



**Celebrating 85 Years of Service**

Georgia's Own Credit Union  
2019 Annual Report



**2019**

## Banking on Purpose since 1934

Georgia's Own Credit Union has been a source of full-service banking and financial solutions for Georgians since 1934. Because we're owned by and report to our members, we provide lower loan rates and fewer and lower fees, which amounts to significant savings for families across the state. Georgia's Own serves metro Atlanta and surrounding areas, along with Savannah and Augusta, through our 23 branch locations, contact centers, 24/7 phone banking, as well as mobile, tablet, and online banking platforms.



[Meet]

**4th & 5th grade leaders from Allatoona Elementary School**

Financial literacy is one of our core tenants. Naturally, when one of our long-term members asked if we could help a partner school, we were more than happy to assist. Georgia's Own was proud to host children from Allatoona Elementary School to teach some of their young leaders about financial literacy.



[Meet]

**Melanie K.**

Melanie was one of our 2019 scholarship winners. Melanie realized that, like most schools, Johns Hopkins University came with a high price tag. She actively looked for scholarships, like the Georgia's Own Foundation What's Ne[x]t Scholarship, to offset some of her higher education costs and help her attain her dream of becoming a medical engineer.

## [Meet]

### **Aaron F.**

We met Aaron through our first casting call and learned that Aaron founded a non-profit organization, the Atlanta Rescue Dog Café. We loved his non-profit so much, we helped the Atlanta Rescue Dog Café by making leashes for our furry friends. We also supported them with a \$1,000 grant from the Georgia's Own Foundation, plus featured Aaron and his organization in an issue of our *Ne[x]t Magazine*.



## [Meet]

### **Kim S.**

We helped Kim with more than just her Georgia's Own transactions. Kim's house was in need of repair, so Credit Union volunteers partnered with Atlanta's Habitat for Humanity to repaint the house of this local resident and long-time member.





[ See ]

### Free Gas

Early in the year, many members affected by the government shutdown needed relief. We quickly created an Emergency Relief Loan to help workers get through a tough patch while they were not being paid. However, our staff thought we needed to do more. In conjunction with the Georgia's Own Foundation, we kicked off our *85 Acts of Kindness* initiative by providing TSA employees who were impacted by the government shutdown with 8.5 gallons of gas at two RaceTrac locations near the airport.



[ See ]

### Tax Day Help

Tax Day can be stressful for many members. To help with any last-minute concerns, Georgia's Own had financial advisors on site to offer guidance and advice at both Woodruff Park and our Marietta branch location. In addition, we provided free Tax Day treats.

Total Members

182,756

Asset Size

\$2,494,603,278

Net Income

\$21.0 million

12



Employees Inducted into President's Club

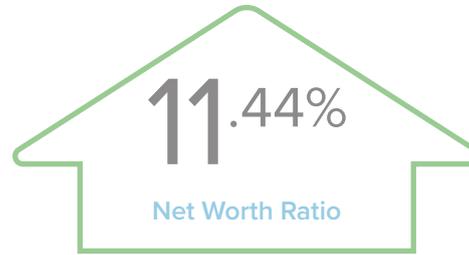
0.86%

ROAA



11.44%

Net Worth Ratio



15



New Premier Partners

109



Process Improvements

530



Volunteer Hours

1,406



Personal Wellness Time Off Hours

85



Completed 85 Acts of Kindness in conjunction with the Georgia's Own Foundation

\$26,567,773\*

Amount returned to our members in the form of better rates and fewer fees



Continued Proud Partnerships with the Atlanta Hawks, Georgia State University Athletics, Atlanta's Relay Bike Share, the Atlanta Dream, and Six Flags Over Georgia



[ One Mission ]

Banking on Purpose

\*Source: Credit Union National Association, data current as of September 2019



## [Meet]

### The Atons

For two years, the Atons had been operating a pop-up pizza parlor from their apartment. They had been in the food business for 10 years and had always wanted to open their own restaurant. That dream became a reality with a small business loan from Georgia's Own. But we did more than just help them open their restaurant. At Georgia's Own, we want to see local businesses thrive—so when Junior's Pizza had their grand opening on August 5th, we treated their first 85 customers to a free slice of pizza as one of our *85 Acts of Kindness* and created a social campaign to help them drive business on opening day.

# Letter from our President and Chairperson

If one word could sum up 2019 for Georgia's Own Credit Union, it's extraordinary. In addition to record-setting earnings for the Credit Union, 2019 marked a major milestone for Georgia's Own: on December 6th, Georgia's Own celebrated its 85th anniversary. Here are some of our 2019 highlights...

## [We]

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### Embarked on a digital transformation

An important part of our organization's strategy is ease of use, and to achieve this, we embarked on a digital transformation. More and more members are demanding a better digital experience, and we have taken the first steps in enriching our digital channels. We continued our investment in Constellation, a platform that will allow us to enhance our digital interfaces. We invested in journey mapping, giving us greater insight into how we can improve our processes and create a better user experience for our members. We worked to provide greater automation through enhancements in our phone system, website, and new account opening software.

### Returned our savings to our members

Bringing value to our members is the foundation of our business. Early in the year, we offered relief to government workers during the shutdown through our Emergency Relief Loan. In March, Georgia's Own gave back to our members by taking 0.85% off of our already low mortgage rates. Throughout the year, Georgia's Own offered a number of special CD rates, helping our members save for the future. Finally, we furthered our commitment to small businesses by becoming one of the only credit unions to offer SBA (Small Business Administration) loans in the Southeast. We are proud to report that in 2019, Georgia's Own provided an estimated total of \$26,567,773 to our members in the form of lower rates and fewer fees, which is equivalent to \$144 per member or \$302 per household.\* That savings is 20% higher than the average credit union in Georgia.

\*Source: Credit Union National Association, data current as of September 2019

### Grew our footprint

Convenience and service remain an important cornerstone of our success. In 2019, we grew our footprint by announcing the mergers of DOCO Credit Union and Three Rivers Credit Union, both slated for 2020. We opened our first Engagement Center at 100 Peachtree Street in Atlanta, offering more than just a place to make transactions, but also a welcoming environment for the downtown community. In July, we moved our Augusta location to better serve our members. Finally, we brought on 15 new Premier Partners, including Clayton County Public Schools, Brenau University, Gate Gourmet, and Loomis. This, and the many other ways we work to serve our members, has earned us an A+ rating with the Better Business Bureau.

### Attained record earnings

Our outstanding performance in 2019 is indicative of the many members we helped during the year. Georgia's Own Credit Union's net income climbed to \$21,025,887. This is the first time in our 85-year history that net income exceeded \$20 million. Our loan portfolio continued to increase to \$1.9 billion. Similarly, our deposit account balances increased, ending the year at over \$2.0 billion. Membership stayed strong at 182,756. Our net worth ratio rose to 11.44% and our ROAA (Return on Average Assets) increased to 0.86%.

### Performed 85 Acts of Kindness

Upholding our mission of Banking on Purpose, we celebrated our 85th anniversary by performing 85 *Acts of Kindness* in 2019 together with the Georgia's Own Foundation. Some of those acts included: giving 8.5 gallons of free gas to TSA employees affected by the government shutdown; planting in the organic garden at Camp Twin Lakes; hosting a pizza party with professional baseball player Dansby Swanson at Green Acres Elementary School; building and donating 85 bikes for Free Bikes 4 Kidz; providing free bike transportation through Relay Bike Share on two busy weekends in Atlanta; holding a special

meet and greet for members with Atlanta quarterback Matt Ryan; hosting Shred Days for the communities at our Alpharetta and Forsyth branches; providing food truck vouchers for guests at Woodruff Park's Summer Concert Series; cooking meals for families at the Ronald McDonald House; and hosting a patient party at Children's Healthcare of Atlanta with Atlanta basketball legend Dominique Wilkins.

### Completed construction on the Georgia's Own Sign

In January, we completed construction on the Georgia's Own Sign, the first building-top sign in the Southeast, garnering more than 200 million impressions annually. With the sign, we were able to highlight events important to the Credit Union and our city, including the Making Strides Against Breast Cancer Walk, Hunger Awareness Month, and the Atlanta Jazz Festival—as well as support the people, places, and teams we love, like the Atlanta Hawks, Woodruff Park, and Children's Healthcare of Atlanta. We continued our partnerships with Georgia State University Athletics, the Atlanta Relay bike share program, Six Flags Over Georgia, and the Atlanta Dream, to name a few.

### Gave back to our local communities

Georgia's Own Foundation, Inc., the charitable arm of Georgia's Own Credit Union, serves the community through funds raised and hours volunteered for organizations providing healthcare and educational benefits for children. In 2019, the Georgia's Own Foundation was proud to assist organizations like Action Ministries and the programs they support, including the Women's Community Kitchen; Smart Lunch, Smart Kids; and Feed the Hungry. Collectively, Georgia's Own Credit Union and the Georgia's Own Foundation contributed more than \$445,000 to organizations working to help better our community. This amount included funds raised at the Foundation's annual golf tournament, benefitting L.E.A.D., and their scholarship programs, which allowed the Foundation

to award \$27,000 to deserving students.

### Invested in our staff

The management team at Georgia's Own is a strong advocate of employee culture. We believe that successfully investing in our members and our communities requires a significant investment in our staff. In 2019, we celebrated the fifth anniversary of President's Club, which recognizes employees for their outstanding performance and service standards, and inducted 12 exemplary employees into this prestigious group. We made employee engagement a critical metric for our organization and are pleased to report that we exceeded our target goal by 9%. Finally, we furthered our dedication to employee wellness and volunteerism—employees logged more than 1,406 hours for personal wellness and nearly 530 hours for volunteer time off.

While these highlights and our financials are proof of an exceptional year, the real measure of our success cannot be quantified by words or a financial statement. Our success is defined by you. Each dollar we give back, each deed we perform, each dream we fulfill brings true meaning to our mission of Banking on Purpose. Thank you for allowing us to serve you for 85 years. We look forward to bringing you the same commitment of value and service in the next 85 years.



*David A. Preter*

David A. Preter  
President & CEO



*Michael Baumgartner*

Michael W. Baumgartner  
Chairperson

A nighttime photograph of a city skyline, likely Atlanta, Georgia. The sky is a deep blue, and the city lights are glowing. In the foreground, a multi-lane highway curves through the frame, with long-exposure light trails from cars creating streaks of white, yellow, and red. Streetlights line the highway, and various signs are visible, including a green highway sign and a blue 'EXIT' sign. The background is filled with numerous skyscrapers of varying heights, some with distinctive architectural features like tiered tops or spires. The overall scene conveys a sense of urban energy and modern infrastructure.

[We're Georgia's Own]



# Board of Directors

**David Preter** | President/CEO

**Michael Baumgartner** | Chairperson

**Patrick Casey** | Treasurer

**Joan Sims** | Secretary

**Richard Burns**

**William Conine**

**David Dickey**

**James Larry Fowler**

**Gary Ludgood**

**Ervin Walker**

# Senior Staff Members

**Cindy Boyles** | Chief Talent Officer

**Eric Broome** | Chief Operating Officer

**John Carew** | Chief Strategic Officer

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

**Greg Gibson** | Chief Financial Officer

**Drew Putt** | Chief Commercial Officer

# Financials

## [ Statement of Financial Condition ]

DECEMBER 31, 2019

### ASSETS

Cash and cash equivalents	\$	216,539,042
Securities - available for sale		184,775,359
Other investments		17,880,043
Loans held for sale		2,030,950
Loans - gross		1,926,979,502
Allowance for loan losses		(13,759,561)
Loans - net		1,913,219,941
Accrued interest receivable		8,050,582
Foreclosed and repossessed assets		175,278
Premises and equipment, net		44,644,021
NCUSIF insurance deposit		19,401,764
Other assets		87,886,298
<b>Total Assets</b>	<b>\$</b>	<b>2,494,603,278</b>

### LIABILITIES AND MEMBERS' EQUITY

Checking accounts	\$	414,370,017
Share accounts		766,549,380
Money market accounts		386,120,800
IRA accounts		13,160,634
Share and IRA certificates		353,736,535
Members' share and savings accounts		1,933,937,366
Non-member deposit accounts		100,674,000
<b>Total Shares and Deposits</b>		<b>2,034,611,366</b>
Borrowed funds		153,289,000
Accrued interest payable		198,822
Accrued expenses and other liabilities		34,814,709
<b>Total Liabilities</b>		<b>2,222,913,897</b>
Regular reserves		29,222,710
Undivided earnings		256,314,565
Accumulated other comprehensive loss		(13,847,894)
<b>Total Members' Equity</b>		<b>271,689,381</b>
<b>Total Liabilities and Members' Equity</b>	<b>\$</b>	<b>2,494,603,278</b>

# [ Statement of Income ]

YEAR ENDED DECEMBER 31, 2019

## INTEREST INCOME

Loan	\$ 92,234,012
Securities, deposits, and cash equivalents	7,628,287
<b>Total Interest Income</b>	<b>99,862,299</b>

## INTEREST EXPENSE

Members' share and savings accounts	9,393,745
Non-member deposit accounts	2,741,970
Borrowed funds	2,598,263
<b>Total Interest Expense</b>	<b>14,733,978</b>
<b>Net Interest Income</b>	<b>85,128,321</b>

## PROVISION FOR LOAN LOSSES

	10,000,000
<b>Net Interest Income after Provision for Loan Losses</b>	<b>75,128,321</b>

## NON-INTEREST INCOME

Service charges and fees	\$ 14,311,090
Other non-interest income	28,678,212
Net gain on sale of investments	18,120
<b>Total Non-interest Income</b>	<b>43,007,422</b>

## NON-INTEREST EXPENSE

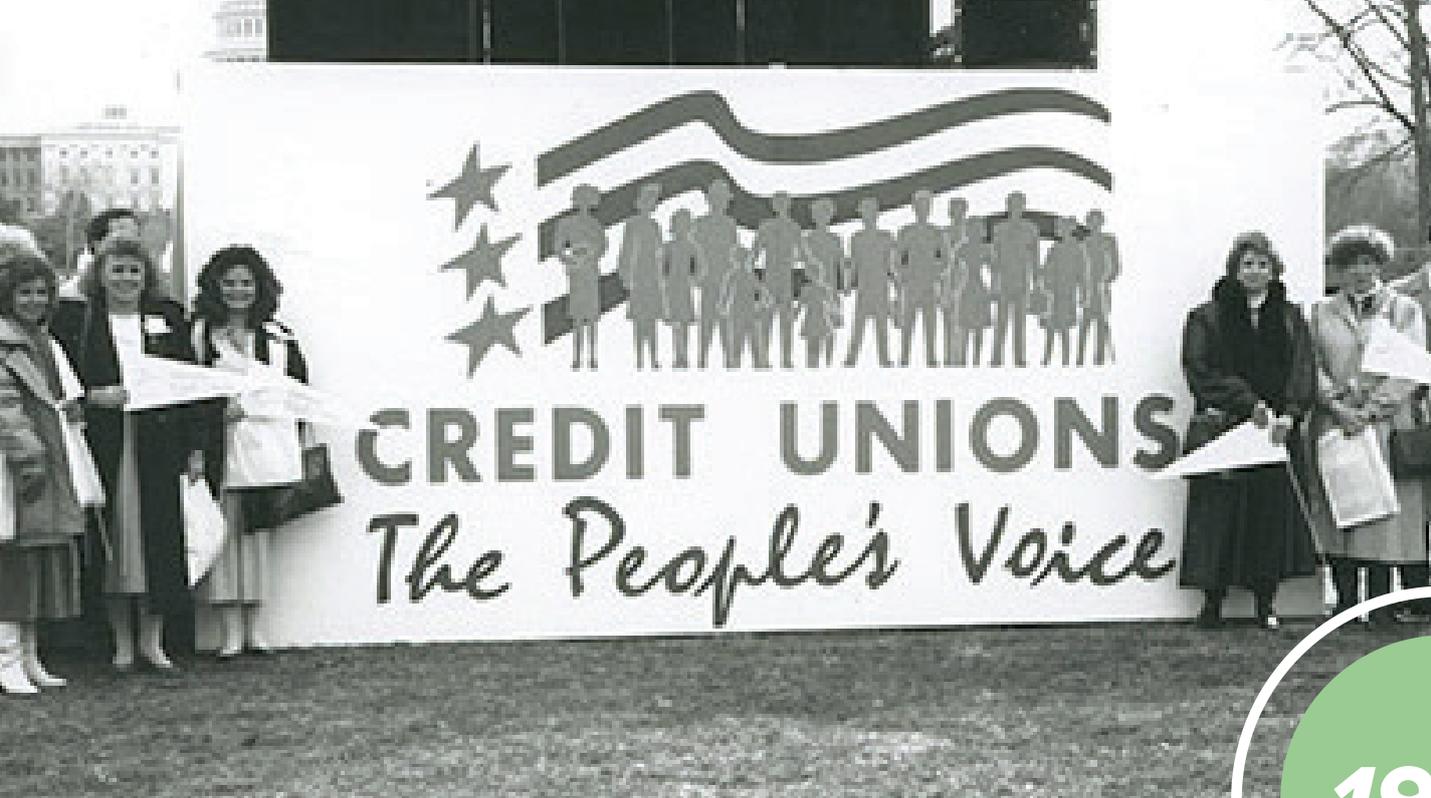
Employee compensation and benefits	47,676,050
Office occupancy and operations	24,985,891
Other operating expenses	24,447,915
Impairment Loss on Foreclosed Assets	-
Net loss on sale of assets	-
<b>Total Operating Expenses</b>	<b>97,109,856</b>

<b>Net Income</b>	<b>\$ 21,025,887</b>
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# [ Statement of Member's Equity ]

YEAR ENDED DECEMBER 31, 2019

	<b>REGULAR RESERVES</b>	<b>UNDIVIDED EARNINGS</b>	<b>ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)</b>	<b>TOTAL</b>
Balance at December 31, 2018	\$ 29,222,710	\$ 235,288,678	\$ (15,985,897)	\$ 248,525,491
Net income		21,025,887		21,025,887
Other comprehensive loss			2,138,003	2,138,003
<b>Balance at December 31, 2019</b>	<b>\$ 29,222,710</b>	<b>\$ 256,314,565</b>	<b>\$ (13,847,894)</b>	<b>\$ 271,689,381</b>



1934

## A look back: where it all began

In 1934, Atlanta Telco Credit Union was founded by a group of eight telephone employees with an initial investment of \$160. The Credit Union quickly grew to more than 2,000 members, expanding service to the entire state in 1944 as Georgia Telco Credit Union, and by 1949 reached \$1 million in assets.

In 2005, assets topped \$1 billion and we began serving 12 counties and 400+ sponsor companies in Georgia. Two years later, Georgia Telco became Georgia's Own Credit Union.





**GEORGIA'S OWN**

CELEBRATING 85 YEARS | 1934 - 2019

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