

BOARD OF DIRECTORS & TERM EXPIRATIONS

W. R. Womack, Chairman, 2017
Harvey L. Hayes, Jr., Vice Chairman, 2016*
Dee Farino, Secretary, 2016*
Gloria Longnecker, Treasurer, 2016*
Marlin Phillips, Director, 2018
James S. Reynolds, Director, 2017
Jimmie Bulanek, Director, 2018
Steve Emmott, Director, 2016*
Charley Johnson, Director, 2017

*These Board Members are up for reelection in 2016. Elections will be held on May 14, 2016 at the Annual Meeting.

NOMINATING COMMITTEE

Marlin Phillips, Chairman
James S. Reynolds
Jimmie Bulanek

SUPERVISORY COMMITTEE

Janice Mayes-Clayton, Chairperson
Steve Fowler, Member
Dolores Eaves-Peterson, Member

EXECUTIVE MANAGEMENT TEAM

Tim Adams, President/CEO
Katyanna Vaughn, VP of Administration



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Lobby and Drive-Thru Hours
Monday – Friday
9 a.m. – 4:30 p.m.

MISSION:
**TO BE THE TRUSTED
PARTNER IN EACH
MEMBER'S FINANCIAL LIFE.**

SPCO 2015 ANNUAL REPORT

Moving Forward...



Federally insured
by NCUA



CHAIRMAN'S REPORT

On behalf of your Board of Directors, I'm pleased to report on SPCO Credit Union's progress during 2015. As you can see from this Annual Report, SPCO's financial standing is strong, thanks to our loyal membership, committed staff, and your Board of Directors. SPCO's Board is made up of dedicated volunteers who meet regularly to ensure that the Credit Union is upholding its mission, and functioning efficiently for growth and stability. I'd like to take this opportunity to thank my fellow board members for their volunteer service.

I'd like to share a few highlights from 2015. Membership now stands at 3,773 for 2015. In total, our members have added more than \$1,536,273.14 to their savings accounts. In addition, our member owners have borrowed more than \$8,961,990.17 in new loans, which represents your trust and loyalty to SPCO Credit Union. In this annual report to our members, you'll find the financial highlights of 2015. Your ongoing use of SPCO Credit Union products and services, means that we will remain in a strong financial position, so that we can continue to meet your financial needs for the foreseeable future.

By exercising sound business and service strategies, we can help you navigate your financial life-cycle challenges and weather uncertain economic periods like the recent recession. The Credit Union movement remains extremely healthy, despite the onerous regulatory burdens placed on credit unions as a result of the detrimental practices of Wall Street and the banking industry.

We are excited about the bright future that lies ahead of us. It's a future we can all envision our highest potential and best purpose in serving you, our members. We are extremely optimistic about the future because SPCO Credit Union is well positioned to face any challenge and seize any opportunity that presents itself in 2016.

Thank you for your loyalty and support. I wish you the very best for the coming year!

W.R. Womack
Chairman



PRESIDENT'S REPORT



On behalf of the management and staff of SPCO Credit Union, I'd like to thank our members for your loyalty and support. When you participate in your credit union, you are contributing to its growth, and that's why this credit union continues to thrive year after year. Your Credit Union was founded in 1936,

so we are proud to say that we've been the trusted financial partner for you, for 80 years.

Let me begin by saying that 2015 was a significant year, not just for our credit union but also for our state and the nation. In addition to the headline-grabbing election cycle we're in, the credit union movement weathered another round of banker attacks, and not just on our credit union tax exemption. Cybersecurity became an even higher-profile matter in 2015, along with hot-button regulatory issues such as risk-based capital and costly regulatory burdens. All of those critical issues demand we allocate time and resources, to maintaining compliance, while striving to provide the best possible member service. This is why it is critical that SPCO Credit Union remains vigilant and proactively engages the members, Board of Directors and staff to monitor and advocate with lawmakers.

Regardless, SPCO Credit Union is financially solid. As our membership grows, so do our assets, which is the barometer of how well our members are utilizing the products and services we offer. Our current assets are \$37,310,463.71. As loan demand remains strong, delinquencies remain low. This indicates you value the competitive rates we offer and you have a strong commitment to honoring your financial obligations with your credit union.

I'm proud to point out that SPCO is an extremely well-capitalized financial institution, with a strong net worth ratio of 11.08 percent. To put that in perspective, a net worth position above 7 percent is considered well capitalized, which is the highest rating, by our regulators. This is only achieved by sound, strategic and forward-looking management by the Board of Directors.

As we embark on the year ahead, we will continue to grow responsibly. We are listening and responding to your needs, exploring innovative product and service solutions to enhance your financial life. Just as you are committed to SPCO Credit Union, we are committed to you. We will continue to develop our staff and board so they can confidently and wisely serve you. Thank you for allowing us to be your trusted financial partner. On behalf of the entire staff, we look forward to a happy and successful 2016.

To continued success,
Tim Adams
President/CEO

FINANCIAL REPORT

By Gloria Longnecker

STATEMENT OF FINANCIAL CONDITION DECEMBER 31, 2015

ASSETS

Loans to Members	\$ 27,742,567.68
Less: Reserve for Loan Losses	(30,681.29)
Net Loans	27,711,886.39
Receivables/CU	3,902.26
Total Cash	305,420.24
Investments	5,682,530.73
Total Prepaid & Deferred	212,815.19
Total Fixed Assets	1,399,371.95
Total Other Assets	1,900,775.00
Total Acrued Income	93,761.95
TOTAL ASSETS	\$37,310,463.71

LIABILITIES and EQUITY

Accounts Payable	\$363,134.12
Other Liabilities	20,343.77
TOTAL LIABILITIES	\$383,477.89

Deposits	\$32,792,802.01
Reserves	1,705,902.39
Undivided Earnings	2,428,281.42
TOTAL LIABILITIES & EQUITY	\$37,310,463.71

INCOME STATEMENT DECEMBER 31, 2015

TOTAL INCOME

Loan Income	\$1,590,440.98
Investment Income	22,736.72
Non-Interest Income	331,228.39
TOTAL INCOME	\$1,944,406.09

OPERATING EXPENSES

Salaries Expenses	\$640,687.59
Operating Expenses	951,477.12
Loan Loss Provision	94,473.57
TOTAL OPERATING EXPENSES	\$1,686,638.28

Member Dividends	\$221,482.09
Non-Operating Gain/Loss	3,359.30
OVERALL TOTAL OPERATING EXPENSES	\$1,911,479.67

NET INCOME

\$ 32,926.42

MEMBERSHIP

3,773