

PRESIDENT & CEO REPORT

ROSE GUNTER
PRESIDENT & CHIEF EXECUTIVE OFFICER



Continuing our commitment of helping our communities prosper, in 2017 we pledged to save our members \$2M in interest in fees. We are pleased to report that we exceeded our goal, saving our members over \$2.3M last year alone. In line with helping our members save, we also introduced several new programs which expanded our ability to help more members improve their financial lives.

Starting in January, we hired our own in-house mortgage representative, Ken Galliher, who assisted members with a wide range of cost-saving mortgage programs. A great example of immediate savings, reflects with our low origination fee of \$699 vs. the industry average fee of \$2,000, helping members save money from the moment they applied. Ken helped other potential homebuyers with improving their credit and ability to qualify for a mortgage by using software that pinpoints exactly how much their score will increase from taking various measures, such as paying down a balance. He also signed up members for homebuyer courses and informed them about down payment assistance programs that could set them up for a successful path to homeownership.

Another way we helped members save was through our participation in a pilot program with a credit union research firm that helped us reach members with existing high rate auto loan rates. Those who refinanced their vehicles with us saved substantial dollars. This research program validated there is a huge opportunity for us to put money back in our members' paychecks. Notably, one member is currently taking advantage of both of these programs and seeing over \$800 a month in savings! Both of these new loan

programs helped contribute to our 2017 loan growth which was nearly \$8M.

In addition, we also began offering the services of GreenPath Financial Wellness. Through this partnership, all members can now benefit from free local financial counseling and educational courses at no direct cost. For our younger members who are just learning to manage their money, we created iScore. This is a package of benefits to help them build good financial habits and healthy credit while earning rewards along the way.

For 2018, your board and management team are committed to further support the growth of our financial inclusion initiatives within the communities we serve. Recently, we engaged a firm to conduct demographic studies of the underserved and unbanked sector in Jacksonville, to identify where we can have the greatest impact by reaching those who can benefit significantly from all of the healthier banking options our credit union has to offer.

We encourage each and every member to give us a call this year to discuss how we can help you Bank Healthier and Live Happier.

Thank you for the privilege of serving you and your family. We look forward to hearing from you soon.

Rose Gunter

ANNUAL MEETING AGENDA

CALL TO ORDER, DETERMINATION OF QUORUM & READING OF 2017 MEETING MINUTES

INTRODUCTIONS

NANCY MOREDOCK, BOARD CHAIR
ROSE GUNTER, PRESIDENT & CEO

PRESIDENT'S REPORT

ROSE GUNTER, PRESIDENT & CEO

SUPERVISORY COMMITTEE REPORT

DARRYL SMITH, SUPERVISORY COMMITTEE VICE CHAIR

UNFINISHED BUSINESS

NANCY MOREDOCK, BOARD CHAIR

NEW BUSINESS

NANCY MOREDOCK, BOARD CHAIR

ELECTION RESULTS

MEL MAYCOLE, DIRECTOR, NOMINATING COMMITTEE

Evening Honors

BETTY M. COLLINS MEMORIAL SCHOLARSHIP
PRESENTED BY: MARY MCELROY, DIRECTOR

VOLUNTEER SERVICE AWARDS
PRESENTED BY: NANCY MOREDOCK, BOARD CHAIR

EMPLOYEE OF THE YEAR AWARD
PRESENTED BY: ROSE GUNTER, PRESIDENT & CEO

CLOSING COMMENTS & ADJOURNMENT
NANCY MOREDOCK, BOARD CHAIR

2017 ANNUAL REPORT

alive
CREDIT UNION®

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MANAGEMENT & STAFF

ROSE GUNTER | PRESIDENT & CEO
JOHN PAPAGNO | EXECUTIVE VICE PRESIDENT & CFO
CINDY SMITH | SVP, OPERATIONS
SHANAZ HASSAN-ABADI | AVP, BRANCH OPERATIONS
JOCELYN JONES | AVP, LENDING

MARYANN AVILES
CHRISY BALLANTYNE
MICHAEL CHAPMAN
LOUIS CHIAVACCI
JOY CROCKETT
MARIA DINGCHONG
ANDRE RUIZ FEIJOO
BECKY FILAROSKI
KENNETH GALLIHER
BRITNI GOETHE
LORI GORGOL
DIANA GRAHAM
CHRISTINE HALL
MAHSA HASSAN-ABADI

RAFAEL HINOJOSA
TAMMY HOOVER
CINDY JACKSON
KAREN JONES
CYNTRIA LOCKLEY
DEE MOONEY
CYNTHIA MORGAN
AMBAR NIEVES
TARA OAKLEY
CHRISTIAN PAGAN
VERNESSA PETERSON
JOSHUA PHILLIPS
JANE POMPER
CAROL PORTER

JIM QUEERN
MARISSA RAYMOND
MILYNN ROSSMAN
JANET RUEL
ASHLEY SAENZ
MJ SCHROFF
CHIP SIMS
KIMBERLY STARLING
CHRISTY STEPHENS
SHARON MOORE
TORRIE TORRES
KAY WATTS
ADRIENNE WILSON
FRAN WILSON

VOLUNTEERS

SUPERVISORY COMMITTEE

WENDELL DAVIS, CHAIR | WATSON REALTY CORP.
DARRYL SMITH, VICE CHAIR | FLORIDA BLUE
MARTIN GOETZ | RIVER GARDEN SENIOR SERVICES
BLANE MCMILLAN | FIS GLOBAL
WOODY GASH | FLORIDA BLUE (RETIRED)

BOARD OF DIRECTORS

NANCY MOREDOCK, CHAIR | MAYO CLINIC
MAURY PILVER, VICE CHAIR | ALIVE CU (RETIRED)
CAMILLE COSSA, SECRETARY | BAPTIST HEALTH (RETIRED)
DINA VICKERS, TREASURER | ST. VINCENT'S MEDICAL GROUP
FRED GAUDIOS | FLORIDA BLUE (RETIRED)
MEL MAYCOLE | SODEXO, USA
MARY MCELROY | COMMUNITY HOSPICE OF NE FL
DAVID MARTIN | MAYO CLINIC
JIM WILLIAMS, JR. | FLORIDA BLUE
JASON GRIGGS | ABENTRAS

*Red signifies prior employee of the year

ANNUAL MEETING MINUTES | APRIL 12, 2017

Call To Order

Chairman Jim Williams called the meeting to order in the Alive Credit Union (ACU) lobby at 5:15pm and confirmed that a quorum was present. Mr. Williams thanked everyone for attending.

Recognition and Introductions

Mr. Williams introduced the board and supervisory committee members. Board members present at the meeting were: Camille Cossa, Maury Pilver, Nancy Moredock, Woody Gash, Mel Maycole, Mary McElroy, Dina Vickers and David Martin. Supervisory Committee member Wendell Davis was also present. Jim Williams made a motion to dispense with the reading of the minutes from the 2016 Annual Meeting. Maury Pilver seconded and all were in favor.

President's Report:

Rose Gunter, President & CEO introduced the Management Team and then gave the President's report. She began by expressing what a great year 2016 has been for saving members money, and said 2017 is looking even better. Rose discussed the past year we have saved members around 1.1 million dollars and plan to save them 2 million this year. Rose explained that these goals are reachable with the dedicated staff working together to reach members with the new mortgage program ACU offers. She mentioned the success we are already experiencing with getting closer to that goal with the new loan officer, Kenneth Galliher. She mentioned numerous other factors that are helping the credit union reach this goal, including the GreenPath Financial Wellness Program. Rose also released the information that there will be a new responsive redesigned website, along with an updated mobile app.

Rose expressed gratitude to our dedicated volunteers and management team. She also thanked the staff who continue to focus on giving our members the very

best service possible.

Supervisory Committee Report:

Mr. Williams called on Wendell Davis to give the Supervisory Committee report. Mr. Davis said the committee met several times during the year to evaluate the progress and successes of the board, management team, and staff of the credit union. He mentioned all BSA audits were in compliance with today's regulations. In addition to their personal periodic verifications, they also contract and manage the credit union's Certified Public Accounting firm to conduct regular account audits. For the year 2016, that firm was CliftonLarson-Allen, one of the nation's top 10 accounting firms with proficient experience in the financial industry. Through regularly scheduled operations and account annual audits, CliftonLarsonAllen and Alive's Supervisory Committee ensure the credit union's continued sound financial management. Mr. Davis expressed the committee's confidence in the credit union's very strong financial condition.

Unfinished Business:

Mr. Williams announced there was no unfinished business.

New Business:

Mr. Williams turned things over to Mel Maycole for the announcement of the Election Results and the Ballot Drawing Winner. Mr. Maycole stated that the 2017 election was held in accordance with the credit union by-laws. Three Directors were elected to the Board for new three-year terms: Jason Griggs, Dina Vickers, and David Martin. Woody Gash and Blane McMillan were re-elected to the Supervisory Committee for another three-year term. Mr. Williams announced there was no other known new business.

Evening Honors:

Mr. Williams turned things over to Mary McElroy for the announcement of our Betty M. Collins Scholarship winner. Tasha Schoppee received \$2,000 towards her

SUPERVISORY COMMITTEE REPORT

DARRYL SMITH

SUPERVISORY COMMITTEE VICE CHAIRMAN

This year's Supervisory Committee report to the members again reflects the confidence in our credit union's sound financial management and strong financial condition.

Your Supervisory Committee consists of volunteer members with varied backgrounds who are familiar with accounting and auditing principles and are committed to serve for the benefit of the entire membership. They meet on a quarterly basis to monitor the credit union's compliance with all policies and regulations and verify there are adequate internal controls in place to safeguard member assets.

For 2017, the committee contracted with LEVERAGE to conduct the annual Bank Secrecy Act audit. They also engaged the professional services of the Certified Public Accounting firm, CliftonLarsonAllen, one of our nation's top 10 firms with proficient experience in the financial industry, to conduct the annual audit of our financial statements. The CPA firm also conducted agreed upon procedures and periodic member account verifications.

Meeting Minutes Continued

Nursing degree. Next, Mr. Williams called Maury Pilver to the podium. Mr. Pilver congratulated Jim Williams with his award for his 2nd term of serving as Chairman on the board. Mr. Pilver then presented Mary McElroy and Wendell Davis with 15 year Volunteer Service Awards on behalf of the board and staff of ACU. Mr. Pilver thanked them for their continued dedication and commitment to ACU.

Maury Pilver turned things over to Wendell Davis to finish the volunteer awards. Wendell Davis presented Woody Gash with a 30 year Volunteer Service Award for serving on the Supervisory Committee. Mr. Davis then congratulated Jason Griggs, whom was not present, on his election to the Board. Rose Gunter came to the podium to recognize several staff members on their milestone anniversaries. Mrs. Gunter then announced the 2017 Employee of the Year – Julia O'Bryan, Accounting Operations Coordinator. Mrs. O'Bryan's passion and commitment to our membership and the credit union have earned her this prestigious award. Mrs. O'Bryan was given a \$500 check, an extra week's vacation, Employee of the Year plaque and "bragging rights for the year".

Closing Comments/ Adjournment:

Jim Williams called Christian Pagan to the podium to announce the door prizes. Christian Pagan then announced the door prize winners were Joshua Phillips, Kenneth Galliher, and Adrienne Wilson. Next Dave Widell came to the podium to announce the member service representative with the top referrals was Maryjane Schroff.

With no further business, Mr. Williams thanked the staff for attending and formally adjourned the meeting at 5:45 pm.

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STATEMENT OF FINANCIAL CONDITION:

	2016	2017
Cash and Equivalents	\$8,287,873	\$6,379,942
Agency Securities, Available for Sale	\$19,052,713	\$20,428,069
Unrealized Gain/(Loss) on AFS Investments	(\$339,177)	(\$296,662)
Agency Securities, Held to Maturity	\$3,460,297	\$1,414,400
Other Investments and Bank Deposits	\$23,130,237	\$21,685,000
Loans to Members, (at fair value)	\$66,701,288	\$74,607,865
Accrued Interest Receivable	\$209,567	\$216,947
Fixed Assets (Net of Accumulated Depreciation)	\$4,457,389	\$4,503,908
NCUA Federal Deposit Insurance Fund	\$1,052,056	\$1,078,469
Prepaid / Deferred Expenses	\$239,231	\$261,622
Intangible Assets	\$58,525	\$0
Other Assets	\$1,240,197	\$1,833,695
Total Assets:	\$127,550,196	\$132,113,255

	2016	2017
Member Shares and Term Certificates, (at fair value)	\$107,140,568	\$111,509,931
Accounts Payable and Accrued Expenses	\$628,745	\$763,781
Work in Process and Other Liabilities	\$1,316,804	\$928,592
Total Liabilities	\$109,086,117	\$113,202,304

Total Equity	\$18,464,079	\$18,910,951
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Total Liabilities and Equity	\$127,550,196	\$132,113,255
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LOAN ACTIVITY

New/Used Vehicle Loans	\$25,757,940
Personal Financing	\$3,703,792
Mortgages/Home Equity Loans	\$3,787,118

YEAR-END LOAN PORTFOLIO

New Vehicle Loans	\$28,467,152 AND 38.15% total loans
Used Vehicle Loans	\$28,889,636 AND 38.72% total loans
Mortgages/Home Equity/Other Loans	\$16,373,504 AND 23.13% total loans
Member Loans Outstanding at Year-End	\$74,607,865

NEW BENEFITS & SERVICES IN 2017

- iScore Young Adult Credit Building Program
- Referral Rewards Program
- Green Path Financial Wellness
- Free Credit Report Birthday Gift
- Mortgages

MAURY PILVER

Celebrating 35 years of service

Alive Credit Union honors the impactful dedication of Maury Pilver, as he celebrates 35-years of service. Maury served as our credit union's long-time CEO for 28 years and continues to serve our members today as the vice-chairman of our board of directors.

We are proud of his commitment to our membership and congratulate him on this tremendous milestone anniversary.



2017 BETTY M. COLLINS MEMORIAL SCHOLARSHIP:

The winner of the 2017 Betty M. Collins Memorial Scholarship was Tasha M. Schoppee. Tasha is currently pursuing a PHD in Nursing Sciences at the University of Florida. Tasha is an experienced palliative care nurse with focus on pain and symptom management, seeking to further her education in order to better care for her community.

The Betty M. Collins Memorial Scholarship recognizes and assists a student currently enrolled in undergraduate or graduate school pursuing a career in healthcare from an accredited university. One \$2,500 scholarship will be awarded annually.