



It's Time to Live Your Dreams.

Leadership Report

We are very pleased with the performance of the credit union in 2017. We have continued to strengthen in nearly every way.

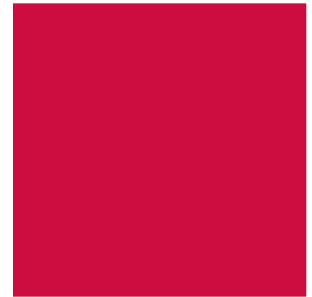
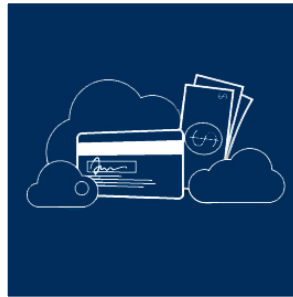
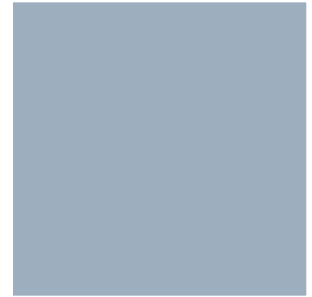
On the financial side, we continued controlled growth and strengthened our balance sheet. Assets grew \$342,010, while capital grew \$906,068. Our net worth ratio, which is the ratio between total capital and total assets, rose to 9.16%. This is considered well capitalized by NCUA, our Federal regulators.

Our loan volume remained high in 2017. Originating record loan volumes in the last few years results in record amounts of pay offs over the next few. This requires near-record originations just to maintain our portfolio. We originated over \$22 million in vehicle loans directly through dealerships and \$36 million through our branches. Our mortgage department originated over \$11 million in first mortgages. However, we retained \$2 million of these first mortgages in our portfolio in order to protect the credit union from holding too many low-rate mortgages in the event of a raising interest rate environment.

Delinquencies decreased from 0.9% at the end of 2016 to 0.6% at the end of 2017. We are currently slightly better than national average.

Operationally, the credit union continued to make advances. We converted our online banking product to our new platform which is synced with our mobile application. Usage rates continue to climb. Our members are now able to see their accounts and conduct the same transactions online and through a smart phone. We have a full array of features and functionality.

We added the ability to turn your debit card on and off and prevent unauthorized usage. We expanded the instant alerts you can receive when a defined transaction occurs. We also completed development of an online banking and mobile



app for business accounts that offers unique functions for businesses.

Each month we conduct member service surveys. We send a survey to each new member as well as a portion of members that conduct a transaction at a branch. In addition, we employ a third party to conduct secret shoppers and report their findings. Our combined member service score, out of over 1,400 surveys, was 3.83 out of 4. This equates to 9.575 out of 10. We are very proud of this score and strive to maintain high service standards as one of our priorities.

To assure we have an excellent environment for our employees, to encourage their best performance and retention, we contracted with a national consulting expert to conduct an employee satisfaction and engagement survey. We set the benchmark score with our first survey in 2016. After working to make our environment even better, we are very pleased to state our employee scores were tremendously better in 2017. We exceeded the national average in nearly all categories. Recently we were the recipient of the *Distinguished Credit Union of the Year* award for the best improvements in engagement and satisfaction out of all client credit unions.

Our auditing firm is Clifton Larson Allen. They conduct a CPA audit on the credit union each year. We are again very pleased to announce that we were given a clean audit, and there were no significant findings or material errors.

We look forward to another great year in 2018. We thank our board, staff and membership for belonging to an excellent credit union and being part of its success.

Steve R. Collins, President and CEO
Jeff Leichy, Board Chairman



Financial Statement

Assets	2017	2016
Credit Card Loans	12,345,115	11,934,708
Real Estate Loans	37,147,887	39,115,016
All Other Loans	120,266,205	119,620,202
Allowance for Loan Loss	(1,570,526)	(1,730,148)
Cash on Hand	4,891,077	5,355,167
Investments	34,783,613	33,459,505
Land & Building	4,424,387	4,692,808
Other Assets	10,940,229	10,438,717
Total Assets	223,227,987	222,885,975
Deposits	2017	2016
Liabilities		
Certificates	22,998,069	28,161,973
Share Drafts	40,717,057	38,941,253
IRAs	15,122,780	16,157,370
All Other Deposits	124,902,853	121,141,636
Total Deposits	203,740,759	204,402,232
Other Liabilities	1,418,668	1,233,627
Equity Capital	18,068,560	17,250,116
Total Equity and Liabilities	223,227,987	222,885,975

Operating Statement

Income	2017	2016
Interest on Credit Cards	882,348	745,967
Interest on Other Loans	6,137,645	6,416,384
Income on Investments	421,327	192,973
Miscellaneous Income	5,241,135	5,050,675
Other Gains or Losses	(20,587)	(17,080)
Total Income	12,661,868	12,388,919
Expenses	2017	2016
Salaries (Wages)	3,981,179	3,878,845
Benefits	1,461,568	1,387,946
Travel & Conference	143,083	129,451
Association Dues	10,906	7,384
Office Occupancy	739,011	775,066
Office Operations	3,027,683	2,846,501
Loan Servicing	285,751	201,872
Outside Services	619,295	647,267
Operating Fee (NCUA)	47,975	38,289
Miscellaneous	91,857	78,162
Total Operating Expenses	10,408,308	9,990,783
Distribution of Income	2017	2016
Dividends (All Accounts)	545,284	574,115
Provisions for Loan Losses	802,200	993,480
Interest on Borrowed Money	8	115
Net Income to Undistributed Earnings	906,068	830,426

Leadership

Board of Directors

Jeff Leichthy, Chairperson
Indiana Tech, Associate VP of IT

Nick Bond, Vice Chairperson
Russ Moore Transmission, Former CEO

Shelly Musolf, Secretary
Indiana Tech, Controller

Dave Eckert, Treasurer
ITT Exelis, Retired

Scott Beam, Board Member
Taylor Communications, Former Business Development Manager

Steve Collins, Board Member
Fort Financial Credit Union, President & CEO

George Eldridge, Board Member
Dana Corporation, Retired

Cpl. Jason Baker, Associate Board Member
Allen County Sheriff's Department, Patrol Division Supervisor

Executive Management

Steve Collins, President & CEO

J. Arnold, VP Lending

Michael Boker, VP Information Technology

Tammy Hartman, VP Sales & Service

Michael Stratton, CFO & VP Strategic Services

Supervisory Committee

Val Eakins, Chairperson
Ivy Tech, Executive Director of Administration

Shelly Musolf, Committee Member
Indiana Tech, Controller

Sgt. Christopher Reed, Committee Member
Fort Wayne Police Department

Locations

Corporate Office

3102 Spring St., Fort Wayne, IN 46808

Indiana

Angola Office

603 Harcourt Rd., Angola, IN 46703

Auburn Office

1302 S. Grandstaff, Auburn, IN 46706

Churubusco Office

702 State Road 205, Churubusco, IN 46723

Dupont Office

4929 E. Dupont Rd., Fort Wayne, IN 46825

Fort Wayne Meijer - NE

10301 Maysville Rd., Fort Wayne, IN 46835

Fort Wayne Meijer - NW

6309 Lima Rd., Fort Wayne, IN 46818

Fort Wayne Meijer - SW

5909 Illinois Rd., Fort Wayne, IN 46804

Mississippi

Corinth Office

1808 S. Fulton Dr., Corinth, MS 38834

North Carolina

Gastonia Office

1475 N. New Hope Rd., Gastonia, NC 28054



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