

YEAR IN REVIEW

Free Kasasa Rewards Checking
Nanuet Street Fair
New City Street Fair
Palisades Credit Union Park Games & Events
Pearl River Street Fair
Scholarship Winners
Shred It Day
YouthFest

BOARD OF DIRECTORS

Pamela Wiss, *Chairman*
Gerald Castellani, *Vice Chairman*
Tammy Gamble, *Secretary*
Milind Ganjawala, *Treasurer*
Daniel Moran
James Brandt
Christopher Tyrrell

SUPERVISORY COMMITTEE MEMBERS

James Brandt, *Chairman*
Clovia Feldman
Timothy Wiss

COMMUNITY SUPPORT

George Hatala Scholarship
Nanuet Chamber of Commerce
New City Chamber of Commerce
Pearl River Chamber of Commerce
People to People
Rockland County Youth Bureau



palisadesfcu.org

ANNUAL REPORT



2016



Federally insured by NCUA

THE CHAIRMAN'S REPORT

Under the leadership of our Chief Executive Officer, Tony Molina, the Credit Union continues to place an emphasis on saving members money. The My Pal marketing campaign, which ran from January 2016 – December 2016 helped members save \$2,347,233 in loan interest and fees. Our members found that by transferring loans from other institutions to Palisades Credit Union, they were able to save money to reinvest in the community. Nice vacations come to mind!

We have improved our products and services by increasing the type of transactions that can be done online to now include loan applications and check deposits. The addition of new Kasasa checking accounts are popular with members who routinely use their debit cards and can now earn cash back or high interest yields. Credit cards with EMV technology will be sent out this coming year to increase security on purchases. Call center enhancements will be made to provide 24/7 access to a live representative.

There are local community concerns that younger generations cannot afford to live in the area. We are making a concerted effort to supply affordable mortgages to our members, especially those who are buying their first house. Credit Union representatives continue to be active in community projects and are visible at large county events.

Our sponsorship of the Rockland Boulders has increased brand awareness in areas of the county that are not familiar with the Credit Union. The dedication of our staff, volunteers and members is unparalleled and we want to spread the credit union message. I invite you to help us spread the word that Palisades Credit Union is the best place in Rockland County to address your financial needs.

A special thanks to my predecessor, Gerry Castellani who has been Chairman of the Board for many years and continues to remain active on your Board. We would not be the Credit Union we are today without his strong leadership. Our capital position remains strong and we plan on serving our members for another 75 years.

Pamela Wiss,
Chairman of the Board

FINANCIAL HIGHLIGHTS

BALANCE SHEET

AS OF DECEMBER 31,

| ASSETS | 2014 | 2015 | 2016 |
|----------------------------|-----------------------|-----------------------|-----------------------|
| Total Loans | \$ 113,499,066 | \$ 104,347,566 | \$ 132,248,886 |
| Less Allowance - Loan Loss | (1,506,614) | (1,082,484) | (834,103) |
| Cash | 750,278 | 684,371 | 644,810 |
| Investments | 33,095,614 | 42,827,521 | 44,823,951 |
| Land/Building | 625,817 | 605,287 | 585,082 |
| Other Fixed Assets | 764,575 | 662,818 | 865,826 |
| Other Assets | 4,145,246 | 3,689,108 | 3,473,779 |
| Total Assets | \$ 151,373,982 | \$ 151,734,187 | \$ 181,808,230 |

LIABILITIES & CAPITAL

| | | | |
|--|-----------------------|-----------------------|-----------------------|
| Liabilities | \$ 356,039 | \$ 1,282,782 | \$ 15,663,815 |
| Total Savings | 131,832,664 | 131,828,389 | 148,862,885 |
| Reserves | 16,500,000 | 16,500,000 | 16,500,000 |
| Undivided Earnings | 3,409,882 | 3,489,716 | 3,500,684 |
| Other Comprehensive Income | (724,603) | (1,366,700) | (2,719,154) |
| Total Liabilities & Capital | \$ 151,373,982 | \$ 151,734,187 | \$ 181,808,230 |

THE SUPERVISORY COMMITTEE REPORT

The National Credit Union Association requires that every credit union have a Supervisory Committee. The responsibilities of the Committee are far reaching and includes ensuring that the policies of the Credit Union are carried out by monitoring the operations of the Credit Union. The Committee meets regularly as a group to discuss current issues and review the financial performance of the Credit Union. We perform various audits during the year to ensure compliance with the regulations defined in the Code of Federal Regulations, 12 CFR Part 701.

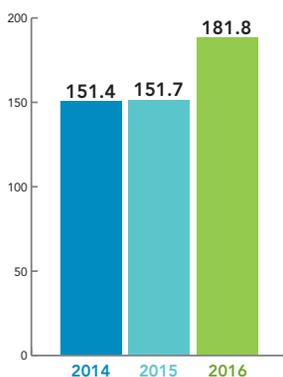
In 2016 we hired the CPA firm of CliftonLarsonAllen to perform a certified audit on the financials of the Credit Union. The auditors found that the financial assets of our Credit Union are accurate as stated in our financial reporting. In addition, we hired the CPA firm Doreen Mayhew to conduct internal audits on various processes, systems, and departments.

In summary, your Credit Union maintains its historically strong capital position and continues to introduce new products and services to serve its members better.

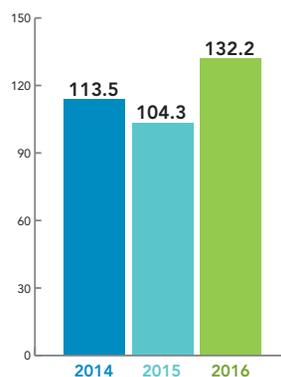
James Brandt,
Supervisory Committee Chairman



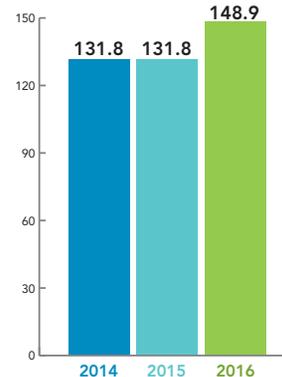
ASSETS
(IN MILLIONS)



LOANS
(IN MILLIONS)



SAVINGS
(IN MILLIONS)



MEMBERS
(IN THOUSANDS)

