

2015 Annual Report



We are a
Growing 16,000
Member Organization

*More Branch Locations.
Better Services.*



**Interstate
Credit Union**

TUESDAY FEBRUARY 9, 2016

INTERSTATE CREDIT UNION

*The Vision Statement of Interstate Credit Union:
To be the financial institution of choice in the communities we serve.*

*The Mission Statement of Interstate Credit Union:
To provide convenient, efficient, and quality financial services.*

48TH ANNUAL MEETING AGENDA

Welcome _____	Albert Howard <i>Chairperson</i>
Invocation _____	Curtes Roberts <i>Board Member</i>
Dinner _____	Catered by Sybil's Family Restaurant
Call to Order _____	Albert Howard <i>Chairperson</i>
Quorum Ascertainment _____	Albert Howard <i>Chairperson</i>
Introduction of Board Members and Staff _____	Stacie Branch <i>President</i>
Employee Recognitions and Awards _____	Stacie Branch <i>President</i>
2015 Annual Meeting Minutes Review _____	Albert Howard <i>Chairperson</i>
Supervisory Committee's Report _____	Harriett Cooper <i>Supervisory Committee Chairperson</i>
President's Report _____	Stacie Branch <i>President</i>
Introduction of Guest Speaker _____	Stacie Branch <i>President</i>
Speaker _____	Kenn Kington Professional Comedian & Keynote Speaker
New & Unfinished Business _____	Albert Howard <i>Chairperson</i>
Board of Directors Elections _____	Albert Howard <i>Chairperson</i>
Door Prizes _____	Albert Howard <i>Chairperson</i>
Adjournment _____	Albert Howard <i>Chairperson</i>

PRESIDENT/CEO REPORT

2015! Wow, what a year! This has been a very busy, exciting, and successful year for Interstate Credit Union. 2015 was an exemplary year of growth for us. We grew financially, launched several products and services, continued to be involved in the communities in which we serve, added two branches and several employees.

A new branch location in Jeff Davis County was opened at the end of 2014; this new branch brought extreme growth in all areas of operation during 2015. We were able to offer a much needed service to the members of that community, apparent with the remarkable growth and high utilization of our products and services.

Georgia Pine FCU, a credit union located in Brunswick, Georgia approached us regarding a possible merger with Interstate. Georgia Pine FCU has served the Georgia-Pacific/Brunswick Cellulose paper mill since 1944. Their Board of Directors was looking for a way to better serve its members. Our financial condition, culture, product lines, and dedication to service made us the top choice. The merger was completed November 1, 2015. We are very excited about this merger and look forward to serving the members of Georgia Pine FCU in the manner they were accustomed while adding a wider array of products and services. We welcome the members and staff to our family.

In March 2015 we kicked off our Dealer Connect program which allows members and potential members to apply and complete a car loan while at the dealership. This program had great success in its first year. Mortgage loan growth was addressed by hiring a full time experienced mortgage loan officer. We continue to be on the front line of technology by adding several new convenience services such as online payment services and electronic receipts. Another huge accomplishment was replacing our credit card processing system while simultaneously updating our credit cards to be EMV/chip compliant.

Our Credit Union continues to be committed to the communities in which we serve. We supported a variety of charitable causes such as Relay for Life, United Way, and numerous local events. We awarded \$4,000 in scholarships to graduating seniors in our communities. A combined \$3,000 was presented to six of our community teachers with our Annual Extreme Classroom Makeover event, which allows these teachers to improve their student learning experiences. This continued support of our local school systems, community involvements, and sponsorships are a source of pride for our board, staff, and members.

We ended 2015 strong with over 16,000 members, and total assets exceeding \$109 million. With a history of many years of financial strengths, we are proud for this year to be even stronger. We are stronger together. We know our success is dependent on your continued support of your Interstate Credit Union. We appreciate your support and look forward to continued success together. Thank you for helping us grow. We wouldn't be where we are today without our members. We look forward to serving you in 2016 and beyond.

Stacie B. Branch
President/CEO

SUPERVISORY COMMITTEE REPORT



The Supervisory Committee is appointed by the Board of Directors for the purpose of ensuring accurate records, protection of members' funds and maintaining a quality system of checks and balances. The committee utilizes the support of internal auditors to monitor adherence to sound practices and procedures.

HLM Accounting and Consulting Service, Inc executed Interstate's internal audit services with financial record testing and internal control evaluations. Nearman, Maynard, Vallez, Certified Public Accountants (CPA's) and Consultants, P.A. executed Interstate's annual external audit of our financials and a verification of members' accounts as of June 30, 2015. The Supervisory Committee reports that our findings conclude assets held by Interstate Credit Union are safe and secure. Furthermore, it is the Supervisory Committee's judgement that Interstate is in compliance with federal regulations and standards provided by the National Credit Union Administration (NCUA).

We welcomed Delinda Pattie to the Committee this year. We appreciate her willingness to serve our members in this important capacity. I would like to thank all members of the Supervisory Committee, both past and present, for volunteering their time and expertise.

The Supervisory Committee wishes to acknowledge the professional manner and personal care in which our management team and staff transact business on behalf of our members. Congratulations on a successful year!

Best Regards,

Harriett Cooper
Chairperson, Supervisory Committee

Interstate Credit Union

More Branches to Serve You

- Jesup • Baxley • Midway
- Hazlehurst • Brunswick

Being a member is

Checking Options

**No Strings Free Checking • Checking with Interest
Scholar Checking • Renew Checking • Plus....**

Freedom Checking for Seniors – For members age 55 and older, no monthly service fee, earn interest*, no per check charges, FREE personalized checks, FREE cashier checks, half a percent discount on most consumer loans**, one fourth a percent premium on advertised certificate rates, and FREE money orders.

Educator Account – For employees of Wayne, Appling, Liberty, Long, Jeff Davis and Bacon County Board of Education. No minimum balance, no per check charges, no direct deposit required, FREE personalized checks, FREE cashier checks, FREE money orders, half a percent discount on most consumer loans**, one fourth a percent premium on advertised certificate rates, no closing cost on Home Equity loans, and \$100 off Mortgage closing cost.

*All dividends are compounded and paid monthly **The member's loan rate will not be lower than the Credit Union's floor rate.

Money Management

Whether you're interested in developing a workable spending and savings plan, getting out of debt, understanding and improving your credit report, buying a home, or planning for your financial future, Interstate Credit Union wants to help. That's why we provided access to free and confidential financial counseling and education through BALANCE. Balance is a financial education and counseling service committed to helping individuals and families nationwide take control of their finances and reach their goals.

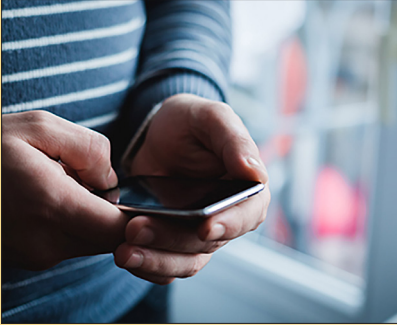
so much better...

Other Services

- Savings
- Loans
- Credit Cards
- Online Billpay
- Mobile Banking
- Certificates
- Individual Retirement Account (IRA)



Electronic Receipts



Receipt images can be sent to your email. Sensitive member information such as your balance is omitted and account numbers are masked with a prefix. This is a free service.

At your next transaction, just ask the Member Service Representative for an electronic receipt of the transaction.

Online Bill Pay



Send money from your account to anyone! You'll find that you have more control of your money than ever before. With powerful, multi-level security systems at Interstate Credit Union, your money and financial information are always safe and secure. log in to Internet Banking, then click on the Bill Pay Tab to enroll.

Statements Online



View and print statements 24/7 from the Interstate Credit Union website. To enroll, log-on to Internet Banking and under the Self Service tab, click Statements Online.

simple, easy, secure....

find out more at

IUFUCU.ORG

Notices Online

See notices of certificate maturity and renewal, non-sufficient funds, overdrafts, and much more **free** and **instantly!** The same day a notice is generated, you'll receive an email notification. Passwords are guarded with multiple security safeguards, so your money and account data are always safe. To enroll, log-on to Internet Banking and under the Self Service tab, click Notices Online.



Member Auto Services... *Dealer Connect*

Whether you're buying new or used, you're in for the ride of your life! And since there's no better time than now to get behind the wheel, we'll make the loan process quick, so you can hit the open road!

Enjoy the convenience of shopping for your new or used automobile and finance your credit union loan right at the dealership.

For more information and a list of participating dealers, please visit our website.



A look ahead in 2016; things just keep getting better for our members!

As we continue to offer our members the best services and products available, we have a few advancements we want to share with you. Many of these new services will add convenience and fast response options to our already excellent customer service. Please continue to check our social media channels and website for official launch dates for the products below.

- Online Account Opening
- Web Signatures
- Branded Mobile App
- Remote Deposit Capture
- Instant Issue Cards with Customization
- Commercial Accounts
- Internet Banking Enhancements

FEBRUARY 10, 2015

47TH ANNUAL MEMBERSHIP MEETING MINUTES

Interstate Unlimited FCU held its Annual Membership meeting on Tuesday, February 10, 2015 at Coastal Pines Technical College in Jesup, Georgia. There were 272 members and guests in attendance.

Chairman Albert Howard called the meeting to order at 8:00 pm. Director Curtes Roberts gave the invocation. A meal catered by Sybil's Restaurant was enjoyed by all.

President Stacie Branch introduced our Board of Directors. Thanking them for their volunteer service. Albert Howard and Curtes Roberts were given 30 year service awards. Ms. Branch introduced our staff in each branch. Our employees of the year were Ann Miller, Baxley Branch Manager and Angie Bettner, Accounting Department. Ms. Branch thanked them for their hard work. Lengths of service awards were given to Patti Robinson, 5 years, Melanie Vaughn, 5 years, Kristy Johnson, 10 years, Linda Tharp, 10 years, and Stacie Branch 15 years.

Ms. Branch introduced our special guest, Maureen and George Bock. Maureen works for Georgia Credit Union Affiliates. Ms. Branch also introduced our speaker, Dale Smith Thomas.

Ms. Thomas talked about the lessons learned from being raised poor. You may be poor financially but rich with love. Words of encouragement are planting seeds in the lives of others. Ms. Thomas spoke about coaching for life. Are you willing to do whatever it takes to have the best year ever? First thing you have to change is your mind. Change what you put in your mind the first 30 minutes of the day. We have to make good choices today to build on tomorrow. Motion creates emotion, what you are thinking about is making you sick. You are not stressed out you are blessed out. You are blessed, get up and make the most of each day. We are not overwhelmed we are just in demand. Those that don't increase you decrease you. You don't have to let others actions affect your attitude. Take your power back. Change your attitude. This is not a one-time decision, you have to make it every day. Little hinges swing big doors. You have to have a plan every day. Your destiny comes through your choices.

Chairman Howard asked if we have any unfinished business. There being none, asked if there was any new business. There was none.

Chairman Howard called on the nominating committee chairperson Debra Wynn to give her report. Ms. Wynn nominated Albert Howard and Curtes Roberts for another term. There were no nominations from the floor. They were elected by acclamation.

Door prizes were given out. After no further business, the meeting was adjourned.

Respectfully Submitted By;
Pam Leggett, Recording Secretary
Albert Howard, Chairman
Sharon Terry, Secretary

Minutes & Financials

Interstate Credit Union

STATEMENT OF FINANCIAL CONDITION

	Year Ended 2015	Year Ended 2014
Assets		
Total Loans	73,621,471.63	45,510,555.32
Allowance for Loan Loss	(658,031.36)	(535,687.54)
Allowance for Overdraft Losses	(12,002.29)	(12,176.82)
Net Loans Receivable	72,951,437.98	44,962,690.96
Cash	2,336,167.40	4,804,412.74
Corporate Credit Unions	0.00	250,000.00
CUSO Investment	10,000.00	10,000.00
Other Investments	27,665,400.71	23,550,005.00
Land and Building (net)	3,362,359.85	2,709,747.07
Furniture & Equipment (net)	438,233.67	342,726.41
NCU Share Insur. Fund	828,520.32	667,381.61
Prepaid	156,927.96	81,674.86
Accrued Income	278,422.57	205,308.61
Other Assets	1,743,621.83	2,889,750.71
Assets Acquired in Liquidation	226,781.93	178,352.87
Total Assets	109,997,874.22	80,652,050.84
Liabilities and Net Worth		
Corporate Share Drafts	644,732.12	612,294.56
Notes Payable	1,000,000.00	0.00
Other Liabilities	972,249.02	563,030.42
Total Liabilities	2,616,981.14	1,175,324.98
Shares	22,694,348.71	13,102,908.25
IRAs	2,214,206.46	2,080,869.85
Money Market	12,234,290.50	13,254,319.73
IRA Certificates	6,892,875.92	4,969,722.37
Share Certificates	31,078,708.00	24,708,448.94
Share Drafts	13,025,708.98	10,945,176.75
Total Shares	88,140,138.57	69,061,445.89
Regular Reserve	660,723.06	660,723.06
Undivided Earnings	18,668,239.92	9,754,556.91
Unrealized Gain (Loss) on Inv.	(88,208.47)	0.00
Total Liabilities and Equity	109,997,874.22	80,652,050.84

STATEMENT OF INCOME

	Year Ended 2015	Year Ended 2014
INCOME		
Interest from Loans	3,771,947.14	3,046,952.02
Investment Income	354,110.72	337,190.80
Fee Income	1,692,035.66	1,493,020.57
Misc. Income	1,062,478.93	814,547.33
TOTAL INCOME	6,880,572.45	5,691,710.72
EXPENSES		
Employee Compensation	1,414,618.91	1,148,953.41
Employee Benefits	424,107.46	326,749.43
Travel & Conference	52,600.78	42,282.27
Association Dues	42,321.40	42,375.10
Office Occupancy	272,031.05	212,676.69
Office Operations	523,739.03	358,399.04
Publicity & Promotions	209,963.12	150,713.68
Loan Servicing	203,373.52	137,353.08
Profess & Other Serv	988,517.58	810,417.48
Member Insurance	0.00	0.00
NCUA Fees	20,022.94	13,212.84
Annual Meeting	12,000.00	11,998.00
Total Operating Expenses	4,163,295.79	3,255,131.02
Provision for Loan Loss	390,400.00	398,400.00
Provision for Overdraft Loss	49,991.64	36,507.00
Int on Borrowed Money	18,802.62	195.10
Dividend Expense	485,853.70	430,439.50
Income Before Nonoperating Exp.	1,772,228.70	1,571,038.10
Gain (Loss) on Investments	10,410.45	3,171.44
Gain (Loss) on Fixed Assets	0.00	1,589.44
Nonoperating Income (Expense)	0.00	0.00
NET INCOME	1,782,639.15	1,575,798.98

BEING A MEMBER IS So Much BETTER.



Interstate Credit Union

Being a member is
so much better!

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

1401 W. 9th St.
Phone 912-264-2973

iufcu.org   

Federally
Insured by
NCUA

