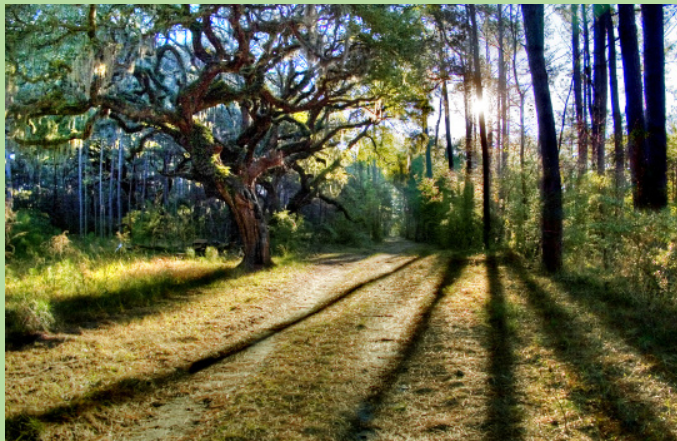


real

conserve
sustain
grow



2017 annual report



Altamaha
Federal Credit Union
Preserving Our Resources



Altamaha Federal Credit Union is honored to be your financial institution. We look forward to helping preserve our community's resources for many years to come!

Supervisory Committee Report

The Supervisory Committee members are Bob Fox, Jamey Tyre, Jonathan Ellis and Freddie Taylor. Our committee focuses on ensuring that the credit union's financial records are in order.

The Supervisory Committee's primary function is to ensure ongoing reviews and audits to make sure that the credit union's records are maintained properly, honestly, and accurately. We perform reviews to ensure that policies established by law and by the Board of Directors is carried out faithfully and that the members' assets are safeguarded and used according to the purposes of the credit union.

AFCU has policies and procedures in place that are outlined by law, the Board. Those policies and procedures are being followed by management, staff and the Board; that is why our credit union continues to remain financially stable.

I would like to thank Jamey, Jonathan and Freddie for their support and hard work. I would also like to thank the management and staff of AFCU for their willingness to help our committee. We are here to serve all members; if you should ever need to contact our committee, we have a separate post office box. Please feel free to contact us at P.O. Box 891, Jesup, GA 31598. We look forward to serving the members of AFCU for another great year.

Bob Fox, *Chairman*

Letter to our Members

Our highest focus continues to be the safety of your money. The most acceptable way to measure safety of funds is to measure the Net Capital Ratio and compare it to other credit unions in the nation of similar size. Our ratio is presently 15.8 % compared to our peer group at 11.5%. The difference seems small at first glance, but the difference equates to Altamaha Federal Credit Union having \$2.4 million dollars of additional safety built into our capital structure. Your money is safe with us!

Income was positive in 2017 at \$539,183, which was a significant improvement over last year's income of \$367,036. Assets remained relatively steady last year. Year-end assets were \$55.8 million compare to a year ago, when they were at \$56.3 million.

It is Altamaha Federal Credit Union's mission to provide the best financial services to our members in a friendly, efficient and sound manner. We want to provide excellent service and hopefully the modernization of the Jesup lobby and teller area has helped us achieve that important goal.

In closing, our primary focus continues to be to strive to improve our members experience at Altamaha Federal Credit Union. We continue to do this by controlling our cost structure, pay competitive rates on shares and draft accounts and providing our members competitive rates when borrowing from us.

We take seriously the trust you have placed in us and thank you for your continued support.

John Swingle, *Chairman*

Cheryl Spires, *President/CEO*



Annual Meeting

January 22, 2017

The 61st Annual Meeting of the membership of Altamaha Federal Credit Union was called to order at 6:30 pm by Chairman John Swingle. Board members present were Bob Fox, Ronnie Jones, Steve Jones, Morris Phillips, Mark Reddish, Mary Stanfield and John Swingle. Supervisory Committee members present were Bob Fox and Jamey Tyre. Supervisory Committee Chair, Debbie Priester was unable to attend.

An opening prayer blessing the meal was offered by John Swingle.

After the meal, Chairman Swingle called the meeting to order, gave a welcome address and introduced the Board of Directors and Supervisory Committee Members.

Bob Fox, Secretary affirmed that there was a quorum of the membership present. Bob Fox then directed the membership to the minutes of the last annual meeting that were printed in the annual report. A motion was made to accept the minutes and seconded. The motion passed.

Morris Phillips, Treasurer directed the membership to the financial statements printed in the annual report and asked if there were any questions. Hearing none, he asked for a motion to accept the financial statements. A motion was made and seconded, motion passed.

Chairman Swingle then addressed the membership. Mr. Swingle noted that the Board would be setting a February date for future annual meetings, in an effort to allow for more time to process financials and to print the annual reports. He also noted that Nancy Stanley, the previous CEO retired on December 31, 2016, and a new CEO, Cheryl Spires, had been hired from within. He closed with a note that the Board had some concerns about loan losses and that tighter lending standards may have to come.

Cheryl Spires, President/CEO gave the CEO report. Ms. Spires thanked the Board and Supervisory Committee for their support to the credit union and noted that as a recent transplant to Jesup, she was looking forward to learning more about Wayne and Long counties and meeting more of the membership. She thanked the membership she had met already

for their warm welcome to AFCU and to Jesup. Finally, she introduced the staff and thanked them for being the ones who truly delivered our products and services to our members.

The Supervisory Report was given by Bob Fox, Supervisory Committee Member. Mr. Fox advised the membership that the Supervisory Committee's role was to ensure that the credit union was following their policies and procedures, as well as the rules and regulations of NCUA. He then directed the membership to the Supervisory Committee report located in the Annual Report.

Chairman Swingle introduced three incumbent Directors who had been nominated to fill their expired terms: Bob Fox, Ronnie Jones and Mark Reddish. He asked if there were any nominations from the floor. Hearing none, he asked for a motion to close the nominations. A motion was made and seconded. The motion carried, and the three incumbents were accepted by acclamation.

Chairman Swingle asked if there was any Old Business, and hearing none, moved to the next order of Business.

Chairman Swingle asked if there was any new business. Hearing none, he turned the meeting over to Ronnie Jones to handle the door prizes.

A cash prize of \$5.00 was given to each child, 13 years of age and younger, in attendance at the Annual Meeting. Tickets were then drawn for cash door prizes totaling \$1,300.00. Those in attendance were directed to stop by the giveaway tables as they exited to pick up a giveaway gift, if they had not received one earlier.

The meeting was adjourned at 7:45 pm.

Mark Reddish, *Secretary*

John Swingle, *Chairman*

ANNUAL MEETING AGENDA

Thursday, February 22, 2018
ORDER OF BUSINESS

Welcome and Invocation
John Swingle, Chairman

Meal is served

Introduction of Board and
Supervisory Committee

John Swingle

Quorum and Minutes
Mark Reddish, Secretary

Treasurer's Report
Mary Stanfield, Treasurer

Directors' Report
John Swingle, Chairman

Supervisory Committee Report
Bob Fox, Chairman

CEO Report
Introduction of Staff
Cheryl Spires, CEO

Old Business
New Business
Door Prizes
Adjournment

There are no expired terms of office
and therefore will be no elections.

Statement of Income & Expense

Unaudited results as of December 31, 2017

	2016	2017
Operating Income		
Income from Loans	2,218,238.99	2,157,894.09
Investment Income	237,987.56	229,602.35
Misc Operating Income	1,096,058.95	1,106,702.42
Total Income	3,552,285.50	3,448,198.86
Expenses		
Compensation	776,446.44	912,157.28
Employee Benefits	255,841.40	247,083.50
Travel & Conference	48,000.00	53,208.62
Association Dues	28,845.00	25,160.56
Office Occupancy	151,639.79	154,957.15
Office Operations	327,328.28	382,652.81
Education & Promotion	39,474.70	35,496.64
Advertising Expense	45,121.92	37,412.70
Marketing Expense	26,406.70	29,617.32
Loan Servicing Expense	105,342.56	90,393.78
Credit Card Expense	18,140.54	10,846.51
ATM/Debit Card Expense	258,860.47	264,566.04
Shared Branch Expense	13,097.38	11,608.10
Professional & Outside Services	350,155.91	323,902.24
Provision for Loan Losses	514,104.55	109,419.61
Members' insurance	0.00	0.00
NCUSIF Premium	0.00	0.00
Federal Operating Fee	10,230.52	12,846.35
Cash Over & Short	1,609.11	4,939.71
Interest on Borrowed Money	1,145.41	84.24
Annual Meeting Expense	12,750.00	13,578.87
Misc Operating Expenses	(28,322.69)	2,557.21
Total Expenses	2,956,217.99	2,722,489.24
Inc/Loss Before Dividends	596,067.51	725,709.62
Gain/Loss NCUSIF	0.00	0.00
Gain/Loss on Investments	8,961.61	0.00
G/L Disposition on Assets	74,109.80	43,726.38
Other non-operating (Income)/Expense	0.00	2,000.00
Less Dividends Paid	145,959.52	140,800.40
Net Income (Loss)	367,036.58	539,182.84

Statement of Financial Condition

Unaudited results as of December 31, 2017

	2016	2017
Assets		
Loans to Members (Net of Allowance)	31,422,093.28	33,391,734.17
Cash on Hand in Financial Institutions	2,418,572.46	2,614,268.83
Investments	18,417,796.77	16,211,346.88
Fixed Assets	2,171,311.63	2,366,370.81
NCUSIF	466,650.20	474,523.94
All other assets	1,370,714.18	694,416.00
Total Assets	56,267,138.52	55,752,660.63
Liabilities & Capital		
Accounts Payable	532,517.91	801,437.38
Dividends Payable	0.00	0.00
Other Liabilities	163,417.33	169,321.72
Member Deposits	47,227,489.93	45,997,688.05
Regular Reserves	618,561.90	618,561.90
Undivided Earnings	7,715,077.64	8,165,651.58
Accumulated Unrealized Investment Gain/Loss	10,073.81	0.00
Total Liabilities & Capital	56,267,138.52	55,752,660.63



Board of Directors

John Swingle
Chairman

Ronnie Jones
Vice-Chairman

Mark Reddish
Secretary

Mary Stanfield
Treasurer

Bob Fox
Director

Steve Jones
Director

Morris Phillips
Director

Supervisory Committee

Bob Fox
Chairman

Jonathan Ellis
Committee Member

Freddie Taylor
Committee Member

Jamey Tyre
Committee Member

Management

Cheryl Spires
CEO

Stephen Harvell
VP of Finance & Information Systems

Lanita Horne
VP of Operations

Levada Dancer
Member Service Manager

Moné Smith
Assistant Branch Manager, Jesup

Staff

Brenda Alvarado Allison McGowan

Kay Aske Lori Moore

Heather Blocker Rachel Moore

Brittany Brantley Linda Puccio

Ken Davis Gail Pye

Melissa Doomes Dana Rigdon

Jennifer Gravley Erica Scott

Walt Howard Sharon Sellars

Annie Pena Victoria Sellers

Katie Beth Pritchett Vickie Wiginton



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altamaha.org

