



# READY.

*Own* GEORGIA'S OWN  
CREDIT UNION

.....  
2017 ANNUAL REPORT



HERE'S WHY  
GEORGIA'S OWN IS  
READY.

- » **Completed a system upgrade**, which allows us to operate on one of the most cutting-edge platforms available
- » **Revealed a refreshed logo and brand**, reflective of our readiness for continued growth and innovation
- » **Launched a new website** with greater functionality and easy-to-use navigation
- » **Moved our headquarters to Downtown Atlanta**, further solidifying a foundation for success
- » **Made meaningful changes to our leadership team**, positioning us to better serve our members
- » **Furthered our dedication** to staff wellness and volunteerism
- » **Added five new products**, including Perks+ Checking and a 5/5 Adjustable Rate Mortgage
- » **Completed 97 process improvements**
- » **Continued our commitment** to our local communities through events, sponsorships, and volunteerism



*"I wanted to thank you for all the work you did to help me. Your responsiveness and service were unlike anything I have experienced in the banking industry in a very long time. I sincerely appreciate it."*

– JAMES M.

*"I know this was not an easy loan, and we greatly appreciate our Loan Officer's knowledge, expertise and professionalism in finding ways to make this loan work. I'm telling all of my friends and business associates."*

– CLIFFORD W.

*"I simply wanted to say thank you for helping me find a great car. From the financing to finding a car that was right for me, you made it all so pleasant and easy."*

– MAGGIE H.

*"If there are commendations for making a customer happy, giving support before and during the process, and ensuring you have a lifelong member, you should get it!"*

– BEVERLY H.

*"Whenever I come into your branch, I am greeted by people who are extremely efficient, polite, helpful, and personable, which are very rare qualities these days. I will definitely spread the word about the amazing service that I receive each time that I come into Georgia's Own."*

– WANDA H.

A woman with a long brown braid, wearing a purple tank top and a climbing harness, stands with her hands on her hips, looking up at a large indoor climbing wall. The wall is covered in various colorful climbing holds (red, blue, green, purple, orange) and metal carabiners. A large green circle is overlaid on the right side of the image, containing the text "2017 AT A GLANCE".

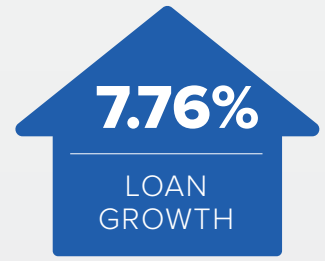
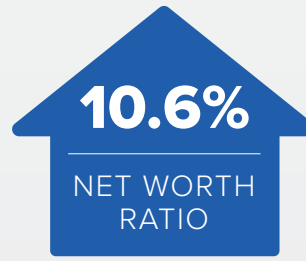
# 2017

AT A GLANCE

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TOTAL MEMBERS

186,501



ASSET SIZE

\$2,311,604,416

NEW WEBSITE & LOGO



\$15,000



AWARDED IN COLLEGE SCHOLARSHIPS

675 HOURS



GIVEN FOR PERSONAL WELLNESS  
AND VOLUNTEER TIME OFF

15



PREMIER PARTNERS ADDED



BARTOW  
COUNTY

ADDED TO FIELD  
OF MEMBERSHIP

\$75,000

DONATED TO CHARITABLE  
ORGANIZATIONS



CREATED AN  
**EMERGENCY  
RELIEF LOAN**  
FOR MEMBERS AFFECTED BY  
HURRICANES IRMA & HARVEY



CONTINUED PROUD PARTNERSHIPS WITH:  
PHILIPS ARENA/ATLANTA HAWKS  
GEORGIA STATE UNIVERSITY  
ATLANTA'S RELAY BIKE SHARE

# LETTER TO MEMBERS

## READY.

It's the best way to sum up 2017 at Georgia's Own Credit Union. We've gone to great lengths to fulfill our value proposition of providing exceptional financial services to the people we serve, making 2017 a year of extraordinary accomplishments. We're proud to say we've helped our members thrive and our communities grow, but what may be even more remarkable was our ability to see beyond 2017 and establish a solid foundation for continued success. In fact, we've surpassed our goals in nearly every metric, and we're poised to take Georgia's Own to the next level.

### Establishing a Platform for Success

There's no denying that 2017 was a momentous year for Georgia's Own, but we know the fundamental measure of our success is the value we create for our members and the communities they impact. We ended 2016 with the completion of a successful system upgrade, allowing us to operate on one of the most cutting-edge platforms available. More than a year later, we have seen the efficiencies it provides and the capabilities we now have, enabling us to further expand our product offerings.

Our upgrades weren't confined to behind-the-scenes changes—in July 2017, Georgia's Own launched a new website, complete with a fresh, new look, greater functionality, and easy-to-use navigation. We revealed a new logo and brand, reflective of our readiness for continued growth and innovation. We also got back to our roots by moving our headquarters to Downtown Atlanta—a move that further solidifies our foundation for success.

### Raising the Bar

Two thousand seventeen was a milestone year for Georgia's Own, and our numerous achievements continue to raise the bar for our success. During this year, we saw a rise in membership, ending the year at 186,501. We are also proud to report that assets grew 8.04%, ending 2017 at \$2,311,604,416. Our total loan portfolio also increased to \$1,817,222,206 for 7.76% growth. We saw an 8.53% increase in deposit account balances to end 2017 at \$1,911,054,073. The Credit Union's net worth ratio stayed strong at 10.60%. Georgia's Own also completed 97 process improvements, with 26 improving the member experience, while exceeding both direct and indirect expense savings targets.

### Empowering Our Organizational Culture

Without a doubt, our employee culture is what sets Georgia's Own apart, and a defining aspect of that culture is an ongoing commitment to sales and service. We inducted 12 employees into our President's Club, recognizing them for their exceptional service and performance standards.

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We revealed a new logo and brand, reflective of our readiness for continued growth and innovation.

Dedication to our members and the value we provide them is our driving force.



We made meaningful changes to our leadership team, positioning us to better serve our members. Realigning our corporate structure has created greater cohesiveness by grouping similar business functions together, in turn allowing us to serve our members more effectively. Finally, we furthered our dedication to staff wellness and volunteerism—employees logged 675 hours for personal wellness and volunteer time off, an increase of 38% from 2016.

### Renewed Focus on Our Members

Dedication to our members and the value we provide them is our driving force. While much of the previous year was spent on system improvements, 2017 afforded us the opportunity to renew our focus on our members. In addition to welcoming Bartow County into our field of membership, Georgia's Own introduced several new products aimed at helping our members achieve financial success.

The Credit Union added a 5/5 Adjustable Rate Mortgage (ARM) to our mortgage offerings. We added a student loan consolidation product and held our very first student loan webinar. We unveiled Perks+ Checking as a way to reward our members' relationships with us and to add even more value to our line of deposit products. Perks+ provides the premium checking account experience that was missing before, while offering special perks, such as cell phone repair coverage.

In response to the devastation left by Hurricanes Harvey and Irma, Georgia's Own created an Emergency Relief Loan to assist members impacted by these natural disasters. Our Debt Protection Coverage for loans was also enhanced and now provides full loan cancellation following the loss of life or diagnosis of a terminal illness.

Because financial literacy is fundamental to financial health, we launched Georgia's Own GO Financial Education, which is a series of free and interactive videos designed to help members feel confident about their financial decisions. Once again, we invested in the futures of our younger members by awarding \$15,000 in college scholarships to three deserving students.

### Continued Commitment to Our Communities

For more than 80 years, we have worked to help the communities we serve. This past year, the Credit Union contributed more than \$75,000 to local organizations, including: Action Ministries, Habitat for Humanity, the Brian

Jordan Foundation, Ella's Run, and Children's Miracle Network. Additionally, our employees dedicated 414 volunteer hours for philanthropic events sponsored by Georgia's Own, on top of their personal volunteer time off hours.

Our community outreach does not end there. We added 15 Premier Partners, including Microsoft, the Atlanta Dream, TOTO USA, Kaiser Permanente, and Focused Brands. We continued partnerships with local companies, including the Atlanta Hawks, Atlanta's Relay Bike Share program, and Georgia State University, to name a few.

At Georgia's Own, we have a simple goal: to create long-term value for our members, while enhancing the lives of people in our communities. Our strong financials, success measures, and achievements from 2017 prove we're doing just that. We're proud of the year we've had, and we stand ready to continue building the prosperity of our members.

Sincerely,

Joseph M. Mauriello | Chairperson



David A. Preter | President/CEO







# BOARD OF DIRECTORS

**David A. Preter** | President/CEO

**Joseph M. Mauriello** | Chairman

**Michael W. Baumgartner** | Vice Chairman

**Patrick H. Casey** | Treasurer

**Joan K. Sims** | Secretary

**Mollie Bell**

**Richard E. Burns**

**William E. Conine**

**David Dickey**

**James Larry Fowler**

**Gary Ludgood**

**Ervin M. Walker**

**Cindy Boyles** | Chief Talent Officer

**Eric Broome** | Chief Risk Officer & General Counsel

**John Carew** | Chief Strategic Officer

**Kelly Garmon, Ph.D.** | Chief Marketing Officer

**Greg Gibson** | Chief Financial Officer

**Bonnie Kimmey** | Chief Operating Officer

**Drew Putt** | Chief Lending Sales Officer

# SENIOR EXECUTIVES

# FINANCIALS

## STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2017

### ASSETS

Cash and cash equivalents	\$	152,764,440
Securities - available for sale		228,468,434
Other investments		14,485,931
Loans - gross		1,817,222,206
Allowance for loan losses		(23,697,815)
Loans - net		<u>1,793,524,391</u>
Accrued interest receivable		7,060,930
Foreclosed and repossessed assets		1,549,999
Premises and equipment, net		26,244,682
NCUSIF insurance deposit		17,698,652
Other assets		<u>69,806,957</u>

### Total Assets

**\$ 2,311,604,416**

### LIABILITIES AND MEMBERS' EQUITY

Checking accounts	\$	363,374,053
Share accounts		731,339,975
Money market accounts		358,125,459
IRA accounts		13,370,054
Share and IRA certificates		<u>339,241,532</u>
Members' share and savings accounts		1,805,451,073
Non-member deposit accounts		<u>105,603,000</u>

### Total Shares and Deposits

1,911,054,073

Borrowed funds		131,789,000
Accrued interest payable		160,106
Accrued expenses and other liabilities		<u>35,265,034</u>

### Total Liabilities

2,078,268,213

Regular reserves		29,222,710
Undivided earnings		215,885,217
Accumulated other comprehensive loss		<u>(11,771,724)</u>

### Total Members' Equity

233,336,203

### Total Liabilities and Members' Equity

**\$ 2,311,604,416**

# STATEMENT OF INCOME

YEAR ENDED  
DECEMBER 31, 2017

<b>INTEREST INCOME</b>		
Loans		\$ 70,755,914
Securities, deposits, and cash equivalents		6,317,130
<b>Total Interest Income</b>		<u>77,073,044</u>
<b>INTEREST EXPENSE</b>		
Members' share and savings accounts		4,579,050
Non-member deposit accounts		246,779
Borrowed funds		1,548,599
<b>Total Interest Expense</b>		<u>6,374,428</u>
<b>Net Interest Income</b>		70,698,616
<b>PROVISION FOR LOAN LOSSES</b>		
		17,245,012
<b>Net Interest Income after Provision for Loan Losses</b>		<u>53,453,604</u>
<b>NON-INTEREST INCOME</b>		
Service charges and fees		13,689,045
Other non-interest income		22,372,699
Net gain on sale of investments		2,269,276
<b>Total Non-interest Income</b>		<u>38,331,020</u>
<b>NON-INTEREST EXPENSE</b>		
Employee compensation and benefits		37,459,368
Office occupancy and operations		20,428,964
Other operating expenses		17,197,264
Impairment Loss on Foreclosed Assets		186,023
Net loss on sale of assets		—
<b>Total Operating Expenses</b>		<u>75,271,619</u>
<b>Net Income</b>		<u><u>\$ 16,513,005</u></u>

# STATEMENT OF MEMBERS' EQUITY

YEAR ENDED  
DECEMBER 31, 2017

	<b>REGULAR RESERVES</b>	<b>UNDIVIDED EARNINGS</b>	<b>ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)</b>	<b>TOTAL</b>
Balance, December 31, 2016	\$ 29,222,710	\$ 199,372,212	\$ (6,020,089)	\$222,574,833
Net income		16,513,005		16,513,005
Other comprehensive loss			(5,751,635)	(5,751,635)
<b>Balance at December 31, 2017</b>	<u><u>\$ 29,222,710</u></u>	<u><u>\$ 215,885,217</u></u>	<u><u>\$ (11,771,724)</u></u>	<u><u>\$233,336,203</u></u>

A woman with long dark hair in a ponytail, wearing an orange tank top and black shorts, is running on a paved path in a park. The background shows lush green trees and a grassy area. A large green circular graphic is overlaid on the left side of the image, containing the 'Own' logo and contact information.

*Own*

**GEORGIA'S OWN**  
CREDIT UNION

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