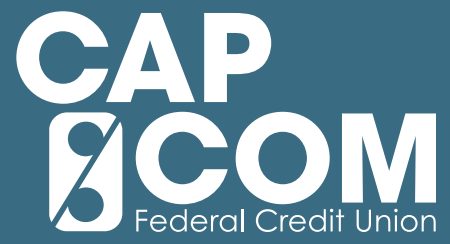




# MY CREDIT UNION IS ...

2015 ANNUAL REPORT



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# MY CREDIT UNION IS ...

## EDUCATION

A school banking parent and volunteer, Kim (pictured on the cover) sees first-hand how children benefit from the youth program at CAP COM. The branch kid's area (each branch with a different theme), fish tank and complimentary hot chocolate make it fun for kids to go with their parents when they do their banking.

Partnering with more than 70 schools in the Capital Region, CAP COM is also able to bring some of that fun into the school day. "Our children are asked to work very hard during the school day, which makes the little things, such as banking, or bigger things, such as a visit from the ice cream van, very special," Kim said.

**Board of Directors**

**Edward Gilligan**  
Chairman

**Patrick Kelly**  
First Vice Chair

**Harold Horning**  
Second Vice Chair

**Daniel Johnson**  
Secretary

**Paula Stopera**  
Treasurer

**Mark Marchand**  
Director

**James Thomas**  
Director

**William Fitzpatrick**  
Director

**John Ericson**  
Director

**Supervisory Committee**

**Martin Finn**  
Chairman

**Kyle Rueckert**  
Vice Chairman

**Paul Dettenrieder**  
Secretary

**James Thomas**  
Member

**Lou Anne Bigaouette**  
Member

**George Lenhardt**  
Associate Member

**Judy Sogoian**  
Associate Member

**Board of Managers  
of CAP COM Group**

**Patrick Kelly**  
Chairman

**Mark Marchand**  
Vice Chairman

**David Jurczynski**  
Treasurer

**Paula Stopera**  
Member

**Robert Davis**  
Member

**Chip Lawrence**  
Member

**George Lenhardt**  
Member

**Judy Sogoian**  
Member

**John Ericson**  
Member

**Senior Management**

**Paula Stopera**  
President/CEO

**David Jurczynski**  
EVP/Chief Financial Officer

**Diana VanAmerongen**  
Chief Operations Officer

**Edward Glenning**  
Chief Technology Officer

**Chris McKenna**  
Chief Mortgage Officer,  
Homeowners Advantage

**John Shartrand**  
Chief Investment Officer,  
CAP COM Financial Services

**Cliff Carignan**  
VP of Consumer Lending

**Sharon Phillips**  
VP of Marketing & Public  
Relations

**Johanna Robbins**  
VP of Finance

**Robert Roemer**  
VP of Innovation & Project  
Management

**Lisa Smith**  
VP of Accounting

**Ginny VanAmburgh**  
VP of Mortgage Operations





# MY CREDIT UNION IS ...

## SOLUTIONS

A CAP COM member for more than 20 years, David Finlayson said his credit union was the natural choice for his business needs as well. Backed by the industry philosophy of "People Helping People," credit union staff members strive to make sure members choose the best products for their life.

"At CAP COM you work directly with the people who discuss and understand your business," he said. "They spend the time to ask the right questions to see it the way you see it. They don't try to shoe-horn you into a canned program; they make sure they do what is right for you."



**A** challenging and uncertain economy means consumers have become increasingly open to the credit union attitude. As time goes on, I have watched the industry-wide credit union philosophy of “People Helping People” become more relevant than ever.

CAP COM has differentiated itself over the years by providing exceptional, personalized service. Our commitment to you guides every decision we make. We don’t just introduce products to keep in step with the competitors – we create solutions that make your life easier.

Staff members understand the importance of taking the time to listen to your needs and make sure you are aware of all the ways that we can help. I am proud to report that, in a 2015 Raddon Financial Group survey, CAP COM once again ranked #1 for our member rating of “Very Satisfied” – and we have been for the past 13 years.

Traditionally, members either came into a branch to visit or called our Member Service Center. As our world becomes more digital, we must keep current in the ways we meet the needs of upcoming generations on the go.

Trends indicate that members expect knowledgeable, helpful employees together with customized service as well as the technological bells and whistles protected by the highest level of security. So, we also focus on ATM locations, online and mobile banking, Bill Pay and Remote Deposit.

To meet your expectations we increased staff and volunteer training hours 18% in 2015 to more than 11,100 hours. We believe providing quality training is the first step to having a positive influence on your lives.

In 2015, our membership grew to nearly 124,000 members.

As always, our subsidiaries – CAP COM Financial Services (CCFS), Homeowners Advantage (HOA), Old Heritage Realty Services (OHRS) and Car Buyers Helpline – played a large role in our success. Each unit not only contributes to our business, but also has a positive effect on each of our members.

CCFS helped more than 2,100 members with financial planning, bringing in over \$28.6 million in new investments. HOA was there to guide more than 1,100 members through the most important, and certainly most expensive, investment – the purchase of a home. And our car buying experts helped make the stressful process of purchasing a car a little easier.

These results are all very important to a financial business and most companies revel in the success those numbers represent. But at CAP COM, we revel in the fact that every one of these numbers represents a family – a family that is making decisions about investing, retirement, buying a home or car. Being here to help you make these important transactions is exactly what the credit union philosophy is all about.

Our commitment to this community doesn’t end at our front door. Through the work of the CAP COM Cares Foundation, we are able to reach out a hand to the less fortunate. Always striving to offer more than just monetary support, we reach out in unique ways that make a difference to those who need it. Hours of support are given by staff and volunteers to raise money, deliver dinners or visit with kids during the holidays. The Foundation and community involvement are part of the fabric, the culture of our credit union.

The leaders of your credit union recognize that our success as an organization comes from our membership community. We strive to exceed expectations with a sharp focus that is supported by the whole CAP COM team and, most importantly, by you the member.

On behalf of the Board of Directors, I’d like to thank the CAP COM team and members for your support. We look forward to continued success.

A handwritten signature in black ink that reads "Edward A. Gilligan". The signature is written in a cursive, flowing style.

Edward A. Gilligan, Board Chairman





I have always defined “CAP COM” as the smiling, attentive face you see when you enter our branches. It’s the helpful voice you hear when you call to talk with us. We are a group of passionate, enthusiastic people, more than 300 individuals strong, who have dedicated our lives to serving your financial needs.

We do this by offering all the usual products and services you’d find at any financial institution – but at the best possible price and with the most convenient features, backed by a knowledgeable staff that is always here to help.

How would your life change if you didn’t have to worry about your finances? Our focus on education is one thing that makes our credit union unique. I love hearing staff explain to members why a product will help and how they can use it as a tool to build a more solid foundation. We provide financial solutions and the education you need to get the most out of them.

In 2015, CAP COM Financial Services earned recognition from LPL Financial, the largest independent broker/dealer in the US, as the #1 firm in the country in our category when it comes to providing for our members’ financial planning needs.

Capital Region Living Magazine readers once again gave us top honors among all businesses in the Capital Region for the member service we provide. And, our financial strength continues to put CAP COM among the top performers in the country.

Last year we introduced the CAP COM Insurance Services division to help you get better rates on home and auto insurance and complement the insurance products we already offered, such as life and disability insurance and long-term care.

Whether you worked with our mortgage division, Homeowners Advantage, or with our consumer lending team on a Home Equity, I am sure you found our home loans are second to none.

In 2015, we helped make dreams come true by approving \$587 million in loans for CAP COM members. We were there every step of the way when you purchased your car or home or needed a loan for renovations. When you went on vacation, you took your VISA® and we were there to help if you needed us. With the addition

of EMV Chip Technology to all VISA Credit and Debit Cards, we are helping you better protect your account information and your financial integrity.

Remaining attentive to the changing needs of our members in this digital world, we expanded our mobile services in 2015. Remote Deposit was incorporated into our mobile app making it easier to use. Apple Pay and VISA Checkout capabilities were also added.

Still, we continue to invest in our branch network, because we know there are times you just want to see a smiling face. (And, by the way, we love seeing you, too!) CAP COM did not grow to the organization it is today without the personal touch that makes us unique. Thank you for welcoming our Malta Branch at 2439 Route 9 into your community!

More than 76 schools now partner with us to provide School Banking opportunities to more than 11,000 children – we are teaching your children the value of saving. By building a strong relationship with our young members, we can help them well into adulthood. Our certified College Bound team has celebrated with more than 2,500 families as your sons and daughters crossed the graduation stage.

Through the work of our CAP COM Cares Foundation, we continue to invest in the next generation of leaders with our scholarship programs and we also help those in our community who need us most. We’ve donated more than \$2.5 million during the last 12 years. The Foundation, propelled by your generosity, brings the heart of our organization into the community.

We have the usual banking options, yes, but our commitment to building a relationship with you is unmatched by any other organization. We are proud to serve our members, we are proud to serve our communities and we are honored to continue in these roles for many years to come.

Paula A. Stopera, President/CEO



# MY CREDIT UNION IS ... FAMILY

CAP COM's Youth Program was a big reason that this family chose to bank with CAP COM. "When I heard about all the great programs CAP COM had for kids, I was blown away," said mom, Stephanie. Noting that it's easier to teach kids how to save when they have their own account, Stephanie said her kids love watching

their savings grow. With products for the whole family, they have been pleased with their CAP COM experience from the very start. "We were impressed by the way you treated people. From the moment we walked in the door. It was awesome," said dad, Norman.





# MY CREDIT UNION IS ... A BLESSING

Bob Bruno, Sr. started the BRUNO Machinery Corporation's press line in 1972. Since then, more than 600 BRUNO presses have been manufactured for companies all over the world.

Needing to expand in order to keep up with demand, Bruno was watching TV when he saw a CAP COM commercial on TV. He found the

CAP COM staff eager to help, pleasant and professional. "I have been doing business for more than 45 years and never met people who like what they're doing as much as they do at CAP COM," he said. "CAP COM is a godsend to us!"





**A**s we begin 2016, we find ourselves keeping a watchful eye on the global market. Our nation prepares for the impact that an election year will have on our own wallet and we, once again, face significant economic uncertainty.

Historically, CAP COM has remained resilient in uncertain times because of our financial strength. Rest assured your credit union is well positioned to weather future uncertainty.

CAP COM's fiscal foundation is built on the thoughtful and prudent style with which we manage growth. Every opportunity, every decision is vetted carefully to make sure it will be in the best interest of our members and our business.

Maintaining balanced and steady growth keeps us on a rock-solid foundation.

At the end of 2015, we reported a 9.3% growth in assets to \$1.25 billion. We also saw our membership grow 6.8%; our credit union family is now 124,000 members strong. We continued to achieve the highest designation for capitalization – “well capitalized” – from our federal regulators, the National Credit Union Administration (NCUA).

Significant loan growth last year, meant that we were able to loan out nearly every dollar of growth in deposits. With a good mix of home and auto loans, credit cards, commercial and education loans, we saw a \$127 million increase in outstanding loan balances to help you reach your financial goals.

Our Business Services Team worked hard to help you grow your business, too, and we saw an increase in commercial accounts across the board. We will keep adding value to our commercial products and we expect this area of our business will continue to flourish.

Several years of steady growth allow us to keep expanding our footprint and enhance the products and services we offer our members. Our CAP COM Financial Center positions us for future growth and our new Malta Branch will help sustained growth in the northern areas of the Capital Region.

Our rates on deposits and loans are extremely competitive and our members know they can rely on us to help them with all their financial needs.

And, while our balance sheet and capital are strong and our growth balanced, the members are truly at the heart of everything we do.

CAP COM is a full-service financial institution whose success is emphasized by its relationship to its members. Banks may inventory money, but at CAP COM, we nurture relationships. We are the guardians of your finances and there is no job that is more important to us.

Thank you for placing your trust in our vision.

A handwritten signature in black ink, appearing to read "David J. Jurczynski". The signature is fluid and cursive.

David J. Jurczynski,  
Executive Vice President/Chief Financial Officer

**CAP COM FEDERAL CREDIT UNION AND SUBSIDIARIES**  
 Consolidated Statement of Financial Condition  
 December 31, 2015

**2015**  
(Unaudited)

**ASSETS**

Cash and cash equivalents	\$	19,573,253
Investments		63,027,504
Loans held for sale, at market value		4,612,595
Loans to members, net of allowance for loan losses		1,076,846,582
Premises and equipment, net		49,216,509
NCUSIF deposit		10,075,225
Goodwill and other intangible assets, net		5,706,617
Other assets		<u>19,197,290</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>1,248,255,575</u></b>

**LIABILITIES AND MEMBERS' EQUITY**

Liabilities		
Deposits	\$	1,070,054,685
Borrowed funds		22,722,346
Accrued expenses and other liabilities		<u>20,712,741</u>
Total liabilities		1,113,489,772
Total members' equity		<u>134,765,803</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$</b>	<b><u>1,248,255,575</u></b>



**CAP COM FEDERAL CREDIT UNION AND SUBSIDIARIES**Consolidated Statement of Income  
For the Year Ended December 31, 2015

	<b>2015</b> <i>(Unaudited)</i>
<b>INTEREST INCOME</b>	
Loans to members	\$ 45,756,830
Securities and investments	1,448,909
Overnight deposits and other	29,665
Total interest income	<u>47,235,404</u>
<b>INTEREST EXPENSE</b>	
Deposits	4,684,150
Borrowed funds	222,201
Total interest expense	<u>4,906,351</u>
Net interest income before provision for loan losses	42,329,053
<b>PROVISION FOR LOAN LOSSES</b>	<u>8,040,000</u>
Net interest income after provision for loan losses	34,289,053
<b>NONINTEREST INCOME</b>	
Commissions and member service fees	6,914,931
Card interchange fees	6,953,962
Mortgage banking income	5,613,803
Investment and brokerage services	2,303,593
Insurance premiums	2,037,603
Net gain on investments	319,392
Other	1,888,358
Total noninterest income	<u>26,031,642</u>
<b>NONINTEREST EXPENSE</b>	
Compensation and employee benefits	29,611,219
Office operations	3,533,707
Loan servicing	1,812,076
Card servicing	3,662,405
Office occupancy and equipment	3,968,096
Marketing and promotions	1,607,935
Data processing	2,739,778
Professional fees and services	2,511,818
Other noninterest expense	2,097,752
Total noninterest expense	<u>51,544,786</u>
<b>CONSOLIDATED NET INCOME</b>	8,775,909
Net income attributable to non-controlling interest	<u>(9,983)</u>
<b>TOTAL NET INCOME ATTRIBUTABLE TO CREDIT UNION</b>	<u>\$ 8,765,926</u>



**T**he housing market gained momentum during 2015 with an increase in Capital Region home sales. As a shift in the economy makes people more willing to take steps toward homeownership, we remain ready to help them every step of the way.

CAP COM's mortgage division, Homeowners Advantage, experienced tremendous growth in 2015. We closed 1,720 loans totaling more than \$318 million. This represents an impressive 94% increase over 2014.

The Albany Business Review's survey of top area residential mortgage lenders during 2015 ranks CAP COM and Homeowners Advantage in fourth place overall. We had the largest percentage of growth of anyone on the list.

When it comes to your mortgage, rate does matter and we are committed to remaining competitive – even during the busy times when other lenders pull back their rates to slow down the volume. We also know that rate alone doesn't attract potential borrowers. With an educational approach to home loans, we have become a go-to source for members, Realtors and builders who want to work with a lender that makes decisions locally. The fact that we service the majority of our closed loans makes CAP COM even more attractive. We often hear from members who previously chose other local lenders that their loan was sold two or even three times.

By mid-March we anticipate that our loan servicing portfolio will exceed \$1 billion. And, we've achieved this accomplishment during just five and a half years.

However, what I am most proud of is the fact that we provide options to meet such a wide variety of our members' needs. We take the time to get to know you and your goals so we can offer solutions that fit into your life. Other lenders may be able to match our rate, but no one can consistently beat the products or the service we provide.

We specialize in new construction by offering long-term rate locks, now extended to up to 330 days. Our Homebuyers Workshops are well attended and even members who thought they knew everything

there was to know about buying a home tell us the information they learned was eye opening. Buying a home is one of the biggest decisions you'll make in a lifetime and the purchase will certainly be one of your largest. You should feel empowered when you make it and that is where our experienced and compassionate staff excels.

Whether you are refinancing or purchasing a home, we know a local lender plays an important role in the financing of your dreams. As your advocate, we ask our staff each day to put themselves in your shoes. We ask them to treat each member as they would treat a member of their own family. Because of that, when you do close on that home you've been dreaming about, we celebrate with you.

A handwritten signature in black ink that reads "Chris McKenna". The signature is written in a cursive, flowing style.

Chris McKenna,  
Chief Mortgage Officer  
Homeowners Advantage

Mortgage products are offered by our Mortgage Team, Homeowners Advantage, which is a subsidiary of CAP COM FCU. Mortgages in New York State only. Home loan interest may be tax deductible. Consult your tax professional about deductibility in your situation. HOA is a Licensed Mortgage Banker - NYS Dept. of Financial Services. HOA NMLS Identifier: 290363. Principal Address: 4 Winners Circle, Albany NY 12205. CAP COM FCU NMLS Identifier: 401261





# MY CREDIT UNION IS ... MY DREAM HOME

When Sara got ready to purchase her dream home, she turned to CAP COM for help. She found the team at Homeowners Advantage, CAP COM's mortgage subsidiary, to be knowledgeable and approachable. Attending CAP COM's homebuyers workshops helped give her the information she needed to make this

important purchase. "I left feeling informed and confident," she said. "At CAP COM, you are not just a number; they genuinely care. They patiently and skillfully guided me through the mortgage process, making what easily could have been a daunting and overwhelming process manageable."





# MY CREDIT UNION IS ...

## MY GOOD LUCK CHARM

When Gina asked about alternative savings programs at CAP COM, she had no idea what a lucky decision she would make. She opened one of CAP COM's Lucky Savers Certificates, a product that gives members up to 10 chances each month to win cash for every \$25 deposited. Gina was quickly one of the lucky members

to win big! "I have had nothing but great experiences with CAP COM since opening my account a number of years ago," she said. "I recommend their services to anyone who is looking for service with a personal touch that can only be found at a credit union like CAP COM."





**C**AP COM Financial Services is a registered advisory firm with LPL Financial, the largest broker/dealer in the United States. Like most financial advisors, we can help you plan and execute strategies to meet your financial goals.

Here’s how we are different – we have a credit union philosophy. So, no matter what stage of life you are in, our primary goal is to help you understand your options and choose the right path for you.

Over the past 63 years, the credit union has built a full-service financial organization, now housed in the CAP COM Financial Center. You can come to this one place for help with many of the BIG financial moments in your life – your child’s first savings account, the transition to college, a first car or home, a comfortable retirement, a meaningful legacy.

At CCFS, we take the credit union industry philosophy of “People Helping People” very seriously – and we truly enjoy doing it! In 2015, LPL recognized our firm with the Investment Program of the Year award for firms in our category. We’re proud of this national recognition from a firm that manages more than 700 financial institutions.

In 2015 we unveiled CAP COM Insurance Services, to help protect our members’ homes and autos. You tell us what you need, and we shop multiple insurance carriers to find you the best price. Your response was tremendous and now, 500 CAP COM families are protected with the right policy at the right price.

The number of Emerald Circle Clients we serve went up by 11 percent. This is a group of clients with high-level investments in managed accounts.

We increased the number of financial workshops held last year helping more members than ever improve their financial literacy. We held more than 40 workshops helping 571 people with topics such as saving for retirement, understanding Social Security, Retirement

Bound (for those closest to retirement), and taking control of your finances. We also increased the number of licensed professionals available in our branches so we can meet with you where it is most convenient.

Most people consult an advisor when they reach certain milestones in their life – marriage, birth, new job, divorce, retirement. It’s nice to know CAP COM will be there for you during those BIG moments.

It’s never too early to start thinking about the future. Our advisors help you understand financial matters, how to handle market volatility, develop a plan tailored for your specific needs and provide the right service and/or product required to achieve your goals.

American tennis and golf pro Althea Gibson said “No matter what accomplishments you make, somebody helps you.”

That’s what your CAP COM Team is here for, and we are proud to help you achieve major financial milestones on your way to financial independence. I look forward to seeing you in the year ahead.

John M. Shartrand,  
Chief Investment Officer  
CAP COM Financial Services, LLC

Securities offered through LPL Financial, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. Financial planning offered through CAP COM Financial Services, LLC, a Registered Investment Advisor. CAP COM Financial Services and CAP COM Federal Credit Union are not registered broker dealers and are not affiliated with LPL Financial.

<b>Not NCUA Insured</b>	<b>May Lose Value</b>	<b>No Credit Union Guarantee</b>
<b>Not insured by any Federal Government Agency</b>		
<b>Not a Credit Union deposit</b>		

**63<sup>rd</sup> Annual Business Meeting called to order  
and quorum established**

Edward Gilligan

**Motion to accept agenda**

Edward Gilligan

**Report of the Board of Directors**

Edward Gilligan

**Report of the President/CEO and Report  
of the Foundation**

Paula Stopera

**Report of the Supervisory Committee**

Martin Finn

**Report of the Nominating Committee**

Martin Finn

**Receipt of the Nominating Committee Report**

Edward Gilligan

**New business**

Edward Gilligan

**Presentation of the Making a Difference Award**

Cassandra Gazeley and Paula Stopera

**Presentation of the Art Goedeke Scholarship**

Paula Stopera

**Recognition of 2015 TOP Employees**

Paula Stopera

**Unfinished business**

Edward Gilligan

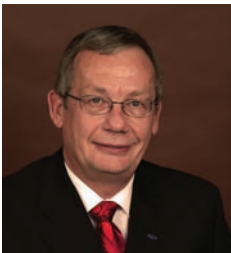
**Motion to adjourn**

Edward Gilligan

## Candidates up for re-election



**Paula Stopera** joined CAP COM in 1980 and was promoted through the organization to her current position of President/CEO in 2004. She is Treasurer of the CAP COM Board of Directors and serves on the CAP COM Group Board of Managers, governing the credit union's subsidiaries. With a passion for helping those in need, Paula was instrumental in creating the CAP COM Cares Foundation which is the charitable giving arm of the credit union. She currently serves as a Board Member for Proctors Theater in Schenectady, NY and the Capital Region Chamber of Commerce.



**James Thomas** retired from Verizon in 2003 after 32 years of service. He is currently self-employed as an Enrolled Agent and is the Assistant Cross Country Coach for the College of Saint Rose. James serves on CAP COM's Board of Directors as well as the Supervisory Committee. In addition, he has volunteered his time on the Asset Liability Committee, Investment Committee and CAP COM Financial Services Board of Managers in the past. James founded Greenbush Youth Soccer Club, Inc. and has been an active board member and contributor to the organization for over 32 years.



**Dan Johnson** has been a member of CAP COM Federal Credit Union since 1967 and has served on the CAP COM Board of Directors since March, 1993. Dan continues to hold his seat on the Executive Committee of the Board. After his 37 year career Dan retired from Verizon in 2000. In addition to Dan's involvement at the credit union, he was previously a Board Member for the New York State Telephone Credit Union Association. Alongside his board and committee roles, he is an avid supporter of the CAP COM Cares Foundation.



**John Ericson** had been a Member of CAP COM's Supervisory Committee since 2008 and, in 2015, was appointed to CAP COM's Board of Directors. He recently retired as a crime scene investigation detective for the Schenectady Police Department after 25 years and is currently a Regional Assistant Supervisor for New York State at Morpho Trust USA. He volunteers his time at the Ancient Order of Hibernians where he serves as Board President. Every year his family coordinates a neighborhood Albany Food Bank drive.



**Board Members Present:**

- Mr. Ed Gilligan
- Mr. Patrick Kelly
- Mr. Harold Horning
- Mr. Dan Johnson
- Ms. Paula Stopera
- Mr. Mark Marchand
- Mr. Jim Thomas
- Mr. William Fitzpatrick

**Call to Order**

Chairman Gilligan welcomed the attendees to the Capital Communications Federal Credit Union's 62<sup>nd</sup> Annual Meeting. He declared a quorum was present and called the meeting to order at 5:30 p.m. Mr. Gilligan led the attendees in the Pledge of Allegiance followed by a moment of silence in honor of those who have and are currently serving in the military.

Mr. Gilligan introduced the Board of Directors, Board of Managers and the Supervisory Committee members. Mr. Gilligan informed the attendees that the meeting would be conducted in accordance with the Bylaws of Capital Communications Federal Credit Union and Roberts Rules of Order.

A motion was made by John A. Parente, seconded by Chip Lawrence; "To accept the agenda as printed in the Annual Report." *Carried.*

**Acceptance of Minutes:**

Minutes of the 61<sup>st</sup> Annual Business Meeting held on March 19, 2014 were

added to the Annual Report which was distributed to all members prior to the business meeting.

A motion was made by David Jurczynski, seconded by Robert Davis; "To accept the minutes of the March 19, 2014 Annual Business Meeting." *Carried.*

**Board of Directors Report**

Mr. Gilligan welcomed everyone to our 62<sup>nd</sup> anniversary. The Credit Union enjoyed steady growth over the past year. One area highlighted was in its membership, reporting 9,777 members who joined the CAP COM family in 2014. Some other notable highlights were:

- CAP COM was honored by Capital Region Living readers who voted CAP COM "Best in Service" and "Best Credit Union" in 2014.
- Enhanced technology options underway such as; iPad app and enhancements to Remote Deposit.
- More than 7,000 members bank using CAP COM's online program – Connect-24 and almost one third use the mobile app.
- CAP COM and CAP COM Financial Services launched redesigned websites in 2014 with responsive technology.
- CAP COM will launch a new branch in Malta on Route 9 in 2016.
- Staff completed nearly 9,500 hours of training in 2014.

- CAP COM was recognized for the 11<sup>th</sup> year in a row as one of the Best Places to Work in the Capital Region by the Albany Business Review.

Mr. Gilligan assured our members that CAP COM's strategic goals will continue to fall in line with the fundamental role of a financial institution: To be safe and sound, to offer convenience, and to maintain a high level of service and value.

A motion was made by John Parente, seconded by John Ericson "To accept the Report of the Board of Directors." *Carried.*

**Report of the President/CEO and the Foundation**

Ms. Stopera thanked the membership for attending and introduced the Vice President Team. It was announced that the theme for this year's Annual Meeting is Moving Forward Together. CAP COM originally chartered in 1953, has grown to more than \$1 billion, member owned cooperative. Ms. Stopera highlighted the success is due to the CAP COM staff working tirelessly to ensure that CAP COM is the single source to solve all challenges and help you welcome opportunities. CAP COM helped just fewer than 1,000 families in buying or refinancing a new home. CAP COM currently serves more than 10,000 children in our School Banking program, in addition to a successful

student run branch located in Shenendahowa High School. We currently serve more than 3,000 families involved in the College Bound program.

Ms. Stopera shared the work of our Foundation highlighted in the Year of Giving booklet provided to all members in attendance. This book highlights the many programs that have been supported in our community...reinforcing the People Helping People philosophy that define credit unions. We continue strong in our brand of service delivery by celebrating our 11<sup>th</sup> year as Best Places to Work winners. Ms. Stopera announced plans to expand CAP COM's branch network in Malta, with the expectation to open a branch to serve northern Saratoga County membership in early 2016 in the Exit 12 corridor. Paula also highlighted a new service called Shared Branching that will allow members access to their accounts at hundreds of credit unions in the country.

A motion was made by Paul Dettenrieder, seconded by Johanna Robbins, "To accept the Report of the President/CEO and the Report of the Foundation." *Carried.*

**Report of the Supervisory Committee**

Mr. John Ericson delivered the report of the Supervisory Committee. He acknowledged the efforts of those that serve on that

committee and introduced them to the membership. As a committee that is appointed by the Board of Directors, committed to making sure that the members' funds and interests are protected and that the Credit Union's financial condition is fairly and accurately represented. Mr. Ericson introduced the Supervisory Committee Members, as well as the partnership with the Internal Audit Department and introduced the staff of that area.

The annual audit was performed by CPA firm Crowe & Horwath, LLP for the year ended December 31, 2014. The audit was conducted in accordance with generally accepted auditing standards, which required that it be planned and performed in order to obtain reasonable assurance the financial statements are free from material misstatement. This audit also assesses the operations of the Credit Union and determines that no material weaknesses exist. A copy of the consolidated financial statements may be obtained from the Credit Union upon written request. In addition to these audits, the National Credit Union Administration (NCUA) performs a periodic regulatory examination. Mr. Ericson extended his thanks to the Supervisory Committee and the Internal Audit Department and to the membership for their business.

A motion was made by Marty Finn, seconded by Carie Sala "To accept the Report of the Supervisory Committee." *Carried.*

### **Report of the Nominating Committee**

Mr. Dan Johnson reported that in 2003, the Credit Union bylaws were amended to convert to a nomination by petition election process. The nomination by petition process requires that any member not already nominated by the nominated committee must submit a petition to the Credit Union's Board of Directors in order to be included on the slate of candidates who are running for open Board seats. The membership was notified of this requirement in December of 2014 by way of a notice in the Lines of Communication and on the website. The deadline to submit petitions and necessary forms was February 3, 2015. No nominations came forward from the membership, so the nominating committee presented

- 1) Pat Kelly and
- 2) Harold Horning

as candidates for election to the Board of Directors for three-year terms.

Mr. Johnson announced the third individual nominated by the Committee decided to retire from the Board of Directors after nominations were closed. In accordance with guidance provided by

our federal regulator, the Board of Director's shall wait to appoint a director to fill this vacancy at next year's annual meeting.

### **Elections**

A motion was made by Bruce Coffin, seconded by Ed Davis, "To cast one ballot for the entire slate of candidates presented by the Nominating Committee." *Carried.*

### **New Business**

There was no new business.

### **Presentation of the Making A Difference Award Winners**

Educational Initiatives Specialist Cassandra Gazeley presented the awards for our 2015 Making a Difference Award Winners. This award was established to honor our young adult members who are making a difference in our community. The individuals who won (listed below) were chosen for their countless hours and dedication to their community, as well as embody the credit union philosophy of "People Helping People." Winners were: First Place – Aimee Becker, Second Place – Jennifer Burke, Third Place – Steven Strait.

### **Presentation of the Art Goedeke Scholarship**

Paula Stopera introduced our Art Goedeke Award. The CAP COM Cares Foundation, through the generosity of the Art Goedeke family, is honored

to present the annual Art Goedeke Memorial Scholarship.

Art was a long time member of CAP COM. Art worked for Verizon and contributed significantly to the developing world of information systems. Art was a CAP COM board member for many years donating countless hours of his time and expertise to help form the Credit Union into the strong financial cooperative it is today. This year's scholarship was awarded to Imran Muthuvappa, a senior at Albany High School.

### **Unfinished Business**

Ms. Stopera announced The Credit Union's Top Employees of the year: Top Sales – Candace Stazio, Top Service – Brian Hooks, Top CUSO – Sarah Fox, Top Support – Michael Wiseman, Employee of the Year – Theresa Silverman.

### **Adjournment**

A motion was made by John Ericson, seconded by Anne Crandall "That this meeting be adjourned." *Carried.*

Chairman Gilligan adjourned the meeting at 6:30 p.m.

Respectfully submitted,



Daniel Johnson  
Secretary/Board of Directors



Edward Gilligan  
Chairman/Board



## The heartbeat of a better community

The CAP COM Cares Foundation has always aspired to do more than make financial contributions. We are proud to put strong roots deep in the communities we call home.

Through the heartfelt generosity of staff, volunteers, members, and friends, we've donated more than \$2.5 million in monetary and in-kind contributions to hundreds of local organizations. Here are just a few examples of the ways we touched lives during 2015.

We were honored to surprise staff at **Wildwood Programs** (top) with a \$50,000 pledge for rehabilitation of their administrative and nursing facilities at Camp Wildwood in Altamont. Each year, the camp serves 100 children with learning disabilities, neurological impairments, or autism.

A \$10,000 donation to **Make a Wish® of Northeast New York** (middle, left) helped grant the wish of a local three-year-old girl diagnosed with a life-threatening medical condition. We listened as Avery shared stories about her trip to Walt Disney World.

We marked our 20<sup>th</sup> year of sponsoring the **American Cancer Society's Making Strides Against Breast Cancer Walk** (middle, right) in 2015. Standing strong each October, we've raised \$1 million dollars over time to support awareness and local research with the hope of finding a cure.

CAP COM empowers staff to get involved with the efforts of the Foundation. For some, these small moments of service will stay with them a lifetime.

During the holidays, CAP COM headquarters become Santa's workshop as hundreds of gifts are shopped for, wrapped and delivered to 200 seniors through the **Colonie Senior Services Center Adopt and Angel Program** (at left) as well as several other families in need. Find our partner list at [www.capcomfcu.org/partners](http://www.capcomfcu.org/partners).



Each year, the Foundation gives \$65,000 in scholarships so that students can reach for their dreams.





# CAP COM Cares Foundation

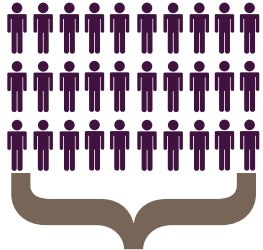
## \$287,000

Raised through fundraising



### 560

Backpacks filled with supplies donated to school children in need



### 300

CAP COM Cares volunteers.

### 1,500

Volunteer hours



### 28

Families were adopted during the holidays



### 300

Thanksgiving baskets donated to families



## Award

Tech Valley Non-Profit Corporate Partner 2015

### 103

Organizations supported in 2015

### 200

Gifts wrapped for senior citizens during the holidays

## \$65,000

Given in scholarships



### 250

Children received warm winter coats



CAP\_COM\_FCU



# MY CREDIT UNION IS ... DEDICATED

"I come to work each day with some of the most dedicated people I know; and everybody just wants to be able to do something to help

others. It is truly an honor to be recognized by my coworkers with this award," Robin Maynard, Employee of the Year, center.



## 2015 TOP Employees

At CAP COM, our members come first. These employees were recognized in 2015 for epitomizing the credit union philosophy of “People Helping People”. Nominated by their peers for recognition, they each stand out for many of the same reasons: They are always willing to help, they’ll do whatever it takes, and they are committed to providing the best experience for our members. Please join us in congratulating them for all they do to benefit every member, every time, every day.

### Employee of the Year and TOP Operations

Robin Maynard (center)  
Desktop Administrator  
Three years of service

### TOP Service

Deborah Collins-Rapp (right)  
Senior Marketing Specialist  
Four years of service

### TOP Service

Robert VanZetta (bottom left)  
Accountant  
Five years of service

### TOP Sales

Eric Cruz (top left)  
Mortgage Loan Originator  
Five years of service

### TOP Subsidiary

Brian Marchand (top right)  
Mortgage Specialist  
Two years of service

## A look at the new year



The opening of our newest Malta Branch (pictured above) at 2439 Route 9 in early January made CAP COM more convenient for members who live north of Clifton Park. With a continued commitment to creating a modern and welcoming experience for members who come into our branches, we also recently completed the renovation of our Latham Branch at 4 Century Hill Road.

During 2016, we’ll also begin building a better branch experience for our North Greenbush members! Watch for more information as we break ground on a new branch in The Van Rensselaer Plaza at Routes 4 and 43.



Federally insured by NCUA