



**2017**  
**ANNUAL REPORT**



**GEORGIAUNITED<sup>®</sup>**  
CREDIT UNION



# *SHARED STRENGTH*

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*looking out for one another  
is not just the right way,  
but the only way*



We would like to thank each of you, our member-owners, for your business, your continued support and, most of all, your loyalty. Our mission is to serve you. We are grateful that YOU entrust us with your everyday financial needs. Our success is tied directly to how well we serve YOU. We're committed to putting YOU first and we know that the more you succeed the more our entire community benefits. As a not-for-profit, our earnings are reinvested into the great rates, products and services we offer you. We also utilize earnings to invest in technology, member services and giving back to the communities we serve.

This annual report will help you better understand the activities of your credit union during 2017, and the progress that's been made to provide you with convenient and valued financial services and solutions. By making the needs of our members, team members and communities the core of everything we do, we ensure our resources directly help you reach your financial goals.



The Official Credit Union of  
**GEORGIA ATHLETICS**



UNITED<sup>®</sup>  
CREDIT UNION



# PRESIDENT'S REPORT

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## CONTINUED GROWTH

**IN THE PAST YEAR,** we continued to focus our efforts on improving the member experience. We converted to a new online and mobile banking platform, added compelling products and enhanced several member-facing processes. It was a busy year and we couldn't have made all this progress without the great dedication and efforts of our team members.

We invested in our team members to ensure they have a work environment reflective of our core values to serve our members and each other. An upgraded, internally-branded website was developed that serves as a central communication hub and resource database. We also rolled out a real-time recognition and rewards system to deepen engagement and collaboration. Team members can reward each other for great internal or external service and points can be redeemed for cash, charities or experiences. It's been a great way to recognize teammates and see our Gratitude core value in action.

In 2017, we saw continued success with growth in members, loans and member shares. Over 20,000 new members joined the credit union in 2017, a net increase of 6.0%. A record level of loan originations created an \$81 million, or 10.1%, increase in total loans, which ended 2017 at \$883 million. At the end of 2017, total

member shares were \$1.1 billion and grew 8.2% over the end of 2016. This growth was the result of our members' continued trust in us as one of the safest financial institutions in Georgia. Our new, ultra-competitive and convenient Unified Checking account also helped fuel share growth, as members took advantage of a truly free account that pays interest and provides other perks. As a result, total assets increased to \$1.3 billion at the 2017 year-end, a 7.9% growth rate.

In late 2017, we capped-off a great year with the commencement of exclusive, five-year credit union marketing agreements with the University of Georgia and Georgia Tech athletic programs. These partnerships renew our long-standing relationships with these programs and our commitment to higher education. We've already seen value created through these partnerships and are excited about the future.

Serving our members, team members and communities through consistent "Platinum Service" continues to be our number one goal. Throughout this Annual Report, we will explain how we've positively impacted the lives of our stakeholders.

We appreciate the loyalty and support received from our members, team members and communities. We also thank our dedicated Board of Directors for their wise counsel and oversight.

# MEMBERS

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## WE ARE HERE TO SERVE YOU

**GEORGIA UNITED** serves almost 160,000 member-owners by providing better rates, lower fees, greater savings and exceptional value. We provide access to the financial tools and resources that can help YOU reach your goals. We can only earn your loyalty when we consistently serve YOU with our “Platinum Service”. At Georgia United, we put you first when it comes to your finances. That’s what makes us so much more than a bank. We are committed to helping you and your family succeed by providing an overall better banking experience.

The small group of educators who founded our credit union in 1958 envisioned a different kind of financial cooperative than the commercial banks of their day. Today, we continue to strive to deliver personal service at the highest level. Our mission is to positively impact the lives of our members, team members and the communities we serve through our Shared Strength. We aim to be a convenient financial institution that offers compelling products and serves our members and team members with care.

Member service at Georgia United is based on four business principles:

First, we promise to have knowledgeable team members that are trained to answer your questions and provide financial solutions

through our products and services. With the creation of the Innovation Lab during 2017, our team members now have a better way to submit new ideas for improving processes and how we serve YOU.

Second, we promise to pay attention to the smallest details and provide exceptional service to both our members and team members. In 2017, a Member Experience Team was created to ensure that our members receive the attention and care they deserve through our commitment to service.


Third, we deliver innovative ways to serve our members and team members. We continue to enhance our online channels with services that include a new online and mobile banking platform, credit card products and online payments.

And fourth, we promise to promote financial strength by making sound decisions regarding business issues, lending and the overall growth of the credit union.

Thank YOU to all of our members for your earned loyalty. Whether YOU are a community member, an employee at any of our partner companies, or a family member, we are proud to count YOU as part of the Georgia United family.

Own your  
**RATE**

Own  
**THE ROAD**



We finance new and pre-owned  
vehicles and also offer great  
refinancing options.

[gucu.org](http://gucu.org)

# 2017 HIGHLIGHTS

## CONTINUED GROWTH

- Attained \$1.3 billion in assets
- Added over 20,000 new members
- Originated \$338 million in member loans

## ENHANCED MEMBER SERVICES

- Created easy new member online application process
- Started a new member onboarding program
- Added resources to our Member Care Center

## ADDED MEMBER VALUE

- Surpassed \$700,000 in VISA Cash Back rewards
- Launched a new, ultra-competitive checking account with perks
- Instant issue debit cards in branches
- New Home Equity Line of Credit with plastic card access and low introductory rate
- Point-of-purchase financing at select auto dealerships throughout Georgia

## NEW TECHNOLOGY

- Converted to a new mobile and online banking platform
  - Expanded mobile features
  - Account aggregation
  - Enhanced budgeting tools
  - P2P payments
- ID scanning at teller line



# 2018 INITIATIVES

- New, convenient branch in Stockbridge, GA
- Improved online mortgage application tool with status tracking
- Suite of student loan products
- Faster teller transactions with check imaging
- On-Track lending program to help establish or rebuild credit
- Financial wellness program

# SHARED STRENGTH

## JACKET TO JACKET

Students in 50 participating schools read

**1,538,276** pages

## CMN BOWL-A-THON

Georgia United helped raise

**\$37,806**

for Children's Miracle Network of Atlanta

## JUNIOR ACHIEVEMENT

Helped **30,000+**

students learn about  
financial education

## BERT'S BIG THANK YOU

Georgia United helped collect over

**190,000** letters

for troops overseas

## MCDONOUGH SCHOOL BRANCH

**12,718** Transactions processed  
by work-based learning students

## FINANCIAL EDUCATION & RETIREMENT SEMINARS

Conducted **57** financial education,  
homebuyers, or retirement seminars to member  
and community groups

## BANZAI PROGRAMS

Out-of-the-box financial education resources

provided to **80** classrooms &  
**5,160** students

# #GUCUcares

## CAN HUNGER

Raised a total of

**250,442** cans or

**125** tons of food  
for our neighbors in need

## WISH TREE

**1,978**

Gifts delivered to  
local foster children

## SCHOOL CRASHERS

A total of **2,544**  
volunteer hours were donated  
to improve seven schools  
during the summer of 2017

## MONEY MAMMALS

**3,746** children participating  
in Georgia United's Savings Club  
for children & earning rewards

## MONEY MASTERS

**3,337** teenagers  
participating in Georgia United's  
Savings program for students

## INTERNSHIPS FOR COLLEGE STUDENTS

**13** College students  
received paid Georgia United  
summer internships (and some college credits)  
for interning in their chosen field of study

# PARTNERSHIP

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## UNIVERSITY OF GEORGIA

Over the past 50 years, Georgia United has been actively involved in supporting the University of Georgia. In 2017, we announced an expanded partnership with UGA as the Official Credit Union of Georgia Athletics. The athletic sponsorship was facilitated through Georgia Bulldog Sports Properties and will strengthen Georgia United's presence on campus and at sporting events, including endorsements from Head Football Coach Kirby Smart. We will continue to provide financial education and outreach opportunities to support student athletes over the next few years. The partnership includes an enhanced presence during home football, basketball, baseball and softball games, as well as gymnastics.



**GEORGIAUNITED<sup>®</sup>**  
**CREDIT UNION**



The Official Credit Union of  
**GEORGIA ATHLETICS**



# PARTNERSHIP

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## GEORGIA INSTITUTE OF TECHNOLOGY

Georgia United has been a longstanding partner with Georgia Tech. This partnership was recently enhanced to strengthen our relationship with Georgia Tech and reinforce our commitment to education. As part of the expanded partnership, Georgia United has an active presence in the stadiums of home football, basketball and baseball games. We participate in student athlete financial education programs, sponsor food drives and support the Jacket-to-Jacket Reading Program to support the community. In 2018, we will focus on introducing a unique debit card program to Georgia Tech students, alumni and fans to support athletic scholarships.





**GEORGIAUNITED<sup>®</sup>**  
**CREDIT UNION**



The Official Credit Union of  
**GEORGIA TECH<sup>®</sup> ATHLETICS**





# SCHOOL CRASHERS®



# COMMUNITY

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## PEOPLE HELPING PEOPLE

**GEORGIA UNITED** takes great pride in being an active and responsible member of the communities we serve and believe that giving back reflects the credit union philosophy of “people helping people.” Our event sponsorships and programs focus on supporting school systems, financial literacy and other assistance throughout the communities in our footprint.

In 2017, we laid the groundwork to expand our community service programs and impact by establishing the Georgia United Credit Union Foundation, a 501 c3 not-for-profit charitable organization. The mission of our Foundation will be to strengthen the socioeconomic well-being of the communities served by Georgia United. By caring for our communities, we will empower students to become successful, productive citizens, enrich the lives of disadvantaged people and advance financial literacy.

Through the Foundation, we will be able to build new service programs and receive grants to fund additional community programs. In addition, our long-term, existing service programs, such as School Crashers®, will align well with the new Foundation.



## WHAT OUR TEAM MEMBERS ARE SAYING:

**“I WORK WITH A TEAM THAT IS ENTHUSIASTIC AND PASSIONATE ABOUT SERVING THE NEEDS OF OUR MEMBERS AND THE COMMUNITY!”**

**“WE MAKE A DIFFERENCE IN PEOPLE’S LIVES!”**

**“I LOVE WHAT I DO! GIVING BACK TO THE COMMUNITY AND HELPING MY MEMBERS REACH THEIR FINANCIAL GOALS DOES MY HEART GOOD.”**

**“I HAVE THE OPPORTUNITY TO STRETCH AND LEARN NEW SKILLS. I HAVE AN AMAZING TEAM AROUND ME AND THE FOUNDATION OF WHO THEY ARE AND WHY THEY ARE HERE IS OBVIOUS...A PASSION TO SERVE!”**

**“IT NEVER FEELS LIKE WORK, IT FEELS LIKE I’M GOING TO SPEND THE DAY WITH FAMILY.”**

# TEAM MEMBERS

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## STRENGTH FROM THE INSIDE

**EACH YEAR** the Atlanta Journal Constitution names the area's Top Workplaces – based solely upon annual surveys completed by employees. We are proud that in 2018 Georgia United was listed as a Top Workplace within the mid-size company category for the fourth year in a row. While we continue to drive change in a fast-paced environment, our team members remain engaged and are a key reason for our continued success.

In 2017, our team members grew by 8% due to continued growth and greater focus on member service. Our goal is to listen to our incredibly talented team and focus on their feedback. As a result of our 2017 team member engagement survey, we received over 900 comments! Our team members really care about Georgia United and we will continue to seek out their ideas to make a great work environment even better.

When our team members are engaged and feel that the leadership team truly cares about them, they will in turn, truly care about the well-being of our members. That is Shared Strength in action.

In 2018, we will focus on enhancing our daily interactions with each other and providing more customized personal and career development opportunities.



### **GEORGIA UNITED'S EXECUTIVE TEAM:**

#### **Standing:**

Cynthia Gore, Chief People Officer;  
Mark Bartholomew, Chief Information  
Officer; Mike London, Chief Lending Officer;  
Eric Jenkins, Chief Deposit Services Officer;  
Todd Gustafson, EVP - Strategy &  
Administration

#### **Bottom Row:**

Bob Bogart, Chief Financial Officer;  
Debbie Smith, CEO & President;  
Shawn Turpin, EVP - Service & Sales

# Unified Checking

**EARN UP TO**

**1.00%**  
**APY\***

**SPEND TIME ON WHAT MATTERS MOST.  
IT'S YOUR ACCOUNT, YOUR OPTIONS.**

[gucu.org](https://gucu.org)

\*APY = Annual Percentage Yield. Rate may change after account is opened. The APY is accurate as of the last dividend declaration date. If the average daily account balance is over \$1,000, then 0.10% APY will be earned. To earn 1.00% APY on up to \$15,000 of the average daily account balance and to receive up to \$10 per month in non-Georgia United ATM surcharge fee refunds, there is no minimum account balance requirement; however, the account must perform at least 15 Georgia United debit and/or credit card transactions during the month, have a monthly direct deposit of \$500 or more and be enrolled in E-Statements; remaining average daily account balances in excess of \$15,000 will earn 0.10% APY. If the listed qualifiers for the 1.00% APY have not been met and the average daily account balance is below \$1,000, no interest will be earned. All Credit Union programs, rates, terms and conditions are subject to change at any time without notice. Federally Insured by NCUA.



## YOUR ACCOUNT, YOUR OPTIONS

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**IN 2017**, we launched a compelling checking account product, Unified Checking, to better serve our members and attract new members to choose Georgia United as their primary financial institution. Our Unified Checking account is designed as one account that is flexible based on the member's financial situation. It is a truly free account that combines multiple checking account features to offer enhanced perks based on financial behavior. You'll never have to worry about monthly service fees or a minimum balance or changing accounts as your needs change. Plus, members can earn up to 1.00% APY\* on the first \$15,000 and also receive ATM rebates when meeting certain qualifiers each month.

Since May 2017, over 7,000 new accounts have been opened by both new and existing members. Average account balances have also more than doubled. We look forward to further growth in 2018.



**ELEVATING YOUR EXPERIENCE**

**Taking Online Banking to New Heights**

Launched **OCTOBER 2017**

# DIRECTORS' REPORT

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**AS MEMBERS OF THE BOARD OF DIRECTORS,** we consider it a privilege to serve on the Board and represent each of our members. We are volunteers and strive to ensure our members' best interests are considered in every key decision that we make. We work closely with the credit union's leadership team to set policy, monitor risk and guide the execution of our strategic plan. Our primary goal is to further the advancement of Georgia United, while assuring that our core values are instilled in everything we do.

Over the past year, the credit union continued to make investments in technology and tools to further enhance the member experience. We converted to a new mobile and online banking platform that is easier to use and has many enhanced features. We also introduced a new checking account that is very competitive and has been popular with members. New technology was also added in the branches to instantly issue debit cards.

Improvements in the economy, a low unemployment rate and competitively priced products helped the credit union fund another

record level of loans for our members – almost \$338 million as compared with the 2016 total of \$321 million. Over 80% of our member shares have now been utilized to fund lending needs for our members. Four years ago, this ratio was only 57%. We are very pleased with the tremendous progress made in providing easy access to credit. Over the past several years, we've originated thousands of loans with hundreds of millions of dollars. This has created tremendous growth, yet our delinquency and loan loss ratios have remained at some of the lowest levels of our peer group. That's a testament to both the loyalty of our members and the great work of our team members.

As Chairman of the Board, I want to thank each of our dedicated Board of Directors and Supervisory Committee members for volunteering their time, wise counsel and direction. We also very much appreciate all the efforts and passion our leaders and team members display each day as they serve our members. I am looking forward to the future, as there are great things in store for our members.



## **GEORGIA UNITED'S BOARD OF DIRECTORS:**

### **Standing:**

Tom Dickson, Chair; Monsignor Stephen Churchwell, Director; Tracy Arner, Director; Dr. James Williams, Vice-Chair; Randy Dennis, Treasurer

### **Bottom Row:**

Dan Jones, Supervisory Committee Chair;  
Tom Cochran, Secretary;  
Frank Thach, Director

### **Not Pictured:**

Dr. Steven Whatley, Director

# SUPERVISORY COMMITTEE REPORT

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**THE SUPERVISORY COMMITTEE** is appointed by the Board of Directors to provide an independent appraisal of the safety and soundness of the credit union's operations and activities and monitors compliance with applicable laws and regulations. The Committee also oversees the activities of the Internal Audit Department to ensure the accuracy of record-keeping, the maintenance of sound internal controls and the compliance with laws and regulations.

To aid our efforts, we are also responsible for selecting an independent public accounting firm. We selected the firm of Porter Keadle Moore, LLC to perform the 2017 annual audit and provide an opinion on the audited financial statements, in conformity with generally acceptable accounting standards. The Committee meets with this firm to review audited financial statements, discuss audit results and recommendations for improvement. A copy of the audited financial statements is available upon request.

The Georgia Department of Banking & Finance and the National Credit Union Administration also periodically perform supervisory examinations. They assess Georgia United's financial condition, compliance with regulations and safety and soundness. The Supervisory Committee is pleased to report that the most recent regulatory examination once again validated the financial strength, safety and soundness of your credit union.



**GEORGIA UNITED'S SUPERVISORY COMMITTEE:**

**Standing:**

Christy Willis, Committee Member

**Bottom Row:**

Dan Jones, Chair;

Ray Caldwell, Committee Member





THERE'S NO  
**BLUEPRINT**  
FOR LIFE

Our Second Mortgage Products offer convenient and affordable ways to get the financing you need.



[gucu.org](http://gucu.org)



# 1.5% CASH BACK ON ALL PURCHASES

Let **GEORGIA UNITED**  
**CASH BACK CREDIT CARD** help you  
turn **small moments** into  
**EPIC MOMENTS**  
that your family will never forget.

# TREASURER'S REPORT

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**GEORGIA UNITED'S** financial position is strong as a result of continued solid earnings, a strong balance sheet and further capital growth. Total members' equity grew to almost \$148 million at the end of 2017 and our regulatory capital was 12.23% of assets; well above the 7% threshold that is required to be considered well capitalized. With several years of record loan growth, 2017 also served as another year of investing in enhanced product and service offerings to better serve our members.

Net income in 2017 totaled \$8.9 million as compared with \$8.3 million in 2016. Increases in net interest income and non-interest income more than offset increases in operations expense and the provision for loan losses. The Return on Assets, or ROA, for 2017 was 0.72% as compared to 0.73% in 2016. In 2017, operating expenses increased as investments were made in our infrastructure to improve member service, expand product offerings, add talent and invest in technology.

Member shares totaled \$1.1 billion at the end of 2017 and grew almost \$83 million, or 8.2%, over the prior year-end. This deposit growth elevated the total asset level to almost \$1.3 billion at the end of 2017 and helped fund more loans to our members. Total loan balances rose almost \$81 million, or 10%, when compared with the end of 2016 and totaled \$883 million at the 2017 year-end.

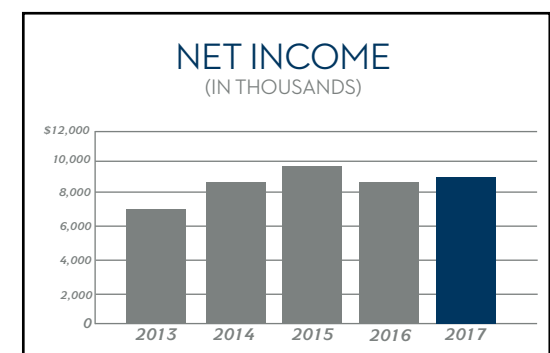
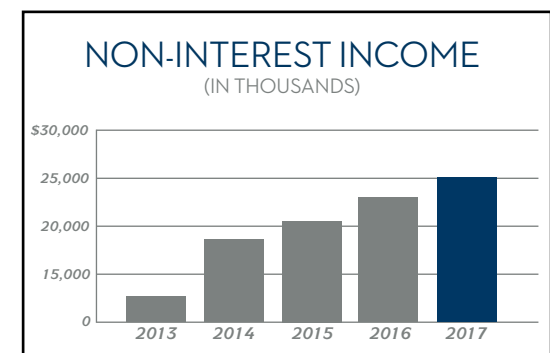
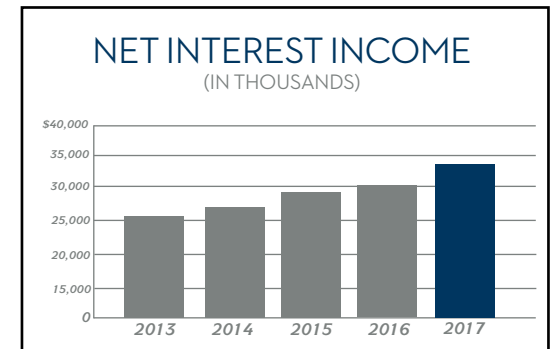
Your Board of Directors is dedicated to providing financial services that create value for our members. We will continue to focus our efforts on employing prudent risk management disciplines to maintain the safety and liquidity of our members' deposits and in effectively managing the balance sheet. While the objective is to sustain financial strength, we will also maintain the ability to invest in new products, talent and technology, with the ultimate goal of providing the best products and services possible.

# CONDENSED STATEMENTS OF INCOME

years ended December 31, 2017 and 2016 (unaudited)

(\$ AMOUNTS IN THOUSANDS)

	2017	2016
<b>Interest Income</b>		
Interest income on loans	\$33,213	\$28,653
Interest on securities and interest bearing deposits	4,297	4,582
<b>Total interest income</b>	<b>37,510</b>	<b>33,235</b>
<b>Interest Expense</b>		
Dividends on shares	3,550	3,019
Interest paid on borrowings	310	115
<b>Total interest expense</b>	<b>3,860</b>	<b>3,134</b>
<b>Net Interest Income</b>	<b>33,650</b>	<b>30,101</b>
Provision for possible loan losses	1,950	800
<b>Net interest income after provision for possible loan losses</b>	<b>31,700</b>	<b>29,301</b>
<b>Non-Interest Income</b>		
Interchange income	8,169	7,177
Checking and other share fees	9,852	10,013
Mortgage and other loan-related revenues	3,204	1,645
Other	3,694	3,164
<b>Total non-interest income</b>	<b>24,919</b>	<b>21,999</b>
<b>Non-Interest Expense</b>		
Salaries and employee benefits	25,628	22,841
Office operations and occupancy	13,485	12,038
Advertising and business development	2,283	2,214
Other	6,338	5,954
<b>Total non-interest expense</b>	<b>47,734</b>	<b>43,047</b>
<b>Net income</b>	<b>\$8,885</b>	<b>\$8,253</b>



\*Audited Financial Statements Available Upon Request

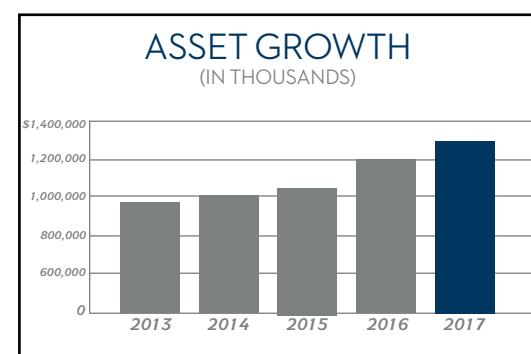
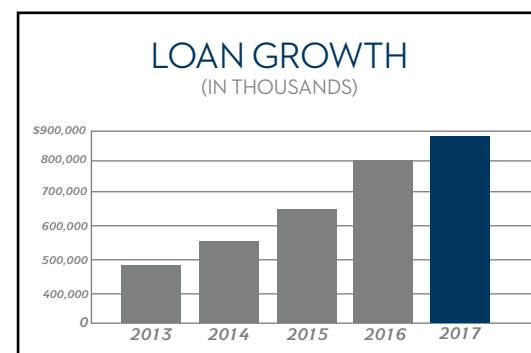
# CONDENSED BALANCE SHEET

as of December 31, 2017 and 2016 (unaudited)

## ASSETS

(\$ AMOUNTS IN THOUSANDS)

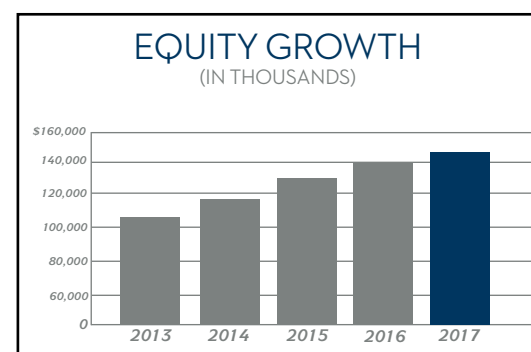
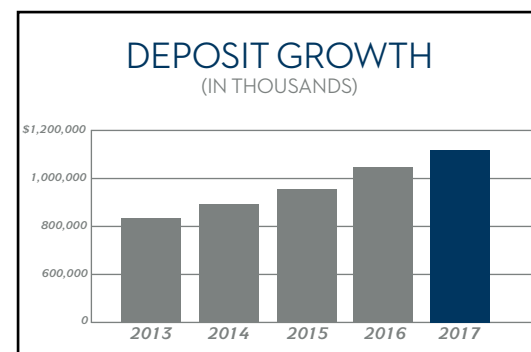
	2017	2016
<b>Loans</b>		
Auto	\$387,980	\$337,282
Real estate	362,234	337,177
Member business	49,387	51,507
Other	83,034	75,807
<b>Total loans</b>	<b>882,635</b>	<b>801,773</b>
Less: Allowance for possible loan losses	(5,410)	(4,804)
<b>Net loans</b>	<b>877,225</b>	<b>796,969</b>
Cash and due from banks	31,571	33,782
Securities and interest bearing deposits	290,789	279,303
Other assets	95,535	90,080
<b>Total Assets</b>	<b>\$1,295,120</b>	<b>\$1,200,134</b>



## SHARES, LIABILITIES AND MEMBERS' EQUITY

(\$ AMOUNTS IN THOUSANDS)

	2017	2016
<b>Shares</b>		
Checking	\$193,443	\$172,026
Savings and money market	718,890	671,163
Certificates	185,717	171,869
<b>Total shares</b>	<b>1,098,050</b>	<b>1,015,058</b>
Borrowings	25,000	25,000
Other liabilities	24,139	20,770
<b>Total Shares and Liabilities</b>	<b>1,147,189</b>	<b>1,060,828</b>
<b>Members' Equity</b>		
Regular reserves and undivided earnings	127,030	118,080
Equity acquired in mergers	22,629	22,629
Accumulated other comprehensive income (loss)	(1,728)	(1,403)
<b>Total Members' Equity</b>	<b>147,931</b>	<b>139,306</b>
<b>Total Shares, Liabilities and Members' Equity</b>	<b>\$1,295,120</b>	<b>\$1,200,134</b>



\*Audited Financial Statements Available Upon Request



# TEAM DAY



 *We are* **YOU**nited<sup>®</sup>



