

AOD FEDERAL CREDIT UNION  
P.O. BOX 608  
BYNUM, AL 36253

MINUTES OF THE 70<sup>TH</sup> ANNUAL MEETING #6-2020

1. Date, time, Place and Attendance:

Date and Time: February 25, 2020, 6:00 p.m.

Place: Oxford Civic Center

Attendance: Board Members Present:  
Gordon L. "Doc" Williamson, Chairman  
Jim Webb, Vice-Chairman  
Bobby Israel, Treasurer  
Gloria Jean Newton, Secretary  
Ronald Self, Director  
Delle Bean, Director  
Donte Vincent, Supervisory Committee  
Cindy Taylor, Supervisory Committee  
Charlene Stallings, Supervisory Committee  
Virginia Bowen, CEO  
David Mooney, CFO  
Rikki Graben, COO  
Robert Guice, CIO  
Alison Hardeman, Board Recorder  
AODFCU Staff  
Many AODFCU Members and guest

Absent:

Larry Daugherty, Director  
Clyde Wesson, Board Member Emeritus

2. Board of Directors Chairman Gordon "Doc" Williamson welcomed the members on behalf of the Board of Directors and Senior Management and Staff to the AODFCU's 70<sup>th</sup> Annual Meeting. Mr. Williamson asked everyone to turn to page 9 of the Annual Meeting Booklets and said this will be the agenda for tonight.

3. Mr. Williamson called the meeting to order at 6:01 p.m. Mrs. Hardeman certified that a quorum was present.
4. Mr. Williamson asked everyone to join with him in welcoming Alice Martin, Circuit Judge of Calhoun County who performed the National Anthem.
5. Mr. Williamson asked Mr. Craig Young, Facilities Manger to come forward and give the Invocation. After the invocation Mr. Young asked everyone to stand and led in the Pledge of Allegiance.
6. Mr. Williamson introduced a special AOD Federal Credit Union video presentation entitled "A look back at 2019". Mr. Williamson said he will not go through the report because the vast majority of the information will be in the video
7. Mr. Williamson said page 9 was the agenda for the meeting. Mr. Williamson said on page 10 – 13 of your book list the minutes of the 69<sup>th</sup> Annual Meeting and asked for a suspension of the reading of the minutes and approval of the minutes as written. *Mr. Israel made the motion and Mrs. Bean seconded the motion to approve the minutes. The motion carries unanimously.*
8. Chairman's Report – Mr. Williamson said pages 14 is the Chairman's report.
9. Special Recognition- Mr. Williamson said that he would like for everyone to turn to page 6 to view a list of the AOD members who served during WWII. You'll all recognize some of these named. Mr. Williamson mentioned several names Billy Ray Bean is the father-in-law of Board member Delle Bean. Mr. Bean passed away yesterday. Mr. Ed Harrison, from Lincoln, AL. He will turn 101 in July. Former chairman of the Board, Ed Self's brother is listed, Curtis Self. Former Chairman James Dan Munroe. The walking trail behind the Oxford Branch is names after Mr. Munroe. His nephew Cal Munroe is the Architect for the Pell City Branch. Clyde D Wesson Board Emeritus and former Chairman. Below his name is his brother Lowell Wesson. Mr. Clyde Wesson and Mr. Harrison are at the Veteran's Home in Pell City. There are quite a few names here and the reason we wanted to bring your attention to this is we would like you to submit names of member's who served for future publications of the AODFCU Honor Roll. Mr. Williamson said not only do we recognize and appreciate these Veterans; we appreciate all service men and women in uniform, veterans and active duty.

10. In 2019 AOD Federal Credit Union was voted as Anniston Star's Readers' Choice #1 Best Financial Institution and #1 Best Home Mortgage in Calhoun County. Mr. Williamson said this recognition speaks volumes about the quality of service provided by employees to you the members. Mr. Williamson said the Board of Directors and the Management team are so appreciative of the 860 plus Select Employee Groups (SEGs) that is listed on pages 25-28 are members or potential members of AOD Federal Credit Union. Mr. Williamson said the 33,000 + members that we have come from the 750 plus SEGs. Listed on those three pages are some examples of businesses that are in partnership with the AOD Federal Credit Union: ANAD Contract and Civilian, Anniston High School, Calhoun County Chamber of Commerce, Calhoun County Commission, Calhoun County Sheriff's Office, City of Anniston, Office, the City of Jacksonville, City of Lineville, City of Oxford, City of Weaver, Civilian Marksmanship Program, Habitat for Humanity, Jacksonville State University, Walmart of Anniston, Jacksonville, & Oxford. He said that if you look on page 28 you will see Steve N Jan BBQ. He said that they catered the food for the meeting. He said the last name on the page is Zaxby's of Pell City.
11. Mr. Williamson asked everyone to look at page 29, the 60 plus Products and Services that are offered by AODFCU, and asked them to scan the list to see if there is a product(s) or service(s) that you may be interested in.
12. Mr. Williamson said on the last page shows that the coming Pell City Branch in Pell City.
13. Mr. Williamson said now he wanted to recognize those who made the most contributions for success of the AOD Federal Credit Union in 2019. Mr. Williamson said without the Members there would not be a credit union. This is your credit union. Next Mr. Williamson recognized the members of the Board of Directors and asked them to stand as he called their name: Jim Webb Vice-Chairman, his wife Joy, Jean Newton – Secretary, and Supervisory Secretary Chairperson, her husband Alfonzo, Bobby Israel – Treasurer, his wife Diane, Delle Bean - Board Member, her husband Ray, Larry Daugherty – Board Member not present, and Ronald Self – Board Member, Clyde Wesson- Board Member Emeritus not present. Everyone applauded.  
  
Mr. Williamson asked if there were any questions or comments from The Chairman's Report on pages 14-15. There were none.
14. Treasurer's Report- Mr. Williamson said that Treasurer's Report will be given by the Treasurer Mr. Bobby Israel on pages 16-19.

- AOD Federal Credit Union had a financially successful year with over \$3.1 million in net income. As a result, your Credit Union will continue to offer attractive loan and deposit rates, with lower fees than other local financial institutions. Between 2018 and 2019, the Credit Union's income from loans rose \$743,864 or 10.51%. During 2019, the Credit Union improved investment income by \$755,092 or 35.22%. Operating income from all other sources decreased 2.21% during 2019. Your Credit Union continued to see a boost in participation in our internet banking, Remote Deposit Anywhere (RDA) and online bill paying services.
- Between 2018 and 2019, total assets increased from \$299,928,209 to \$325,066,465. The increase of \$25,138,256 or 8.38%. During the same period, total loans decreased \$2,652,948 or -1.52%. In the same timeframe, the Credit Union increased Total Equity by 11.06%, which allows the Credit Union the flexibility to offer new products and services, pay competitive rates on deposit accounts, and offer competitive rates on loans. The Credit Union continued to be one of the most financially sound Credit Unions in the nation and received an excellent rating from the NCUA.
- Total Member Shares and Deposits increased \$22.87 million, or 8.75% between 2018 and 2019. The Credit Union achieved the majority of its growth in the share certificate category. During 2019, the Credit Union continued to offer members safe, economical alternatives to other financial institutions without causing additional risk to the Credit Union. The Credit Union continues to review deposit accounts to ensure members receive the best value for each product and service.
- Member loans decreased \$2.65 million, or -1.52 % between 2018 and 2019. The Credit Union maintained underwriting and pricing strategies consistent with previous years. The Credit Union's goal is to offer competitive rates and terms to the membership, consistent with sound industry practices. With continued focus on lending the Credit Union expects lending volume to increase in 2020. The Credit Union offered several promotions to give back to the membership and improve loan growth. These included skip-a-pay promotions, reduced rates for share secured loans, and various other promotions.
- 2019 AOD gave back \$45,550.99 on loan rebates and \$294,601 on credit cards. Mr. Israel said in 2020 AOD will give back approximately \$394,308 including the 3% cash back.
- Mr. Israel said in April 2020 there will another credit card promotion that gives 3% cash back.

- Mr. Israel said that when the Pell City Branch opens there will be a promotion for a 5% CD for 5-months.
- Mr. Israel said the day of the Pell City Branch opening there will be a promotion from 9:00 AM – 1:00 PM on new car loans at 1% off loan, and 1:00 PM – 5:00 PM on new car loans at 0.5% off loan.

Mr. Williamson thanked Mr. Israel for the Treasurer's Report.

Mr. Williamson introduced the Supervisory Committee Chairperson Mrs. Jean Newton. He presented Mrs. Newton with a plaque of appreciation for all her hard work.

15. Supervisory Committee Report- Mrs. Newton said the Supervisory Committee Report is on page 20. The Supervisory Committee is created by Federal law and appointed by the Board of Directors according to the provisions in the Federal Credit Union Act. Committee members for 2019 included Donte Vincent- Vice-Chairman, Charlene Stallings-Secretary, and Cindy Taylor. The Supervisory Committee's responsibility is to serve AODFCU members by ensuring that credit union operations are effective in protecting credit union assets, certifying records are accurately and properly reported, and for guaranteeing that internal controls are in place to protect the assets of the credit union and its members. The committee provides oversight related to the establishment of effective internal controls, adherence to Board policies, and compliance with appropriate laws and regulations. The Supervisory Committee also serves as the members' representative to the Board and can help to resolve member complaints. As members, we volunteer to serve in this role because we are passionate about AODFCU's mission to enhance the lives of our members and the community. One of the Supervisory Committee's most significant responsibilities is to select an external auditor and then oversee the annual audit and internal audits. The 2019 Financial Audit of AODFCU's accounts and financial records was performed by Kemp and Associate, PC. This audit validated that the financial statements presented the true and accurate financial condition of your credit union as of March 2019, and with an unqualified opinion. Kemp and Associate also performed the 2019 Agreed Upon Procedures Audit and Bank Secrecy Act Audit. These audits were completed as of July 25, 2019, with no material findings. We also had a NCUA Audit which resulted in no material findings. All audits validated that your credit union's operational procedures and practices were adequate to secure AODFCU and member assets while following regulatory requirements and guidelines. The Supervisory Committee can say with complete confidence that AODFCU continues to maintain a high level of financial safety and soundness. The Supervisory Committee wishes to thank our members for supporting the credit union during the year. Together,

we can take pride in a successfully operated credit union that complies with established policies, guidelines, and regulations.

16. Unfinished Business- Mr. Williamson said there is no unfinished business.
17. New Business- Mr. Williamson said there was one item and that is the 2019 election results. Mr. Williamson said he would like to thank the nominating committee. Mr. Williamson said that Mr. Ronald Self and Mr. Larry Daugherty ran unopposed. Mr. Williamson said Mr. Self and Mr. Daugherty will serve a three-year term.
18. Mr. Williamson said he wanted to talk about the 2019 Scholarship winners of last year. Twenty Scholarships that were awarded for \$1,000 each and the \$2,000 college scholarship that was awarded in honor of Board Member Kenneth Reid. Mr. Williamson listed all of the 2019 AOD Scholarship winners. Mr. Williamson said for this year's scholarships, the applications have been received. They will be evaluated and there will be a Scholarship Awards Reception on April 14, 2020.
19. Shred Day will be March 7, 2020 at the Oxford Branch from 9:00 AM – 12:00 PM.
20. CEO- Mr. Williamson called Chief Executive Officer Mrs. Virginia Bowen to speak. Mrs. Bowen said thank you to the Members for attending, employees for another great year. She said that Amie Hinton, Marketing Director did a great job coordinating the Annual Meeting. Mrs. Bowen introduced the Senior Management Team. David Mooney- Chief Financial Officer, Rikki Graben- Chief Operations Officer, Robert Guice- Chief Information Officer, and Alison Hardeman- Executive Administrative Assistant. Mrs. Bowen said that she would like for all of the employees attending to please stand. Everyone applauded. Mrs. Bowen said that it has been another great year at AOD. Mrs. Bowen said that AOD will be moving into the Pell City market in April 2020. Mrs. Bowen talked about the product Kasasa, on-line channels, and the signature credit card. Mrs. Bowen said that in 2019 AOD has opened the second school branch which is the Panther Branch at the Wellborn High School. She said that it is a student ran Credit Union. She said this teaches students about financial literacy. Mrs. Bowen said that on April 21, 2020 AOD will be 70 years old. There will be a 70<sup>th</sup> Anniversary event in Calhoun County and Pell City. Mrs. Bowen thanked everyone for attending.
21. Mr. Williamson thanked Mayor Alton Craft, Don Hudson, Parks and Recreation Director, Tammy Wilkins and her staff for the use of the Oxford Civic Center this evening. Mr.

Williamson thanked Steve and Jan Hale and the catering staff for the food prepared tonight for the annual meeting. Everyone applauded.

22. Mr. Williamson said that covers everything on the agenda tonight so he said he was going to adjourn the meeting. Meeting adjourned at 7:01 p.m.

Mr. Williamson asked everyone to stay for the awarding of the door prizes. The prizes will be drawn in descending order. We want to make sure everyone has an opportunity to win the larger prizes. The CEO and the CFO will be handling the door prizes.

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Gordon L. "Doc" Williamson, Board Chairman

Date: \_\_\_\_\_

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Alison Hardeman, Board Recorder

Date: \_\_\_\_\_