

## Giving Back to Our Members

### Report from the Chair

Thanks to the loyalty of members like you, Redstone Federal Credit Union® was able to give back more than \$20,000,000 to members in 2015!

This giveback is on top of the many helpful and convenient services offered by the Credit Union.

Through the hard work and dedication of our leadership and staff, Redstone credit cards, checking accounts, mortgages, online services and so much more, continue to become more beneficial each year.

This past year this same team took the Board of Directors' goal of giving back more to the members and applied their innovative skills and talents to doing just that – finding ways to give even more back to you, the member.

From checking accounts with raining nickels, to below market auto loan rates, to reduced real estate

fees, there are many ways members are rewarded for being a part of Redstone Federal Credit Union.

Were you a part of this incredible \$20,000,000 in givebacks? Take a look at the services you can enjoy to get the full benefit of being a Redstone Federal Credit Union member.

Redstone also looks for ways to give back to our entire community as well. This past year we supported many civic and charitable organizations through volunteer hours and monetary funds. And this happens in every county in which we have a physical location.

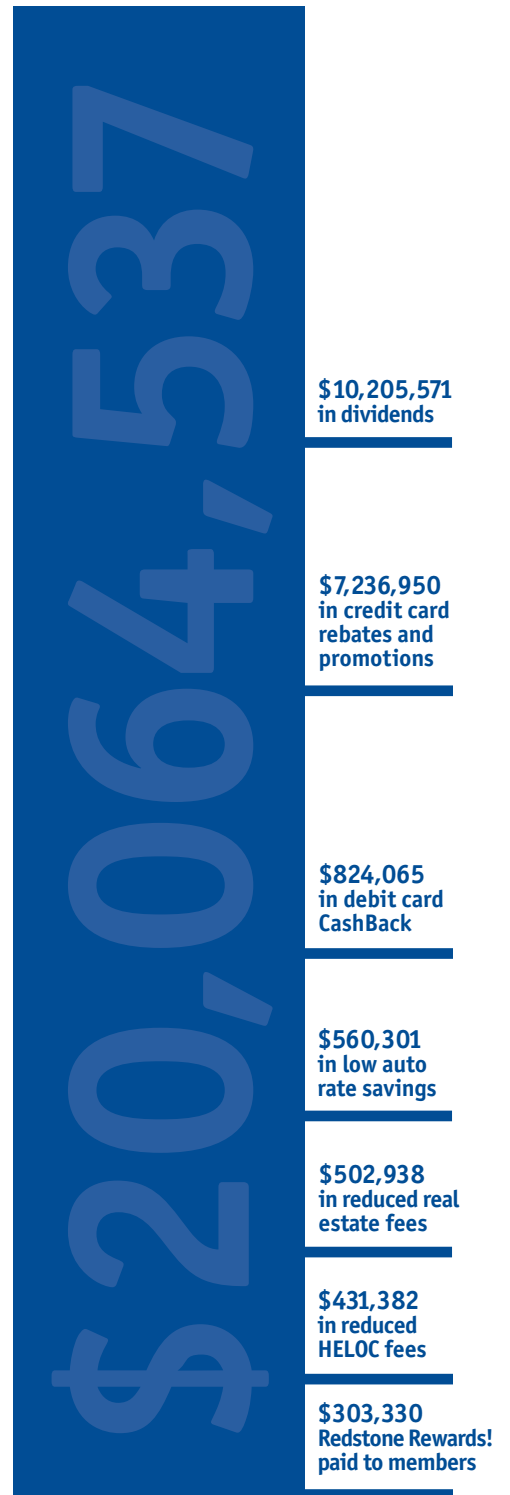
You can help keep this wonderful momentum going. The more members like you enjoy Redstone's services, the more we are able to give back to our members, to our communities!

Respectfully submitted,



Dave Hargrove  
Chair

## Millions in Member Rewards



# 2015 Annual Report



## **Board of Directors**

(back row l-r) Dave Hargrove, Chair;  
Terrence L. Clay, Jr., Director;  
Steve Fisher, Treasurer;  
Charlie Miller, 2nd Vice Chair  
(front row l-r) Richard L. Morris, Secretary;  
Charlene Brueggeman, Director;  
Nancy Walker, 1st Vice Chair;  
Kathleen Leonard, Director  
(not pictured) Dorothy W. Huston, Director

## **Leadership**

(back row l-r) Joseph H. Newberry, President / Chief Executive Officer; Wayne Sisco, Senior Vice President / Chief Financial Officer; Jan Bias, Senior Vice President Human Resources; John Cook, Vice President Lending; Liz Ponder, Vice President Retail Delivery; Harry Gunsallus, Executive Vice President / Chief Information Officer; (front row l-r) Mary Turner, Vice President / Chief Audit Officer; Fred Trusty, Senior Vice President Innovation and Marketing; Linda Smith, Vice President / Controller; Terri Bentley, Vice President Technology; Yvette Banks, Executive Vice President / Chief Retail Officer; Roberta Rodgers, Vice President / Chief Compliance Officer



## **Report from the President**

It is with great appreciation for your membership that I can report your Credit Union continues to grow. For it is truly your membership which fuels that growth.

When you, your family and friends use our many products and services you are participating in one of the top 20 credit unions in the country.

This investment turns into a broader and deeper level of service to you and our other 379,454 members.

In 2015 we were able to add a full suite of money services. These offerings provide members with options on how to handle checks, cash and short-term loans. These options provide many of the services found at payday lenders, but with fewer or less expensive fees.

Our insurance group, Redstone Insurance Services, was also able to grow, thanks to your membership. Now there are several more insurance providers available, truly making us a one-stop shop. Come see our agents and let them find the best insurance for you, instead of you spending time doing the research.

As more and more of our daily transactions are conducted with debit cards, Redstone now provides members with tighter controls on those cards. In 2015, we introduced easy ways for members to control when, where and how debit cards are used. To learn more visit our website, your online account access, call our Member Connect Call Center or ask about it the next time you are in a branch.

Also in 2015 Redstone staff researched the best credit card options for our members. You will see those options unveiled in 2016. Stay tuned for the exciting details!

All of this could not have been done without the stellar leadership from our volunteer Board of Directors, the hard work of our staff and the loyalty of our members.

Thank you!

Respectfully submitted,

Joseph H. Newberry  
President / CEO

**REDSTONE**  
FEDERAL CREDIT UNION®  
*your trusted advisor*

## Report from the Supervisory Committee

The Supervisory Committee, in compliance with the Federal Credit Union Act and Redstone Federal's bylaws, independently evaluates the soundness of Redstone Federal's operations and activities. The Committee provides assurance that the board and management are meeting required financial reporting objectives and establishing practices and procedures sufficient to safeguard members' assets by implementing sound internal controls.

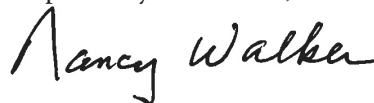
In accordance with these responsibilities, the committee hired an independent CPA (certified public accountant) firm, Moss Adams, to perform the financial statements audit for the year ending June 30, 2015. The full report of the Independent Auditors can be found on the credit union's website. The consolidated statement of the credit union's financial condition appears in this Annual Report.

Industry recognition received by Redstone Federal Credit Union during 2015 includes BauerFinancial, Inc. 5-star rating. This award indicates Redstone Federal Credit Union is one of the safest financial institutions in the United States.

Based on the results of internal audits, the financial statements audit, and the regulatory examination report of NCUA, conducted during the past year, it is the opinion of the Supervisory Committee that Redstone Federal Credit Union continues to be financially secure and operates in a safe and sound manner. Staff continues to work hard to maintain your financial security and prosperity.

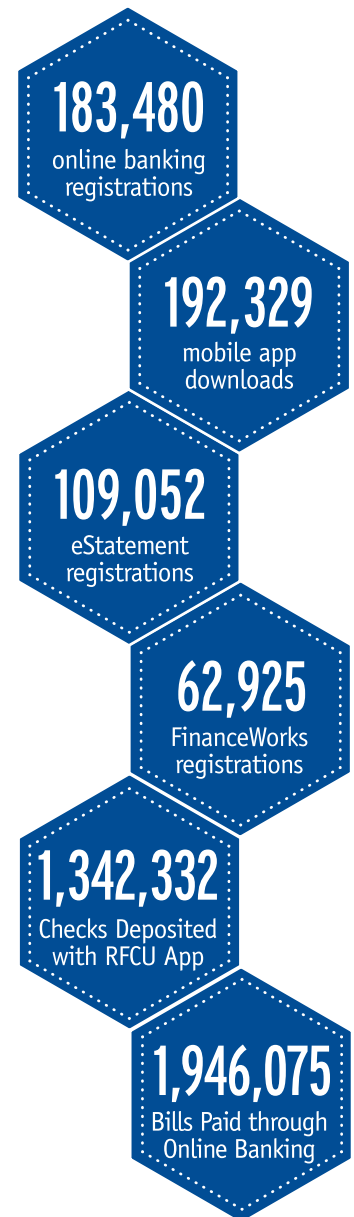
It is because of our members that we continue to be a proven leader in the financial industry. Thank you for your membership.

Respectfully submitted,



Nancy Walker  
Chair

## Online Services By The Numbers



## New Members in 2015

# 17,593

# 2015 Annual Report

## Redstone Federal Credit Union and Subsidiaries Consolidated Statements of Financial Condition

Summary financials only. For a full copy of the Report of Independent Auditors and Consolidated Financial Statements for Redstone Federal Credit Union and Subsidiaries, please visit [www.redfcu.org/about](http://www.redfcu.org/about).

	June 30, 2015	June 30, 2014
<b>Assets</b>		
Cash and Cash Equivalents	59,534,300	112,809,768
Investments	2,368,070,514	2,129,794,468
Loans, Net	1,304,218,396	1,293,688,352
Accrued Interest Receivable	10,530,857	11,789,437
Property and Equipment, Net	81,186,224	85,704,042
National CU Share Insurance Fund	31,320,159	29,870,161
Other Assets	18,563,559	19,177,309
<b>Total Assets</b>	<b>3,873,424,009</b>	<b>3,682,833,537</b>
<b>Liabilities</b>		
Member's Shares	3,346,085,439	3,193,352,512
Borrowed Funds	45,781,357	49,624,216
Accrued Expenses and Other Liabilities	60,654,017	41,919,627
<b>Total Liabilities</b>	<b>3,452,520,813</b>	<b>3,284,896,355</b>
<b>Member's Equity</b>		
Retained Earnings	437,878,173	405,564,847
Accumulated Other Comprehensive Loss	(16,974,977)	(7,627,665)
<b>Total Member's Equity</b>	<b>420,903,196</b>	<b>397,937,182</b>
<b>Total Liabilities and Member's Equity</b>	<b>3,873,424,009</b>	<b>3,682,833,537</b>
<b>Income</b>		
Interest Income	99,473,345	98,692,032
Noninterest Income	66,695,745	61,502,587
<b>Total Income</b>	<b>166,169,090</b>	<b>160,194,619</b>
<b>Expenses</b>		
Interest Expense	11,587,589	11,832,167
Provision for Loan Losses	10,112,437	11,469,075
Noninterest Expenses	112,155,738	109,429,776
<b>Total Expenses</b>	<b>133,855,764</b>	<b>132,731,018</b>
<b>Net Income</b>	<b>32,313,326</b>	<b>27,463,601</b>

## Redstone Rates vs Bank Rates

■ RFCU ■ Banks

### Loans

#### Auto Loan Rate



#### Mortgage Rate

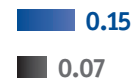


### Deposits

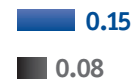
#### Share Certificate



#### Share Account Rate



#### Money Market Rate



\*Average of top 50 banks.  
All rates are as of June 2015. Bank rates are as reported by NCUA national averages.

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