

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2015

ASSETS

Loans (Net)	59,393,260
Cash on Hand	1,662,409
Investments	57,604,239
Accrued Income	236,325
Fixed Assets (Net)	2,507,154
Deferred Assets	250,591
Other Assets	1,318,166

TOTAL ASSETS 122,972,145

LIABILITIES & EQUITIES

LIABILITIES

Accounts Payable	1,104,577
Accrued Interest Payable	3,433
Other Liabilities	173,457
Member Deposits	113,979,309

EQUITY 7,711,369

TOTAL LIABILITIES AND EQUITY 122,972,145

INCOME STATEMENT

For the Period Ended December 31, 2015

Loan Interest Income	2,490,171
Investment Income	742,806
Dividend/Interest Expense	56,224
Net Interest Income	3,176,807
Fee and Other Income	1,711,899
GROSS OPERATING INCOME	4,888,707

Operating Expenses	4,180,099
Provision for Loan Loss	290,038
TOTAL OPERATING EXPENSES	4,470,137

Net Operating Income	418,569
Non-Operating Income (Expense)	89,765

Net Income Before NCUSIF Stabilization Expense	508,334
NCUSIF Stabilization Expense	0

NET INCOME 508,334

PRODUCTS & SERVICES

Deposit Accounts

Capitol Savings.....	Capitol Free Checking
Capitol Business Savings Account.....	Capitol Business Checking Account
Capitol Business Plus Checking Account.....	Capitol Plus Money Market
Certificate of Deposit.....	Individual Retirement Account

Loans

Auto Loan.....	Fully Collateralized Loan
Personal Loan.....	Share Secured Loan
CD Share Secured Loan.....	Line of Credit
Home Equity Loan.....	Home Equity Line of Credit
Mortgage Loan.....	Credit Card

Convenient Products and Services

Visa® Debit Card.....	Visa® Gift Card
-----------------------	-----------------

TREASURER'S REPORT

2015 was another year that showed a strong pace of economic activity and steady job gains. Overall unemployment continues to improve and the unemployment rate for Travis County still remains lower than the national average. The Austin economy continues to remain strong. Capitol Credit Union has weathered the economic circumstances causing low margins over the last few years in good condition. Although deposit rates remain low, the credit union has some of the best loan rates in the local area.

Capitol Credit Union ended 2015 serving 10,934 members. Assets grew by 3.63%, ending the year with \$123 million in total assets. Return on average assets was 0.42%, with a net income of \$508 thousand. We are adequately capitalized, with a net worth ratio of 6.41%. Last year we experienced the highest loan growth in the 62 year history of the credit union. Total loans grew by 32.93%, from \$45 million to \$60 million! Our credit quality remains strong with a net charge-off ratio of 0.54%, and delinquency ratio of 0.51% which is below the PEER average of 0.94%.

The Board of Directors engaged the CPA firm of Clifton Larson Allen to perform a comprehensive audit of the financial statements, policies, and procedures of the credit union. The firm's review showed that the financial statements of Capitol Credit Union fairly represent the financial position, its operations, and its cash flows in accordance with Generally Accepted Accounting Principles (GAAP). Capitol Credit Union remains committed to finding new and innovative ways to reward our members in the form of low rates, along with new products and services.

In closing, we would like to thank our members for their trust and support, and for allowing Capitol Credit Union to be your financial institution of choice. You can count on us to make financially sound decisions to ensure that your credit union is always here for you.

Caroline Beyer

Capitol Credit Union Board of Directors, Treasurer

PRODUCTS & SERVICES

Convenient Products and Services

Visa® Reloadable Card.....	Visa® Youth Card
MasterCard® Travel Card.....	Mechanical Breakdown Insurance
PC Capitol Access.....	Telephone Capitol Access
Online Bill Pay.....	Mobile Banking
SnapCheck Mobile Deposit.....	E-Statements
Safe Deposit Boxes.....	Wire Transfer
Western Union Wire Transfer.....	Notaries Public
Money Order.....	Cashier's Check
Direct Deposit.....	Payroll Deduction
Automatic Transfer.....	Night Deposit
Courtesy Pay.....	Overdraft Protection
Skip-a-Pay.....	Merchant Services
TruStage® Insurance Products.....	Guaranteed Asset Protection

CAPITOL CREDIT UNION 62nd Annual Meeting of the Membership

Building Better Relationships. Shaping a Better Tomorrow.



Thursday, March 31, 2016
Scholz Garten 1607 San Jacinto Blvd.
Austin, Texas 78701

Meeting begins at 6:00 pm

AGENDA

- I. Call to Order
- II. Determination of Quorum
- III. Invocation
- IV. Appointment of Parliamentarian
- V. Reading and Approval of the Minutes of the 61st Annual Meeting of the Membership
- VI. Report of the Chair
- VII. Report of the Treasurer
- VIII. Report of the President
- IX. Old Business
- X. New Business
- XI. Report of the Nominating Committee
- XII. Election of Directors
- XIII. Question and Answer Period
- XIV. Drawing for Door Prizes
- XV. Adjournment of Meeting

CAPITOL CREDIT UNION MEMBERSHIP

Capitol Credit Union is an ever growing full-service financial institution that is proud to be 10,934* members strong!

*Total Number of Members.....as of December 31, 2015

2015 BOARD OF DIRECTORS

POSITION 1	- Stefanie Medack.....Secretary 2013-2016
POSITION 2	- Jaime Lynn.....Vice Chair 2013-2016
POSITION 3	- Nancy Hrin.....Director 2013-2016
POSITION 4	- Karim Hirani.....Director 2014-2017
POSITION 5	- Michael Jones.....Chair 2014-2017
POSITION 6	- Kevin Cooper.....Director 2014-2017
POSITION 7	- Andrew Weber.....Director 2015-2018
POSITION 8	- Lewis Roland.....Director 2015-2018
POSITION 9	- Caroline Beyer.....Treasurer 2015-2018
POSITION 10	- Joel Bennett.....Director 2014-2017
POSITION 11	- Wayne Hamilton.....Director 2015-2018

MESSAGE FROM THE CHAIRMAN

2015 was a year of rebuilding. Rebuilding processes, rebuilding programs and more importantly rebuilding infrastructures that will make it more convenient for our members to continue doing business with Capitol Credit Union. Our new president, with the board's approval, made significant changes to the lending process that had the immediate effect of making it easier for our members to get a loan with Capitol Credit Union. We lent over \$38 Million to our members last year for cars, boats, homes, remodeling, consolidations and other financial transactions. We are proud that this credit union was able to bring great value to you and the other owners of this financial institution. We are positioned for continued growth and positive financial strength in the rest of 2016.

Look for more advancements to be made in our deposit products starting with our online banking solution. Making it easy, efficient, friendly and fast to do business with your credit union is a key step to building a continued positive relationship with our membership. The combination of new services and products is one reason the credit union staff look forward to doing more business with members this year.

As I stated last year, the sole purpose of all these innovations is to provide you with the quality services that merit Capitol Credit Union being your financial institution of choice.

Michael Jones

Capitol Credit Union Board of Directors, Chair

MESSAGE FROM THE PRESIDENT

2015 was the year of building a good solid lending infrastructure for Capitol Credit Union. I believe many of our members would agree based on the fact that many of you benefited from these changes as we saw over a 30%(+) increase in lending to our members. It was a great year for providing friendly & efficient lending opportunities to our members by making it easy and quick to apply for a loan from the convenience of your cell phone, tablet or computer. The streamlined process has made it possible for us to approve a loan request within minutes and fund the loan all remotely. That means you don't have to fight the Austin traffic to sign a document but can handle the entire transaction through electronic signature and remote channels. We want to serve our members in the most convenient, friendly and efficient way possible. We've also added an Auto Recapture Program, our Locate-To-Order concierge auto buying service, Rapid Funding Home Improvements, and much more!

Now that we feel better about how we serve your lending needs, we have shifted our attention to our deposit products starting with our checking account and online systems. We want to enhance our checking account experience and deliver a much better and easier process for taking care of your financial transactions. Later this year you will be seeing some greatly enhanced & user friendly systems that will make it simple for you to do all your banking through our new Online Banking Solution. We are very excited about the value propositions coming that will deliver great benefits to our membership base. We want there to be no doubt in your mind that Capitol Credit Union is the best place to do your banking. I really hope to hear from you this year to let us know how we are doing. I realize we have a long way to go but we are working hard to earn your business every day. Here is to looking ahead - for we believe the Best is yet to come!

Pierre Cardenas

Capitol Credit Union President / CEO

MESSAGE FROM THE NOMINATING COMMITTEE

The Board of Directors appointed us to the Nominating Committee and tasked us with reviewing candidates who wish to fill vacant and expired positions on the Board. This said, the Nominating Committee unanimously recommends the following candidates to serve on the 2016 Capitol Credit Union Board of Directors:

POSITION 1 - Colin Parrish.....Director

POSITION 2 - Jaime Lynn.....Director

POSITION 3 - Nancy Hrin.....Director

We appreciate the opportunity to serve the Board of Directors of Capitol Credit Union.

Brett Bray, David L. Davis - Aaron Demerson

Capitol Credit Union Nominating Committee, Chair

MANAGEMENT

Pierre Cardenas.....President/CEO

Weatherli Holt.....Chief Financial Officer

Lisa Malesky.....Chief Risk Officer

MANAGEMENT CHANGES 2015

Lisa Malesky.....Promoted to Chief Risk Officer



©2016 Capitol Credit Union. All rights reserved. Capitol Credit Union is in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act. Your savings are federally insured to at least \$250,000 through the National Credit Union Share Insurance Fund (NCUSIF) managed by the National Credit Union Administration, a U.S. Government Agency.