

# CRAFTING BANKING SOLUTIONS FOR YOU

**Golden Branch**  
816 Washington Ave  
Golden, CO 80401  
Fax: 303.279.6336

**Arvada Branch**  
7721A Wadsworth Blvd  
Arvada, CO 80003  
Fax: 303.423.8123

Federally insured by NCUA  
Equal Housing Opportunity



## LETTER TO MEMBERS - 2015 ANNUAL REPORT

Dear Members,

Coors Credit Union has a proud 62-year heritage with a successful commitment to service excellence. As a testament to that commitment, membership grew to 19,749 members at year-end, compared to 18,268 a year before. In an era of increasing doubt and mistrust, Coors Credit Union is seen as a trusted financial partner.

We also have a track record of strong financial strength anchored in the Colorado community. Year over year, we achieve excellence as measured by sustained growth in every meaningful category. In 2015, our cooperatively owned net assets grew by 11.6% to \$220 million, a \$22.9 million increase. Earnings rose to \$2.2 million, up 18% from the year before. The capital ratio, which is equity as compared to assets and is one measure of a credit union's healthy base, remained strong at 11.4%.

### One of Colorado's Best Credit Unions

Coors Credit Union has once again been ranked by two organizations as one of the top credit unions in Colorado as measured by financial health reviews and rates.<sup>1</sup> We are proud to be a financial cooperative that serves our member-owners with caring and expertise. In 2015, we were pleased to be approved by the Department of Regulatory Affairs to expand our service geography. Our Field of Membership Expansion now not only includes Jefferson County, but also Denver, Boulder and Larimer counties. This continues to further secure our future and shared prosperity.

### Coors Credit Union Launches Unique Experience for Account Holders

Last year, people who visited our Golden branch observed a great transformation—certainly of the physical structure—but also of the new technologies and an energized staff passionate about crafting individual financial solutions for each member. Our vision has been to not only improve our physical branch located in Golden, but also our technology and ability to effectively serve multiple generations, from Millennials laden with student debt to Baby Boomers approaching retirement.

In moving forward with our remodel, we first determined we would make more efficient use of existing space, update the aging infrastructure and fixtures, improve security and provide convenient meeting spaces. Just as important, we created a branch where our members could meet privately with a Coors Credit Union financial advocate, be trained on the latest mobile and online technologies, attend a seminar, complete a loan application or utilize the updated ATM kiosk available in the vestibule. Please see a more complete report on our new service model and branch transformation on pages 4 and 5 of this report.

From the vestibule to the teller towers with miniature brew kettles, and the business offices to the Golden Community Room, we have shaped a unique experience that celebrates our shared connections with our proud beer heritage, our love of the authentic Colorado lifestyle and a unique brand of service that includes individual financial solutions just for you. You will find that our financial representatives will greet you at the door, schedule private meetings for you and your financial advocate, and invite you to attend an early evening seminar with one of our experts who share networks and knowledge, food and hospitality.

### Lock-It Card Control™

In the fall, in response to a rash of debit card fraud throughout the nation, Coors Credit Union launched a new card security feature called **Lock-It Card Control™** which is available in our mobile banking app. With **Lock-It Card**

**Control™**, you can temporarily lock your credit and debit cards, then quickly unlock them when you want to use them. You can also report your card as lost or stolen and reorder a new card, right from the app.

### Money has always been intensely personal and will continue to be so for future generations.

That's why our solutions include working with each generation as they transition through the stages of their lives. At every age, when you have a little money, you cherish what you have, enjoy its uses, manage it closely and safeguard it for the future. As younger people marry, have children, buy their first home and accumulate assets, they will need more complex products and services. At Coors Credit Union we provide members with their own personal financial roadmap called the **Coors Credit Union Adventure Roadmap™** to help build wealth and create a secure financial future. **You get personalized service from a financial advocate bolstered by an array of useful financial products and great rates.** Just call us to get started!

Overall, we continue to be dedicated to our members and to delivering exceptional financial products and services in branch or through our advanced technology. Please let us know of ways we can serve you well and continue to earn your trust.

Sincerely,  
Dan Sung  
Board of Directors, Chairman

Tracie Wilcox  
President and CEO



Dan Sung  
Board of Directors,  
Chairman



Tracie Wilcox  
President and CEO

## LENDING REPORT - 2015 ANNUAL REPORT

In 2015, Coors Credit Union continued its year-over-year excellence of sustained loan growth pointing to our successful ability to simplify complexity and reduce costs. At Coors Credit Union our loan portfolio increased balances in nearly every major loan category, helping the credit union achieve loan growth of approximately 18%. And we are not finished yet. We know our members are demanding simpler products and smarter relationships. They want a trusted financial partner and we are here to deliver.

How? We are working hard to improve technology, our onboarding, servicing and collaboration. We will also enhance our digital apps to better serve our members.

### We Can Help Save Members Money

We remain focused on better customer engagement, consistent delivery, efficiencies and reduced costs. Lending is the lifeblood of our industry. Doing it well and efficiently means we can help save members money on their loans and enhance the asset value of their membership. The Lending Department staff will continue to advocate for our members by helping to lower their monthly payments, paying off existing debt, restructuring current debt and finding other financial solutions that help create a debt-free status.

### A Better Member Experience

In 2015, the focus of the lending team was to improve the internal loan processes for staff that would in turn deliver a better overall member experience.

We know that a mortgage process encompasses dozens of different steps and functions. We are working to connect these steps, the apps, the data and the varied and deep expertise of our staff members to simplify the process from beginning to end. What does that mean to you? It means we can be agile and innovative on your behalf, reduce your costs and that you can get the loan you want on terms that fit your needs. This better member experience also includes the ability for members to complete real estate loan closings via electronic signatures and submit real estate early disclosures electronically. In fact, in late 2015 the credit union began accepting Residential Evaluations in lieu of full appraisals in some instances. These enhancements improved turnaround times for loan closings and helped reduce the closing costs to members.

### New Products and Services

New products and services were also added in 2015, with the credit union providing a new Home Equity Line of Credit product that has a 15-year payoff period, making home improvements more affordable for members. The credit union also completed a project in 2015 that provides members who chose to see their FICO® score on their quarter-end statements. Providing that FICO® score is a critical advocacy tool for our staff to educate and coach members on the importance of a good credit score and how it can positively or negatively impact the financial health of our members. These process enhancements and value-added products and services have contributed to a healthy loan portfolio in 2015, with growth in first mortgages, commercial loans, home equity loans and lines of credit, auto and RV loans, and credit cards.

### Bank, Borrow, Invest and Insure

Our financial advocates can help you buy your first home, downsize for retirement, buy your first car, or establish a great credit score with one of our fixed rate cards. Our products include everything from home loans, home equity loans and credit cards, to investment and retirement expertise and insurance.

Looking forward in 2016, Coors Credit Union will have an improved member loan application process through enhanced online and mobile banking channels. In addition, the credit union is reviewing our entire program of credit and debit cards, working to make a decision to consolidate to just one payment brand network—either Visa or MasterCard. Consolidating to one payment brand will create greater economies of scale as well as enhance our fraud prevention tools and monitoring.

The success of Coors Credit Union is due in no small part to our 19,749 members who trust us and 60 employees who diligently work to provide world-class lending products, solutions and service. We look forward to continuing to advocate for you and save you money. We sincerely appreciate your membership and loyalty to Coors Credit Union.

Respectfully,  
Bryan S. Thomas  
VP of Lending

2015  
Loan Growth  
of approximately  
**18%**

UNIQUELY BRANDED  
CREDIT AND DEBIT CARDS

# FINANCIAL PARTNERS FOR LIFE



“WE’VE WORKED HARD TO BLEND THE BEST: OUR TRANSFORMED GOLDEN BRANCH, A PROUD BEER HERITAGE, AN AUTHENTIC OUTDOOR LIFESTYLE, AND A UNIQUE BRAND OF SERVICE THAT INCLUDES INDIVIDUAL BANKING SOLUTIONS JUST FOR YOU.”



Tracie Wilcox, President and Chief Executive Officer

## Never Has Banking Changed So Much

We have worked diligently and tirelessly to meet today’s new banking challenges. Today, for the generation born between 1980 and 2000, more than 70% of all banking occurs electronically on mobile, tablet, desktop, laptop and ATMs – and we are working on improvements for them all.



- At Coors Credit Union in Golden, the new **ATM** is available to members 24/7 and is equipped with advanced features, eliminating the need for envelopes when depositing both checks and cash.
- **Our Interactive Kiosk** features a convenient branch and ATM locator and up-to-date information screens on all products and services.
- **The WOW Wall** television screen gives visitors up-to-date business news; snow reports; history of Coors Credit Union, Coors Brewery and Golden; and member testimonials about their relationships with the credit union.



- **A Private Coin Machine** room allows for easy, quiet and private counting of change.
- **Brewster Park** gives children opportunities to begin their own adventures and have fun with managing money.
- **The Innovation Pub** provides a convenient space where Coors Credit Union Financial Advocates can conduct brief seminars, complete loan closings and help members learn about the new and improved technologies available to help them bank at their convenience.



## Your Own Financial Roadmap

Coors Credit Union is different from other financial institutions. We believe that one size doesn’t fit all and that members deserve a financial advocate who will guide them through the financial process with caring and expertise. At Coors Credit Union we provide members with their own personal financial roadmap called the **Coors Credit Union Adventure Roadmap™** to help build wealth and a secure financial future. **You get personalized service bolstered by an array of useful financial products and great rates.**



- **Golden Community Room** gives members and potential members a welcome space for educational seminars on more complex subjects ranging from Buying Your First Home to Long-Term Care, and Insurance coverage to IRAs.

- **Private Business Offices** with storefront awnings identify our special businesses, from *The Investment and Retirement Center at Coors Credit Union* and the *Home Loan Center* to the *Coors Credit Union Insurance Agency*, making it easy for members to find the offices and advocates they need.

- **Branches will remain a significant part of consumer banking** even as we move into a growing universe of electronic channels. Our research shows that



nearly half of our members of all ages will utilize branches for their banking transactions. Therefore, our credit union will need to offer both web-based services as well as branches staffed with specialists in mortgages, lending and investments, providing the personal touch that many of our members prefer for such transactions.

*In 2016 we look forward to providing you additional financial education, personal financial management counseling, improved electronic channels and enhanced security including the EMV chip technology in the fourth quarter. We invite you to visit us in Golden and Arvada and discuss your financial needs with our friendly, professional staff.*

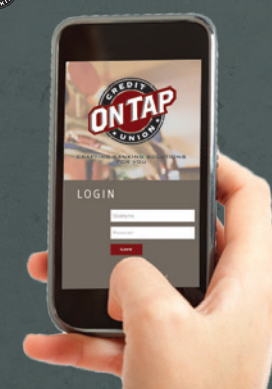
## ON TAP BANKING

In 2016, we look forward to further improving our electronic delivery channels, adding convenience and security.



As a member, you get to choose how and when you want to bank!

- ON TAP ONLINE BANKING
- ON TAP MOBILE BANKING
- ON TAP E-STATEMENTS
- ON TAP BILL PAY



Put your beer  
in your pocket!

## COMPARATIVE FINANCIAL STATEMENT

For the years ended December 31, 2013, 2014, and 2015

	2013	2014	2015
<b>ASSETS</b>			
Loans Outstanding	\$ 112,795,581	\$ 149,561,648	\$ 176,254,969
Investments	49,002,903	37,204,319	24,572,775
Land and Building	1,517,141	1,463,763	2,540,017
NCUA Share Insurance Fund	1,400,247	1,554,150	1,661,867
Other Assets	4,390,332	7,311,274	14,952,791
<b>TOTAL ASSETS</b>	<b>\$ 169,106,203</b>	<b>\$ 197,095,153</b>	<b>\$ 219,982,419</b>
<b>LIABILITIES AND CAPITAL</b>			
Share Accounts	46,434,997	58,465,144	66,078,166
Money Market Share Accounts	45,515,145	47,517,636	50,833,648
Share Draft Accounts	26,569,495	28,499,233	36,113,336
Club Accounts	2,958,673	2,987,657	3,107,902
Share Certificates of Deposit	17,748,919	17,349,557	18,141,698
Individual Retirement Accounts	3,897,526	4,431,155	4,041,411
IRA Certificates of Deposit	6,450,917	6,377,223	6,298,095
<b>TOTAL SHARES AND MEMBER DEPOSITS</b>	<b>149,575,672</b>	<b>165,627,605</b>	<b>184,614,256</b>
Total Borrowings		8,801,838	10,000,000
Other Liabilities	732,986	893,062	1,093,273
Undivided Earnings	17,391,317	19,718,426	22,131,119
Unrealized Gain or (Loss) on Investments	(1,036,336)	(388,342)	(298,793)
Regular Reserve	2,442,564	2,442,564	2,442,564
TOTAL CAPITAL	18,797,545	21,772,648	24,274,890
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 169,106,203</b>	<b>\$ 197,095,153</b>	<b>\$ 219,982,419</b>
<b>COMPARATIVE INCOME STATEMENT</b>			
For the years ended December 31, 2013, 2014, and 2015			
	2013	2014	2015
<b>INCOME</b>			
Interest on Loans	5,838,200	6,364,550	8,085,499
Interest on Investments	464,555	670,692	458,904
Other Income	3,660,446	3,394,946	3,982,613
Non-Operating Gains (Losses)	(51,297)	28,701	35,768
<b>TOTAL INCOME</b>	<b>\$ 9,911,904</b>	<b>\$ 10,458,889</b>	<b>\$ 12,562,784</b>
<b>OPERATING EXPENSES</b>			
Employee Compensation & Benefits	3,098,764	3,583,008	3,927,864
Travel and Education	148,799	152,391	164,043
Office Occupancy	389,820	500,999	694,539
Office Operations	603,533	666,075	480,653
Marketing	450,935	422,181	399,884
Loan Servicing	702,513	690,776	974,880
Outside Services	1,206,200	1,263,982	1,670,616
Member Insurance	112,020	-	-
Operating Fees	20,367	28,981	34,327
Miscellaneous Operating Expenses	108,627	189,391	459,083
Provision for Loan Losses	120,000	617,954	971,496
<b>TOTAL OPERATING EXPENSES</b>	<b>6,961,578</b>	<b>8,115,739</b>	<b>9,777,385</b>
<b>COST OF FUNDS</b>			
Shares, Clubs, Money Market	250,258	280,033	308,157
Share Certificates	132,378	136,179	156,530
Individual Retirement Accounts	11,281	13,423	12,429
IRA Certificates	75,801	58,034	57,628
Interest on Borrowed Money	0	6,993	64,163
<b>TOTAL COST OF FUNDS</b>	<b>469,718</b>	<b>494,661</b>	<b>598,906</b>
<b>NET INCOME</b>	<b>\$ 2,480,608</b>	<b>\$ 1,848,489</b>	<b>\$ 2,186,493</b>

## SUPERVISORY COMMITTEE ANNUAL REPORT

The Supervisory Committee is a volunteer committee that works to guarantee the safety and financial soundness of Coors Credit Union and to protect the assets of the credit union and its membership. Responsibilities are:

1. Examine and evaluate the adequacy and effectiveness of the credit union's internal controls. The Committee determines the reliability and integrity of the financial and operating information.
2. Engage external auditors, within the set budgetary limits.
3. Attend Board of Director meetings and corporate functions.
4. Handle written questions and complaints from members, especially those relating to transactions and compliance.
5. Without compromising its objectivity and independence, the Committee may perform audit work in specific areas upon the request of the CEO and/or Board of Directors.

### • Annual Balance Sheet and Member Verification Audits

Both the financial statements and the member verification audits were conducted by Holben Hay Lake Balzer CPAs, LLC. The firm reported no major findings with a few minor issues that have been addressed by Coors Credit Union management. The Supervisory Committee also reviewed the State of Colorado limited scope exam report which focused on the credit union's risk. There were no Supervisory Committee actions required. These audits satisfy both the Federal and State annual audit regulatory requirements.

### • Committee Members

One of the four committee members took a leave of absence during part of the year. The remaining three members still formed a quorum within the requirements of the by-laws. The referenced committee member is expected to return to the Committee in the spring. The committee members also attended training sessions involving external auditor roles and the Supervisory Committee's fiduciary responsibilities to our credit union members.

### • Annual Work Plan

The Holben Hay Lake Balzer work plan for 2015 and 2016 was presented by Sheila Balzer, a partner in the firm. The work plan was approved as presented with no changes. This plan includes scheduled audits and review of internal controls in the areas of monitoring, lending and collections, member services, teller services and Call Center, and Finance and Human Resources.

### • Fraud Report

The Supervisory Committee reviewed the credit card fraud report findings and determined the actions by Coors Credit Union staff were prompt, appropriate and accurate.

George Forristal  
Chairperson

### 2015 BOARD OF DIRECTORS

Dan Sung, Chairman  
David Engle  
Kevin Caulfield  
Kirsten Johnson  
Toni Houck

### 2015 SUPERVISORY COMMITTEE

George Forristal, Chairman  
Andrew Landry  
Cheryl Cotten  
Elizabeth Jacobson

### 2015 SENIOR MANAGEMENT TEAM

Tracie Wilcox, CEO  
Amy Phillips, CFO  
Anita Russell, VP Marketing  
Bryan Thomas, VP Lending/Operations  
Chris Bokovitz, VP Member Experience  
Jep Enck, VP HR/Cultural Stewardship

Coors Credit Union remains safe, sound and secure. Your deposits are federally insured up to \$250,000 by the National Credit Union Share Insurance Fund and backed by the full faith and credit of the U.S. Government, just as the FDIC does for bank deposits. No credit union member has ever lost a dime of federally insured funds. IRA shares are separately insured up to \$250,000.