



I HAVE
A STORY

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“When you’re a member, you’re part of something. I feel like I’m a part of something at PrimeTrust.”

-Bill K., PrimeTrust Member



I HAVE
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Call to Order _____ Marilyn Smith, Board Chairman

Establishment of Quorum

Introduction of Directors

Reports to Membership - All reports are available in this Annual Report

Chairman's Report _____ Marilyn Smith

Minutes – 80th Annual Meeting _____ Annette Balfour, Secretary

Treasurer's Report _____ Lora Hildreth, Treasurer

Loan Committee _____ Dana Baker, Senior VP of Finance & Information

Commercial Services Group _____ Lorraine Tomlin, VP of Commercial Services

Supervisory Committee _____ Jason Webber, Supervisory Chairman

Motion to approve the above reports

Unfinished Business

None for this meeting _____ Marilyn Smith

New Business

Board of Directors Election Results _____ Marilyn Smith

William H. Yohler Memorial Scholarship Award _____ Marilyn Smith

President's Comments _____ Jeffrey E. Sikora, President/CEO

Recognition of Staff _____ Jeffrey E. Sikora

Questions and Answers _____ General Board

Adjournment _____ Marilyn Smith

Motion to adjourn this 81st Annual Meeting of PrimeTrust Financial

Within the Credit Union's organizational structure, the Directors serve as the representatives of the membership and are accountable to them for its progress. As Chairman, it is my responsibility and duty to provide an annual summary of the Credit Union's well-being. Again this year, it is my pleasure to report that PrimeTrust Federal Credit Union is safe, sound, and doing well.



Marilyn Smith, Chairman

Since 2012, PrimeTrust has shared over \$500,000 with our members in the form of our Patronage Award. This award is our way of saying "Thank You" for using PrimeTrust as your primary financial provider. We are proud to be the only financial institution in the area to directly distribute profits to members in this manner.

Our financial literacy program has sky-rocketed. We have regularly scheduled free programs at several organizations in Muncie, including Ambers Beauty School, Muncie Area Career Center, and First Choice for Women. We also offer programs at Ross Center, YWCA, Yorktown Library, A Better Way, Walnut Commons, WorkOne, and many more. In 2017, we will be introducing The Berenstain Bears Financial Literacy Program which offers a smart, simple and personal way to teach youth financial literacy with the "Save, Share, Spend, Earn" concept.

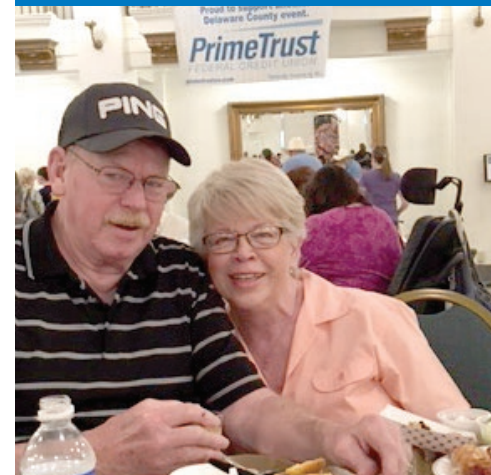
Member security remained at the top of our list in 2016. We began issuing EMV Visa debit chip cards. Every time a chip card is used in-store at a chip-activated terminal, a unique one-time code is generated that's used to approve the transaction—providing an additional layer of security. This feature is virtually impossible to duplicate in counterfeit cards, helping to reduce in-store fraud.

In closing, I'd like to thank the other Directors, members of the Credit Union's Official Family, and our PTF Staff for their commitment to listen to the stories of our members. Additionally, I'd like to thank our members for doing business with us. We appreciate their confidence and trust, and we'll work to earn it every day.

Marilyn Smith, Chairman



"PrimeTrust is interested in you. You're not just another person that walks in the door."
- Connie L., PrimeTrust Member



The 80th Annual Meeting was held at the PrimeTrust Financial FCU Annex in Muncie, Indiana on April 20, 2016.

Call to Order: Chairman Marilyn Smith called the business meeting of PrimeTrust Financial Federal Credit Union to order at 7:05 p.m.

Quorum acknowledged by Secretary, Annette Balfour.

Board Introduction: Smith introduced the Board of Directors.

Annual Report: Smith identified the lists of reports included in the 2016 Annual Report brochure; Chairman's Report, Minutes of 79th Annual Meeting, Treasurer's Report, Loan Committee Report, Business Services Group Report, and Supervisory Committee Report

- Motion to accept the reports as printed made by Smith. Second by Mann. Motion carried.

Unfinished Business: Smith stated there is no unfinished business.

New Business: No new business from the floor.

Election Report

- Smith reported that the Nominating Committee's slate of Officers are: Hildreth, Carter, and Cross.
- There was one nomination by petition: David Baney.
- Ballots were tallied by Whiting & Co. of Muncie, IN.

- Results of the election were read by Terry Brumley from Whiting & Co. Results were Hildreth 733; Baney 688; Carter 587; Cross 553.
 - Motion to approve election results made by Carter. Second by Mann. Motion carried.
- Smith thanked the Directors for their dedicated volunteer service.

William H. Yohler Memorial Scholarship Award

- Sikora provided details of the Scholarship.
- Sikora announced Alyssa Mae Meade as the recipient of the 2016 William H. Yohler Memorial Scholarship.

Recognition of Staff: Sikora recognized the staff in attendance and thanked them for their service as well as Carol Bradshaw for putting the event together.

President's Comments

- Sikora discussed the value and benefits of membership; especially the commitment to member service.
- Sikora detailed the Credit Union's Focus On Members.

Questions from the Floor: Smith asked for questions from the floor.

- An employee inquired and was answered concerning open Board Meetings.

Adjournment: Mann made motion to adjourn at 7:22 p.m. Second by Hildreth. Motion carried.

As Treasurer of the Board, it is my pleasure to report on PrimeTrust Federal Credit Union's financial performance for 2016.

Loan balances increased for eight consecutive months. Loan production for all types of loans exceeded \$40,500,000. Included in this total was \$28,640,814 in consumer loans, over \$4,300,000 in real estate loans, and more than \$5,300,000 in commercial loans. This was a \$2,000,000 increase in commercial loans over last year.



Lora Hildreth, Treasurer

Debit card fraud impacted write-offs in 2016. We are committed to reducing the impact fraud has on the credit union and its membership. In 2017, we will be reissuing EMV chip cards to all members who do not already have a chip card. EMV chip technology helps reduce card fraud.

PrimeTrust promises to continue to listen to our members' needs, and bring more products and services to them, when they need them. Our story begins with yours and we always want to provide services that meet members' needs.

In closing, PrimeTrust FCU continues to be a strong, well-capitalized, member-owned co-operative. PTF's mission is to provide financial benefit to our members by offering a complete line of personal and commercial services. We work hard to listen to the story of our members and our community.

Lora Hildreth, Treasurer



"PrimeTrust helped me realize a dream when I traveled abroad. They just made everything so simple."

-Mike Z., PrimeTrust Member



I HAVE A STORY

We all have a story. By focusing on people and not profits, we can provide products and services that are tailored to fit individual needs.

PrimeTrust FCU strives to be a resource for its members. Our focus each and every day is the people we serve and the story behind those people.

PTF continues to offer a full line of competitive consumer, mortgage, and commercial products to fit the needs of all our members.

When you need a loan, think of your credit union.



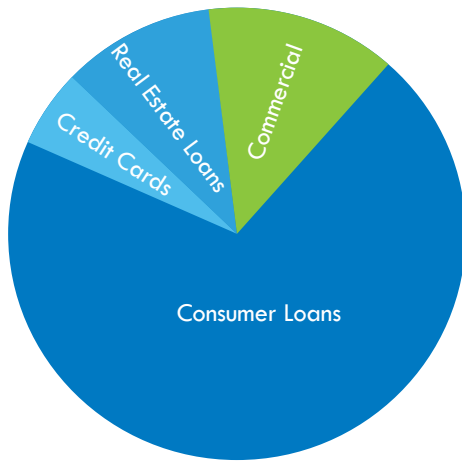
Dana Baker, Senior
VP of Finance and
Information

Dana Baker, Senior VP of Finance and Information

Loan production for 2016:

- \$4,351,877 - Real Estate Loans
- \$28,640,814 - Consumer Loans
- \$2,187,500 - Credit Cards
- \$5,349,727 - Commercial Loans

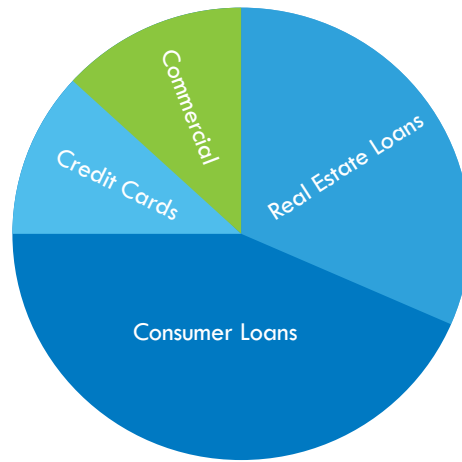
for total loan production of \$40,529,918



Overall Loan portfolio composition:

- \$33,142,234 - Real Estate Loans
- \$46,254,659 - Consumer Loans
- \$11,454,034 - Credit Cards
- \$13,707,400 - Commercial Loans

for a total loan portfolio of \$104,558,327



I have a story:

In 2016, the Commercial Services Team and Business Development Team committed to listen to our members as they all “Have a Story.” Our goal is to help make members’ dreams happen. We continue to evolve and look for new products and services to strengthen business relationships. Commercial loans grew by \$4.4 million with 22 new businesses now calling PTF home.



Lorraine Tomlin, VP of Commercial Services

We extended our outreach team in 2016 with the formation of our Business Development Team. The team consists of Lorraine Tomlin and Vickie Copley whose primary goal is to grow the commercial lending and commercial deposit portfolio. Jeremy Allison, Maria Hoyt, and Toni Price were added to our outreach team as Relationship Managers. Their primary focus is to engage and educate the community, practicing one of the Seven Co-operative Principals of a Credit Union. This is achieved by calling on local businesses to expand relationships and educate employees through financial literacy and PTF@Work presentations. Twenty new financial literacy partnerships were formed and fifteen new PTF@Work presentations were given.

Lorraine Tomlin, VP of Commercial Services



“You want to be treated like family, and at PrimeTrust, I was treated like family.”

Craig R., PrimeTrust Member



I HAVE A STORY

Assets

Home Equity Loans	\$ 7,227,090.86
Real Estate Loans	\$ 25,915,142.75
Member Business Loans	\$ 13,757,400.58
Share Secured Loans	\$ 750,809.37
All Other Loans	\$ 45,571,511.12
Visa Gold	\$ 3,944,365.25
Visa Classic	\$ 1,424,147.41
Visa Platinum	\$ 6,085,521.53
Total Loans	\$ 104,675,988.87
Allowance for Loan Losses	\$ (987,937.55)
Net Loans Outstanding	\$ 103,688,051.32
Cash	\$ 1,811,866.82
Corporate Investments	\$ 5,545,420.76
Bank CDs	\$ 29,883,005.00
NCUSIF	\$ 313,309.12
All Other Investments	\$ 4,576,995.62
Total Investments	\$ 41,318,730.50
Land & Buildings	\$ 2,413,241.61
Furniture & Fixtures	\$ 988,948.54
All Other Assets	\$ 621,521.62
TOTAL ASSETS	\$ 150,842,360.41

Liabilities

Accounts Payable	\$ 204,195.56
Dividends Payable	\$ 21,377.91
Unapplied Data Processing	\$ 386,037.99
All Other Liabilities	\$ 2,322,433.52
Share Certificates	\$ 22,964,192.54
Share Draft Accounts	\$ 24,102,887.45
Regular Shares	\$ 48,704,336.47
Money Market Shares	\$ 25,517,958.99
IRA Accounts	\$ 12,049,525.35
Total Shares	\$ 133,338,900.80
Regular Reserves	\$ 3,147,530.33
Undivided Earnings	\$ 13,128,073.30
Other Comprehensive Income	\$ (1,706,189.00)
Total Equity	\$ 14,569,414.63
TOTAL LIABILITIES & EQUITY	\$ 150,842,360.41

2016 Income and Expenses

	2016	2015
Income		
Interest Income on Loans	\$ 6,028,978.18	\$ 5,975,438.55
Investment Income	\$ 482,066.49	\$ 426,574.22
Other Operating Income	\$ 3,431,788.09	\$ 3,429,490.80
Total Income	\$ 9,942,832.76	\$ 9,831,503.57

Operating Expenses

Employee Compensation	\$ 3,188,284.36	\$ 3,000,721.40
Employee Benefits	\$ 1,175,663.80	\$ 993,413.84
Travel & Conference	\$ 11,865.47	\$ 16,457.12
Association Dues	\$ 19,600.70	\$ 19,483.80
Office Occupancy	\$ 443,415.93	\$ 445,002.36
Office Operations	\$ 2,345,689.88	\$ 2,493,567.93
Loan Servicing	\$ 489,948.86	\$ 473,802.94
Professional & Outside Services	\$ 99,179.04	\$ 77,250.48
Member Insurance	\$ 37,157.82	\$ 39,833.59
Supervisory Fees	\$ 27,707.98	\$ 26,932.36
Miscellaneous Expenses	\$ 1,000,981.03	\$ 878,493.95
Total Operating Expenses	\$ 8,839,494.87	\$ 8,464,959.77

Income from Operations

	\$ 1,103,337.89	\$ 1,366,543.80
Dividend Expenses	\$ 404,007.10	\$ 416,344.01
Provision for Loan Losses	\$ 607,548.85	\$ 479,011.67
Gain/Loss on Investments	\$ (135,448.81)	\$ 148,879.62
Gain/Loss on Fixed Assets	\$ (30,830.62)	\$ (36,890.35)
Other Non-Operating Income	\$ 39,118.10	\$ 14,490.97
Net Income/(Loss)	\$ (35,379.39)	\$ 597,668.36



"PrimeTrust gives me peace of mind. They don't see me as a number, they see me as a person."

Annette B., PrimeTrust Member



The Supervisory Committee's role within the Credit Union is to ensure the financial records of the Credit Union are in order and comply with Federal Regulations.

In addition to the Supervisory Committee's operational oversight, it also employs the accounting firm Whiting & Company LLC to perform the Annual Audit and Quarterly Reviews as required by the National Credit Union Administration (NCUA).



Jason Webber,
Supervisory
Committee Chairman

In 2016, the audit and quarterly reviews were performed by Whiting & Company LLC. They determined that all of PrimeTrust Federal Credit Union's accounts and records were in order and certified that the financial statements accurately reflected the Credit Union's financial position.

The Supervisory Committee also oversees the results of NCUA's Annual Examination. This examination ensures the Credit Union is operating in a safe and sound manner and qualifies for Federal Share Insurance. The results of the 2016 NCUA Exam determined that PrimeTrust Federal Credit Union was operating in a manner that complies with NCUA regulations and expectations and that it did qualify for Federal Share Insurance.

- Jason Webber, Chairman*
- Frank Baldwin*
- Jason Bilyeu*
- Kelsey Brasel*
- Brad Matheny*
- Melissa Pease*

Annette Balfour

Annette Balfour has been on the PrimeTrust Federal Credit Union Board of Directors for three years. Before joining the Board, Annette served on the Supervisory Committee for PTF. Annette believes that she can provide valuable input to help the members and to make sure PrimeTrust has a prosperous future. Annette moved to Muncie when she was five-years-old. She has been active in her community, including being the secretary at Ambassadors of Christ Church. “I’ve always been a people person and I like to help others when I can, so when the opportunity came up to be on the board I didn’t give it a second thought, because the credit union has been there for me for over 30 years and they have helped a lot,” said Annette.



Marilyn Smith

Marilyn Smith has served on the Board of Directors for PrimeTrust Federal Credit Union for over 12 years. She is the current Chairman of the Board. Marilyn has been a member of PrimeTrust for 57 years. She believes in the Credit Union and wants to help make it an even better place. She is dedicated to the members and to the growth of the Credit Union. Muncie has been Marilyn’s home her entire life. She has been a proud member of the Muncie Southside Redevelopment Committee for over 13 years. Marilyn says, “I appreciate the members’ dedication to PrimeTrust. I am dedicated to PrimeTrust and to the Muncie Southside Redevelopment. Together, we can make our community the best in Indiana.”





The growth and success of PrimeTrust can be attributed to the many dedicated volunteers who have served over the years. PrimeTrust's longest-serving volunteer was William (Bill) H. Yohler. Bill became a volunteer in 1944 and served for 57 years. In addition to Bill's dedication to the Credit Union, he was also active in the community as a civic and social volunteer.



William (Bill) H. Yohler

After Bill's death in September 2001, PrimeTrust established a scholarship in his name. The goal of the scholarship is to recognize a student who shows Bill's dedication and concern for others through their own volunteer efforts.

In 2008, the scholarship was increased to \$4,000 payable in \$1,000 increments over four years. The funds are used for tuition and may be used at any university or college. Last year's scholarship winner was Alyssa Mae Mead from Cowan High School.

"PrimeTrust offers a very personal experience. They know me. I like that."

-Jordan R., PrimeTrust Member



PrimeTrust Federal Credit Union is proud to award the 2017 William H. Yohler Memorial Scholarship to Liam Andrew Durbin. Liam, a senior at Wes-Del High School, is the son of Susan and Kevin Durbin. He plans on attending St. Louis University in Missouri to pursue a degree in Sports Management. Liam would like to work for a collegiate or professional sports team in business operations or as an executive administrator for the NCAA or NFL.



Liam Andrew Durbin

Liam has participated in a number of activities including football, golf, Spanish Club, Wes-Del Youth Football and Basketball Camp volunteer, and Future Business Leaders of America Club. He has received several honors including Academic All-Conference for football, National Honor Society, and Lineman of the Year.

Liam's parents must be proud. His sister, Alexandra, was the 2013 Yohler Scholarship winner. We want to congratulate Liam for his hard work and dedication – Congratulations, Liam!



“When a member comes to us, we listen to their entire story. We’re there for the people of this community and they can always count on us.”

-Maria H., Consumer Relationship Manager, PrimeTrust



I HAVE A STORY

Credit Unions are in my blood. It all started with my Dad who was a founding member of a credit union in northern Indiana. When I was five-years-old, my father took me to open my first account. I didn't appreciate the value of membership back then, but I do now!

Now I realize I'm part of something bigger. I'm part of a network of co-ops that reaches across the world with over 57,000 credit unions in 103 countries that serve over 200 million members according to the World Council of Credit Unions.



Jeffrey Sikora,
President/CEO

There are about 170 credit unions in Indiana. One of the things that makes PrimeTrust unique is we listen to your story. "Your Story Matters" - that's not just a slogan to us, it's something we take to heart. We want to hear your story, because you are more than numbers to us – character matters. We know things change quickly in life and we want to help you through all the stages of your life.

We appreciate your support and it was out of this appreciation that we introduced the Patronage Award. The Award gives you a reason to actively participate in YOUR Credit Union – it rewards you. Since 2012, PrimeTrust has shared over \$500,000 with our members through Patronage Awards. The Patronage Award is our way of saying "Thank You" to our member-owners for using PrimeTrust as their primary financial provider.

In closing, I just want to thank the dedicated Board, Official Family, and Staff for their continuous hard work. And, I want to thank our members for sharing their stories with us. For a co-operative to work, it takes all of us – after all, we are "People helping People".

Jeffrey Sikora, President/CEO

Committed to a Stronger Delaware County

As a non-profit co-operative of people helping people, we're dedicated to ensuring that Delaware County is a strong and vibrant place for our members and employees to live, work, and raise families.

100 Men Who Cook

Cowan Little League

AITP

Day of Kindness

Altrusa

Delaware County Fair

AMBUCS

Delaware County Sheriff's Department

American Red Cross

Delta Football

Angel Worx

DreamFest

ARF

Economic Develop Alliance

Better Way

Forrest Park Senior Center

Big Brothers Big Sisters

Glad Tidings

Bridges

Hillcroft

Brookside Haven

IHOP - Veteran's Day

Cambridge Square

In Her Heels

Cardinal Greenway

Indiana Council for Economic Education

Child Abuse Awareness

IPR Wine Tasting

Coles Dance Academy

Knights of Columbus

Cornerstone Center for the Arts

LifeStream

Little Red Door

I HAVE A STORY



"PrimeTrust takes care of me. Anything I've needed financially, they've been able to help me with."

Trint W., PrimeTrust Member



- March of Dimes
- Masterworks Chorale
- Mentor for Kids
- MidEast Realtors
- Minnetrista
- Muncie Babe Ruth/Indiana Premier Baseball
- Muncie Burris High School
- Muncie Central Boys Volleyball
- Muncie Children's Museum
- Muncie Christmas Sing
- Muncie Civic Theater
- Muncie Mission
- Muncie Symphony Orchestra
- Muncie-Delaware Chamber of Commerce
- Museum of Art
- Relay for Life
- Rialzo
- Second Harvest Car Show
- Secret Families
- Soup Crawl
- TEAMwork for Quality Living
- Walk A Mile in My Shoes
- WesDel Little League
- WIBU Catalyst
- WIPB Telesale & MCM Lab
- Yorktown High School Dance Marathon
- Youth Opportunity Center

2017 Board of Directors and Leadership Team

Board of Directors

Chairman: Marilyn Smith

Vice Chairman: Linda Mann

Secretary: Annette Balfour

Treasurer: Lora Hildreth

Director: David Baney

Director: Jeff Carter

Director: Jason Webber

Supervisory Committee

Frank Baldwin

Jason Bilyeu

Kelsey Brasel

Tiffany Westfall

Leadership Staff

President and CEO: Jeffrey Sikora

Senior VP of Finance and Information: Dana Baker

VP of Retail Operations: Kim Rattray

VP of Commercial Services: Lorraine Tomlin

Bethel Branch Manager: Niccole Mansker

Broadway Branch Manager: Jeff Brincefield

Madison Branch Manager: Ryan Nealon

Manager in Training: Ashley Bandy

Manager in Training: Brandon Price

System Support Specialist: Jack Welch

IS and Facilities Manager: Matt Kear

Electronic Services Manager: Jackie Kennedy

Accounting Manager: Nicole Terrell

Director of Training and Quality Assurance: Tracy Davis

Sr. Consumer Relationship Manager: Jeremy Allison

Consumer Relationship Manager: Maria Hoyt

Consumer Relationship Manager: Toni Price

Lending Specialist: Greg Wilson

Call Center Manager: Denise Ross

Commercial Relationship Manager: Rhonda Ogle

Commercial Relationship Manager: Vickie Copley

Internal Auditor: Cassie Minch

Trainer/HR Assistant: Sarah Price

Marketing Director: Carol Bradshaw

Credit Analyst: Lori Alexander



“The story makes a big difference. That’s been lost at a lot of other financial institutions but not at PrimeTrust.”

-Lorraine T., VP Commercial Services, PrimeTrust



I HAVE A STORY

1. Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons who are able to use their services and are willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5. Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6. Co-Operation among Co-Operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.

7. Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.



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Your
Story
Matters
Here...

Federally insured by NCUA