







THROUGH SCHOLARSHIPS, SPONSORSHIPS,  
FUNDRAISERS AND VOLUNTEERING,  
PREMIER COMMUNITY CU  
IS HONORED TO SUPPORT AND SERVE  
ITS DIVERSE MEMBERSHIP.



# CEO REPORT

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I am pleased to report that Premier Community Credit Union reported another successful year for 2017. With member loans being our largest source of income, net loans continued to grow \$1.8 million to \$60.4 million for a 3.07% increase. As a not-for-profit financial organization, Premier Community Credit Union continues to work for the benefit of our members by returning earnings to our members in the form of low interest rates and good service.

“THANK YOU TO THE MANY  
EXECUTIVE TEAM MEMBERS,  
STAFF AND VOLUNTEERS WHO  
HAVE HELPED MAKE  
PREMIER COMMUNITY CU  
A SUCCESS!”

In 2017, our lending staff worked very hard processing 1,354 new loans and VISA cards totaling \$23.4 million dollars. We were also excited about adding additional auto lending services in 2017, and look forward to another good year to service our members’ borrowing needs.

Premier’s total assets grew \$5.5 million dollars to \$145.2 million dollars, for a 4% increase. The Credit Union’s equity is \$13.4 million which includes 2017 earnings of \$635,745. The net-worth ratio of 9.71% is well above the Well Capitalized designation of 7% by our federal regulator, the NCUA.

Bauer Financial, an independent rating agency for financial institutions, once again gave Premier Community Credit Union a Five Star Rating for 2017.

In 2017 we continued our sponsorship of the San Joaquin County Teacher of the Year, and recognized our outstanding educators and non-classified school employees. We also sponsored many other organizations including the San Joaquin County Office of Education Foundation, the Lodi, Manteca, Lincoln and Tracy Unified School Districts, Disabled American Veterans, Esquire Club, American Heart Association, and El Concilio of San Joaquin County. We also continued the support of our College Scholarship Program, by awarding five Premier Scholarships to the young men and women from our communities that are embarking on their college level studies.

It takes a lot of teamwork and commitment to run a credit union, and I would like to thank the volunteers that served on our supervisory committee and board of director positions, for providing the direction that continues to keep Premier Community Credit Union a stable and viable financial institution. I also want to thank the executive team and the entire staff for their dedication and commitment to making Premier Community Credit Union a success in 2017!

We are grateful to be able to continue to serve our members with their best interest at heart, as we look forward to a very successful 2018.



Russel Hagen  
CEO



# BOARD OF DIRECTORS

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BRETT THOLBORN  
Chairperson



HANK KLOR  
Vice-Chair



JOVANNA GONSALVES  
Secretary / Treasurer



LINDA MORA  
Director




DON KNUDSEN  
Director



ALLAN PATTERSON  
Director



DOUG McCREATH  
Director

A close-up, slightly blurred photograph of several crates filled with vibrant red and yellow cherry tomatoes. The crates are arranged in rows, and the lighting highlights the freshness of the produce.

SAN JOAQUIN COUNTY IS RENOWNED  
FOR ITS RICH AGRICULTURAL HISTORY AND  
CULTURE. PREMIER COMMUNITY IS PROUD TO  
BE PART OF THIS BOUNTIFUL COMMUNITY.

# SUPERVISORY COMMITTEE REPORT

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To protect our members' financial safety, Premier Community's volunteer supervisory committee audits the credit union's financials and operations. The committee's specific duties are to:

- Review and ensure, internal and external auditors, that the proper internal controls of the credit union exist.
- Audit the books, financials, and business operations of the credit union using an appointed independent auditor.
- Validate and verify the accounts of members against the credit union's records.
- Review the affairs of the board of directors, officers and management for adherence to Premier Community's bylaws and policies, as well as to all regulatory agencies.
- Maintain the reputation of the credit union by thoroughly investigating any and all claims made to the credit union and acting on the findings.
- Manage Clifton Larson Allen (CLA), an independent Certified Public Accounting (CPA) firm that was selected by the supervisory committee to audit the credit union's financial statements, and to ensure that reporting was done according to Generally Accepted Accounting Principles (GAAP).

PREMIER COMMUNITY  
CREDIT UNION IS DEDICATED  
TO ITS MEMBER'S FINANCIAL  
SOUNDNESS AND SECURITY.

An excerpt from our CPA, Clifton Larson Allen LLP is shown below:

"In our opinion, the financial statements referred to on the following page present fairly, in all material respects, the financial position of Premier Community Credit Union as of March 31, 2017, and 2016 the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America."

We are pleased to announce that Premier Community's financials, the operations, and the safety and soundness of the credit union, were confirmed by the independent audit.

**Allen Farnum**, Chairperson  
**JacCene Longacre**, Committee Member  
**Emily Nicholas**, Committee Member

# CREDIT MANAGEMENT REPORT

Premier Community funded 1,354 loans totaling over \$23.4 million for our members in 2017. Our overall net loan portfolio increased from \$58.6 million to nearly \$60.4 million. As the economy shows signs of rebound, we also see improvements in real estate values and member's personal finances. We ended the year with the delinquency ratio at 0.61%.

We are excited about the new online loan application program that will greatly enhance the loan process. By making our loan process more accessible and convenient, our members will benefit in the coming years. Furthermore, we've enhanced our auto loan programs to help qualify even more members for vehicle purchases.

We appreciate our member's patronage and look forward to another successful year of meeting member's loan needs.



# FINANCIALS

## BALANCE SHEET

ASSETS	2017	2016
Loans	\$ 61,260,634	\$ 59,415,448
Allowance for Loan Losses	(\$ 830,641)	(\$ 786,449)
<b>Net Loans</b>	<b>\$ 60,429,993</b>	<b>\$ 58,628,999</b>
Accounts Receivable	\$ 353,829	\$ 306,460
Total Cash & Cash Equivalents	\$ 17,375,433	\$ 13,746,397
Net Investments	\$ 58,166,616	\$ 58,402,273
Net Land & Building	\$ 4,183,066	\$ 3,868,454
Net Furniture Fixtures & Equipment	\$ 321,746	\$ 395,671
Other Assets	\$ 4,368,812	\$ 4,311,304
<b>Total Assets</b>	<b>\$ 145,199,495</b>	<b>\$ 139,659,558</b>
Total Liabilities	\$ 1,840,784	\$ 1,967,032
Total Shares	\$ 129,956,130	\$ 124,708,429
Total Equity	\$ 13,402,581	\$ 12,984,097
<b>Total Liabilities Shares &amp; Equity</b>	<b>\$ 145,199,495</b>	<b>\$ 139,659,558</b>

INCOME	2017	2016
Loan Income	\$ 2,924,305	\$ 2,775,715
Investment Income	\$ 1,169,378	\$ 941,512
Fee Income	\$ 1,913,619	\$ 1,764,652
Other Income	\$ 279,347	\$ 555,685
<b>Total Income</b>	<b>\$ 6,286,649</b>	<b>\$ 6,037,564</b>
<b>EXPENSES</b>		
Total Operating Expenses	\$ 5,429,102	\$ 5,458,639
Total Dividend Expenses	\$ 187,905	\$ 226,127
Total Non-Operating (Gain) Loss	\$ 33,897	(\$ 11,262)
<b>Total Expenses</b>	<b>\$ 5,650,904</b>	<b>\$ 5,673,504</b>
<b>Net Income</b>	<b>\$ 635,745</b>	<b>\$ 364,060</b>






PREMIER COMMUNITY CREDIT UNION  
 P.O. Box 8929  
 Stockton, CA 95208-0929  
 (800) 731-4477 or (209) 235-1100  
 PremierCCU.org

  **AMERICAN SHARE INSURANCE**  
 Additional insurance on member share (deposit) accounts of up to \$250,000 is provided by American Share Insurance, a credit union owned share guaranty corporation.

 **NCUA**  
 FEDERALLY INSURED BY NCUA

