

ANNUAL REPORT 2016

YEAR IN REVIEW

VISION AND MISSION

Towpath Credit Union will focus on strong defined goals while being a solid leader in our community. Our reputation will be built on dedication to our members, providing professional service and financial stability to create lifetime relationships.

RENOVATIONS

Our Fairlawn and Akron offices have been redesigned to better serve our members and community.

WEBSITE LAUNCH

A new interactive site along with a variety of social media coverages.

LOANS

We provided more than \$30 million in loans to members to help them reach their dreams.

MORTGAGE LENDING

We've built our mortgage lending department to serve our members from first-time homebuyers, to VA, FHA and all mortgage products.

WELL CAPITALIZED

Credit Union regulations have determined a credit union is well capitalized when the Net-Worth Average Assets Ratios is at 7%. We are extremely pleased and proud to inform our membership that benchmark has been exceeded with a very healthy Net-Worth Ratio of 12.24%. This success happens with an accomplished strong commitment of your volunteer Board of Directors and an exceptionally talented staff of credit union professionals that practice sound business and financial practices every day.

BEYOND THE NUMBERS

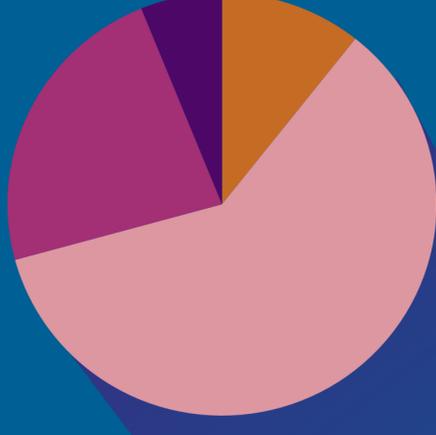
Financial strength is important because it enables us to take care of our members in their times of need. Appreciation is extended to our membership for your continued loyalty by allowing Towpath Credit Union the distinct honor and privilege to serve your financial needs. Total assets have increased more than \$4.3 million dollars in the past year due to the confidence you have placed in the rock solid stability and excellent members' services at Towpath Credit Union.

SERVICE

We've built a reputation for delivering the highest level of service to our members by offering extremely competitive commercial financing to small businesses. Serving our members and helping them meet the challenges of a changing economy is our top priority.

ASSETS

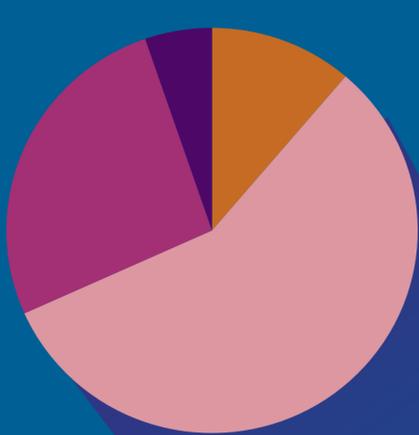
2016



Cash	\$13,044,068.00
Loans	\$73,423,375.00
Inv	\$28,228,660.00
Other	\$7,504,489.00

122,031,762

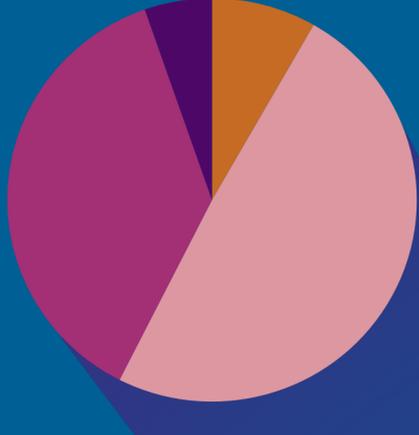
2015



Cash	\$12,936,012.00
Loans	\$65,604,457.00
Inv	\$30,411,600.00
Other	\$6,062,518.00

116,456,558

2014



Cash	\$9,388,593.00
Loans	\$55,847,537.00
Inv	\$42,246,500.00
Other	\$6,048,616.00

113,545,148

LIABILITIES & MEMBERS EQUITY

MEMBERS SHARE GROWTH



2016	\$106,126,441.00
2015	\$101,865,671.00
2014	\$99,564,521.00

MEMBERS EQUITY



2016	\$14,938,386.00
2015	\$13,890,150.00
2014	\$13,344,157.00

LENDING

CREDIT CARD

The Towpath Credit Union EMV-enabled MasterCard Credit Card provides a great fixed rate and enhanced fraud protection. Many of our members carry the Towpath Credit Union Credit Card and take advantage of our great rates and find peace of mind with the security it offers.

MORTGAGE

The Mortgage Lending Department continues to grow as we help more members with their home buying and refinancing needs. We are honored to embark on the home-buying journey together with our members. Whether purchasing a first home, a dream home, or refinancing to take advantage of our great rates, the mortgage experience at Towpath Credit Union is second to none.

CONSUMER LOANS

In 2016 we provided financing for more members than ever before due to our competitive rates and efficient lending process. Whether purchasing a car or saving money by consolidating debt, Towpath Credit Union was the preferred solution for thousands of members in 2016.

MARKETING

Our marketing efforts continue to be focused on getting the word out about our great products and the even better brand promise that stands behind them. Towpath Credit Union is Greater Akron's local financial institution and has been for over 80 years. Marketing is tasked with bringing our compelling story into the community, be it via new channels on social media, email or in print. We encourage you to visit our recently re-designed online presence at towpathcu.com to experience our brand digitally.

MICHAEL SFERRO

VP LENDING

GROWTH AT A GLANCE

TOTAL ASSETS

2006 **57,895,547**

2007 **61,617,417**

2008 **59,912,617**

2009 **67,734,593**

2010 **72,209,894**

2011 **112,061,916**

2012 **114,237,874**

2013 **113,894,802**

2014 **113,545,148**

2015 **116,456,558**

2016 **122,031,762**

TOTAL LOANS

2006 **42,294,804**

2007 **37,917,922**

2008 **34,456,024**

2009 **35,443,167**

2010 **31,486,515**

2011 **51,236,298**

2012 **46,519,184**

2013 **50,468,048**

2014 **55,847,537**

2015 **65,604,457**

2016 **73,423,375**

NOMINATING COMMITTEE

THE NOMINATING COMMITTEE

is appointed by the Board of Directors to recruit qualified candidates and is made up of 3 directors who will not be standing for re-election in the upcoming year.

Each year the three-year term of one third of the members of your Board of Directors expires. As a result, a call for member nominations is conducted annually. This year there were no respondents to the call and therefore the nominating committee results by acclamation will be ErnestSteele, Carole Oroz and John Crockett.

YOUR 2017 BOARD OF DIRECTORS INCLUDE:

RICHARD HAGER
LESTER CARNEY
ERNEST STEELE
CAROLE OROZ
JOHN CROCKETT
JUDI HILL
MIKE JONES

ANNUAL CERTIFIED AUDIT

Towpath Credit Union employs the Certified Public Accounting firm of Lillie & Company. It performs an audit of the Credit Union's financial statements. The objective of this audit is to ensure that the Credit Union's financial statements are presented fairly in accordance with Generally Accepted Accounting Principles (GAAP). In the opinion of our Certified Public Accountants, the December 31st, 2016 statement of financial condition is fairly stated in accordance with GAAP.

Towpath Credit Union remains financially safe and sound. As a financial institution in the community, we are poised to maintain our position of stability despite a tough economy. It has been my pleasure to serve you in this capacity.

ERNEST STEELE
TREASURER

AKRON

645 N. MAIN STREET
AKRON, OHIO 44310

FAIRLAWN

2969 SMITH ROAD
FAIRLAWN, OHIO 44333

PORTAGE LAKES

2500 N. TURKEYFOOT RD.
AKRON, OHIO 44319

towpathcu.com

