75
YEARS

Centered around you.

Centra Credit Union
Annual Report 2014

PRESIDENT'S & CHAIRMAN'S REPORT

Doug Harris
President

Alan Degner
Chairman

Centra prides itself on being a financial institution dedicated to helping members. What truly sets Centra apart is the attention to member needs that goes into each facet of our operations. Our success is measured in what we've accomplished for members: money saved, money earned, convenience added, and financial hardships overcome.

As banking evolves, Centra evolves along with it, finding new ways to offer members Centra value. For members who can't easily make it to a branch, we added Mobile Deposit. To help members learn how to use the technology that's available, we held mobile blitz campaigns in the branches.

The ability to adapt to changes in member needs was a huge contributing factor to Centra's continued growth in 2014, adding 31 new counties to our field of membership and growing to 130,328 members.

These numbers are not only a representation of Centra's growth, but also of the members and their families whose finances and lives have been improved. That's the real measurement of our progress—the increasing number of people who have received Centra value.

This year Centra celebrates its 75th anniversary. We want to start out the anniversary celebrations by thanking each member who has allowed us to be a part of their lives. It's your trust in Centra that is reflected in the continued growth you see in this report.

Doug Harris
President

Alan Degner
Chairman

TREASURER'S REPORT

Brian McBroom
Treasurer

The foundation of Centra's relationship with members is trust. Members trust us to help manage their finances while maintaining a secure financial institution with competitive services. For 75 years, Centra has been maintaining the financial stability that builds trust. We are pleased to report that 2014 brought not only stability, but also exceptional growth and innovation.

In 2014, Centra achieved record growth in its loan portfolio, net revenue and net income. Centra's loan portfolio growth was $80.3 million, or 12.5%, over 2013. Net revenue climbed to $43.3 million, up from $40.9 million in 2013. And Centra earned $11.9 million in net income, compared with $9.3 million in 2013.

Some of the loan growth came from solutions offered by Business Services, with Business Loan growth at an impressive 20.7% increase over 2013. Helping members achieve their goals by tapping into their home's equity also proved successful for Centra, with a 27.9% growth in home equity loans over 2013. At the same time, deposits and number of members served increased, as did our total assets.

Centra also maintained its 5-Star Bauer rating, a prestigious recognition based on the credit union's strong financial condition. The numbers speak for themselves; Centra is a financial institution members can trust both for competitive products and services, and for financial stability. Congratulations to the members and employees who helped Centra achieve outstanding results for 2014.

Brian K. McBroom
Treasurer

	2014	2013	$ Change	% Change
Total Assets	$1,229,885,000	$1,186,614,000	$43,271,000	+3.6%
Total Deposits	$1,040,875,000	$1,011,995,000	$28,880,000	+2.9%
Total Loans	$723,263,000	$642,962,000	$80,301,000	+12.5%
Auto Loans	$267,039,000	$227,622,000	$39,417,000	+17.3%
First Mortgages	$228,399,000	$225,273,000	$3,126,000	+1.4%
Home Equity	$79,615,000	$62,225,000	$17,390,000	+27.9%

BOARD OF DIRECTORS


Alan Degner
Chairman


Thomas P. Kieffer
Vice Chairman


James R. Johnson
Secretary


Brian McBroom
Treasurer


Loretta M. Burd


Amber Fischvogt


Mary Stroh

SUPERVISORY COMMITTEE


Cheryl Buffo
Chairman


Shirley A. Kreutzjans


David Shinkle


Stephen Stringer

SENIOR MANAGEMENT


Doug Harris
President


Patty Knorr
Chief Operations Officer


Christopher Bottorff
Southern Indiana Region President


Brad Davis
Chief Sales and Marketing Officer


Norb Adrian
Chief Systems Officer


Member Ledger Book from 1954

1940 — 1950 — 1960 — 1970 — 1980

Cummins Employees Federal Credit Union's charter was approved on October 31, 1940.

By the mid-`50s, the Credit Union was managing around $1,000,000 in Total Assets.

By 1962, 4,659 members had joined the Credit Union.

Five new Credit Union branches opened for business in the `70s.

Credit cards were introduced in 1983.

Union Street branch opens 1962

Mobile Banking App launches 2011

During the 1990s, convenience features like bank-by-phone were introduced.

Centra released its Mobile Banking App for iPhone and Android in 2011.

In 2014, Mobile Deposit was added to Centra's Mobile Banking App.

1990

2000

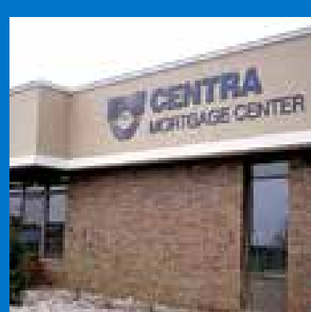
2010

2012

2014

Mortgage loan balances grew from $76,917,000 in 1998 to $186,000,000 in 2009.

In 2012, Centra reached $1 billion in Total Assets.



Mortgage Center opens 2010

Al spending some time in his hobby room

"In 1970 I was going to purchase an airplane, and I thought, (I have been a) 'credit union member for 20 years…why not?' At that time my department was up at Plant 2 (Cummins), upstairs. The Credit Union sent a loan officer up there one afternoon a week to do business with the people there. It was funny. They had no office for her and they had the coat room there. They put a desk and chairs and stuff in the coat room and that was where she operated out of. Loretta Burd was the loan officer, and I went in and talked to her about what my plans were. She was a little surprised. She said, 'We've never financed an aircraft.' And I said, 'Well, there's a first time for everything.'"

– Cletus Al Seibert

Member since 1948

LOANS

Centra strives to provide exceptional loan solutions to meet your needs. During 2014, Centra's Loan Check-Ups helped countless members refinance their home or auto to lower interest rates, or consolidate their debts to lower their monthly payment. Competitive loan rates combined with outstanding member service, boosted loan growth in several categories in 2014.

"Centra approved a car loan for me and my wife about 8 months ago. My son will soon be off to college and we wanted to make sure he had a dependable car when he starts this year. The loan officers and the bank came through for us. We were able to get the loan and get my son in a dependable car when he goes off to college. It took a lot off my mind knowing he was going to be safe when he traveled. Thanks, Centra."
– Dave

$267,039,000
Auto Loan Portfolio

17.3%
Auto Loan Growth over 2013

27.9%
Home Equity Loan Growth over 2013

$79,615,000
Home Equity Loan Portfolio

MORTGAGES

"The interest rates are great and Centra currently has our mortgage. The process was simple. We pay Centra, then Centra pays the mortgage, and the customer service is always great. The online site is easy to use, and I can transfer money when I need to easily and conveniently, and print off things as needed." – Mary

A mortgage with Centra is more convenient than ever! In 2014, Centra moved to in-house mortgage servicing. Now members have the benefit of dealing with local, helpful Centra employees from the start of their loan until the very last payment.

Centra offers members a variety of flexible loan terms to meet their needs, from fixed-rate mortgages and adjustable-rate mortgages (ARMs) to low down payment and $0 closing cost options. In 2014, Centra expanded its presence in the Indianapolis market by adding a new mortgage loan originator based in Carmel. This move made it easier for more homeowners to take advantage of the value of a low interest mortgage.

$381,168,000

Total Mortgage Loans Under Service Management

4,214

Total Mortgages Under Management

$228,399,000

Mortgage Loan Portfolio

CONVENIENCE

> "For a while, I switched to another bank for seemingly more convenient options, only to discover that Centra was just all around better. The employees there are always professional and friendly, ready to do whatever it takes to ensure 100% satisfaction. I love that!"
> –Chancela

Everyone has different banking needs. Centra strives to make sure our service features are convenient and easy for you to access. Rest assured, your Centra membership will allow you the flexibility you want to manage your money.

In 2014, Centra was proud to offer great convenience for members:

- Convenient member Call Center hours with short waiting times
- Access to more than 30,000 free ATMs nationwide through the CO-OP ATM Network
- Access to more than 5,000 shared branch locations nationwide
- Extended evening and weekend hours at many branches
- Comprehensive online product information and financial education
- Many new technology features online and for your mobile device

225,509
Call Center Calls Answered

30,000+
Free ATMs in the CO-OP Network

15,062,608
Debit Card Transactions

5,000+
Shared Branches in the CO-OP Network

TECHNOLOGY

Centra is all about giving you options, specifically the option to do your banking however it is most convenient for you. In addition to a full suite of online and mobile banking products, Centra continued to add new technology options for members in 2014.

Mobile Deposit: As technology advances, so do the products available to you through Centra. In 2014, Centra's mobile banking app added a new feature to offer even more convenience to busy members: Mobile Deposit. This feature allows you to deposit checks from anywhere using your smart phone or tablet.

Credit Card App: You can now view your Centra credit card balance, make payments, and manage your rewards points from your mobile device. This free app is available for download from iTunes and the Google Play Store.

New Website: Financial education and product research was simplified with a major upgrade to Centra.org. The site features information on our products, as well as valuable financial education on budgeting, saving, and investing. You can choose to do your own research, or come to your local branch for personalized advice from a loan expert. A new blog offers you easy-to-understand financial advice that's relevant to your life.

Centra continues to offer:

- Popmoney transfers to your friends and family using just an email address or cell phone number
- BillPayer online bill payment system
- Online banking with instant transfers between accounts
- eStatements
- Mobile banking
- Automatic account alerts to monitor your account
- CentraPhone bank-by-phone service

"I love the online banking features as well as the convenience of having an extra Centra Credit Union in Walmart that stays open later hours just in case I need them. Everyone is so very friendly and helpful anytime I need assistance over the phone, in person, or simply through the drive-thru window."
– Tiffany

629,534
Number of Elerts Sent

42,562
Online Banking Users

PUTTING MONEY BACK IN YOUR POCKET

Centra members saved more than $11,762,000 in 2014 over local banking competition. While many financial institutions continue to add new fees and charges, Centra finds ways to help you save. The value of Centra membership increases the more you use your credit union. Centra membership saved the average active household $175.14. Those savings can add up even more by taking advantage of more products.

AVERAGE ANNUAL SAVINGS PER PRODUCT

$50.02 Checking Account	**$100.63** Money Market
$200.00 5 Year CD/IRA	**$52.75** Home Equity Loan
$37.50 Credit Card	**$72.64** Auto Loan

How much can **YOU** save per year at Centra?

AUTO LOANS	$1,196,000
HOME LOANS	$116,000
HOME EQUITY LOANS	$163,000
CREDIT CARDS	$399,000
CHECKING	$5,810,000
SAVINGS	$302,000
MONEY MARKET SAVINGS	$870,000
CERTIFICATES & IRAs	$2,906,000
TOTAL ANNUAL GRAND TOTAL SAVINGS	$11,762,000
ACTIVE HOUSEHOLDS	67,158
BENEFIT PER ACTIVE HOUSEHOLD	$175.14

Janet Burns is an amazing example of the impact of Centra's local decision making. Janet was hired at Cummins in 1972. After just a few weeks on the job, the union went on strike. Janet was rebuilding her finances while supporting three small children as a single mother. She was unable to collect unemployment benefits and was quickly running out of money.

"I was a nervous wreck," Janet explained, "I had worked hard the previous two years to re-establish my credit that had been ruined by my ex-husband."

Janet spoke with a Centra employee, who told her he would do what he could for her, despite the probationary period.

"Later that day he called me and told me I was approved to borrow $300. I was ecstatic," Janet recalled.

BUSINESS SERVICES

Centra's continued focus on Business Services emphasizes our commitment to the community by supporting local and regional businesses. Centra offers business members a full range of solutions from experts with years of experience in commercial banking.

Deposit Accounts: Centra has several types of deposit accounts to help you manage your business finances, including checking accounts, money markets, and certificates.

Convenience Services: Managing your business accounts has never been easier with Centra's merchant card processing services, SpotPay mobile credit card processing, credit and debit card payment service, and online banking.

Business Loans: Finance whatever type of growth or startup costs your business has with Centra. A Business Services representative can help you apply for a commercial mortgage, construction loan, business equipment or vehicle loan, working capital line of credit, acquisition financing, development loan or business credit cards.

$95,756,000
Business Loan Portfolio

20.7%
Business Loan Growth over 2013

30.0%
Business Deposit Growth over 2013

$248,716
Average Business Loan Size

Dennis Aud - Pastor, Westside Community Church

"When we first met with Brad Davis and Karl Kissinger, just to go over the very top level of what we needed, instead of telling us what they could and couldn't do, they said, 'let us work with you and see what we can work out.'"
– Former Treasurer Eugene Thomas

Westside Community Church started with a handful of founding members holding services in lawn chairs. Their mission was to expand and share their faith with as many individuals and families as possible. Their only limitation was space.

As membership grew, their temporary location became crowded. Church leaders dreamed of a larger building to accommodate the growing membership and host fun, faith-based gatherings for the community.

Before deciding on Centra, Westside's treasurer at the time, Eugene Thomas, researched many other local commercial lenders. Thomas said using a local lender was important, and Centra's Business Services team was the most accommodating and helpful group he met with.

The church held its first service at the building in November. The parking lot was entirely full with existing and potential members. The new building has more office space, meeting space, a coffee bar for socializing, and—most importantly—a larger sanctuary that easily converts to a multipurpose room.

Centra Financial Services, LLC complements the products and services offered by Centra Credit Union with investment and insurance options. CFS is the branch of Centra that helps members protect what is important to them through insurance products and plan for the future with financial management services for every situation. CFS offers retirement planning and education planning services, as well as IRAs, stocks, bonds, mutual funds, annuities, auto and home insurance, health insurance, and disability insurance, along with many other products.

More people are taking advantage of the expert advice and services CFS offers to help them achieve their financial goals. That support helped CFS continue to grow in 2014.

To take advantage of Centra Financial Services' great advice, stop by their office at 1430 National Road in Columbus, or 700 Pillsbury Lane in New Albany. You can also visit www.centra.org/financial-services or call (800) 232-3642 to schedule an appointment at any Centra location that it is convenient for you.

Centra Financial Services 2014 Snapshot

	2014	2013	$ Increase	% Increase
Assets Under Management	$99,309,008	$90,594,180	$8,714,828	9.62%
Insurance Premiums Collected	$2,950,208	$2,745,661	$204,547	7.45%
Annual Revenues	$1,257,574	$1,155,504	$102,070	8.83%
Net Income	$537,855	$462,474	$75,381	16.30%

CENTRA FOUNDATION

Centered on Caring

Centra Foundation is Centered on Caring. The philanthropic arm of Centra Credit Union strives to better the communities Centra serves, while focusing on financial literacy. The Foundation partnered with Centra members and supporters to provide financial education and support to the community in the form of college scholarships, holiday gifts, community grants, and materials on financial education.

The Foundation has improved the lives of many Indiana families and individuals, but some of the most meaningful stories come from scholarship recipients. Each year, the Loretta M. Burd Scholarship is awarded to high school seniors and adults continuing their education.

Lisa Johnson is a 2010 winner of the Loretta M. Burd Scholarship for adults. Johnson said the scholarship reinforced her drive to finish her undergraduate degree.


Mrs. Cadena's second grade class at L. C. Schmitt Elementary, showing off their Saving with Mandy and Randy books.

"The jobs I qualified for because of that degree led me to transform my entire career path and to go even further to pursue a Master's degree, which I completed in 2014," Johnson said.

The Holiday Giving Program was another major accomplishment for Centra in 2014. The Foundation partnered with local Salvation Army chapters to collect more than $28,000 and provide winter clothes and toys for around 350 children in need.

To learn more about Centra Foundation visit www.centrafoundation.org or contact Lyn Morgan, lmorgan@centra.org or 812-314-0285.

$57,030
Total Grant Awards

Individual Donors: Too many to count!

2,000+
Students Helped by Financial Literacy Programs

$11,000
Total Scholarships & Awards

INDEPENDENT ACCOUNTANT'S REPORT

To the Supervisory Committee and
Board of Directors
Centra Credit Union
Columbus, Indiana

We have audited the accompanying consolidated financial statements of Centra Credit Union and its subsidiary, which comprise the consolidated balance sheets as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, equity capital and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Centra Credit Union and its subsidiary as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BKD, LLP

Indianapolis, Indiana
March 6, 2015

CONSOLIDATED BALANCE SHEETS

December 31, 2014 and 2013

Assets

	2014	2013
Cash and due from banks	$ 12,530,774	$ 13,240,024
Interest-bearing demand deposits	104,614,754	132,317,644
Cash and cash equivalents	117,145,528	145,557,668
Interest-bearing time deposits	52,672,244	8,522,410
Investment securities		
Available-for-sale	198,759,697	255,096,687
Held-to-maturity (fair value of $100,614,000 and $95,057,000 at December 31, 2014 and 2013)	100,023,080	95,348,414
Total investment securities	298,782,777	350,445,101
Loans held-for-sale	1,575,400	540,100
Loans, net of allowance for loan losses of $7,600,000 and $8,056,000 at December 31, 2014 and 2013	723,263,421	642,962,187
Premises and equipment	16,002,482	16,455,743
Federal Home Loan Bank stock	3,388,600	2,856,200
National Credit Union Share Insurance Fund deposit	9,793,667	9,615,459
Other assets	7,260,467	9,658,847
Total assets	$ 1,229,884,586	$ 1,186,613,715

Liabilities

	2014	2013
Members' deposits	$ 1,040,874,876	$ 1,011,994,507
FHLB advances	44,000,000	41,000,000
Other liabilities	3,719,529	4,062,402
Total liabilities	1,088,594,405	1,057,056,909

Equity Capital

	2014	2013
Retained earnings	139,607,176	127,747,925
Accumulated other comprehensive income	1,683,005	1,808,881
Total equity capital	141,290,181	129,556,806
Total liabilities and equity capital	$ 1,229,884,586	$ 1,186,613,715

CONSOLIDATED STATEMENTS OF INCOME

December 31, 2014 and 2013

	2014	2013
Interest Income		
Loans receivable	$ 26,881,088	$ 25,766,421
Investment securities	3,973,630	3,770,555
Interest-bearing deposits	282,241	422,983
	31,136,959	29,959,959
Interest Expense		
Deposits	7,039,886	7,811,146
FHLB advances	1,679,025	1,672,171
	8,718,911	9,483,317
Net Interest Income	22,418,048	20,476,642
Provision for loan losses	2,610,000	2,815,000
Net Interest Income After Provision for Loan Losses	19,808,048	17,661,642
Other Income		
Service charges on deposit accounts and other member fees	11,743,025	11,720,976
Insurance commissions	1,590,834	808,519
Interchange income	6,823,466	6,362,686
Gain on loan sales	585,452	932,394
Other income	124,752	595,770
	20,867,529	20,420,345
Other Expenses		
Salaries and employee benefits	12,690,939	11,996,352
Office occupancy expense	2,547,696	2,416,945
Office operations expense	4,754,773	4,501,044
Advertising and promotion expense	811,002	872,233
Loan-servicing expense	2,806,387	2,952,238
Third-party service expense	3,994,080	3,641,279
NCUSIF share insurance expense	-	769,237
(Gain) loss on other assets	(245,487)	58,378
Indiana franchise tax	492,725	522,137
Other expenses	964,211	1,038,764
	28,816,326	28,768,607
Net Income	$ 11,859,251	$ 9,313,380

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

December 31, 2014 and 2013

	2014	2013
Net Income	$ 11,859,251	$ 9,313,380
Other Comprehensive Loss		
Unrealized depreciation on available-for-sale securities	(125,876)	(1,144,394)
Comprehensive Income	$ 11,733,375	$ 8,168,986

CONSOLIDATED STATEMENTS OF EQUITY CAPITAL

December 31, 2014 and 2013

	Regular Reserve	Undivided Earnings	Accumulated Other Comprehensive Income	Total
Balances, January 1, 2013	$ 38,703,247	$ 79,731,298	$ 2,953,275	$ 121,387,820
Net income		9,313,380		9,313,380
Other comprehensive loss			(1,144,394)	(1,144,394)
Regulatory transfers, net	3,110,162	(3,110,162)		-
Balances, December 31, 2013	41,813,409	85,934,516	1,808,881	129,556,806
Net income		11,859,251		11,859,251
Other comprehensive loss			(125,876)	(125,876)
Regulatory transfers, net	5,141,903	(5,141,903)		-
Balances, December 31, 2014	$ 46,955,312	$ 92,651,864	$ 1,683,005	$ 141,290,181

CONSOLIDATED STATEMENTS OF CASH FLOWS

December 31, 2014 and 2013

	2014	2013
Operating Activities		
Net income	$ 11,859,251	$ 9,313,380
Items not requiring (providing) cash		
Provision for loan losses	2,610,000	2,815,000
Depreciation	1,566,552	1,388,313
Amortization of deferred loan fees and costs	3,412,957	2,727,349
Premium amortization (discount accretion) on investment securities, net	3,882,322	3,821,069
Gains on sales of loans	(585,452)	(932,394)
(Gain) loss on other assets	(242,203)	60,134
Change in		
Loans held-for-sale	(1,035,300)	2,594,075
Other assets	4,048,634	2,077,375
Other liabilities	(342,873)	285,608
Net cash provided by operating activities	25,173,888	24,149,909
Investing Activities		
Net change in interest-bearing time deposits	(44,149,834)	(340,550)
Purchases of securities available-for-sale	(93,724,909)	(82,237,033)
Proceeds from maturities, calls and paydowns of securities available-for-sale	147,104,295	69,834,485
Purchases of securities held-to-maturity	(31,180,580)	(76,784,269)
Proceeds from maturities, calls and paydowns of securities held-to-maturity	25,455,320	31,645,088
Net change in loans	(87,143,506)	(62,536,646)
Purchases of premises and equipment	(1,116,575)	(2,725,994)
Purchase of Federal Home Loan Bank stock	(532,400)	(339,400)
Net change in National Credit Union Share Insurance fund deposit	(178,208)	(789,442)
Net cash used in investing activities	(85,466,397)	(124,273,761)
Financing Activities		
Net change in		
Share checking, money market shares and regular shares	34,575,105	46,365,788
Certificates	(5,694,736)	128,089
Proceeds from FHLB advances	3,000,000	1,000,000
Net cash provided by financing activities	31,880,369	47,493,877
Net Change in Cash and Cash Equivalents	(28,412,140)	(52,629,975)
Cash and Cash Equivalents, Beginning of Year	145,557,668	198,187,643
Cash and Cash Equivalents, End of Year	$ 117,145,528	$ 145,557,668
Additional Cash Flows Information		
Interest paid	$ 8,726,244	$ 9,487,791
Transfer of loans to other real estate owned	1,404,767	472,485

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014 and 2013

Note 1: Nature of Operations and Summary of Significant Accounting Policies

The accounting and reporting policies of Centra Credit Union (Credit Union) and its wholly owned subsidiary, Centra Financial Services, LLC (CFS), conform to accounting principles generally accepted in the United States of America and reporting practices followed by the credit union industry. The more significant of the policies are described below.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Credit Union is headquartered in Columbus, Indiana, and branches are located throughout central and southern Indiana; Jamestown, New York; and Whitakers, North Carolina. As a state-chartered, federally insured credit union, the Credit Union is subject to the regulation of the Indiana Department of Financial Institutions, National Credit Union Administration and the National Credit Union Share Insurance Fund. The Credit Union grants consumer loans including credit card, lease-like loans and open-end credit, mortgage loans and business loans to its members. The Credit Union's membership criteria is designed to include a well-diversified membership base. The majority of its loans are secured by collateral including members' shares, real property and other consumer assets. CFS provides insurance and brokerage services to Credit Union members and others.

Consolidation - The consolidated financial statements include the accounts of the Credit Union and CFS after elimination of all material intercompany transactions.

Cash and Cash Equivalents - The Credit Union considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash equivalents at December 31, 2014 and 2013 consist of overnight deposits.

At December 31, 2014, the Credit Union's cash accounts due from banks did not exceed federally insured limits; however, the Credit Union has approximately $1,261,000 on deposit with the Federal Home Loan Bank - Indianapolis, which are not FDIC-insured. In addition, the Credit Union has approximately $96,914,000 on deposit with the Federal Reserve. While the Federal Reserve is not FDIC-insured, these deposits are implicitly guaranteed by the United States Government.

Investment Securities - Certain debt securities that management has the positive intent and ability to hold to maturity are classified as "held-to-maturity" and recorded at amortized cost. Securities not classified as held-to-maturity are classified as "available-for-sale" and recorded at fair value, with unrealized gains and losses excluded from earnings and reported in other comprehensive loss. Purchase premiums and discounts are recognized in interest income using the interest method over the terms of the securities. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific-identification method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014 and 2013

For debt securities with fair value below amortized cost when the Credit Union does not intend to sell a debt security, and it is more likely than not the Credit Union will not have to sell the security before recovery of its cost basis, it recognizes the credit component of an other-than-temporary impairment of a debt security in earnings and the remaining portion in other comprehensive loss. For held-to-maturity debt securities, the amount of an other-than-temporary impairment recorded in other comprehensive loss for the noncredit portion of a previous other-than-temporary impairment is amortized prospectively over the remaining life of the security on the basis of the timing of future estimated cash flows of the security.

Loans - Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoffs are reported at their outstanding principal balances adjusted for unearned income, charge-offs, the allowance for loan losses, any unamortized deferred fees or costs on originated loans and unamortized premiums or discounts on purchased loans.

For loans amortized at cost, interest income is accrued based on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, as well as premiums and discounts, are deferred and amortized as a level yield adjustment over the respective term of the loan.

For all loan classes, the accrual of interest is discontinued at the time the loan is 90 days past due unless the credit is well-secured and in process of collection. Past due status is based on contractual terms of the loan. For all loan classes, the entire balance of the loan is considered past due if the minimum payment contractually required to be paid is not received by the contractual due date. For all loan classes, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful.

Management's general practice is to proactively charge down loans individually evaluated for impairment to the fair value of the underlying collateral. Consistent with regulatory guidance, charge-offs on all loan segments are taken when specific loans, or portions thereof, are considered uncollectible. The Credit Union's policy is to promptly charge these loans off in the period the uncollectible loss is reasonably determined.

For all loan portfolio segments except residential and consumer loans, the Credit Union promptly charges off loans, or portions thereof, when available information confirms that specific loans are uncollectible based on information that includes, but is not limited to, (1) the deteriorating financial condition of the borrower, (2) declining collateral values, and/or (3) legal action, including bankruptcy, that impairs the borrower's ability to adequately meet its obligations. For impaired loans that are considered to be solely collateral dependent, a partial charge-off is recorded when a loss has been confirmed by an updated appraisal or other appropriate valuation of the collateral.

The Credit Union charges off residential and consumer loans, or portions thereof, when the Credit Union reasonably determines the amount of the loss. The Credit Union adheres to timeframes established by applicable regulatory guidance, which provides for the charge-down of 1-4 family first and junior lien mortgages to the net realizable value, less costs to sell when the loan is 90 days past due, charge-off of unsecured open-end loans when the loan is 90 days past due, and charge-down to the net realizable value when other secured loans are 90 days past due. Loans at these respective delinquency thresholds for which the Credit Union can clearly document that the loan is both well-secured and in the process of collection, such that collection will occur regardless of delinquency status, need not be charged off.

For all classes, all interest accrued but not collected for loans that are placed on nonaccrual or charged off are reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. Nonaccrual loans are returned to accrual status when, in the opinion of management, the financial position of the borrower indicates there is no longer any reasonable doubt as to the timely collection of interest or principal. The Credit Union requires a period of satisfactory performance of not less than six months before returning a nonaccrual loan to accrual status.

When cash payments are received on impaired loans in each loan class, the Credit Union records the payment as interest income unless collection of the remaining recorded principal amount is doubtful, at which time payments are used to reduce the principal balance of the loan. Troubled debt restructured loans recognize interest income on an accrual basis at the renegotiated rate if the loan is in compliance with the modified terms, no principal reduction has been granted and the loan has demonstrated the ability to perform in accordance with the renegotiated terms for a period of at least six months.

Allowance for Loan Losses - The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to income. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for loan losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectibility of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

The allowance consists of allocated and general components. The allocated component relates to loans that are classified as impaired. For those loans that are classified as impaired, an allowance is established when the discounted cash flows (or collateral value or observable market price) of the impaired loan is lower than the carrying value of that loan. The general component covers nonimpaired loans and is based on historical charge-off experience by segment. The historical loss experience is determined by portfolio segment and is based on the actual loss history experienced by the Credit Union over the prior three years. Management believes the three-year historical loss experience methodology is appropriate in the current economic environment. Other adjustments (qualitative/environmental considerations) for each segment may be added to the allowance for each loan segment after an assessment of internal or external influences on credit quality that are not fully reflected in the historical loss or risk rating data.

A loan is considered impaired when, based on current information and events, it is probable that the Credit Union will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value and the probability of collecting scheduled principal and interest payments when due based on the loan's current payment status and the borrower's financial condition including available sources of cash flows. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a loan-by-loan basis for nonhomogenous type loans such as commercial, nonowner residential and construction loans by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price or the fair value of the collateral if the loan is collateral dependent. For impaired loans where the Credit Union utilizes the discounted cash flows to determine the level of impairment, the Credit Union includes the entire change in the present value of cash flows as bad debt expense.

The fair values of collateral-dependent impaired loans are based on independent appraisals of the collateral. In general, the Credit Union acquires an updated appraisal upon identification of impairment and annually thereafter for commercial, commercial real estate and multi-family loans. If the most recent appraisal is over a year old, and a new appraisal is not performed due to lack of comparable values or other reasons, the existing appraisal is utilized and discounted based on the age of the appraisal, condition of the subject property and overall economic conditions. After determining the collateral value as described, the fair value is calculated based on the determined collateral value, less selling expenses. The potential for outdated appraisal values is considered in the determination of the allowance for loan losses through analysis of various trends and conditions including the local economy, trends in charge-offs and delinquencies, etc. and the related qualitative adjustments assigned by the Credit Union.

Segments of loans with similar risk characteristics are collectively evaluated for impairment based on the segment's historical loss experience adjusted for changes in trends, conditions and other relevant factors that affect repayment of the loans. Accordingly, the Credit Union does not separately identify individual consumer and residential loans for impairment measurements, unless such loans are the subject of a restructuring agreement due to financial difficulties of the borrower.

In the course of working with borrowers, the Credit Union may choose to restructure the contractual terms of certain loans. In this scenario, the Credit Union attempts to work-out an alternative payment schedule with the borrower in order to optimize collectability of the loan. Any loans that are modified are reviewed by the Credit Union to identify if a troubled debt restructuring ("TDR") has occurred, which is when, for economic or legal reasons related to a borrower's financial difficulties, the Credit Union grants a concession to the borrower that it would not otherwise consider. Terms may be modified to fit the ability of the borrower to repay in line with its current financial status, and the restructuring of the loan may include the transfer of assets from the borrower to satisfy the debt, a modification of loan terms, or a combination of the two. If such efforts by the Credit Union do not result in a satisfactory arrangement, the loan is referred to legal counsel, at which time foreclosure proceedings are initiated. At any time prior to a sale of the property at foreclosure, the Credit Union may terminate foreclosure proceedings if the borrower is able to work out a satisfactory payment plan.

It is the Credit Union's policy that any restructured loans on nonaccrual status prior to being restructured remain on nonaccrual status until six months of satisfactory borrower performance at which time management would consider its return to accrual status. If a loan was accruing at the time of restructuring, the Credit Union reviews the loan to determine if it is appropriate to continue the accrual of interest on the restructured loan.

With regard to determination of the amount of the allowance for credit losses, trouble debt restructured loans are considered to be impaired. As a result, the determination of the amount of impaired loans for each portfolio segment within troubled debt restructurings is the same as detailed previously.

Premises and equipment are carried at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred, while major additions and improvements are capitalized. Gains and losses on dispositions are included in current operations.

Required Investments - Federal Home Loan Bank stock and membership shares in corporate credit unions are required investments for credit unions that are members of those institutions. The required investment in each institution is based on a predetermined formula.

National Credit Union Share Insurance Fund deposit is required in an amount equal to one percent of the Credit Union's total insured shares. This noninterest-earning deposit is intended to provide insurance coverage on savings deposits.

Comprehensive income consists of net income and other comprehensive loss. Other comprehensive loss includes unrealized depreciation on available-for-sale securities.

Retained earnings includes a regular reserve, which is a regulatory restriction of retained earnings and is not available for the payment of interest.

Reclassifications - Certain reclassifications have been made to the 2013 financial statements to conform to the 2014 financial statement presentation. These reclassifications had no effect on net income.

Note 2: Restriction on Cash and Due From Banks

The Credit Union is required to maintain reserve funds in cash and/or on deposit with the Federal Reserve Bank. The reserve required at December 31, 2014 was $8,989,000.

Note 3: Investment Securities

The amortized cost and approximate fair values, together with gross unrealized gains and losses, of investment securities is as follows:

	2014			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale				
U.S. Treasury	$ 10,033	$ 4	$ (4)	$ 10,033
Federal agencies	80,206	76	(61)	80,221
Small business administration (SBA) securities	20,947	320	-	21,267
NCUA guaranteed notes	6,134	14	(4)	6,144
Mortgage-backed securities - government-sponsored enterprises (GSE) residential	79,757	1,392	(54)	81,095
Total available-for-sale	197,077	1,806	(123)	198,760
Held-to-maturity				
Mortgage-backed securities - GSE residential	100,023	1,173	(582)	100,614
Total investment securities	$ 297,100	$ 2,979	$ (705)	$ 299,374

	2013			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale				
Federal agencies	$ 165,427	$ 359	$ (15)	$ 165,771
Small business administration (SBA) securities	6,471	202	-	6,673
NCUA guaranteed notes	7,860	20	-	7,880
Mortgage-backed securities - GSE residential	73,530	1,397	(154)	74,773
Total available-for-sale	253,288	1,978	(169)	255,097
Held-to-maturity				
Mortgage-backed securities - GSE residential	95,348	802	(1,093)	95,057
Total investment securities	$ 348,636	$ 2,780	$ (1,262)	$ 350,154

The amortized cost and fair value of securities available-for-sale and held-to-maturity at December 31, 2014, by contractual maturity, are shown in the following table. Expected maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Available-for-Sale		Held-to-Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
One year or less	$ 35,010	$ 35,037	$ -	$ -
One to five years	79,779	80,083	-	-
Five to ten years	2,531	2,545	-	-
	117,320	117,665	-	-
Mortgage-backed securities - GSE residential	79,757	81,095	100,023	100,614
Totals	$ 197,077	$ 198,760	$ 100,023	$ 100,614

Certain investments in debt securities have a fair value at an amount less than their historical cost. Total fair value of these investments at December 31, 2014 and 2013 was $95,505,000 and $82,461,000, which is approximately 32.0% and 23.5% of the Credit Union's available-for-sale and held-to-maturity investment portfolio. Unrealized losses within the investment portfolio are temporary, as they are a result of market changes rather than a reflection on credit quality.

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Should the impairment of any of these securities become other than temporary, the cost basis of the investment will be reduced and the resulting loss recognized in net income or other comprehensive loss in the period the other-than-temporary impairment is identified.

The following tables show the Credit Union's investments' gross unrealized losses and fair value of the Credit Union's investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2014 and 2013:

	2014					
	Less Than 12 Months		12 Months or More		Total	
Description of Securities	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Available-for-sale securities:						
U.S. Treasury notes	$ 5,014	$ (4)	$ -	$ -	$ 5,014	$ (4)
Federal agencies	30,220	(60)	4,999	(1)	35,219	(61)
NCUA guaranteed notes	3,599	(4)	-	-	3,599	(4)
Mortgage-backed securities - GSE residential	10,094	(13)	5,554	(41)	15,648	(54)
	48,927	(81)	10,553	(42)	59,480	(123)
Held-to-maturity securities:						
Mortgage-backed securities - GSE residential	17,416	(47)	18,609	(535)	36,025	(582)
Total temporarily impaired securities	$ 66,343	$ (128)	$ 29,162	$ (577)	$ 95,505	$ (705)

	2013					
	Less Than 12 Months		12 Months or More		Total	
Description of Securities	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Available-for-sale securities:						
Federal agencies	$ -	$ -	$ 4,985	$ (15)	$ 4,985	$ (15)
Mortgage-backed securities - GSE residential	14,468	(67)	15,968	(87)	30,436	(154)
	14,468	(67)	20,953	(102)	35,421	(169)
Held-to-maturity securities:						
Mortgage-backed securities - GSE residential	47,040	(1,093)	-	-	47,040	(1,093)
Total temporarily impaired securities	$ 61,508	$ (1,160)	$ 20,953	$ (102)	$ 82,461	$ (1,262)

Federal Agencies

The unrealized losses on the Credit Union's investments in direct obligations of U.S. Government agencies were caused by interest rate changes. The contractual terms of those investments do not permit the issuer to settle the securities at a price less than the amortized cost bases of the investments. Because the Credit Union does not intend to sell the investments and it is not more likely than not the Credit Union will be required to sell the investments before recovery of their amortized cost bases, which may be maturity, the Credit Union does not consider those investments to be other-than-temporarily impaired at December 31, 2014 and 2013.

Mortgage-Backed Securities - GSE Residential

The unrealized losses on the Credit Union's investment in residential mortgage-backed securities were caused by interest rate changes. The Credit Union expects to recover the amortized cost basis over the term of the securities. Because the decline in market value is attributable to changes in interest rates and not credit quality, and because the Credit Union does not intend to sell the investments and it is not more likely than not the Credit Union will be required to sell the investments before recovery of their amortized cost basis, which may be maturity, the Credit Union does not consider those investments to be other-than-temporarily impaired at December 31, 2014 and 2013.

Note 4: Loans and Allowance for Loan Losses

Loans at year end are comprised of the following:

	2014	2013
Loans		
Commercial	$ 95,756	$ 79,353
Secured by automobiles	267,039	227,622
First mortgage	228,399	225,273
Home equity	79,615	62,225
Other consumer	54,143	52,002
	724,952	646,475
Deferred loan costs, net	5,911	4,543
Allowance for loan losses	(7,600)	(8,056)
	$ 723,263	$ 642,962

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The following presents, by portfolio class, the activity in the allowance for loan losses for the years ended December 31, 2014 and 2013:

2014

	Commercial	Automobile	First Mortgage	Home Equity	Other Consumer	Total
Beginning Balance	$ 3,501	$ 2,095	$ 1,267	$ 275	$ 918	$ 8,056
Provision	185	1,550	164	(39)	750	2,610
Loans charged off	(1,115)	(1,491)	(323)	(34)	(708)	(3,671)
Recoveries	67	359	4	34	141	605
Ending Balance	$ 2,638	$ 2,513	$ 1,112	$ 236	$ 1,101	$ 7,600

2013

	Commercial	Automobile	First Mortgage	Home Equity	Other Consumer	Total
Beginning Balance	$ 3,781	$ 1,578	$ 1,600	$ 407	$ 793	$ 8,159
Provision	510	1,322	305	(28)	706	2,815
Loans charged off	(790)	(1,145)	(641)	(120)	(728)	(3,424)
Recoveries	-	340	3	16	147	506
Ending Balance	$ 3,501	$ 2,095	$ 1,267	$ 275	$ 918	$ 8,056

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The following tables present the balance in the allowance for loan losses and the recorded investment in loans based on portfolio classes and impairment method as of December 31, 2014 and 2013:

	2014					
	Commercial	Automobile	First Mortgage	Home Equity	Other Consumer	Total
Allowance Balances:						
Individually evaluated for impairment	$ 1,694	$ -	$ 42	$ -	$ -	$ 1,736
Collectively evaluated for impairment	944	2,513	1,070	236	1,101	5,864
Total allowance for loan losses	$ 2,638	$ 2,513	$ 1,112	$ 236	$ 1,101	$ 7,600
Loan Balances:						
Individually evaluated for impairment	$ 6,003	$ -	$ 293	$ -	$ -	$ 6,296
Collectively evaluated for impairment	89,753	267,039	228,106	79,615	54,143	718,656
Total loan balances	$ 95,756	$ 267,039	$ 228,399	$ 79,615	$ 54,143	$ 724,952

	2013					
	Commercial	Automobile	First Mortgage	Home Equity	Other Consumer	Total
Allowance Balances:						
Individually evaluated for impairment	$ 2,877	$ -	$ -	$ -	$ -	$ 2,877
Collectively evaluated for impairment	624	2,095	1,267	275	918	5,179
Total allowance for loan losses	$ 3,501	$ 2,095	$ 1,267	$ 275	$ 918	$ 8,056
Loan Balances:						
Individually evaluated for impairment	$ 11,247	$ -	$ 711	$ -	$ -	$ 11,958
Collectively evaluated for impairment	68,106	227,622	224,562	62,225	52,002	634,517
Total loan balances	$ 79,353	$ 227,622	$ 225,273	$ 62,225	$ 52,002	$ 646,475

The risk characteristics of each loan portfolio class are as follows:

Commercial loans are primarily based on the identified cash flows of the borrower and secondarily on the underlying collateral provided by the borrower. The cash flows of borrowers, however, may not be as expected, and the collateral securing these loans may fluctuate in value. Most commercial loans are secured by the assets being financed or other business assets, such as accounts receivable or inventory, and may include a personal guarantee.

Automobile loans are typically secured by the underlying automobile or recreational vehicle. First mortgage loans are typically secured by 1-4 family residences and are generally owner occupied. The Credit Union generally establishes a maximum loan-to-value ratio and requires private mortgage insurance if that ratio is exceeded. Home equity and other consumer loans are typically secured by subordinate interests in 1-4 family residences and other personal assets. Some personal loans are unsecured and repayment of these loans is primarily dependent on the personal income of the borrowers, which can be impacted by economic conditions in their market areas, such as unemployment levels, property values, etc.

Commercial loans are rated by credit quality using the following designations:

Risk Rating - 100 Excellent

These loans include:

1. Loans secured by highly liquid collateral (cash or cash equivalent) with sufficient margin to assure payment in full, including interest, at maturity.
2. Unsecured loans to high net worth individuals with supporting assets that are highly liquid.
3. Loans adequately secured by marketable collateral within established margin requirements.
4. Loans to very strong middle market or local borrowers that have a history of profitability, liquidity, and leverage ratios that are above industry averages. Probability of serious financial deterioration is unlikely.
5. Unsecured loans directly to or guaranteed by, high net worth individuals who have appropriate, liquid supporting assets. These loans have a strong reliable source of repayment. Borrower’s business is in a strong industry and has an experienced, stable management team. Portions of loans may be secured by government guarantees, Farm Service Agency (FSA) or Small Business Administration (SBA), with correct documentation in compliance with guarantee.

Risk Rating - 200 Good

These loans are to middle market or local borrowers with average financial strength, but who have some minor deficiencies or vulnerability to changing economic or industry conditions. The borrower has adequate capital and fair profitability, liquidity and leverage ratios. Loans in this category may also be secured by collateral that lacks adequate margin or liquidity. Unsecured loans may also be directly to, or guaranteed by, identified sources of repayment. Management is experienced, relatively stable and has demonstrated the ability to manage the company.

Risk Rating - 300 Satisfactory

These loans are to borrowers of slightly below average or somewhat mediocre financial conditions, with some noted weaknesses. It is not anticipated that the borrower's financial condition will deteriorate over the term of the loan. Noted weaknesses are overcome by strength in other areas. These loans have adequate sources of repayment.

Risk Rating - 400 Special Mention (Watch Credit)

These loans may be fundamentally sound to borrowers who have trends or characteristics that render them particularly vulnerable to economic adversity (competition, market conditions or potential product obsolescence) or have a continued lack of proper credit administration by the loan officer (i.e. critical documentation exceptions or monitoring cash flow with financial data). These credits require more frequent monitoring in order to periodically assess their condition as a result of increased vulnerability.

Other characteristics could include:

1. A significant change in trends (ratios, earnings, borrowings, etc.) that may include adverse concerns.
2. Out of the ordinary repayment programs.
3. Deficient collateralization.
4. Questionable management.
5. An expected or actual significant change that may have a negative impact on the company.
6. Frequent change in accounting/CPA firms or management has recently changed and their capabilities are unknown.
7. As the Watch Credit classification is generally a transitory grade from/to satisfactory and substandard, credits will generally not remain as a Watch Credit for more than 1 - 2 years.

Risk Rating - 500 (Substandard)

These loans are considered inadequately protected by the current worth and repayment capacity of the borrower, or the value of collateral, if any. Such loans have well-defined weaknesses that could jeopardize liquidation of the loan. If such weaknesses are not corrected, it is likely that the lender will incur a loss. Examples of weaknesses inherent in such loans include:

1. The borrower's financial condition has deteriorated to the point that ultimate repayment of the loan may be in doubt. For example, cash is positive but inadequate to service the debt if liquidated.
2. There are cash flow deficiencies, which may jeopardize an orderly repayment of the loan, as specified in the note or loan agreement; this may also indicate an impaired loan classification.
3. The borrower is in bankruptcy or, for any other reason, repayment is dependent on court action.
4. The credit relationship has deteriorated to the point that the sale of collateral is the primary source of repayment, unless this was the original source of repayment when the loan was originated.

Risk Rating - 600 (Doubtful)

These loans exhibit weaknesses similar to substandard loans and require immediate action. The severity of such weaknesses makes collection or repayment in full highly questionable or improbable, based on existing facts, conditions and values. The probability of loss is high, but the ultimate loss exposure cannot be completely determined due to pending factors that may affect the loan. Such pending factors could include merger/liquidation, additional capital injection, perfection of liens on additional collateral and refinancing plans. These loans are generally on nonaccrual.

Risk Rating - 700 (Loss)

These loans are considered uncollectible, have little or no value and are on a nonaccrual basis. This rating does not mean that the loan has no recovery or salvage value. The loan can continue as long as recovery is regularly occurring. Once recovery ceases, the loan should be charged off.

Automobile, first mortgage, home equity and other consumer loans are not rated on the above-listed risk categories, but are classified by their payment activity, either as performing, delinquent less than 90 days or nonperforming.

The following tables present the credit risk profile of the Credit Union's loan portfolio based on internal rating category and payment activity as of December 31, 2014 and 2013:

	2014 Commercial
Grade:	
Pass (100 - 300)	$ 80,133
Special mention (400)	9,256
Substandard (500)	4,310
Doubtful (600)	2,032
Loss (700)	25
	$ 95,756

	2014				
	Automobile	First Mortgage	Home Equity	Other Consumer	Total
Performing	$ 260,758	$ 222,004	$ 77,993	$ 52,706	$ 613,461
Delinquent less than 90 days	5,806	5,985	1,541	1,266	14,598
Nonperforming	475	410	81	171	1,137
	$ 267,039	$ 228,399	$ 79,615	$ 54,143	$ 629,196
Total loans					$ 724,952

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	2013 Commercial
Grade:	
Pass (100 - 300)	$ 57,181
Special mention (400)	11,520
Substandard (500)	9,632
Doubtful (600)	764
Loss (700)	256
	$ 79,353

	2013				
	Automobile	First Mortgage	Home Equity	Other Consumer	Total
Performing	$ 222,980	$ 216,806	$ 60,963	$ 50,645	$ 551,394
Delinquent less than 90 days	4,374	7,194	1,148	1,237	13,953
Nonperforming	268	1,273	114	120	1,775
	$ 227,622	$ 225,273	$ 62,225	$ 52,002	$ 567,122
Total loans					$ 646,475

The following tables present the Credit Union's loan portfolio aging analysis of the recorded investment in loans as of December 31, 2014 and 2013:

	2014						
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans	Loans > 90 Days and Accruing
Commercial	$ 474	$ 6	$ 20	$ 500	$ 95,256	$ 95,756	$ -
Automobile	5,493	313	475	6,281	260,758	267,039	-
First mortgage	5,162	823	410	6,395	222,004	228,399	-
Home equity	1,430	111	81	1,622	77,993	79,615	-
Other consumer	1,026	240	171	1,437	52,706	54,143	-
Total loans	$ 13,585	$ 1,493	$ 1,157	$ 16,235	$ 708,717	$ 724,952	$ -

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	2013						
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans	Loans > 90 Days and Accruing
Commercial	$ 1,563	$ 16	$ 593	$ 2,172	$ 77,181	$ 79,353	$ -
Automobile	4,083	291	268	4,642	222,980	227,622	-
First mortgage	3,929	3,265	1,273	8,467	216,806	225,273	-
Home equity	1,107	41	114	1,262	60,963	62,225	-
Other consumer	963	274	120	1,357	50,645	52,002	-
Total loans	$ 11,645	$ 3,887	$ 2,368	$ 17,900	$ 628,575	$ 646,475	$ -

The following tables present impaired loans for the years ended December 31, 2014 and 2013:

	2014				
	Recorded Balance	Unpaid Principal Balance	Specific Allowance	Average Investment in Impaired Loans	Interest Income Recognized
Impaired loans without a specific valuation allowance:					
Commercial	$ 1,500	$ 1,500	$ -	$ 4,680	$ 166
Automobile	-	-	-	-	-
First mortgage	174	174	-	384	11
Home equity	-	-	-	-	-
Other consumer	-	-	-	-	-
Total impaired loans with no related specific reserve	$ 1,674	$ 1,674	$ -	$ 5,064	$ 177
Impaired loans with a specific valuation allowance:					
Commercial	$ 4,503	$ 4,503	$ 1,694	$ 4,433	$ 272
Automobile	-	-	-	-	-
First mortgage	119	119	42	48	-
Home equity	-	-	-	-	-
Other consumer	-	-	-	-	-
Total impaired loans with an allowance recorded	$ 4,622	$ 4,622	$ 1,736	$ 4,481	$ 272
Total impaired loans	$ 6,296	$ 6,296	$ 1,736	$ 9,545	$ 449

2013	Recorded Balance	Unpaid Principal Balance	Specific Allowance	Average Investment in Impaired Loans	Interest Income Recognized
Impaired loans without a specific valuation allowance:					
Commercial	$ 1,842	$ 1,842	$ -	$ 2,146	$ 97
Automobile	-	-	-	-	-
First mortgage	711	711	-	716	17
Home equity	-	-	-	-	-
Other consumer	-	-	-	-	-
Total impaired loans with no related specific reserve	$ 2,553	$ 2,553	$ -	$ 2,862	$ 114
Impaired loans with a specific valuation allowance:					
Commercial	$ 9,405	$ 9,405	$ 2,877	$ 9,308	$ 436
Automobile	-	-	-	-	-
First mortgage	-	-	-	-	-
Home equity	-	-	-	-	-
Other consumer	-	-	-	-	-
Total impaired loans with an allowance recorded	$ 9,405	$ 9,405	$ 2,877	$ 9,308	$ 436
Total impaired loans	$ 11,958	$ 11,958	$ 2,877	$ 12,170	$ 550

The following table presents the Credit Union’s nonaccrual loans at December 31, 2014 and 2013. This table excludes purchased impaired loans and performing troubled debt restructurings.

	2014	2013
Commercial	$ 20	$ 593
Automobile	475	268
First mortgage	410	1,273
Home equity	81	114
Other consumer	171	120
Total nonaccrual loans	$ 1,157	$ 2,368

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014 and 2013

At December 31, 2014 and 2013, the Credit Union had a number of loans that were modified in troubled debt restructurings and impaired. The modification of terms of such loans included one or a combination of the following: an extension of maturity, a reduction of the stated interest rate or a permanent reduction of the recorded investment in the loan.

The following tables present information regarding troubled debt restructurings by class for the years ended December 31, 2014 and 2013:

Newly classified troubled debt restructurings:

	2014		
	Number of Loans	Pre-Modification Recorded Balance	Post-Modification Recorded Balance
Commercial	5	$ 1,414	$ 1,282
Automobile	17	182	182
First mortgage	2	95	95
Other consumer	1	4	4
	25	$ 1,695	$ 1,563

	2013		
	Number of Loans	Pre-Modification Recorded Balance	Post-Modification Recorded Balance
Commercial	1	$ 272	$ 251
Automobile	36	330	330
First mortgage	1	78	78
Home equity	-	-	-
Other consumer	3	12	12
	41	$ 692	$ 671

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014 and 2013

Newly restructured loans by type of modification:

	2014			
	Interest Only	Term Only	Combination	Total Modification
Commercial	$ -	$ 1,282	$ -	$ 1,282
Automobile	-	182	-	182
First mortgage	-	-	95	95
Other consumer	-	4	-	4
	$ -	$ 1,468	$ 95	$ 1,563

	2013			
	Interest Only	Term Only	Combination	Total Modification
Commercial	$ -	$ 251	$ -	$ 251
Automobile	-	330	-	330
First mortgage	-	-	78	78
Other consumer	-	12	-	12
	$ -	$ 593	$ 78	$ 671

Troubled debt restructurings modified in the past 12 months that subsequently defaulted:

	2014	
	Number of Loans	Recorded Balance
Automobile	1	$ 14
First mortgage	1	27
	2	$ 41

	2013	
	Number of Loans	Recorded Balance
Automobile	2	$ 46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 5: Premises and Equipment

Major classifications of premises and equipment, stated at cost, are as follows:

	2014	2013
Cost		
Land	$ 3,986	$ 3,986
Building and improvements	16,888	16,656
Equipment	12,603	11,970
Construction in progress	530	323
Total cost	34,007	32,935
Accumulated depreciation	(18,005)	(16,479)
Net	$ 16,002	$ 16,456

Note 6: Members' Deposits

	2014	2013
Savings deposits		
Regular shares	$ 318,188	$ 304,803
Share checking	143,281	128,087
Money market shares	216,056	210,061
Share certificates	280,637	284,778
IRA certificates	82,713	84,266
Total deposits	$ 1,040,875	$ 1,011,995

At December 31, 2014, scheduled maturities of certificates are as follows:

2015	$ 144,743
2016	88,397
2017	56,240
2018	29,941
2019	44,029
Total certificates	$ 363,350

The aggregate amount of certificates with a minimum denomination of $100,000 was approximately $133,363,000 and $131,239,000 at December 31, 2014 and 2013, respectively. The aggregate amount of certificates with a minimum denomination of $250,000 was approximately $29,910,000 at December 31, 2014.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 7: FHLB Advances

Advances outstanding from the Federal Home Loan Bank totaled $44,000,000 and $41,000,000 at December 31, 2014 and 2013, respectively. Interest rates range from 2.00 percent to 4.62 percent at December 31, 2014. Interest is payable monthly. The advances are collateralized by approximately $204,796,000 of mortgage loans as of December 31, 2014, under a specific collateral agreement.

The advances are subject to prepayment penalties and provisions and conditions of the credit policy of the Federal Home Loan Bank. Future obligations of the advances are as follows at December 31, 2014:

2015	$ 5,000
2016	5,000
2017	5,000
2018	12,000
2019	4,000
Thereafter	13,000
Total advances	$ 44,000

Note 8: Loan Servicing

Loans serviced for others are not included in the accompanying consolidated balance sheets. The unpaid principal balances of mortgage loans serviced for others totaled approximately $154,001,000 and $146,825,000 at December 31, 2014 and 2013, respectively.

The aggregate fair value of capitalized mortgage-servicing rights at December 31, 2014 and 2013 was immaterial to the consolidated financial statements taken as a whole.

Note 9: Taxes

The Credit Union and subsidiary are subject to a franchise tax imposed by the State of Indiana on net income after regulatory reserve transfers and certain other adjustments. The Credit Union and subsidiary incurred current franchise tax of $493,000 for 2014 and $522,000 for 2013. Federal income taxes are not provided for the Credit Union in the consolidated financial statements since the Credit Union is exempt. The subsidiary is subject to federal income tax, which is immaterial to the consolidated financial statements. With few exceptions, the Credit Union is no longer subject to U.S. federal, state and local examinations by tax authorities for years before 2011.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2014 and 2013

Note 10: Commitments and Contingent Liabilities

In the normal course of business, there are outstanding commitments and contingent liabilities, such as commitments to extend credit, which are not included in the Credit Union consolidated financial statements. The Credit Union's exposure to credit loss in the event of nonperformance by the other party to the financial instruments for commitments to extend credit is represented by the contractual or notional amount of those instruments. The Credit Union uses the same credit policies in making such commitments as it does for instruments that are included in the consolidated balance sheets.

Financial instruments whose contract amount represents credit risk were as follows:

	2014	2013
Commitments to extend credit		
Mortgage loans	$ 59,438	$ 50,880
Consumer loans	101,318	97,462
Commercial loans	8,020	8,872

Commitments to extend credit are agreements to lend to a member as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Credit Union evaluates each member's credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the Credit Union upon extension of credit, is based on management's credit evaluation. Collateral held varies but may include consumer goods and real estate.

The Credit Union is also subject to claims and lawsuits which arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such possible claims or lawsuits will not have a material adverse effect on the consolidated financial position of the Credit Union.

Note 11: Employee Benefit Plans

The Credit Union has a retirement savings 401(k) plan in which substantially all employees may participate. The Credit Union matches employees' contributions up to three percent and may make a discretionary contribution. The Credit Union's expense for the plan was approximately $201,000 and $180,000 for 2014 and 2013, respectively.

Note 12: Fair Values of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying consolidated balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2014 and 2013:

		2014 Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasuries	$ 10,033	$ -	$ 10,033	$ -
Federal agencies	80,221	-	80,221	-
SBA securities	21,267	-	21,267	-
NCUA guaranteed notes	6,144	-	6,144	-
Mortgage-backed securities - GSE residential	81,095	-	81,095	-
	$ 198,760	$ -	$ 198,760	$ -

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014 and 2013

	2013			
		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal agencies	$ 165,771	$ -	$ 165,771	$ -
SBA securities	6,673	-	6,673	-
NCUA guaranteed notes	7,880	-	7,880	-
Mortgage-backed securities - GSE residential	74,773	-	74,773	-
	$ 255,097	$ -	$ 255,097	$ -

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2014.

Available-for-Sale Securities

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. The Credit Union does not have any Level 1 securities. If quoted market prices are not available, then fair values are estimated by using pricing models and quoted prices of securities with similar characteristics. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the security’s terms and conditions. Additionally, matrix pricing is used for certain investment securities and is a mathematical technique widely used in the banking industry to value investment securities without relying exclusively on quoted prices for specific investment securities, but rather relying on the investment securities’ relationship to other benchmark quoted investment securities. Level 2 securities include federal agencies, SBA securities, NCUA guaranteed notes and mortgage-backed securities. The Credit Union does not have any Level 3 securities.

Nonrecurring Measurements

The following tables present the fair value measurement of assets measured at fair value on a nonrecurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2014 and 2013:

		2014 Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Impaired loans	$ 2,109	$ -	$ -	$ 2,109
Other real estate owned	588	-	-	588

		2013 Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Impaired loans	$ 5,507	$ -	$ -	$ 5,507

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a nonrecurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of such assets pursuant to the valuation hierarchy. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

Impaired Loans (Collateral Dependent)

The estimated fair value of collateral-dependent impaired loans is based on the appraised fair value of the collateral, less estimated cost to sell. Collateral-dependent impaired loans are classified within Level 3 of the fair value hierarchy.

The Credit Union considers the appraisal or evaluation as the starting point for determining fair value and then considers other factors and events in the environment that may affect the fair value. Appraisals of the collateral underlying collateral-dependent loans are obtained when the loan is determined to be collateral-dependent and subsequently as deemed necessary by senior management. Appraisals are reviewed for accuracy and consistency by senior management. Appraisers are selected from the list of approved appraisers maintained by management. The appraised values are reduced by discounts to consider lack of marketability and estimated cost to sell if repayment or satisfaction of the loan is dependent on the sale of the collateral. These discounts and estimates are developed by senior management by comparison to historical results.

Other Real Estate Owned

Other real estate owned (OREO) is carried at the lower of fair value at acquisition date or current estimated fair value, less estimated cost to sell when the real estate is acquired. Estimated fair value of OREO is based on appraisals or evaluations. OREO is classified within Level 3 of the fair value hierarchy.

Appraisals of OREO are obtained when the real estate is acquired and subsequently as deemed necessary by senior management. Appraisals are reviewed for accuracy and consistency by senior management. Appraisers are selected from the list of approved appraisers maintained by management.

Unobservable (Level 3) Inputs

The following tables present quantitative information about unobservable inputs used in nonrecurring Level 3 fair value measurements.

	Fair Value at December 31, 2014	Valuation Technique	Unobservable Inputs	Range
Collateral-dependent impaired loans	$ 2,109	Appraisal	Marketability discount	10 - 15%

	Fair Value at December 31, 2013	Valuation Technique	Unobservable Inputs	Range
Collateral-dependent impaired loans	$ 5,507	Appraisal	Marketability discount	10 - 15%

Fair Value of Financial Instruments

The estimated fair values of the Credit Union's financial instruments at December 31 are as follows:

	2014		2013	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets				
Cash and cash equivalents	$ 117,146	$ 117,146	$ 145,558	$ 145,558
Interest-bearing time deposits	52,672	52,579	8,522	8,520
Securities available-for-sale	198,760	198,760	255,097	255,097
Securities held-to-maturity	100,023	100,614	95,348	95,057
Loans held-for-sale	1,575	1,575	540	540
Loans, net	723,263	738,567	642,962	656,901
FHLB stock	3,389	3,389	2,856	2,856
NCUSIF deposit	9,794	9,794	9,615	9,615
Liabilities				
Members' deposits	1,040,875	1,043,654	1,011,995	1,016,358
FHLB advances	44,000	46,537	41,000	43,490

ASC 825-10, *Financial Instruments*, requires that the Credit Union disclose estimated fair values for its financial instruments. The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Cash and cash equivalents - The fair value of cash and cash equivalents approximates carrying value.

Interest-bearing time deposits - The fair value of interest-bearing time deposits is estimated using discounted cash flow analysis, using interest rates currently being offered for time deposits with similar terms.

Securities held-to-maturity - The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the security's terms and conditions. Additionally, matrix pricing is used for certain investment securities and is a mathematical technique widely used in the banking industry to value investment securities without relying exclusively on quoted prices for specific investment securities but rather relying on the investment securities' relationship to other benchmark quoted investment securities.

Loans held-for-sale -The fair value of loans held-for-sale approximates carrying value.

Loans - The fair value of loans is estimated using discounted cash flow analyses, using interest rates currently being offered for loans with similar terms to members of similar credit quality.

FHLB stock - Fair value of FHLB stock is based on the price at which it may be resold to the FHLB.

NCUSIF deposit - The fair value of NCUSIF deposit approximates carrying value.

Members' deposits - The fair value of share checking, regular shares, club accounts and money market shares is the amount payable on demand at the balance sheet date. The fair value of fixed maturity certificates is estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregated expected maturities on such time deposits.

FHLB advances - The fair value of FHLB advances is estimated using a discounted cash flow valuation that applies interest rates currently being offered on similar advances to a schedule of aggregated expected maturities of similar advances.

Off-Balance Sheet commitments - Commitments include commitments to purchase and originate mortgage loans, commitments to sell mortgage loans and standby letters of credit and are generally of a short-term nature. The fair value of such commitments is based on fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing.

Note 13: Regulatory Capital

The Credit Union is subject to regulatory net worth ratio requirements administered by the NCUA. In addition, the NCUA has also established Risk-Based Net Worth (RBNW) requirements for complex credit unions based on risk-weighting formulas on specific assets, liabilities and off-balance sheet items, which qualify under the regulations. Failure to meet minimum net worth or RBNW requirements can initiate certain mandatory—and possibly additional discretionary—actions by regulators that, if undertaken, could have a direct material effect on the Credit Union's consolidated financial statements.

Quantitative measures established by regulation to ensure capital adequacy require the Credit Union to maintain minimum ratios (set forth in the table below) of net worth (as defined in the regulations) to assets (as defined) and RBNW ratios (as defined). Management believes, as of December 31, 2014, that the Credit Union meets all capital adequacy requirements to which it is subject, and no events have occurred since that date that would change the Credit Union's classification. The Credit Union's RBNW ratio is below the 6% minimum requirement to be considered a complex credit union. As of December 31, 2014 and 2013, the Credit Union's RBNW was 4.87% and 4.80%, respectively.

As of December 31, 2014 and 2013, the Credit Union's net worth is categorized as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Credit Union must maintain a minimum net worth ratio of 7%.

	Actual		For Capital Adequacy Purposes		Minimum To Be Well Capitalized Under the Prompt Corrective Action Provisions	
	Amount	**Ratio**	**Amount**	**Ratio**	**Amount**	**Ratio**
December 31, 2014	$ 139,607	11.35%	$ 73,793	6.00%	$ 86,092	7.00%
December 31, 2013	$ 127,748	10.76%	$ 71,247	6.00%	$ 83,121	7.00%

Note 14: Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the consolidated financial statements were available to be issued.

CENTRA LOCATIONS

COLUMBUS

26th Street
2020 26th Street
Columbus, IN 47201
(812) 378-5962

Edinburgh
1170 North US 31
Edinburgh, IN 46124
(812) 376-9979

National Road
1430 National Road
Columbus, IN 47201
(812) 376-9771
or (800) 232-3642

Union Street
601 Union Street
Columbus, IN 47201
(812) 372-8811
or (800) 451-8185

State Road 46 West
2165 Jonathan Moore Pike
Columbus, IN 47201
(812) 376-7661

Walesboro
2010 West 450 South
Columbus, IN 47201
(812) 342-4403

Mortgage Center
70 Carr Hill Road
Columbus, IN 47201
(812) 314-0420

SOUTH-CENTRAL INDIANA

Greensburg Plaza
1803 North Lincoln Street, Suite A
Greensburg, IN 47240
(812) 662-9392

Madison
303 Clifty Drive
Madison, IN 47250
(812) 273-8844

North Vernon
975 North Veterans Drive
North Vernon, IN 47265
(812) 346-9596

Seymour
520 South Jackson Park Drive
Seymour, IN 47274
(812) 523-3230

Shelbyville
2450 East State Road 44
Shelbyville, IN 46176
(317) 392-2100

SOUTHERN INDIANA

Clarksville Walmart
1351 Veterans Parkway
Clarksville, IN 47129
(812) 284-4180

Jeffersonville
2125 Veterans Parkway
Jeffersonville, IN 47130
(812) 288-2450

New Albany
710 Pillsbury Lane
New Albany, IN 47150
(812) 944-1325

Opening Spring 2015
River Ridge
450 Patrol Road
Jeffersonville, IN 47130
(812) 503-3154

Scottsburg
281 North Gardner
Scottsburg, IN 47170
(812) 752-3377

Scottsburg Walmart
1618 West McClain
Scottsburg, IN 47170
(812) 752-7010

Sellersburg
7812 State Road 60
Sellersburg, IN 47172
(812) 280-2820

INDIANAPOLIS

Carmel
11711 North Pennsylvania, Suite #101
Carmel, IN 46032
(317) 843-5380

Shadeland
4562 North Shadeland Avenue
Indianapolis, IN 46226
(317) 541-1960

NEW YORK

Jamestown
4720 Baker Street
Lakewood, NY 14750
(716) 763-4405

NORTH CAROLINA

Whitakers
9377 North U.S. 301
Whitakers, NC 27891
(252) 437-9214

CENTRA CALL CENTER

(800) 232-3642

SHARED BRANCH AND CO-OP ATM LOCATIONS

For a list of over 5,000 nationwide shared branches and nearly 30,000 FREE ATM locations, visit Centra.org.

CORPORATE OFFICE BUILDING MAILING ADDRESS

Centra Credit Union
3801 Tupelo Drive
P.O. Box 789
Columbus, IN 47202
(800) 232-3642

MEMBER STORIES

"Somewhere in the late `80s, my wife (Nancy) switched us from a large bank. They kept messing up [our] account, charging inappropriate fees. Nancy switched us to Centra Credit Union. She said it would be much better. She was right. We have checking and savings without issues. We have had loans: cars and home with the best rates; she did her homework. Why [do] I stay? I have to. Nancy passed away Jan. 7, 2013. I had to take over the finances. Jason Schroeder and Diana Arterburn at Centra in the Clarksville, Indiana Walmart branch were so helpful. They were so caring, and teared up with me. They knew her personally, and to me that's the kind of people I trust, and why I said I have to stay. Centra is a part of Nancy and a pleasant thought any time I go in or make online transactions. Thank you for being there for us." – Craig

"I was with the same financial institution for 30 years. In that time, they were acquired three times by larger and larger companies, making the service more and more impersonal. I reached out to the folks at Scottsburg Centra to see if they were interested in my business. Not only did they want me, they worked very hard to assist in debt consolidation and saved me over $500 per month while establishing a relationship with me, the customer. Tyfiani Chandler put up with my many questions and is still helping me long after having secured my business. I recommend Centra to everyone that wants excellent service and great rates. I'm looking forward to staying with Centra the next 30 years." – Ardell

"My husband and I were on a short vacation trip to Disney in Florida. We stopped and stayed overnight and then the next day, resumed our trip. The next day we were in Disney walking around when he received a call from Centra making sure he was using his debit card and not someone else. Boy, was that a supreme sense of trust knowing that CENTRA is taking care of business...OURS!"
– Mary

"Around the early 1990s when I was a young teen, I wanted a way to safely save money I was earning. My grandmother was working at Cummins so she took me to her bank, Centra, and helped me open my first savings account. Thinking back I remember the little booklet I got, the teller stamping my deposits, and watching my savings grow. Ultimately I used it to purchase my first car. It's strange how much the banking process has changed over these many years. I still have the same account, and hope to for many years to come." – Faith

"I raised my children in Columbus – good schools, jobs and lots of friends – back in the early `80s. Jobs became very hard to find and since all the kids were adults, we went where the jobs were. After my hubby's parents became ill, we came back to Indiana and started banking with you. Never have we been treated so well. Your staff was very helpful, and when we wanted to refinance our house you all helped very much with that also. Having worked with people in many jobs, I dare to say your staff is very helpful and kind. They realize that I only have enough knowledge of computers to be dangerous!! Bless those people and all your staff."
– Nancy

"Centra has been a part of my life for years. I started banking with them in Madison, Indiana in the 1980s when the bank offered payroll deposits when I was a teacher. Then, when some hard times hit, I used a home equity loan to get out of debt. When my son went to college, I used that same loan at the beginning of each semester to pay for books and expenses and then could pay it down.

When I remarried and moved to Carmel, I was able to stay with Centra. My purse was stolen along with my checkbook, and Centra worked with me and the police for over a year writing letters and making sure that my credit stayed intact.

Whether it is questions that I need answered or cashing of checks, or just checking on balances or services, the Centra family has showed courtesy and helpfulness." – Linda

"We have a very smart daughter, and when she was 14 I bought a fairly new Jeep Sahara and I told her that if her grades (AP classes) stayed high I would give her my Jeep when she turned 16. Not only did they stay high, she graduated a year early. She just turned 17 in June and started Purdue in August. My Jeep wasn't even paid off yet when I gave it to her, but I paid it off and she had a nice vehicle. I went 7 years without a vehicle, until you guys gave me a loan to get the car of my dreams. Thank you." – Tammy

"I am retired and on a limited income. I have my checking, savings and car loan through Centra. My upcoming surgery was going to require some medical aides at home which were going to total about $1,300. I went to my local Centra and asked if banks even made signature loans any more. They answered 'yes' and were able to take care of it that very day. Within three hours I was on the phone with the medical supply company and the needed items were delivered to my house before the close of business that very day. My thanks are extended to my Sellersburg, Indiana office for ALWAYS being willing to take care of my many banking needs!" – Sandra

A special thank you to all of our members who sent us their Centra Story. Our success as a credit union is truly measured by the number of members we have been able to help.