

Annual Meeting - January 26, 2012

The 56th Annual Meeting of the membership of Altamaha Federal Credit Union was called to order by Chairman, Harold Spires. Board members present were, Morris Phillips, Ronnie Jones, Barbara Lane, Bob Fox, and Danna Lewis.

An opening prayer was offered by Hinson Mosley.

Chairman Spires gave a welcome address and introduced the Board of Directors and members of the Supervisory Committee. Chairman Spires thanked the volunteers and staff for their dedication to the credit union during 2011. Mr. Spires also introduced all the staff of Altamaha Federal Credit Union.

Four staff members of Altamaha Federal Credit Union gave several presentations on areas of focus for Altamaha FCU.

Bob Fox ascertained that a quorum was present. The minutes of the 2010 Annual Meeting, held in January 2011, were written in the annual report. Mr. Spires asked if anyone had any corrections or questions. A motion was made from the floor to approve the minutes as written and seconded. All were in favor; motion passed.

The Treasurer's Report was presented by Morris Phillips.

The Supervisory Report was given stating the credit union has quarterly audits performed by an outside firm as well as regular checks performed by the Supervisory Committee. Results show that Altamaha Federal Credit Union is performing well.

Brenda Davidson gave the CEO Report.

There was no new or unfinished business.

Chairman Spires thanked Charles Scott for serving as the Nominating Committee Chairman. Due to the fact that there were no open seats on the Board to be filled, there was no need for an election at this meeting.

The staff of Altamaha Federal Credit Union manned six education booths. The topics covered were: New Accounts, Savings, Online Banking, Lending, Debit Cards and Credit Cards.

Refreshments were served and meeting was adjourned.

Board of Directors

Harold Spires
Chairman

David (Ronnie) Jones
Vice-Chairman

Bob Fox
Secretary

Morris Phillips
Treasurer

Barbara Lane
Educational Director

John Swingle
Director

Dempsy Golden
Director

Management

Nancy Stanley
Interim President, CEO

Levada Dancer
Member Service Manager

Lori Moore
Accounting Manager

Lanita Horne
Special Services Manager

Jennifer Gravley
Loan Manager

Christy Wingate
Long County Branch Manager/Sr. Loan Officer

Staff

Gail Pye, Wanda Evans, Kay Aske,
Cheryl Reddish, Linda Cochran,
Luree Moore, Mary Ann Yeomans,
Kathy Swain, Erica Scott, Judit Gonzalez
Virginia Robertson, Allison Strickland
Alicia Taylor, Sharon Sellars
Kimber Sapp, Aurelia Manning

Supervisory Committee

Debbie Priester
Chairman

Bob Fox
Committee Member

real

talents
expectations
service



annual report 2012



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Letter to our Members

Members, you are at the heart of Altamaha Federal Credit Union. Each decision the volunteer Board of Directors and management of the credit union make is directly related to providing the best possible experience for our members.

The economic conditions of the last four years have taken their toll on many of our members and their friends and families. Throughout the years AFCU has stood on its solid foundation, providing a place for our members to weather the storm. The Federal Reserve is keeping the cost of funds very low to help the economic recovery. The slow economic recovery resulted in very low rates on our dividends and certificates of deposit. However, more people have realized the credit union is a great place to provide stable financial services for their family.

We have seen steady and stable growth. In the year ending Dec 31, 2012, we grew our assets from \$54.5 million to \$55.4. We lowered our operating expense. We struggled with lower loan demand the last few years, but have begun booking more loans. We have a healthy portfolio going into 2013. Our net worth began 2012 at 11.94% and ended at 12.17%, a strong net worth by NCUA standards. Credit Unions must have at least 7% net worth to be considered well-capitalized. Our balance sheet remains strong, and our income is still positive.

Our challenges in 2013 remain how to increase loan volume, to continue ways to cut operating costs and to remain in compliance with many regulatory changes. We see earnings potential and positive growth for 2013 for Altamaha Federal Credit Union.

Our job as your board of directors and credit union staff is to retain the wisdom we have gained during the changing times and apply it to every decision we make to safeguard your money. We take very seriously the trust you have placed in us to lead this institution, and we assure you that we are guiding the credit union with integrity and a heartfelt commitment to its financial well-being.

Harold Spires **Nancy Stanley**
Board Chairman *Interim President/CEO*

Supervisory Committee Report

The Supervisory Committee members are Debbie Priester and Bob Fox. We are currently looking for another supervisory committee member.

During the year we have worked to ensure that the credit union's financial records are in order. We have performed examinations throughout the year testing policies and procedures to insure adequate controls are in place to protect the assets of the credit union and it's members. We have met with our external auditor to ensure that the examinations that we perform are reliable. We have also met with NCUA examiners throughout the year.

Based on the information provided by our auditor, examiners and based on the committee's examinations, it is the committee's opinion that our credit union is in good financial standing.

Bob has worked "double duty" this year, as he is also a member of the Board. I would like to thank him for his support and hard work. He puts in many hours to ensure our credit union is following policies and procedures. I would also like to thank the staff of AFCU for their cooperation and patience with our committee. The staff is always friendly and more than willing to help us. We are looking forward to serving the members of AFCU, and we are looking forward to another great year.

Debbie Priester, C.P.A., *Chairman*

Statement of Income & Expense

Unaudited results as of December 31.

	2011	2012
Operating Income		
Income from Loans	2,057,193.56	2,094,738.82
Investment Income	983,552.32	593,577.00
Misc Operating Income	1,033,596.13	1,164,690.89
Total Income	4,074,342.01	3,853,006.71
Expenses		
Compensation	830,334.86	791,652.47
Employee Benefits	269,472.99	265,324.42
Travel & Conference	26,404.03	54,100.00
Association Dues	30,841.00	36,329.00
Office Occupancy	121,869.33	134,957.02
Office Operations	429,650.54	405,179.49
Education & Promotion	30,644.44	30,192.38
Advertising Expense	37,071.05	37,568.60
Marketing Expense	24,679.83	30,017.71
Loan Servicing Expense	69,037.02	78,463.65
Credit Card Expense	15,434.03	14,065.06
ATM Expense	147,098.02	136,307.77
Debit Card Expense	24,670.66	33,350.65
Shared Branch Expense	4,756.83	8,462.75
Professional & Outside Services	355,375.43	416,150.45
Provision for Loan Losses	625,000.00	263,893.91
Members' insurance	15,574.26	14,450.21
NCUSIF Premium	116,669.40	16,601.57
Federal Operating Fee	12,800.60	12,313.77
Cash Over & Short	465.91	699.36
Interest on Borrowed Money	1,285.77	8.88
Annual Meeting Expense	8,088.73	5,236.38
Misc Operating Expenses	0.00	0.00
Total Expenses	3,197,230.73	2,785,325.50
Inc/Loss Before Dividends	877,111.28	1,067,681.21
Gain/Loss NCUSIF	0.00	0.00
Gain/Loss on Investments	0.00	69,476.02
G/L Disposition on Assets	37,008.80	16,777.73
Other non-operating (Income)/ Expense	(34,314.00)	375,000.00
Less Dividends Paid	626,349.66	377,181.98
Net Income (Loss)	248,066.82	229,245.48

Statement of Financial Condition

Unaudited results as of December 31.

	2011	2012
Asset		
Loans to Members (Net of Allowance)	24,693,702.43	28,324,115.55
Cash on Hand in Financial Institutions	1,595,558.51	1,448,082.55
Investments	24,834,722.77	22,196,434.77
Fixed Assets	2,435,969.03	2,311,084.49
NCUSIF	509,555.64	490,542.82
All other assets	522,469.18	674,540.64
Total Asset	54,591,977.56	55,444,800.82
Liabilities & Capital		
Accounts Payable	128,092.38	175,950.52
Dividends Payable	28,034.79	19,651.06
Other Liabilities	210,475.10	607,307.19
Member Deposits	47,817,753.97	47,893,938.96
Regular Reserves	618,561.90	618,561.90
Undivided Earnings	5,789,059.42	6,129,391.19
Total Liabilities & Capital	54,591,977.56	55,444,800.82

ANNUAL MEETING AGENDA

Thursday, January 24, 2013
ORDER OF BUSINESS

6:00 Registration Begins
6:30 Invocation and Meal
7:15 Call to Order

Welcome
Introduction of Board
And Supervisory Committee

Nominating Committee's
Report
Introduction of Candidates
Charles Scott, *Chairman*

Quorum & Minutes
Bob Fox, *Secretary*

Treasurer's Report
Morris Phillips, *Treasurer*

Supervisory Committee
Report
Deborah Priester, *Chairman*

CEO's Report
Introduction of Staff
Nancy Stanley, *Interim CEO*

AFCU Focus
AFCU Staff

Old Business
Chairman Spires

New Business
Chairman Spires

Election Results
Charles Scott, *Chairman*