Golden1
Credit Union

2015
ANNUAL REPORT

ANNUAL REPORT OF THE BOARD OF DIRECTORS

2015 was a defining year for Golden 1 Credit Union. We made advancements in membership, assets, loans granted, technology and innovation, and strengthened our commitment to provide value, convenience, and exceptional service to our members and the communities we serve.

That's why in 2015 we expanded our charter in Southern California to help honest, hard-working families and individuals lead financially better lives. We now proudly serve 38 counties across California and have seen our membership increase to include over 750,000 consumers.

We enhanced our community giving and involved our members in the process. Golden 1 was a proud partner of the 2015 Big Day of Giving, a 24-hour online giving event benefiting over 500 local nonprofits. Golden 1 donated a combined total of $50,000 to the nonprofits our members donated to with their Golden 1 debit or credit card for a total contribution of over $521,000.

While increasing our community involvement, we've stayed on the forefront of technology. In preparation of merchants moving towards chip-enabled terminals, we ensured our members were ready and successfully upgraded every Golden 1 debit and credit card with chip technology. As a result of our efforts, Golden 1 Credit Union was awarded the 2015 Visa® DPS Client Achievement Award for Best In Class: Innovation.

Our innovation didn't stop there. In an unprecedented demonstration of our mission, vision, and core values, we partnered with the Sacramento Kings to secure the naming rights to Golden 1 Center, a world-class entertainment and sports center. Golden 1 Center will be a catalyst for downtown Sacramento's revitalization which will create thousands of permanent jobs and establish a new economic engine to help power the Sacramento region's new economy, while also advancing our ability to provide better rates and more free services to our members.

As our state capital continues to grow, Golden 1 will grow right alongside it. The advancements we made in 2015 better position us to provide more home, auto, and personal loans, and other financial services to consumers all throughout California.

Through our partnerships and memberships, we're working as one for the benefit of all. By working as one, we are indeed Stronger Together.

P. Craig Cornett
Chair

Paris D. Coleman
Secretary/Treasurer

Donna A. Bland
President and Chief Executive Officer

P. CRAIG CORNETT
CHAIR

TING LAN SUN
VICE CHAIR

PARIS D. COLEMAN
SECRETARY/TREASURER

CRAIG L. BROWN
DIRECTOR

JAMES H. GOMEZ
DIRECTOR

JOHN R. HARRIGAN
DIRECTOR

CASSANDRA H. B. JENNINGS
DIRECTOR

AEISHA MASTAGNI
DIRECTOR

THOMAS P. MCCAFFERY
DIRECTOR

PEDRO R. REYES
DIRECTOR

KERI L. THOMAS
DIRECTOR

DONNA A. BLAND
PRESIDENT/CEO

ANNUAL REPORT OF THE SUPERVISORY COMMITTEE

One of the core values of Golden 1 Credit Union is financial stability. We strive to ensure that Golden 1 members can rely on our financial strength and security. With this in mind, the Supervisory Committee is responsible for ensuring that Credit Union policies and procedures adequately protect our members' interests; for providing reasonable assurance that the regulations, policies, and procedures that govern the institution are properly followed; and for providing an annual report on the Credit Union's financial condition and the results of its operations.

The Committee is assisted in carrying out its responsibilities by our Audit Services Department. The Credit Union is also periodically examined by regulatory agencies, such as the California Department of Business Oversight and the National Credit Union Administration.

We have retained the services of the independent accounting firm of Moss Adams, LLP, Certified Public Accountants, to perform an audit of the Credit Union's financial statements as of and for the years ended December 31, 2015 and December 31, 2014. In their opinion, the balance sheets and related statements of income present fairly, in all material respects, the financial position and results of operations for Golden 1 Credit Union in conformity with generally accepted accounting principles.

We wish to express our appreciation to the Board of Directors, management, and staff for their continued support.

Respectfully submitted,

Supervisory Committee

L to r, Timothy Bryan/Chair, Carol A. Nelson, Michael Dendorfer, Diana Emanavin, Kevin Chan

BALANCE SHEETS
DECEMBER 31
2015, AND 2014

	2015	2014
ASSETS		
Loans to members	$5,756,159,235	$4,701,524,707
Net deferred loan costs	17,651,029	10,359,095
Less allowance for loan losses	(41,014,128)	(47,349,791)
	5,732,796,136	4,664,534,011
Cash	127,322,507	111,928,648
Interest-bearing deposits and other investments	492,342,122	456,347,720
Investment securities available for sale	1,928,917,150	2,064,841,742
Investment securities held to maturity	837,396,565	912,690,420
Payroll deduction/ACH receivable	353,406,873	399,770,724
Property and equipment, net	75,080,629	66,244,952
Other assets	129,691,388	124,637,660
	$9,676,953,370	$8,800,995,877
LIABILITIES & EQUITY		
Members' shares:		
Regular shares	$1,679,634,463	$1,340,240,338
Checking and money market accounts	5,119,877,964	4,740,022,732
Certificates of deposit	1,650,699,505	1,556,336,598
	8,450,211,932	7,636,599,668
Share dividends payable	2,335,436	2,161,952
Other liabilities	89,818,184	91,862,557
	8,542,365,552	7,730,624,177
Members' equity:		
Appropriated retained earnings	78,110,584	78,110,584
Unappropriated retained earnings	1,054,379,909	984,381,431
Accumulated other comprehensive income	2,097,325	7,879,685
	$9,676,953,370	$8,800,995,877

STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31 2015, AND 2014

	2015	2014
INTEREST INCOME		
Loans	$204,900,319	$165,680,899
Interest-bearing deposits and other investments	6,022,616	3,361,944
Investment securities	44,937,206	50,707,164
	255,860,141	219,750,007
INTEREST EXPENSE		
Dividends on members' shares	27,290,121	24,941,160
Other interest	902,535	39,513
Net interest income	227,667,485	194,769,334
PROVISIONS FOR LOAN LOSSES	10,308,912	4,099,865
Net interest income after provision for loan losses	217,358,573	190,669,469
NON-INTEREST INCOME		
Checking accounts fee income	23,297,290	29,556,747
Visa® fee income, net of rebate	4,100,294	6,153,655
Loan fee income	3,901,455	3,590,229
Gain on sale of investments, loans, & other real estate owned	2,395,061	1,276,765
Other revenues	54,748,002	50,686,289
	88,442,102	91,263,685
NON-INTEREST EXPENSE		
Compensation and benefits	112,190,257	96,296,763
Operations	79,207,168	72,074,382
Data processing	16,788,000	14,964,611
Occupancy	17,945,914	16,244,986
Loss on sale of assets	2,894	35,715
Other	9,667,964	4,340,713
	235,802,197	203,957,170
Net income	69,998,478	$77,975,984

FACTS AND FIGURES

MEMBER SHARES
(in millions)

MEMBER LOANS
(in millions)

TOTAL ASSETS
(in millions)

DIVIDEND AMOUNTS
(in millions)

Term-Savings Certificates	$10.5	Money Market Savings	$6.6
Checking Accounts	$1.6	Regular Savings	$2.2
Retirement Accounts	$6.4		

ACTIVE ONLINE BANKERS*

ACTIVE MOBILE BANKERS*

*Active is defined as having a successful sign on in the past 90 days.

PRODUCTS AND SERVICES

CHECKING ACCOUNTS
Free Checking
MarketRate Checking℠
Premium Checking℠
SmartStart Checking℠
New Generation Checking℠
Student Checking
Freedom Checking℠

SAVINGS ACCOUNTS
Regular Savings
Money Market Savings
Term-Savings Certificate
Youth Savings
Coverdell Education
Living Trust Account
Santa Saver℠
FlexSavings℠

CONSUMER LOANS
Personal Loans
Personal Line of Credit
Starter Loans
Certificate and Savings Loans

IRA SERVICES
Individual Retirement Accounts
Traditional and Roth (IRAs)
IRA Certificates
IRA Savings

CARDS
Platinum Rewards
Platinum Rewards for Students
Platinum Secured
Golden 1 Debit
All Golden 1 ATMs, STAR®, Cirrus®, CO-OP Networks, and wherever Visa® is accepted
Golden 1 ATM
All Golden 1 ATMs, STAR, Cirrus, and CO-OP Networks

HOME LOANS
Mortgage Loans
Fixed-Rate Equity Loans
Equity My Way℠ Line of Credit
Buyer Advantage Program

VEHICLE LOANS
New and used vehicle loans
Recreational vehicle, motorcycle, and boat loans

AUTO BUYING SERVICES

TELEPHONE SERVICES
Telephone Teller℠
Member Service Contact Center
Telecommunication Devices for the Deaf (TDD)

INVESTMENT SERVICES

INSURANCE SERVICES

ONLINE AND MOBILE SERVICES
Online Banking
Mobile and Text Banking
Bill Payment Service
Mobile Deposit
Online Statements
Popmoney® Personal Payment Service

OTHER PRODUCTS AND SERVICES
Direct Deposit
Payroll Deduction
Automatic Transfer of Loan Payments
Electronic Funds Transfers
Member Education
Free Informational Workshops and Webinars
Golden Prestige℠
American Express® Travelers Cheques
Notary Public Service (at most branches)
Signature Guarantee Service
U.S. Savings Bonds Redemption Services
Safe Deposit Boxes (at several branches)
More than 240 Golden 1 ATM locations statewide, most open 24 hours a day
Nearly 30,000 CO-OP ATMs are available throughout California surcharge-free for Golden 1 members

EQUAL HOUSING OPPORTUNITY

Federally insured by NCUA. Equal Housing Opportunity

All third-party companies, products and service names used are for identification purposes only. All service marks, trademarks and registered trademarks are the property of their respective owners. Golden 1 Credit Union NMLS# 669333

Investments:	
Not an Obligation of or Guaranteed by Golden 1	Not a Deposit Product of Golden 1 Credit Union Not NCUA Insured
Not Insured by Any Federal Government Agency	Involves Investment Risk and May Lose Value Including Possible Loss of Principal

The Financial Consultants with Golden 1 Investment Services are registered representatives with LPL Financial. Securities offered through LPL Financial, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. LPL Financial is a Registered Investment Advisor. LPL Financial is not affiliated with Golden 1 Credit Union. The Office of Supervisory Jurisdiction associated With Golden 1 Investment Services and LPL Financial may discuss and/or transact securities business with residents in all 50 states. You are advised to seek advice from your own tax professional or attorney.

Investors should consider the investment objectives, risks, charges and expenses of the investment company before investing. The prospectus contains this and other information about the investment company. You can obtain a prospectus from your financial representative. Read carefully before investing.

BRANCHES

8727 El Camino Real ..... Atascadero
2248 Grass Valley Highway ..... Auburn
4106 California Avenue ..... Bakersfield
4005 Manzanita Avenue .... Carmichael
5901 Sunrise Blvd. ..... Citrus Heights
239 West 2nd Street ..... Chico
1030 Shaw Avenue ..... Clovis
508 Second Street ..... Davis
1602 N. Imperial Avenue ..... El Centro
4311 Town Center Blvd. ... El Dorado Hills
8469 Elk Grove Boulevard .... Elk Grove
8405 Elk Grove Florin Rd. .... Elk Grove
5050 Laguna Boulevard ..... Elk Grove
9600 Bruceville Road ..... Elk Grove
1380 Holiday Lane ..... Fairfield
1117 East Bidwell Street ..... Folsom
1860 Prairie City Road ..... Folsom
5045 E. Butler Avenue (IRS) ..... Fresno
5280 N. Jackson Ave. (CSUF) .... Fresno
6040 N. Figarden Drive ..... Fresno
2970 E. Nees Avenue ..... Fresno
111 E. Shaw Avenue ..... Fresno
8379 Church Street ..... Gilroy
5676 Calle Real ..... Goleta
109 W. Eighth Street ..... Hanford
24703 Amador Street ..... Hayward
339 Preston Avenue ..... Ione

781 South Highway 49
(Raley's Supermarket) ..... Jackson
790 J St. (Lincoln H.S.) ..... Lincoln
65 Lincoln Boulevard ..... Lincoln
320 W. Fourth Street ..... Los Angeles
1934 Howard Road ..... Madera
2001 McHenry Avenue ..... Modesto
1150 Imola Avenue ..... Napa
40044 Highway 49 ..... Oakhurst
111 Grand Ave. (Room 300) ... Oakland
1495 Clay Street ..... Oakland
2254 S. Euclid Avenue ..... Ontario
128 Niblick Road ..... Paso Robles
3966 Missouri Flat Road ..... Placerville
11099 Olson Drive ..... Rancho Cordova
1040 E. Cypress Avenue ..... Redding
741 Pleasant Grove Blvd. ..... Roseville
1701 Santa Clara Drive ..... Roseville
4011 Woodcreek Oaks Blvd. ... Roseville
1108 O Street ..... Sacramento
515 La Sierra Drive ..... Sacramento
7770 College Town Dr. ..... Sacramento
2415 1st Ave. (DMV) ..... Sacramento
5337 Elkhorn Boulevard ... Sacramento
9634 Butterfield Way (FTB) Sacramento
1330 Florin Road ..... Sacramento
4430 Florin Road ..... Sacramento

2360 Stockton Blvd. ..... Sacramento
2550 W. El Camino Ave. ... Sacramento
3280 Arena Boulevard ..... Sacramento
1301 Exposition Blvd. ..... Sacramento
7465 Rush River Drive ..... Sacramento
1109 L Street ..... Sacramento
2120 K Street ..... Sacramento
3066 Freeport Boulevard
(McClatchy H.S.) ..... Sacramento
1326 Broadway ..... Sacramento
1273 N. Davis Road ..... Salinas
500 Golden Gate Ave. .... San Francisco
500 Parnassus Avenue ... San Francisco
2298 Lombard Street .... San Francisco
185 Park Avenue ..... San Jose
852 E. Foothill Blvd. .... San Luis Obispo
1328 W. Hillsdale Blvd. ..... San Mateo
850 W. March Lane ..... Stockton
4321 Morada Lane ..... Stockton
2942 Main Street ..... Susanville
3202 W. Grant Line Road ..... Tracy
2450 Geer Road ..... Turlock
196 Nut Tree Parkway ..... Vacaville
766 Admiral Callaghan Lane ..... Vallejo
772 Ikea Court ..... West Sacramento
1801 E. Gibson Road ..... Woodland
1282 Stabler Lane ..... Yuba City

HISTORY

1933 Eleven state employees meet in Sacramento as the Board of Directors of the newly formed California State Employees' Credit Union #1 (CSECU #1).

1934 Membership reaches 131.

1950 Membership grows to 4,565.

1952 Assets reach $1 million.

1956 Membership reaches 13,000. Construction begins on the State Employees building at 1108 O Street in Sacramento.

1961 CSECU #1 staff move into first permanent office and administrative headquarters in the State Employees building at 1108 O Street.

1977 Assets reach $100 million. Name of Credit Union is changed to The Golden 1 Credit Union.

1982 Membership grows to more than 100,000. Assets reach $225 million. First seven automated teller machines (ATMs) go into service.

1988 Assets reach $600 million. Credit Union now has 14 branches statewide.

1990 Total of 21 branches are open statewide. Assets reach $820 million.

1992 Assets reach more than $1 billion. Membership stands at 215,000.

1994 Assets grow to almost $1.56 billion. Membership is more than 274,000, and the Credit Union now has 44 branches statewide.

1998 Assets reach more than $2.33 billion. The golden1.com website is launched. The Credit Union now has 50 full-service branches, five non-teller branches, and 210 ATMs.

2000 Membership grows to more than 400,000. Assets reach $3.1 billion.

2004 Membership grows to more than 600,000. Assets reach $5.4 billion.

2007 A total of 74 branches are open statewide. Elected into the Sacramento Metro Chamber of Commerce Business Hall of Fame.

2009 Assets reach more than $7.6 billion. New products debut—Mobile and Text Banking. Now able to serve all who live or work in 34 of California's 58 counties.

2010 Launch of Golden 1 Mobile Banking to complement online service offerings.

2011 Mobile Deposit is launched, and "No-Envelope" ATMs are introduced. Golden 1 wins several awards for community outreach.

2012 Golden 1 launches a new college scholarship program for members and their dependents.

2013 80th anniversary. Assets reach more than $8 billion. The Credit Union awards $368,000 in grants to support literacy and foster youth. Golden 1 recognized as "Best Bank or Credit Union" in several communities.

2014 Golden 1 launches its "Stronger Together" brand campaign. A special, one-time $18 million Member Giveback program is distributed. Membership grows to more than 700,000.

2015 Golden 1 expands charter in Southern California to now serve 38 counties. Obtains naming rights to Golden 1 Center. Upgrades every Golden 1 debit and credit card with chip technology.

MANAGEMENT

CHAIR
P. Craig Cornett

VICE CHAIR
Ting Lan Sun

SECRETARY/TREASURER
Paris D. Coleman

PRESIDENT/CEO
Donna A. Bland

EXECUTIVE VICE PRESIDENTS
Dustin Luton
Richard Musci

SENIOR VICE PRESIDENTS
Douglas Aguiar
Gregory Brown
Jose Delgado
Elizabeth Freeman
Tom Genessy

VICE PRESIDENTS
Walter Anasovitch
Chad Carrington
Kathy Coonan
James Deas
Tamara Ferrin
Kara Fitzgerald
Kara Giano
Allyson Hill
Ryan Kelly
Kyle Long
Machelle Martin
Michael Popp
Paul Sidhu
Pete Snyder
Erica Taylor

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