STAFF PARTICIPATION FOR CHARITY DRESS DOWN DAYS
CASE CREDIT UNION’S WORKPLACE GIVING PROGRAM ENABLES EMPLOYEES TO DESIGNATE A PORTION OF EACH PAYCHECK TO THE PARTNERED CHARITY

$14,000 SCHOLARSHIPS
CASE CREDIT UNION SUPPORTS THE DEVELOPMENT OF THE NEXT GENERATION OF LEADERS. CASE AWARDED $14,000 IN SCHOLARSHIPS TO LOCAL HIGH SCHOOL STUDENTS

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In 2017, CASE Credit Union celebrated a number of accomplishments, each of these were pursued with the aim of better serving our communities and members. As Chairman of the CASE Credit Union Board of Directors, it is my honor to report on these successes, and share our accomplishments with you.

CASE’s commitment to communities is best displayed with our designation as a Community Development Financial Institution (CDFI). This is particularly meaningful because it allows the credit union to offer products and services developed specifically to support the success of low to moderate income households. As a CDFI, we partnered with community organizations such as Capital Area Community Services (CACS), and AAA of Michigan to create a Home Equity Tax Relief Loan and an auto loan program called Responsible Rides. Creation of the products earned us national recognition from the Credit Union National Association (CUNA) as a 2017 Excellence in Lending award winner.

With the rise in electronic crime, we are committed to assisting members protect themselves and their assets. We have added a Cybersecurity Specialist to our team and enhanced insurance products and services to ensure member investments are protected. In addition, we have completed 6,480 fraud investigations on behalf of our members and conducted free seminars regarding identity theft.

As we move into 2018, CASE remains committed to making a meaningful difference in the lives our members, and will continue to focus on the strategic growth that allows more of our community access to products and services that are superior, convenient, and easy to use.

I would like to thank the Board of Directors for their tireless efforts and the staff for providing service that leads to financial success. Lastly, I would like to thank you our members for your continued trust and loyalty that make CASE a great organization!

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**CORE VALUES**

- Hire the Best & the Brightest
- Integrity
- Members First
- Respect & Fairness to Employees

**SERVICE STANDARDS**

- Service
- Innovation
- Diversity
- Education

Create a welcoming environment.
Accept personal responsibility.
Strive to leave a positive impression.
Express appreciation.

**MISSION STATEMENT**

To assist members and employees to achieve financial success through service that is superior, convenient, and easy to use.
When it comes to community – education, business, or local – CASE Credit Union is at the heart of them all! We share a common interest in seeing our members, employees, and communities grow and thrive. This philosophy has allowed CASE to provide superior service to our members for more than 80 years.

In 2017, CASE helped a record number of people realize their dreams of home ownership. Our mortgage team hosted seminars for first time home buyers, people preparing to sell their homes, and people interested in learning how to use the equity in their homes. Additionally, the mortgage team partnered with local realtors to host continuing education classes and assisted many members to receive grants for down payment assistsances and home repairs.

Looking to invest in the future success of local small businesses, CASE launched a new online business banking portal, assisting business members to more effectively manage day-to-day operations. We also saw a 27.41% in business loan portfolio growth.

More members than ever utilized the valuable electronic services CASE offers. Online banking users increased by 16.75% and more than 20,000 eSign documents were sent. These continued enhancements of our mobile application and other electronic services has resulted in more than 70% of our members being able to have their financial needs met without ever stepping into a branch.

The CASE Financial Education Team continues to create fun and engaging ways to teach financial literacy. Utilizing a grant from the Michigan Credit Union Foundation (MCUF), Money Masters, a brand new financial reality fair for middle schoolers, was developed. The team was able to reach nearly 2,000 K-12 students at more than 20 schools and community organizations. Beyond just going to classrooms, CASE also participated in career fairs and mock interview sessions, helping to prepare the workforce of tomorrow.

CASE also continued to invest in the development of our employees. Several completed the Leadership Development and Certified Credit Union Financial Counselor certification training programs. All employees attended training sessions on a wide variety of topics to help them
build their skill sets. This ongoing commitment to our employees’ growth and success resulted in us winning two major workplace awards. CASE was recognized nationally as one of the Best Credit Unions to Work For by the Credit Union Journal, as well as being recognized by the Detroit Free Press as a Top Workplace in Michigan.

During 2017, CASE Credit Union continued its long history and dedication of partnering with and giving back to the communities we serve. As we reflect back on the last 12 months, we have so much to celebrate – financial achievements, helping local businesses grow, families purchasing their first home, technology enhancements to make finances easier, and the development of products that improve the lives of our members.

I want to express my sincere gratitude to our board members and employees for their diligence and dedication in assuring we continue to provide the products and services for your financial success. We value your membership and loyalty to CASE and look forward to serving you for many years to come!

[Signature]
As a CASE Credit Union Member, you can enjoy local, fast decisions; the ability to make your payments online or in branch; a full range of products and services; and specialized member service.

**Personal Banking Services**
- Savings Accounts
- Checking Accounts
- Youth Accounts
- Investment Services
- Auto, RV, and Boat Loans
- Personal Loans
- Mortgages
- Home Equity Loans
- VISA® Debit Cards
- VISA® Credit Cards
- Life Insurance Products
- Fraud Protection

**Business Banking Services**
- Savings Accounts
- Checking Accounts
- Commercial Real Estate
- Commercial Vehicles
- Working Capital Lines of Credit
- Small Business Administration Loans
- Vehicle + Equipment Loans
- Lines of Credit
- VISA® Debit Cards
- VISA® Credit Cards
- Investment Services

**Electronic Services**
- Online Banking
- Mobile Banking
- Online Bill Pay
- Call CASEY (Automated Phone Banking)
- eStatements
- Apple Pay, Samsung Pay, Android Pay
- Direct Deposit
- 24/7 ATMs
- Secure Chat

**MEMBERSHIP**
Membership at CASE Credit Union is open to all who live, work, or worship in any of Michigan’s 68 counties within the Lower Peninsula.

**AWARDS**
- The Detroit Free Press’ - Top Workplaces 2017
- The Credit Union Journal - Best Credit Unions to Work For 2017
- CUNA 2017 Excellence in Lending National Award Winner
- The Louise Herring Award for Philosophy in Action – Second Place
- The Louise Herring Award for Philosophy in Action – Honorable Mention

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**CONSOLIDATED STATEMENT OF OPERATIONS**

**CONSOLIDATED STATEMENT OF FINANCIAL CONDITION**

**BRANCH ADDRESSES**

**BOARD OF DIRECTORS**

**2017 LEADERSHIP TEAM**

**SERVICE TEAM**

**CONTACT INFORMATION**

**THE POWER OF**

**2017**

**ANNUAL REPORT**
## CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and due from financial institutions</td>
<td>$3,613,129</td>
</tr>
<tr>
<td>Interest-bearing demand deposits</td>
<td>7,577,249</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>11,190,378</td>
</tr>
<tr>
<td>Interest-bearing time deposits</td>
<td>1,494,000</td>
</tr>
<tr>
<td>Available-for-sale securities</td>
<td>28,163,501</td>
</tr>
<tr>
<td>Loans, net of allowance for loan losses of $4,053,280 and $2,864,255</td>
<td>213,087,108</td>
</tr>
<tr>
<td>Land, premises and equipment, net</td>
<td>11,173,492</td>
</tr>
<tr>
<td>Share insurance deposits</td>
<td>2,337,451</td>
</tr>
<tr>
<td>Federal Home Loan Bank stock</td>
<td>747,200</td>
</tr>
<tr>
<td>Alloya Corporate FCU membership shares</td>
<td>600,000</td>
</tr>
<tr>
<td>Accrued interest receivable</td>
<td>903,893</td>
</tr>
<tr>
<td>Servicing rights assets</td>
<td>883,193</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>780,000</td>
</tr>
<tr>
<td>Postretirement asset</td>
<td>250,557</td>
</tr>
<tr>
<td>Other assets</td>
<td>6,391,329</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$278,002,102</td>
</tr>
</tbody>
</table>

### LIABILITIES AND MEMBERS’ EQUITY

#### Liabilities

- Members’ share accounts: $237,910,087
- Federal Home Loan Bank advances: 10,000,000
- Other liabilities: 5,104,360

**Total liabilities**: 253,014,447

#### Members’ Equity

- Regular reserve: 3,509,935
- Retained earning, substantially restricted: 21,768,292
- Accumulated other comprehensive loss: (290,572)

**Total members’ equity**: 24,987,655

**Total liabilities and members’ equity**: $278,002,102

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## CONSOLIDATED STATEMENT OF OPERATIONS

### AS OF DECEMBER 31, 2017

#### Interest Income

- Loans, including fees: $12,362,704
- Investments and other: 682,147

**Total interest income**: 13,044,851

#### Interest Expense

- Members’ share accounts: 836,144
- FHLB advances: 261,568

**Total interest expense**: 1,097,712

#### Net Interest Income

**Net Interest Income After Provision for Loan Losses**: 11,947,139

#### Provision for Loan Losses

**4,802,108**

**Net Interest Income**: 7,145,031

#### Noninterest Income

- Service charges and fees: 3,418,341
- Interchange income: 940,173
- Net gain (loss) on sale of available-for-sale securities: (13,300)
- Net gains on sale of loans: 525,529
- Other income: 3,116

**Total noninterest income**: 4,873,859

#### Noninterest Expense

- Salaries and employee benefits: 5,782,912
- Data processing: 1,294,193
- Occupancy and equipment expense: 1,872,356
- Professional and outside services: 285,687
- Office operations: 205,233
- Marketing: 396,002
- Loan services: 634,889
- Loss on assets held for sale: -
- Other expenses: 1,735,428

**Total noninterest expense**: 12,206,700

**Net Income (Loss)**: $ (187,810)
2017 LEADERSHIP TEAM

BOARD OF DIRECTORS

William Brewer, II
Board Chairperson

Craig Godfrey, CPA
Vice Chairperson

Karen Spotts
Treasurer

Samuel Duncan IV
Director

Jane Olney
Director

Fred Goers
Director

Bo Garcia
Director

April Clark
Director

Reniero Araoz
Director

AUDIT COMMITTEE

Charmaine Shellman
Audit Committee Chairperson

Larry Steed
Audit Committee Member

Glory LeDu
Audit Committee Member

SERVICE TEAM

Jeffrey Benson, CPA, MBA
President/CEO

Jacob Cook, MBA
Vice President of Finance/ CFO

Jeffrey Kusler, MBA
Vice President of Operations

Brett Pacek
Vice President of Lending

Dione Peña
Vice President of Human Resources and Marketing

Chad Rolston
Vice President of Information Systems

BRANCH ADDRESSES

Pennsylvania Branch
4316 S. Pennsylvania Ave.
Lansing, MI 48910

Lake Lansing Branch
2400 West Road
East Lansing, MI 48823

Meridian Branch
1701 Hamilton Rd.
Okemos, MI 48864

Delta Branch
7527 Delta Commerce Dr.
Lansing, MI 48917

West Saginaw Branch
5611 West Saginaw Hwy
Lansing, MI 48917

Vermontville Branch
121 Eastside Dr.
Vermontville, MI 49096

LCC Branch
422 N. Washington
Lansing, MI 48901

Contact Center
517.393.7710 or
1.888.393.7716

Our service. Your success.

casecu.org