

# 2017 ANNUAL MEETING

*50 Years of People Helping People*



1968 TO 2018

# Interstate Credit Union

## FEBRUARY 20, 2018

Coastal Pines Technical College  
1777 W. Cherry St. Jesup GA

Federally Insured by the NCUA | Equal Housing Lender #408596



I am so excited to be part of Interstate Credit Union’s celebration of 50 years of “people helping people”. People helping people is the foundation on which credit unions were formed. Interstate Credit Union has always embraced this mission and done our best to fulfill it.

Interstate Credit Union has diligently focused on meeting the needs of our members and communities. This year we were rewarded with another year of exceptional growth and success. I am very pleased to report that 2017 was a record year for the credit union in many areas. To recap, we experienced growth in net income, membership, loans, and deposits. Our loan portfolio grew by over twenty percent to \$118 million and deposits grew by over eighteen percent to \$123 million. Our membership grew to over 20,000 members.

As you might imagine, the pace of technology is changing rapidly. We have released several changes and updates that will either make banking easier for you, provide more security and protection for you, or both! The best part is, if so desired you never need to leave your house. You can do everything online, including signing the paperwork. We were also able to add Apple Pay to our product line. For 2018 we will continue to be on the frontlines of product and service advances.

Our staffing also increased to support our growth which brought the total number of employees to 50; which is fitting for our 50th year in business. We also have plans to complete our new administration building this year to accommodate our growth.

We continue to receive inspirational stories of success and regular reports of benchmark accomplishment from our members, many who recognize this credit union for lending expertise and financial assistance. We could not be more honored. As a member-owned, community-based financial institution, we do everything with your best interests in mind.

One of the primary reasons Interstate Credit Union is doing so well is because of YOU, our members. By staying true to our philosophy of “people helping people” we feel that we have retained our integrity and earned the trust of our members. As an owner-member I am proud to see what we have accomplished in the past 50 years and look forward to the years to come.

Best Regards,

Stacie B. Branch  
President/CEO

*50 Years of People Helping People*

**SUPERVISORY COMMITTEE REPORT**

Interstate's Supervisory Committee consists of three members who volunteer their time to serve the Membership. The Supervisory Committee's major responsibilities are to ensure the performance of an independent annual audit and verification of members account balances. To carry out these responsibilities, the Supervisory Committee employs certified public accountants to perform auditing, account verification and clerical work under its supervision.

The Supervisory Committee hired Nearman, Maynard, Vallez, Certified Public Accountants (CPA's) and Consultants, P.A. to perform an annual audit of Interstate Credit Union's financial statements to ensure that they comply with generally accepted accounting principles and fairly represent the financial condition of the Credit Union. The Supervisory Committee also oversees the internal audit work performed by CU Audits and Compliance Group to ensure Interstate's operations follow its policies and procedures and that internal controls exist to protect member assets.

In addition, the Supervisory Committee works with the National Credit Union Administration (NCUA), our federal regulator, when it conducts its annual examination of Interstate Credit Union.

We are pleased to report that all 2017 audits were completed successfully, and our findings conclude assets held by Interstate Credit Union are safe and secure. The Committee is pleased to report that Interstate is a financially sound organization dedicated to serving its members.

Best Regards,

Supervisory Committee  
Harriett Cooper, Chairperson  
Delinda Pattie  
Harley Grove

TESTIMONIALS OF PEOPLE HELPING PEOPLE



**Sharon Terry**  
38 Years of Membership & Service

“I became a member of the credit union when I became an employee of Interstate Paper in 1980. Most employees were members and the credit union had a good reputation. We would put our deposits in a lock box and John Boatwright, or a designee would bring back a handwritten deposit slip to us the next day. We would call Emma Jean to request a withdrawal and she would send in a check the next day. I started serving on the Credit Committee in the late 1980s and later migrated to the Board of Directors. The convenience of direct deposit and remote banking makes it so easy to do business. The staff’s professionalism and personal touch have driven the success this Credit Union these last 50 years. They know our members, their families and their financial needs.”



**Phillip & Mary Crosby**  
50 Years of Membership

“I started working at Interstate Paper Company in 1968 as a Recovery Manager, so I became a member just a few months after John and Emma Jean Boatwright started it. They were always talking about how great the credit union was, promoting it to everyone at the Paper Mill. Their hearts were really in it. I would go over to their house, and we would do everything right at their dining room table. My wife, Mary, was one of the first employees there. She started working part-time, but soon they talked her into working full time. Since John and Emma Jean are such good people, we became best friends. Emma Jean still comes to our house for dinner every week. I’m glad I became vested in this credit union all these years ago.”



**Cindy Vann**  
Vice President of Lending • 25 Years of Service

“I started working at Interstate 25 years ago as a senior in High School. I was the first student Ms. Boatwright hired through the student work study program. Through the years I took on various positions as Interstate continued to grow. When I started as a teller, we hand wrote receipts. It is quite amazing to see how technology has grown through the years. I think we’ve really thrived these last 50 years because of our friendly personalized service. I’ve enjoyed working here. My co-workers and our members are my family.”

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# Testimonials

Interstate Credit Union



**Emma Jean Boatwright**, *Former Manager*  
50 Years of Membership & 27 Years of Service

“My husband John and I had always been members of a credit union. Moving to Jesup in 1968 for John to work at Interstate Paper we noticed there was not a credit union for the employees. Some of the employees joined together to obtain a charter for a new credit union. The first payroll deduction started in June 1968. John agreed to be the board Treasurer if I would be willing to handle the books. Working off my kitchen table from 1968 to 1984, and then renting a small building in Jesup. We would recruit new members in the clock alley and had a box that people could drop off loan applications or deposits. We would only take a couple days off because we needed to be around to check the box. The credit union always tried to help people, from small loans to saving for something bigger. John worked hard to keep us growing and made sure we had the best technology. He was very actively involved in our credit union and on the state level. After 27 years we retired in 1995. ”



**Pam Legett**  
Senior Vice President • 31 Years of Service

“My dad, who worked at the mill, knew about a teller job opening at the credit union. He suggested I apply for the position. Starting December 1986, we were located in a small building on First Street with only 3 employees. I knew everyone’s member number when they walked in. We did everything on the teller line. I started as a teller and progressed to now as Senior VP. When I started we were \$4 million in assets and today we are approaching \$150 million in assets with 5 branches. John and Emma Jean Boatwright were progressive leaders. They taught me a great foundation and love for credit unions. They were on the forefront of new technology and services, making sure Interstate was leading the pack. We were the 13th and smallest credit union in the state of Georgia to implement checking accounts. I am so thankful for the opportunity given by the Boatwright’s to have been along for this journey. Today I am thankful that Stacie Branch has continued the progressive vision started by the Boatwright’s years ago. It has been a pleasure to be a part of the growth and community that this credit union represents.”



**Harry Rogers III**  
Board Member • 47 Years of Membership & Service

“My mother, Jewell Rogers was Interstate’s Board Chairman from 1971 until 2011. At one time she was the longest running board member in Georgia. I was working at Interstate Paper Company when I needed a loan for \$300 for a washing machine and came to the Credit Union. In the late 1970s I started with serving on the Credit Committee for many years. Employees would leave their loan applications in a lock box and we would review them the next day. We would take the loans checks right to the person the next day at work. John & Emma Jean Boatwright were able to fill a big need in our area. We’ve grown all these years because of this friend-to-friend service. I can’t say enough good things about all the things Interstate Credit Union has done for the people in this community for five decades now”

**49TH ANNUAL MEMBERSHIP MEETING MINUTES**

The 49th Annual Membership meeting of Interstate Unlimited FCU was held on Tuesday February 7, 2017 at Coastal Pines Technical College. A meal catered by Sybil's Family Restaurant was enjoyed by all. There were 338 members and guests in attendance.

Chairman Albert Howard called the meeting to order at 7:45pm. Secretary Sharon Terry ascertained there was a quorum present. President/CEO, Stacie Branch welcomed everyone in attendance. She introduced the Board of Directors and Supervisory Committee and staff. Harriett Cooper was recognized for 25 years of volunteer service. President/CEO recognized service awards for Teresa Pittman – 5 years and Donna Strickland – 25 years, and Pam Leggett – 30 years. Employee of the year was recognized as Grace Gibbs. Grace has stepped up this past year to help with our mortgage operations.

Chairman Albert Howard asked for a motion to accept the minutes of the previous year as presented in the Annual Report. Jerry Jones made a motion to accept these minutes as written. Sharon Terry seconded the motion, motion carried.

Supervisory Chairperson Harriett Cooper presented the Supervisory Committee Report. She noted that the committee is in place to make sure all the guidelines are followed according to policy and procedures. We have been audited by CU Audits & Compliance Group, Nearman Maynard & Vallez, and NCUA during the year. The credit union received a clean bill of health. Ms. Cooper recognized the growth the credit union has seen during the 18 years that President/CEO, Stacie Branch has been with the credit union. The credit union has made a big presence in all of our communities. The credit union is committed to provide superior member services.

President/CEO gave the year in review. We have continued to see tremendous growth, added services, a new Brunswick Branch office and 4 new counties added to our field of membership. She mentioned many of the new services we provided to our member throughout the year. Our membership grew 15% during 2016. The year 2017 will continue to bring more new services and a new administration building.

President/CEO introduced our guest speaker Kenn Kington. Mr. Kington gave a humorous look on life and how we perceive others. He has gained a new perspective on life during the past year. Life is not that hard. We all have choices to make in life. Real joy comes from doing life together. The smallest action is greater than the biggest intention.

Chairman Albert Howard asked if there was any new business. There being none he asked if there was any old business. There was none. Nominating Committee Chairperson Debra Wynn nominated Harry Rogers for a 3 year term and Harriett Cooper for a 3 year term. There being no nominations from the floor these were elected by acclamation. Door Prizes were given out. After no further business the meeting was adjourned at 8:55 pm.

Respectfully Submitted By;

Pam Leggett, Recording Secretary  
Albert Howard, Chairman  
Sharon Terry, Secretary

*50 Years of People Helping People*

# Minutes & Financials

Interstate Credit Union

## STATEMENT OF FINANCIAL CONDITION

	Year Ended 2017	Year Ended 2016
<b>Assets</b>		
Total Loans	<b>118,520,894.63</b>	<b>96,086,439.41</b>
Allowance for Loan Loss	(821,079.00)	(811,885.93)
Allowance for Overdraft Losses	(12,103.75)	(12,722.44)
Net Loans Receivable	117,687,711.88	95,261,831.04
Cash	2,605,643.63	3,058,513.06
Corporate Credit Unions	0.00	0.00
CUSO Investment	10,000.00	10,000.00
Other Investments	21,218,026.24	23,779,289.83
Land and Building (net)	3,225,727.42	3,168,091.84
Furniture & Equipment (net)	453,719.97	512,566.79
NCU Share Insur. Fund	1,138,678.06	1,036,172.09
Prepaid	125,288.57	133,957.24
Accrued Income	419,427.91	345,306.68
Other Assets	2,217,961.35	1,664,499.10
Assets Acquired in Liquidation	511,243.79	387,608.43
<b>Total Assets</b>	<b>149,613,428.82</b>	<b>129,357,836.10</b>
<b>Liabilities and Net Worth</b>		
Corporate Share Drafts	815,533.35	882,206.70
Notes Payable	0.00	0.00
Other Liabilities	1,604,792.95	1,015,693.32
<b>Total Liabilities</b>	<b>2,420,326.30</b>	<b>1,897,900.02</b>
Shares	31,172,111.66	27,252,420.90
IRAs	2,264,988.55	2,269,729.17
Money Market	14,872,755.29	14,656,605.87
IRA Certificates	8,627,740.06	8,050,557.00
Share Certificates	48,781,656.96	38,585,227.05
Share Drafts	17,921,315.42	15,379,180.00
<b>Total Shares</b>	<b>123,640,567.94</b>	<b>106,193,719.99</b>
Regular Reserve	660,723.06	660,723.06
Undivided Earnings	23,026,417.77	20,691,528.41
Unrealized Gain (Loss) on Inv.	(134,606.25)	(86,035.38)
<b>Total Liabilities and Equity</b>	<b>149,613,428.82</b>	<b>129,357,836.10</b>

## STATEMENT OF INCOME

	Year Ended 2017	Year Ended 2016
<b>INCOME</b>		
Interest from Loans	5,707,038.13	4,899,981.82
Investment Income	365,065.75	343,919.84
Fee Income	2,223,229.18	2,086,493.90
Misc. Income	1,586,789.23	1,283,954.80
<b>TOTAL INCOME</b>	<b>9,882,122.29</b>	<b>8,614,350.36</b>
<b>EXPENSES</b>		
Employee Compensation	1,977,162.87	1,728,519.17
Employee Benefits	609,286.58	528,668.81
Travel & Conference	68,536.54	72,766.09
Association Dues	39,452.92	39,772.92
Office Occupancy	362,269.83	377,220.35
Office Operations	699,556.64	596,956.79
Publicity & Promotions	185,947.68	193,465.99
Loan Servicing	280,542.25	246,847.47
Profess & Other Serv	1,673,358.58	1,373,324.55
Member Insurance	0.00	0.00
NCUA Fees	27,154.59	15,013.08
Annual Meeting	14,805.00	12,000.00
<b>Total Operating Expenses</b>	<b>5,938,073.48</b>	<b>5,184,555.22</b>
Provision for Loan Loss	684,500.00	663,390.00
Provision for Overdraft Loss	91,149.35	79,893.21
Int on Borrowed Money	1,936.14	8,447.81
Dividend Expense	864,267.82	679,307.63
Income Before Nonoperating Exp.	2,302,195.50	1,998,756.49
Gain (Loss) on Investments	16,825.74	14,314.69
Gain (Loss) on Fixed Assets	15,868.12	10,217.31
Nonoperating Income (Expense)	0.00	0.00
<b>NET INCOME</b>	<b>2,334,889.36</b>	<b>2,023,288.49</b>



### 5 Branch Locations

#### Jesup

705 West Cherry St.  
912-427-3904

#### Midway

11199 E Oglethorpe Hwy  
912-884-2754

#### Baxley

665 West Parker St.  
912-367-9719

#### Hazlehurst

14 Hinson St.  
912-375-0640

#### Brunswick

2449 Perry Lane Ave.  
912-264-2973

**1800-822-1124**  
**1800-391-8951**



Federally  
Insured by  
NCUA

