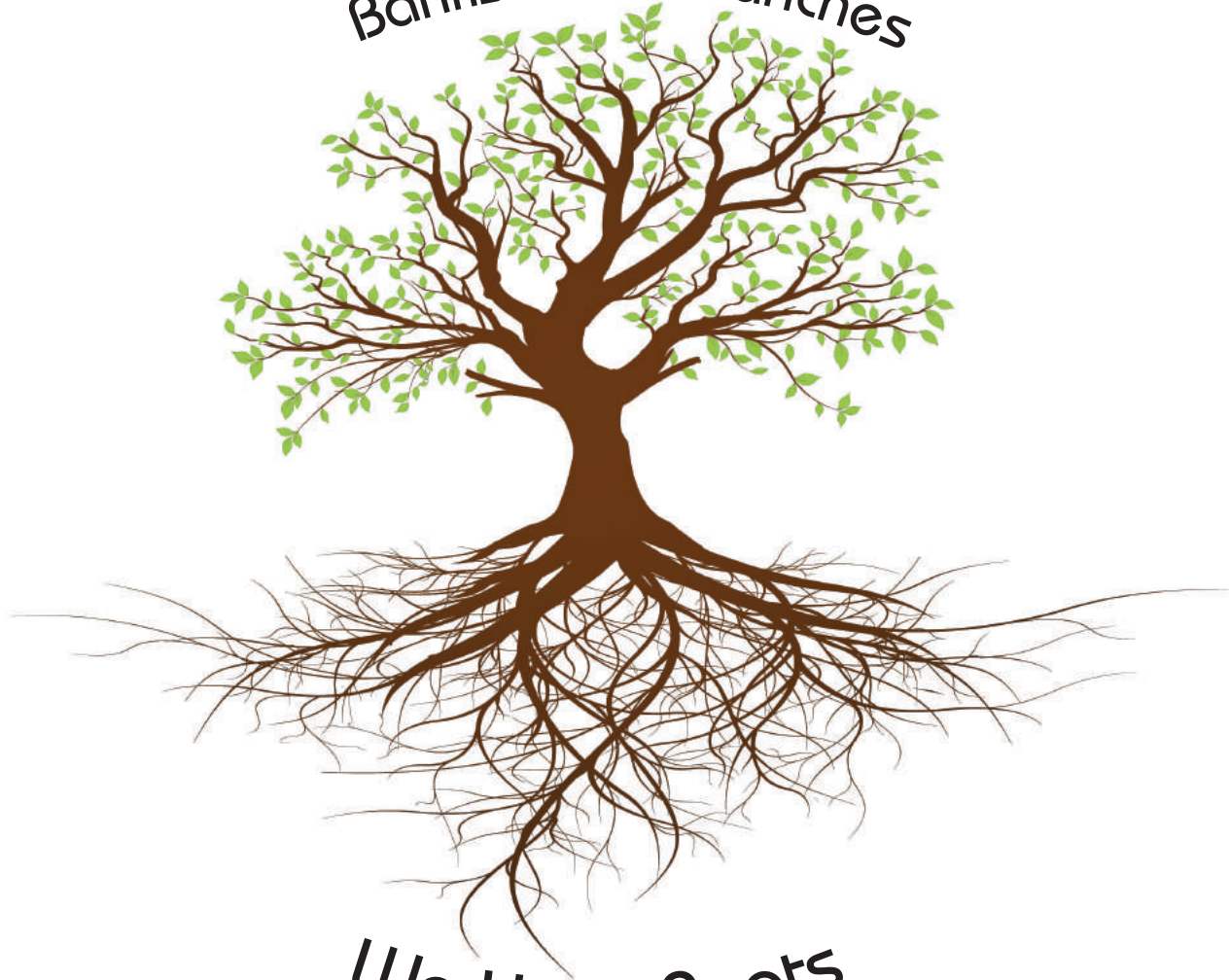


Cooperative Center

FEDERAL CREDIT UNION

Banks Have Branches



We Have Roots

Cooperative Center FCU Charter Employer and Associational Groups

4C's Community Child Care • Accent Office Services • Acute Care Affiliates • Aids Prevention Center • Alameda Hospital • Alpine Specialties • Alta Bates* • American Funeral Plan • Ashby Care, Inc. • Association of Child Services • Bay Area Hospitality Co-op • Baron Von Frier • Barry's Jewelers • Berkeley Family Medical Practice • Berkeley Bowl • Berkeley Food & Housing • Berkeley Geriatric • Berkeley Repertory • Biesheuvel Scarpa & Co. • Big Brothers Big Sisters of the East Bay • Blymyer Engineers, Inc. • Bruce Lieberman, Attorney • Building Opportunities for Self-Sufficiency (BOSS) • C&C Laboratory • Cal-West Concrete Cutting, Inc. • Calypte Biomedical Corp. • Cary's Childrens Clothing • Cemetery Workers #265 • Civic Actions • Clamp-Swing Pricing Company • Co-op Stores • Community Action of Marin • Construction & General Worker's Union Custom Process • Daily Californian • Davis Food Co-op • Diamond Freight Systems • Direct Line • Douglas Parking Co. • East Oakland Community Project • East Bay Association for Women in Science • East Bay Medical Network • EBBP Alliance • Ehret Company Plumbing & Heating • Euro-Med, Inc. • European Skin Care • Expeditors International • Express Publishing, Co. • Family Members of Existing Cooperative Center FCU Members • Floating Home Association • Four Seasons Cleaning • Freeman Sullivan & Co. • GB Ratto & Co. • General Graphics • George's Industrial Catering • Global Data • Golden Gate Aviation • Golden State Engineer • Harbor Bay Club • Here Local 28 • Hillhaven Convalescent Hospital • Import Tile • Independent Refrigeration • Industrial Workers of the World • Inner Quest Aware Center • Innovative Concepts • Institute of Human Origin •

Annual Report 2014/2015

Cooperative Center Federal Credit Union

was founded and continues to be guided by

The Seven Cooperative Economic Principles

Voluntary and Open Membership

Cooperative Center FCU is open for membership to all who qualify under our Federal Charter, No. 04900, without discrimination based on gender, sexual orientation, race, ethnicity, religion, or disability.
(For a full list, see the About Us page at www.coopfcu.org)

Member Economic Participation

We encourage our members to make Cooperative Center FCU their primary financial institution. When members participate in the cooperative financial model the entire credit union membership, individually and collectively, benefits through competitive loan and share rates and lower fees for services.

Democratic Member Control

Cooperative Center FCU members participate in the democratic election of a Board of Directors whose function is to create policies and make decisions for the good of the entire membership. Men and women serving as elected Board members are accountable to the membership.

Autonomy and Independence

Cooperative Center FCU is an autonomous, self-help financial institution, controlled by and operated for the benefit of the members, not for outside shareholders.

Education, Training and Information

Cooperative Center FCU provides education and training for its members, elected and appointed officials, management team, and employees.

Cooperation Among Cooperatives

Cooperative Center FCU supports full cooperation among cooperative financial institutions. We serve our members most effectively and strengthen the cooperative movement by working together through national, regional, local and international structures. Credit unions are more than just financial institutions. *We are a movement.*

Concern for Community

Cooperative Center FCU is a contributing corporate citizen. Building sustainable individual and community wealth is at the heart of our mission.

73rd Annual Meeting Agenda

*Ed Roberts Campus, Atrium
Thursday, November 19, 2015
6:00 pm – 8:00 pm*

I. Call to Order

Dinner will be served

II. Agenda, Roll Call

III. Annual Meeting Minutes, November 20, 2014

IV. Annual Meeting Reports

- Board Chairman's Report: Shyaam Shabaka
- Treasurer's Report of Financial Condition: Board Treasurer, Laura Herrera
- Supervisory Committee Report: Committee Chair, Patricia Pitre
- Nominating Committee Report: Committee Chair, Willie Phillips
- Member Education Committee Report: Committee Chair, Shyaam Shabaka
- 2015 Recap: AVP of Marketing & Charter Group Relations, Debbie Crowson

V. Teller of Elections Report and Election Results

VI. Adjourn

Raffle

Informal Open Meet and Greet: Talk with your Board of Directors and CEO

72nd Annual Meeting Minutes

**Ed Roberts Campus, Atrium
Thursday, November 20, 2014, 6:00 pm**

Board of Directors Present: James Garrett, Shyaam Shabaka, Tye Kirk, Tim Huet, and Mike Leung

Credit Union Management Present: Fadhila Holman, Debbie Crowson, Mark Suacillo, Stacey Smor, Shalina Kell, and Gina O'Leary

Supervisory Committee Present: Patricia Pitre, Stephanie Hunter, and Mark Smith

I. Call to Order

The 72nd Annual Meeting of the Members was called to order by Board Chair, James Garrett at 6:00 p.m. A quorum was present.

Mr. Garrett welcomed and thanked attending members. He expressed thanks to the credit union staff and management for the diligent work in coordinating the Annual Meeting.

II. Approval of the November 1, 2013 71st Annual Meeting Minutes

Chair Garrett reported to the Board that under The Modern Rules of Order adopted by the Board in 2014, after announcement by the Chair, unless an objection is raised, the circulated minutes are approved as submitted. Chairperson Garrett approved the November 1, 2013 71st Annual Meeting Minutes with any necessary corrections.

III. Annual Meeting Reports

- a. Board Chair's Report: Chairperson Garrett acknowledged and thanked the credit union members, charter groups, board members, management team, standing committee members, Supervisory Committee, and Member Education Committee, as well as those committee Chairs, Patricia Pitre and Shyaam Shabaka. He announced that it was his last year serving on the Board of Directors and that this year the membership would be electing seven (7) Board members.

The Board Chair noted vast improvement with management at the credit union and assured the membership that the credit union is financially safe and secure.

- b. Treasurer's Report of Financial Condition: Treasurer, Tye Kirk referenced the reports provided in the Annual Report and summarized an overview of the 2013 year-end financials and the September 30, 2014, year-to-date financial reports. The Treasurer thanked the Asset/Liability Committee (ALCO) and staff members at the credit union for their hard work and efforts. He reported the credit union is meeting its monthly goals and encouraged members to use all of the credit union products offered, particularly the loan products as the credit union depends on this income to continue offering and providing programs to our members and the community.

Treasurer Kirk reported that the credit union continues to grow and explained that as assets increase the credit union must generate increased revenue at the same speeds. The priority of the board and management team is to increase net revenue in order to meet the minimum goal of a 7% Net Worth with the currently held secondary capital loan and he briefly explained the CDFI Treasury Loan.

- c. Member Education Committee (MEC) Report: MEC Chair, Shyaam Shabaka, expressed his pleasure in serving on the Board and as Chair of the MEC. He explained that part of the MEC's work included acting as a liaison, ensuring that the credit union is offering a good mix of products and services for our membership and that members are familiar with those products and services. Mr. Shabaka extended an invitation to the members to consider serving on the Member Education Committee.

- d. Supervisory Committee (SC) Report: Chair Patricia Pitre introduced SC members, Stephanie Hunter (Secretary) and Mark Smith. She thanked the committee and credit union members for their loyalty and commitment to the credit union. Ms. Pitre explained that the SC is responsible for determining that the financial condition of the credit union is accurately presented and that management's practices and procedures are sufficient to safeguard member assets.

SC member Mark Smith reported there have been challenges and accomplishments in 2014 and the SC has been working diligently with NCUA examiners, external auditors and credit union management. Mr. Smith read the SC report included in the program.

- e. Debbie Crowson, Assistant Vice President of Marketing and Charter Group Relations, introduced herself, presented a slide show and highlighted credit union membership events and community involvement. Ms. Crowson explained the credit union's federal charter as being a "multi-common bond" field of membership and the meaning of the credit union's designation as a Community Development Credit Union. She reviewed some of the ways in which the credit union fulfills its CDFI role in serving low-income, unbanked and underbanked in the community including coordinating free tax preparation services through the Earn It, Keep It, Save It, Volunteer Income Tax (VITA) program. Additionally, she relayed the credit union's work in collaborating with MEDA, to provide members with financial literacy and budget assistance, along with an accompanying share-secured credit building credit card program.

72nd Annual Meeting Minutes, Continued

Ms. Crowson shared slides and referred members to their annual report to see a selection of photos covering credit union events such as National Credit Union Youth Month Savings Challenge, Earth Day Celebration, Annual Member Appreciation Day, and International Credit Union Day. She also highlighted the contributions of staff and members to the efforts of community non-profit organizations such as the Alameda County Food Bank, Berkeley Food & Housing, the Mocha Autism Network/World Autism Day, Friends of Faith (Fancher), Inc., Adopt a Special Kid (AASK), and the credit union's Annual American Red Cross Blood Drive.

Debbie Crowson reminded members to look for their credit union in the community at events such as Berkeley Black History Month Celebration, Chocolate and Chalk Festival, Berkeley Juneteenth, Bay Area Blues and Street Painting Festival, Faith Fancher 5K Breast Cancer Challenge in Oakland, and Trunk or Treat.

f. **Nominating Committee (NC) Report:**

NC Chair, S. Omowale Fowles, reported that the committee completed the vetting and selection process of thirteen applicants who submitted full and complete information and who had cleared the background, bonding and credit check. The ten (10) names of those who were voted by the NC to be "eligible candidates" to stand for election were: James Garrett, Laura Herrera, Rev. Anthony Hughes, James Huntley, Sushil Jacob, Ramal Lamar, Celeste McAllister, Shyaam Shabaka, Ray Thompkins, and Tom White.

Ms. Fowles concluded by sharing contact information for any additional questions from the members.

IV. **The League of Women Voters acted as Teller of Elections.** The official elections report and results were presented by Teller of Elections, Sherry Smith

- Six (6) petition candidates submitted names and signatures of members supporting them. A minimum of 120 valid signatures were required in order to place a petitioning candidate's name on the election ballot.
- A Cooperative Center FCU staff member opened the computerized member files of each signatory, and a member of the League of Women Voters keyed the name and member number of each verified member into a spreadsheet roster. The required 120 petition-signing members were verified for each candidate.
- Cooperative Center FCU staff handled the notification of the candidates and the printing and mailing of the ballots to all credit union members.
- Members of the League came to the credit union's offices November 17, 2014, and opened the locked ballot boxes. A total of 580 valid ballots were received. Roughly fifty additional were invalid, due to: 1) Missing member information, making membership unverifiable; 2) voting by the non-primary member; 3) voting on a closed account; 4) voting on an account below par share value; 5) voting twice; and 6) over voting---voting for more than 7 candidates. Eligible voters were verified and the ballots tallied November 17-19, 2014.
- In the verification and tallying process, League members separated each ballot from any identifying envelope.
- League members read the membership information to a staff member, to insure eligibility of those casting ballots. After the eligibility was confirmed, the I.D. information slip was cut from the ballot and placed in a stack of eligible ballots.
- Ballots were counted by League members and the tallies agreed upon by them.
- Ballots and I.D. information slips are stored in separate envelopes in a vault at the Cooperative Center FCU offices.
- An additional 31 ballots were counted at the annual meeting.

	Candidate	Votes		Candidate	Balance
1.	Mike Leung	384	8.	James Garret	269
2.	Sushil Jacob	368	9.	Tye Kirk	258
3.	Celeste McAllister	326	10.	Tom White	221
4.	Jesse Palmer	303	11.	Ramal Lamar	217
5.	Shyaam Shabaka	299	12.	Anthony Hughes	212
6.	Laura Herrera	295	13.	Ray Thompkins	164
7.	Jim Huntley	294			

V. **The Annual Meeting was adjourned by Board Chair, James Garrett.**



Shyaam Shabaka, Board Chair



Board Chair's Report

It has been an amazing year! As the Cooperative Center Federal Credit Union celebrates its 73rd anniversary of helping to turn you, our member-owners' "Dreams into Reality". I wish to acknowledge the outstanding volunteer Board of Directors who you elected and entrusted to provide overall leadership and governance to the credit union.

As your elected representatives, we have all been working cooperatively and diligently to make certain that Cooperative Center FCU remains true to its mission and that it continues to provide you, member-owners, with the highest quality products and services. The Board worked closely with the CEO/President and the credit union management team to make certain that our member-owners not only have the best technology, but that excellent services are always delivered in a caring, respectful, and dignified manner.

Some of our accomplishments this past year include, but are not limited to the following:

The credit union consolidated credit and debit card processing services in 2015. Improved benefits to our members include:

- Access to funds in real time
- Uniform phone number for our members to call for credit and debit card issues or to report a lost or stolen card
- Industry leading fraud detection and monitoring, FALCON fraud prevention for both credit and debit cards
- Ability for members to customize their pin using our automated change service
- Additionally, this streamlined service will make the transition to EMV (Europay, Mastercard and Visa) more efficient and affordable for the credit union and ultimately, our members

We began the process of EMV conversion in 2015. Once complete our members will have the safety and security of EMV technology on their Cooperative Center FCU Visa credit and debit cards. All of the credit union owned ATMs were made EMV ready before the October 1, 2015 deadline. New credit and debit cards will be issued with EMV chips as the old cards expire, beginning in the second quarter of 2016.

As a Community Development Financial Institution with a history of responding to economic justice issues, we remain dedicated to being a trusted resource for low-income and underbanked members. It is especially of concern to us that the presence of predatory payday lenders in our communities continues to swell. In 2015, we launched the Emergency Cash Infusion Loan, a short-term, small-dollar loan to provide our members with a more affordable alternative to payday lenders. It is our hope that this will be not just a resource for emergency financial needs but a way of building credit history and gaining greater access to money management resources.

For many of the unbanked, past financial errors keep them from having access to checking accounts. In 2015, we also introduced a CU Money Reloadable Card. No share draft checking is necessary, although many members with checking accounts are choosing to use the cards, as well. The cards provide the convenience of a Visa debit card without the risk of overdraft and open up the ability to pay bills and make purchases without requiring a checking account.

We actively listen to all of our members' concerns, requests, and recommendations, and welcome your feedback on how we are doing. We also invite and welcome your volunteer participation by serving on a Cooperative Center FCU committee and/or serving as an elected board member. On behalf of your volunteer Board of Directors, we are honored to serve you, the more than 12,000 member-owners, and thank you for your membership and for your trust in our stewardship. Again, it has been an amazing 2015 and we are looking forward to working with you for even greater accomplishments in 2016!

Shyaam Shabaka,



A Message from Your CEO

First, I'd like to acknowledge the over 12,000 members who make up the Cooperative Center Federal Credit Union and to express my thanks to the entire credit union team, from employees to the volunteers on our various standing and appointed committees. The Board of Directors and Supervisory Committee represent the interests of all of our members and it is through their oversight, vision and guidance that we create a stronger credit union. The time since our last Annual Meeting of the Members has been one of foundational investments in improved technology, staff and volunteer training and development, technological upgrades and actions required to keep pace with regulatory compliance requirements. Our continued progress and improvements are a testament to a strategically forward-thinking Board of Directors and a dedicated team of credit union employees. I am honored and humbled to serve as your CEO.

In 2015 and into 2016, our focus has been and will continue to be on smart growth, creating greater efficiencies while controlling operating expenses and providing the products and services that our members need and deserve, in a way that is fiscally sound. Work will begin in January to upgrade the credit union's website, including smartphone and tablet responsiveness, improved navigation and much richer content. We'll also be completing our transition to EMV chip technology in our debit and credit cards, and examining the feasibility of enhancements to mobile banking including remote deposit capture capabilities. We know that when we increase member convenience through the use of technology we're freeing up time and resources that can be used to provide personal and consultative service when you need and desire it.

In 2014, our member education, staff training and marketing reinforced the difference between being a bank customer and being part of the financial cooperative movement that is credit unions. I'm always surprised to hear members, owners of our credit union, refer to the credit union as a bank and to themselves as customers. We want all of our members to understand the credit union difference and the important part you play in the cooperative movement. By choosing to make Cooperative Center FCU your primary financial institution, from checking accounts to loans to saving for retirement and every life stage in between, you're helping to create a sustainable and affordable financial institution that offers a well-spring of individual and collective benefits.

Credit Unions, as not-for-profit, member-owned financial cooperatives, do not exist to create wealth for investors but to provide return to our members in the form of competitive loan and savings rates and affordable financial products and services. Remaining profitable is critical for long-term viability and our ability to continue to serve our members. As so noted by our Treasurer, loans are our primary source of creating the income necessary to do so and our focus will continue to be on the growth and development of loan products that our members need and want.

Affordable and competitive rates and terms are a cornerstone of our loan offerings. Whether our members are concerned with making ends meet, building wealth or both, we've worked to respond to those needs and encourage members who've joined the credit union movement to move their loans, as well as their deposits, from banks and other financial institutions. Throughout the year, we've offered special rates, rate discounts, and rewards for members who refinance their automobiles, transfer balances from high rate retail and bank credit cards, and consolidate debt from other lenders. We are happy to report that through our efforts, between January 1, 2014 and the writing of this report, we have assisted 898 members in realizing the benefits of smaller monthly payments, reduced interest rates and improved cash flows.

It takes borrowers and savers alike to optimize the cooperative model. For those with borrowing needs, such as purchasing homes, making home improvements, buying an automobile or even accessing a line of credit or credit card, we will continue to offer highly competitive rates and encourage you to refinance your loans from other financial institutions and banks into a loan with your credit union. For our members who are saving and/or managing retirement funds from credit union accounts, please know that our effort to increase loan volumes, respond to rising costs of providing products and services with controlled fee growth, and control operational expenses is the formula for improved return for your participation in the cooperative.

Please refer to the wealth of information about your credit union throughout this report, including how we served our members through a variety of programs offered as a part of our Community Development Credit Union (CDCU) mission, including but not limited to free tax preparation through the hosting and coordination of our VITA site, our partnership with MEDA in financial literacy and the Shared Secured VISA program, and our work to offer increased financial literacy resources in our community.

A Message from Your CEO, continued

We'll continue to work on improving our members' experience and our offering of comprehensive and innovative products and services to better serve you. Know that our collective motivation is to continue to build and grow a credit union that is safe, strong, fiscally, and socially responsible. Again, we know that it is you, our members that have kept us going 73 years strong. We appreciate each and every one of you and remain, always at your service.

Fadhila Holman

Chief Executive Officer
Cooperative Center FCU

Community Development Credit Union Programs

A Community Development Credit Union (CDCU) is a credit union with a mission of serving low- and moderate-income people with limited access to safe financial services, including low-income wage earners, recent immigrants, minorities and people with disabilities.

Our Volunteer Income Tax Assistance (VITA) Program *Serving Members of Modest Means*

Volunteer Income Tax Assistance (VITA) program sites offer free tax help to people who generally make \$53,000 or less, persons with disabilities, the elderly and limited English speaking taxpayers who need assistance in preparing their own tax returns. IRS-certified volunteers provide free basic income tax return preparation with electronic filing to qualified individuals.



The credit union's program is staffed by credit union employees and students from UC Berkeley who commit to becoming a volunteer with the Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) Programs and to helping our community by training to provide free tax help for low-to-moderate income families who need assistance preparing their tax returns.

Your credit union's VITA site completed 112 tax returns and brought \$152,602 tax dollars back to the community. That number includes \$44,567 in Earned Income Tax Credit and \$8,372 in Total Education Credit.

Cooperative Center FCU Partners with Community Financial Resources to Offer A Secured Credit Builder Visa® Card Program

Community Financial Resource (CFR) partners with several community-based organizations, including MEDA, HIP Housing, Opportunity Fund, AnewAmerica, and Renaissance Center, to engage low-to-moderate income community members in credit-building programs to improve their credit worthiness. Cooperative Center FCU offers a Secured Credit Builder Visa® Card to those who are participating in these programs. By paying for a small recurrent monthly expense with the card and making sure to pay their payments on time, members using our Credit Builder Visa® Card have greatly improved their credit scores. The tight housing market has raised landlord expectations of applicants' credit scores and this credit-building program helps these members to qualify for housing.



A little more than a year ago, Dottie started her journey with Secure Future\$ by participating in our classes at Project WeHOPE and has since been connected to a matched emergency savings account and a Cooperative Center FCU Secured VISA® Credit Card to rebuild her credit by one of our financial coaches! Dottie now has \$1,500 in her emergency savings account and has increased her credit score by 50 points. These accomplishments have paved the way for her to qualify to move into an apartment after being homeless for years.

Treasurer's Report

Hello Members,

It's been a busy year for me as your Treasurer. I've been learning about the historical, current and future impacts that our great credit union is a part of and supporting the CEO and staff by ensuring they have the tools they need to serve you.

Cooperative Center FCU, celebrating our 73rd year, continues to be a safe and sound financial institution. We have experienced a significant growth in assets over the past few years, in fact, between January 2014 and the writing of this report, we have increased in asset size by just over \$7m. Most all of the growth is in core share deposits. As was reported by the Treasurer last year, the board and senior management team are focused on increasing the credit union's net worth position to a well-capitalized level of 7% which will make it possible to offer expanded products and services and further improve upon our return to you, our members. (See the Financial Performance table for this formula).

Capital reserves grow when we have a net income that exceeds costs of operations including dividends and costs of funds and provisions for loan losses. As a credit union, our three main sources of income are: 1) loans to our members, 2) when we cannot lend out the funds on deposit, we make investments, and 3) fees for services. Along with the Financial Performance Reports for the year-ending December 31, 2014, we have included 2013, and year-to-date September 30, 2015, as a trend comparison of those areas.

As credit unions are formed and exist to be cooperative credit granting institutions, when our members borrow we want them to think of their credit union first. This allows us to maintain highly competitive loan rates, to make loans to members across the range of credit scores, to diversify the types of loans we offer in response to member needs, and to pay out competitive dividend rates to our members who maintain their deposit accounts here. Because loans are the credit union's primary source of income, management's focus has been on developing greater participation by the borrowing members in our cooperative.

The Member Education Committee worked with management to host a Home Loan Workshop covering topics of interest to first-time home-buyers and those wishing to refinance their loans to more favorable terms or rates. Whether our members are in the market to purchase or refinance, visiting our website provides instant links to what every member should know about home loans, from checking today's market rates by loan type, figuring how much home you can afford using mortgage calculators, or getting pre-approved before you shop.

The Floating Home Association (FHA) has been a Cooperative Center FCU charter group since 2004 and we are one of only three lenders in the Bay Area offering Floating Home Loans. Management has been working with the FHA and floating home professionals to revitalize our floating home loan products going into 2016. Further, the board and senior management team are working together on future developments in Cooperative Housing Share Loans, an evolving alternative in housing and development around the country!

I've heard members' personal stories about their credit union relationships including a great many about having received their first loans for homes and cars, as well as signature loans for things like tax payments, weddings and emergencies. One member shared his story with me, explaining how forty years ago, the credit union made it possible for him to buy a car when most banks refused to make loans to people of color. These stories are inspiring and motivate my desire to keep this local institution open and serving our members and the community. I am proud that today, as a Community Development Credit Union, we continue to focus on ways to provide products and services to the unbanked and underserved, including our most recent new loan type, the Emergency Cash Infusion Loan, a more affordable alternative to predatory lenders that trap borrowers with triple digit interest rates and unreasonable fees.

As your credit union's Treasurer, if you have borrowing needs, just as you've taken great actions to move your money, I'd like to encourage you to take advantage of your credit union's diverse selection of loan products, from mortgages, home equity lines of credit and auto loans, to VISA® credit cards and Signature Loans, including interest-saving debt consolidation and balance transfer promotions.

In 2015, as investments have been called and/or matured, our ability to loan that money out has not kept pace. One alternative to purchasing additional investments was to participate in pools of loans made by other credit unions. Income from these shared pools of credit union loans will help the credit union build our capital reserves as we work to raise awareness of our loan programs among our members and charter groups.

Our third source of income comes from fees for services so it is only fitting that as Treasurer I address changes to fees in 2015 and 2016. The Credit Union has a long history of little-to-no change in fees to cover services. The stagnant fees for services led to costs out-pacing the fees collected to cover them. In 2015, there were a few fee increases including those made to business checking accounts and those for foreign and domestic wires. I want to assure you that the increases were both necessary and in the best interests of the credit union as they allow us to continue offering those services.

There may be some changes and increases in fees for services in 2016, all related to associated costs to administer products and services, from computer processing systems, forms and notices, regulatory compliance and insurance costs, etc. There will be significant costs attached to implementing technology and security, such as the much talked about EMV Chip technology in debit and credit cards in 2016. Please watch your financial statement mailings, print and electronic newsletters, our website and notices sent via your online banking email to keep you updated on our progress and any changes that may impact you.

Please remember that we exist not for profit, not for charity, but for service. The fees that we set are to provide you with quality, efficient service in a safe and sound member-owned cooperative financial institution.

I extend my appreciation to our online membership and look forward to another year of serving on your Board of Directors.

Laura Herrera

<i>Additional Numbers of Interest</i>	<i>Year End 12/31/2014</i>	<i>Year To Date 9/30/2015</i>
<i>Number of New Members</i>	<i>882</i>	<i>709</i>
<i>Number of Share Draft Checking Accounts</i>	<i>6,399</i>	<i>6,516</i>
<i>New Consumer Loans Granted</i>		
<i>Number</i>	<i>537</i>	<i>361</i>
<i>Dollars</i>	<i>\$6,505,409</i>	<i>\$4,619,991</i>
<i>New Mortgage Loans Granted</i>		
<i>Number</i>	<i>8</i>	<i>9</i>
<i>Dollars</i>	<i>\$2,679,900</i>	<i>\$2,845,854</i>
<i>Loans to Shares Ratio</i>	<i>42.87%</i>	<i>46.82%</i>
<i>(Target is 90%)</i>		
<i>Net Worth Ratio with Secondary Capital</i>	<i>7.50%</i>	<i>6.78%</i>
<i>Net Worth Ratio without Secondary Capital</i>	<i>5.04%</i>	<i>4.35%</i>
<i>(Target is 7%)</i>		

Financial Performance 2013 - 2015

BALANCE SHEET	Year End 12/31/2013	Year End 12/31/2014	Year to Date 9/30/2015
Loans	\$45,973,424	\$43,433,354	\$48,459,773
Loan Losses Allowance	(\$814,022)	(\$885,702)	(\$681,233)
Cash	\$1,230,297	\$937,053	\$793,538
Investment	\$53,735,654	\$62,292,773	\$58,994,166
Fixed Assets	\$2,009,091	\$1,972,299	\$1,931,047
Other Assets	\$1,972,372	\$1,547,067	\$1,773,951
Total Assets	\$104,106,816	\$109,296,845	\$111,271,242
Liabilities	\$272,497	\$202,912	\$299,933
Shares	\$95,773,570	\$101,304,054	\$103,503,307
Regular Reserves	\$1,769,560	\$1,769,560	\$1,770,565
Undivided Earnings	\$3,492,190	\$3,221,319	\$2,898,437
CDFI Treasury Loan (Secondary Capital)	\$2,799,000	\$2,799,000	\$2,799,000
Total Liabilities and Equity	\$104,106,816	\$109,296,845	\$111,271,242

Cooperative Center FCU Capital Ratio As Of September 2015:

Including CDFI Treasury Loan (Secondary Capital) = \$7,468,002/\$110,084,644 = **6.78%**

Excluding CDFI Treasury Loan (Secondary Capital) = \$4,669,002/\$107,285,644 = **4.35%**

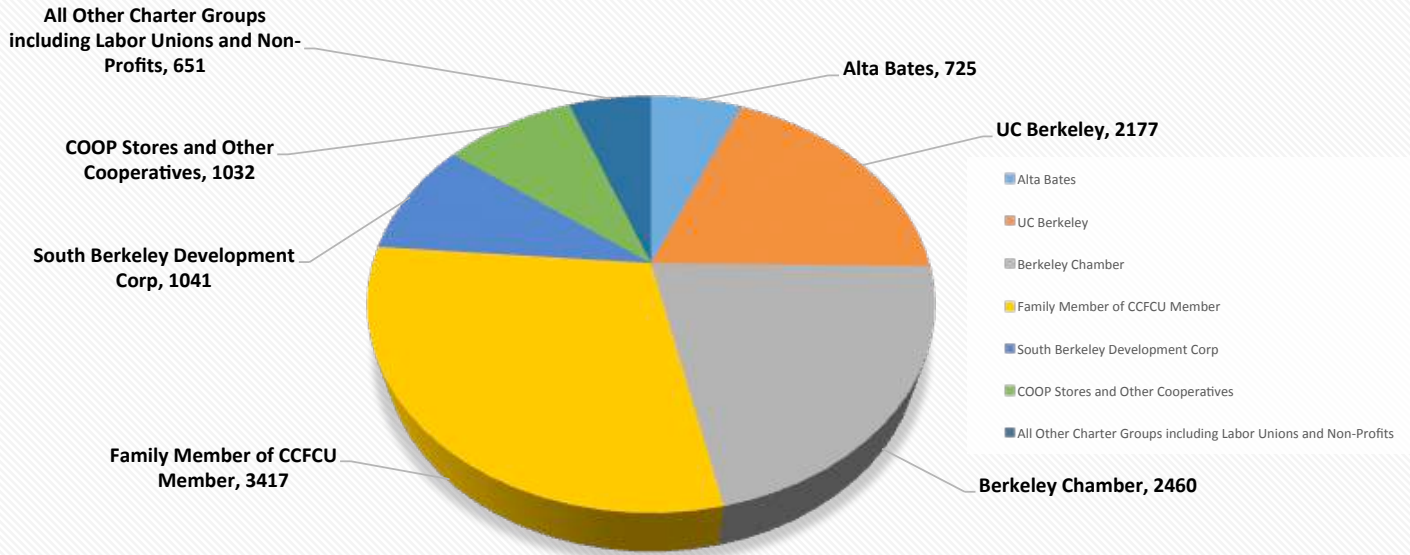
Formula for Calculating Capital Ratio:

Including CDFI Treasury Loan (Secondary Capital) = (Regular Reserves + Undivided Earnings + CDFI Treasury Loan) / Average Assets

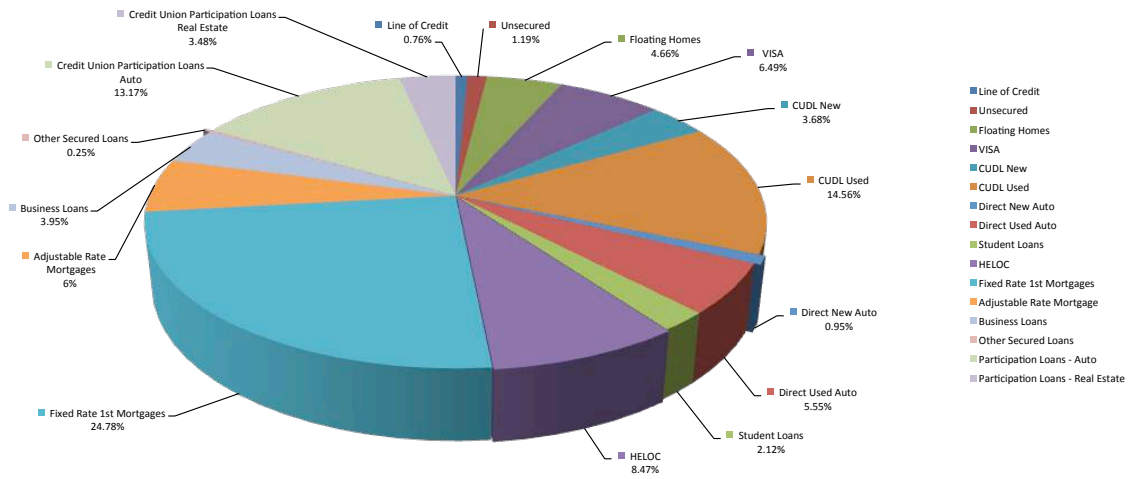
Excluding CDFI Treasury Loan (Secondary Capital) = (Regular Reserves + Undivided Earnings) / Average Assets

INCOME STATEMENT	Year End 12/31/2013	Year End 12/31/2014	Year to date 9/30/2015
Loan	\$3,305,534	\$2,836,222	\$1,854,302
Investment	\$506,963	\$571,201	\$517,782
*Interest Income	\$3,812,497	\$3,407,423	\$2,372,084
Less: Interest on Borrowed Funds	\$55,986	\$55,980	\$41,985
Less: Dividends	\$85,811	72,300	\$53,966
Interest Margin	\$3,670,700	\$3,279,143	\$2,276,133
Less: Cost of Operations	\$4,210,161	\$3,980,901	\$3,223,676
Plus: Fee Income	\$1,231,256	\$1,143,870	\$826,557
*Net Operating Income	\$691,795	\$442,112	(\$120,986)
Less: Provision Expense	\$716,062	\$809,412	\$364,098
Plus: Other Income	\$34,366	\$70,537	\$166,096
Other Gains & Losses	\$103,903	\$25,894	(\$2,888)
Net Income – Before Corporate Stabilization Expense	\$114,002	(\$270,870)	(\$321,876)
Stabilization Expense	\$74,834	\$0	\$0
Net Income	\$39,168	(270,870)	(\$321,876)

Members and Charter Groups by Type as of September 2015

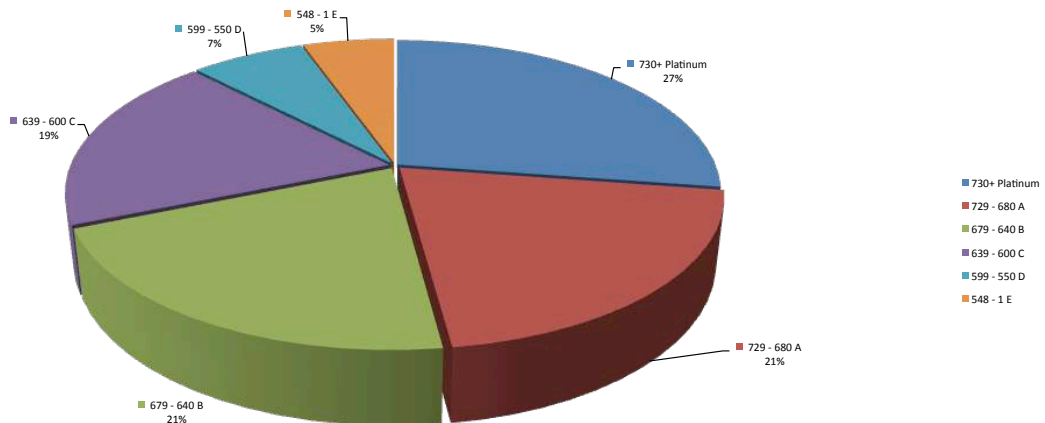


Loans by Type as of September 2015



*Loan types shown as a percentage of Total Loans: \$48,459,773

Loans by Credit Score as of September 2015



*Calculated as percentage of dollars loaned

Supervisory Committee Report

Time moves on! 2015 has been full of challenges and accomplishments! We persevered and met our annual regulatory requirements. Our primary responsibility, to ensure the financial condition of the Credit Union is accurately and fairly presented in all of our financial statements, was met. We are also tasked with ensuring management practices and procedures are sufficient to safeguard member assets. To that end, our external auditors, Turner, Warren, Hwang and Conrad performed the Agreed Upon Procedures (AUP) Supervisory Audit process effective June 30, 2015.

To stay abreast of the changing credit union regulatory environment, training is very important to us. We took advantage of several webinars and obtained our Bank Secrecy Act (BSA) certifications. We are always on the lookout for members in good standing who are interested in contributing their time and expertise to work with us in managing our bottom line!

As always, if you have any questions about your statements or accounts at the credit union, please call Member Services at (510) 845-6428. If your questions are not resolved to your satisfaction or you have issues with management or the Board of Directors, you may contact any of the Supervisory Committee members at the following email addresses:

Patricia Pitre, Chairperson, ppitre@coopfcu.org
Stephanie Hunter, Secretary, shunter@coopfcu.org
Mark Smith, msmith@coopfcu.org

You can also mail correspondence to the Supervisory Committee at the following address:

Supervisory Committee
PO Box 3445
Berkeley, California 94703

If you still feel your concerns have not been fully addressed by the above steps, the National Credit Union Administration's (NCUA) Consumer Assistance Center is also available to assist you. They may be contacted at:

National Credit Union Administration
Office of Consumer Protection
1775 Duke Street
Alexandria, VA 22314
Fax: (703) 518-6682
Email: consumerassistance@ncua.gov

Have a prosperous 2016!

Patricia Pitre,
Supervisory Committee Chair

Nominating Committee Report

The Nominating Committee for the Cooperative Center Federal Credit Union Board of Directors has completed the vetting and selection process of the three (3) applicants who submitted *full* and *complete* information in their application packets and who had cleared both the background check and the credit assessment as well as the two (2) incumbent candidates.

The three (3) names of those who were voted by the Nominating Committee to be “eligible candidates”, along with two (2) incumbents are put forth to stand for election to the Cooperative Center FCU Board of Directors, as they appear below (in alphabetical order):

1. Golden, Donald
2. Hairston, Reginald
3. McAllister, Celeste
4. McCarter, Jess
5. Shabaka, Shyaam

For more information about the application process, vetting, and voting per candidate, please contact Willie Phillips, Chair of the Nominating Committee:

Cooperative Center Federal Credit Union
Attention: Willie Phillips, Nominating Committee Chair
2001 Ashby Avenue
Berkeley, CA 94703



Willie Phillips,
Nominating Committee Chair

Member Education Committee Report

2015 has been an outstanding year for the Cooperative Center Federal Credit Union! Thanks in part to the work performed by the volunteer Member Education Committee working in close coordination with the Board of Directors, CEO/President, and management team. The Member Education Committee makes certain that the Cooperative Center FCU keeps its eyes on the prize - you, our more than 12,000 member-owners. The primary goal of the Member Education Committee is to make certain that the Cooperative Center provides its members with high quality, up-to-date comprehensive, cost-effective financial products and services - in a friendly, caring, and respectful manner. Some of the highlights of the committee achievements while working with the entire Cooperative Center FCU team are:

- Community engagement such as the Juneteenth Festival and Berkeley Chamber of Commerce business networking events.
- The Member Education Committee hosted our annual Member Appreciation Day. This year's event included a Money Mindset: The Road to Financial Wellness workshop delivered by Jason Vitug, founder of Phroogal. Phroogal is a nationally known company that provides relevant, reliable and trustworthy answers to everyday financial questions. Members raved about the workshop content and the message of living the #smile lifestyle.
- Assistance with the launch of the Emergency Cash Infusion Loan (ECIL) by working with the marketing department to develop informational brochures and assist with disseminating information to our members and the community at large about the credit union's alternatives to predatory payday lending.
- Participated in Bite of Realty for a graduating class at a local high school. Bite of Realty is a 90 minute, hands-on simulation that appeals to teens while giving them a taste of real-world financial realities.
- Hosted multiple workshops with topics including:
 - 1st Time Home Buying
 - The Dangers of Predatory Lenders
 - Investment and Real Estate Planning

We would welcome your participation on the Member Education Committee. Volunteer committee members are appointed by the Board of Directors. If you are interested, you may obtain an application from the Cooperative Center FCU team.

Thank you,

Shyaam Shabaka, Chair
Debbie Crowson
Stephanie Hervey
Steve Kessler
Dick Lerner
Tracey Mitchell
Barbara Ruffner
Gerald Sanders
Mark Smith



MEC Chair, Shyaam Shabaka with Jason Vitug and the Phroogal Team, Member Appreciation Day 2015



There was a full house at our Home Buying workshop!



We had a blast getting to know business community members at the 2015 Tri-Chamber Expo



East Bay credit unions had fun teaching high school students about money at the 2015 Bite of Reality event

Student Financial Advisory Committee (SFAC) Report

Formerly known as Credit Union for Berkeley Students (CUBS), the Student Financial Advisory Committee (SFAC) is a UC Berkeley student run organization that aims to promote financial literacy on campus. We are extremely appreciative of the sponsorship from Cooperative Center Federal Credit Union; we would not be able to continue the success of the organization without your continual support.

In the Spring 2015 semester, the Public Relations Committee (PR) increased our on-campus presence through multiple personal finance workshops. PR hosted two successful workshops on Tax Filing and Planning and Evaluating Job Offers that attracted over 100+ members each. The Tax Filing and Planning workshop was hosted in conjunction with another campus organization, Volunteers for Income Tax Assistance (VITA). SFAC received positive feedback from the attendees about how the workshops have helped them make smart, sound financial decisions. These workshops not only increases SFAC and Cooperative Center's presence on campus, but also continues to demonstrate the commitment as a student organization to the mission of promoting financial literacy on campus.

Additionally, the Marketing Committee continued the organization's social media presence with weekly blog posts on our website. The posts cover a variety of topics ranging from financial literacy advice from SFAC/CUBS members to advice from CUBS alumni. The Marketing committee also worked on a promotional video for the Cooperative Center to explain the importance of financial education.

The Human Resources Committee (HR) in the Spring semester hosted internal financial literacy presentations on topics such as Personal Investing and Tax Planning to further hone SFAC members' knowledge of personal finance.

Additionally, we successfully tabled at Cal Day, a welcome event involving thousands of prospective students and their families. We were able to reach out to over 50+ interested incoming freshmen. At this event, we distributed Cooperative Center FCU branded items and credit union membership information to the prospective students and parents.

For the Fall 2015 semester, we will be hosting an event where we bring start-ups from the Bay Area to come speak about the importance of sound financing from a start-up perspective. There will also be several SFAC members interning at Cooperative Center FCU.

Again, SFAC would like to thank Cooperative Center FCU for their continued support!

Yadanar Oo,
Student Financial Advisory Committee Chair



Cooperative Center Federal Credit Union *at Work and in the Community*

Member Appreciation Day 2015

We appreciate our members every day, but once a year, we throw a bash in your honor. Member Appreciation Day included free food truck eats and music by Pacha's Pajamas. Informational booths were hosted by groups belonging to your credit union's charter. And Phroogal hosted a Phroogal lifestyle workshop as part of their 30-Day 30-City Tour!



Wild About Savings • National Credit Union Youth Week

April 21-25, 2015 was National Credit Union Youth Week. We celebrated our youth members with giveaways, popcorn and refreshments in our lobby. For every \$10 increase to their account balances between registration and the last day of Youth Month, they were entered to win a set of plush Jungle animals. Our lucky winner, had her proud dad come pick up her prize.



International Credit Union Day • People Helping People

On October 15th, credit unions around the world celebrated International Credit Union Day®. That's 200+ million people, from 56,000 credit unions, in 101 countries, joining together to celebrate their cooperative spirit. Locally, as a member of Cooperative Center Federal Credit Union, you and your financial stability are our top priorities. Globally, you're part of a much bigger movement -- *the credit union movement* -- working towards global good each and every day. That's definitely something to celebrate!

Berkeley Juneteenth Festival

Sponsoring and participating in the Berkeley Juneteenth Festival is an honored tradition for Cooperative Center FCU. Juneteenth is an occasion to celebrate African American culture and traditions and to acknowledge the contributions African Americans have made to the fabric of America and right here in our community.



American Red Cross

Thanksgiving Blood Drive

On November 24th, 2015, we'll host our 7th Annual American Red Cross Blood Drive in our parking lot to coincide with the spirit of giving and giving thanks. Last year's Red Cross Blood drive, we collected enough pints to save 24 lives! Our staff are ready to do their part by donating their blood. We hope you'll join us on this day and save a few lives!

Cooperative Center Federal Credit Union *at Work and in the Community*

Trunk-or-Treat

We participated in a Contra Costa County Trunk-or-Treat event on October 25, 2015, giving families a fun and safe way to celebrate Halloween. Over a thousand children and their families enjoyed our circus theme decorated trunks.

The credit union trick-or-treat bags and the Safe Halloween coloring books we handed out were a hit!



Bay Area Blues & Street Painting Festival

September 27-28, we sponsored the Bay Area Blues and Italian Street Painting Festival in Contra Costa County. Talented artists, created a chalk masterpieces on the sidewalk. With over 10,000 people in attendance, we enjoyed meeting all of those who visited our credit union booth during the event.



Cooperative Center FCU Supports Friends of Faith, Inc

Credit union staff, members, and friends joined with hundreds of our community members to show our support at the 11th Annual Faith Fancher 5K Breast Cancer Challenge. We carried a special banner to bring along our Virtual Walkers who could not be with us that day. Friends of Faith, Inc. provides financial support to organizations offering education, early detection and emergency cash grants to low-income, uninsured and underinsured women and men undergoing treatment for breast cancer.



The Alameda County Food Bank

We are dedicated to collecting food donations for the Alameda County Food Bank by hosting food drives in our lobby throughout the year. Cooperative Center FCU donated over 906 pounds of food last year. The canned food sculpture pictured here was created by an artistic employee, Bridget Cooper.



Cooperative Center Federal Credit Union Board, Committee & Staff Members

Board of Directors

Shyaam Shabaka, *Chairperson*
Term expires Annual Meeting 2015

Celeste McAllister, *Vice-Chair*
Term expires Annual Meeting 2015

Laura Herrea, *Treasurer*
Term expires Annual Meeting 2017

Sushil Jacob, *Secretary*
Term expires Annual Meeting 2017

Mike Leung, *Director*
Term expires Annual Meeting 2016

Jesse Palmer, *Director*
Term expires Annual Meeting 2016

James Huntley, *Director, vacated 2015*
Term expires Annual Meeting 2017

Supervisory Committee

Patricia Pitre, *Chairperson*

Stephanie Hunter, *Secretary*

Mark Smith, *Member*

Member Education Committee

Shyaam Shabaka, *Chairperson*

Dick Lerner, *Member*

Debbie Crowson, *Member*

Mark Smith, *Member*

Steve Kessler, *Member*

Barbara Ruffner, *Member*

Stephanie Hervey, *Member*

Tracey Mitchell, *Member*

Gerald Sanders, *Member*

Nominating Committee

Willie Phillips, *Chair*

Tureeda Mikell

Alejandro Soto-Vigil



Your Credit Union Team celebrating International Credit Union Day



No International Credit Union Day is complete without including the Seven Cooperative Principles that guide us.

Volunteers Needed to Contribute Time and Talent to Our Supervisory Committee

Are you detail oriented, organized and energetic?

Are you able to dedicate 3-5 hours per month to committee work?

Do you have work or volunteer background which includes skills in the following areas?

- Credit union or non-profit volunteer or management experience
- Internal Policy, Regulatory or Financial Compliance
- Auditor or Accounting Quality Control experience
- Consumer Lending
- Cash Management/Heavy Cash Handling

If you would like to learn more about what the Supervisory Committee does or obtain an application, please contact the Supervisory Committee at SupervisoryCommittee@coopfcu.org or stop by the credit union to pick up an application.

**New & Used
Auto Loans &
Refinancing**

**VISA®
Credit
Cards**

**Green
HILs
Home
Improvement
Loans**

**Cooperative
Center
FCU
Mobile
Banking**

**1st
Mortgage
Home
Loans**

**Go Green
with
E-statements**

**Free Financial
Literacy &
Money
Management
Workshops**

**VISA®
Gift Cards**

**RVs, Boats &
Motorcycle
Loans**

**Share
Savings
Accounts**

**HELOCS
Home Equity
Line of Credit**

**Nearly 30,000
Fee-Free ATMs
Nationwide**



**FREE
Unlimited
Online Bill
Pay**

**Share Draft
Checking
Accounts**

**Reloadable
TravelMoney
VISA® Cards**

**Privilege Pay
Overdraft
Protection**

**Access to 5,000+
Shared Branches
Nationwide**



**Emergency
Cash Infusion
Loan**

**Enterprise
Car Sales**

**Skip-A-Pay
Program**

Cooperative Center Federal Credit Union

Safety, Strength, & Social Responsibility

2001 Ashby Avenue, Berkeley, CA 94703 • www.coopfcu.org



Twitter: [@coopfcu](https://twitter.com/coopfcu) • facebook.com/coopfcu



Follow Us • Talk to Us • Share With Us • Like Us

Cooperative Center FCU Charter Employer and Associational Groups

International Computer Science Institute • Jerry's Tire & Auto • Kairos Unlimited, Inc. • KPFA Radio • KQED, Inc. • Le Conte School • Levitch Associates, Inc. • Lions Center for the Blind • Marcate Services, Inc. • Masons of California • Master Florist Association • Maxim Services Limited, Inc. • Moving On Center • National Housing Law Project • Visiting Nurse Association of California • Oakland Private Industry Council • Oakland Private Sector Corp. • Oadian Hospital Care • Oliver Rubber • On the Spot Massage • Pacific Auxiliary Fire Alarm • B M Patakas, Inc. • Pathology Institute • Pets Unlimited • Piece of the Rainbow Prudential Insurance of Alameda • PSE Data Products, Inc. • Reed Bros. Security • RH Wood Products • Rising Sun Energy Center • Sunrise Specialty Co. • San Leandro Property Management • SEIU Local 265 San Francisco Housing Development Corp. • San Francisco Magnetic Resonance Center, Inc. • Shaklee • Silver Oak Manor • South Shore Group, Inc. • Spectrum Resource • St Paul AME Church • Step II Project • Stewart's Body Shop • Sun Light & Power Co. • The Alameda Co. • Truitt & White Lumber Co. • Tuftrans Freight, Inc. • UC Berkeley* • United Smith Memorial CME Church • Urban Indian Child Resource Center • Urban Parking Corp. • Veritable Vegetable • Viable Alternatives • Volunteers of Herrick Hospital • Watermark Press • Western State Design, Inc. • Windwing Designs • Working Assets • Worshipful Prince Hall • W.W. Dean & Associates • XOMA Corp. • YMCA of the Central Bay Area • Berkeley Chamber of Commerce • Golden Gate Business Association • NoBAWC • So. Berkeley Neighborhood Development Corp.