

PRESIDENT & CEO REPORT
ROSE GUNTER
PRESIDENT & CHIEF EXECUTIVE OFFICER

Happy Anniversary Alive! I'm pleased to report your credit union has completed another successful year. We continue to be financially strong, far exceeding regulatory requirements and are helping to improve the economic health of the communities we serve.

We couldn't have done it without our membership's high level of engagement in our cooperative especially our lending programs. In 2018, we financed almost \$30M in new and used autos, over \$5.5M in mortgages, and \$2.7M in home equity loans and lines. Our loan losses are at a record low and our 2018 net income was over \$690K. We appreciate this outstanding support from our valued members and the opportunity to make their lives better.

While we celebrate our 65th anniversary, we are also grateful for the legacy of our predecessors and for our current volunteers who are committed to carry forward our purpose of Inspiring Financial Wellness. Their conservative management and dedication to our credit union's success, allows us to provide financial solutions to thousands of members each year and fulfill our desired social responsibility.

Volunteers, like Ken Wilson, whom we lost earlier this year, give their time and share their expertise for the benefit of our members. Mr. Wilson was a dedicated former director and beloved member. As long as we can recall, he faithfully attended our annual meetings. His presence will be missed today.

Throughout the year your staff volunteered their time and resources to many local charities and fundraised for the Humane Society, Catholic Charities, and Family Promise, among others serving our community. We reached out to organizations that help those who are unbanked and underserved by financial institutions and supported their events to inspire financial wellness. We also sponsored events for the American Lung Association, American Heart Association, Gate River Run and Relay for Life. Many of our employees came out to enjoy the festivities and show their support for these worthy causes. Among other commitments to our community, this year we are a large sponsor of the Jacksonville Heart Walk. Over the

summer months we'll be asking for your support and hope to see you at the walk.

Early this year we will be improving our digital channels to enhance security and your experience. Through mobile and home banking you'll have complete control of your debit card. You'll even be able to temporarily block your card and change your PIN on the spot. Those of you who have been inconvenienced with a debit card that was lost, stolen or compromised, will be pleased to learn we soon will have the capability to instantly issue a replacement card. We also plan to install a new phone system and expand our call center. Not to worry though, we'll still have a live operator and your staff will have better tools to communicate securely and efficiently with you. We remain focused on constantly improving your technology, products and services to meet our members evolving needs, yet continue to provide the personal service you deserve.

We will also be investing more in staff training this year to insure you always have an excellent, consistent experience at Alive. Our employees know you and your family by name and are here to serve you both. They have built trusted relationships with you, and are wonderful, friendly employees who make our members feel at ease with financial matters. They won't try to sell you unnecessary services; however, they will be better equipped to listen to your needs and be even more engaged in your financial well-being.

Thank you for the trust you have in Alive, your volunteers and staff, and for allowing us to be your banking partner.

Rose Gunter



ANNUAL MEETING
AGENDA

**INTRODUCTIONS, CALL TO ORDER,
DETERMINATION OF QUORUM
& READING OF 2018 MEETING MINUTES**
NANCY MOREDOCK, BOARD CHAIR

PRESIDENT'S REPORT
ROSE GUNTER, PRESIDENT & CEO

SUPERVISORY COMMITTEE REPORT
WENDELL DAVIS, SUPERVISORY COMMITTEE CHAIR

UNFINISHED BUSINESS
NANCY MOREDOCK, BOARD CHAIR

NEW BUSINESS
NANCY MOREDOCK, BOARD CHAIR

ELECTION RESULTS
FRED GAUDIOS, NOMINATING COMMITTEE, DIRECTOR

Evening Honors

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

VOLUNTEER SERVICE AWARDS
PRESENTED BY: FRED GAUDIOS, DIRECTOR

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

CLOSING COMMENTS & ADJOURNMENT
NANCY MOREDOCK, BOARD CHAIR

2018

ANNUAL
REPORT



MANAGEMENT
TEAM

ROSE GUNTER | PRESIDENT & CEO
JOHN PAPAGNO | EXECUTIVE VICE PRESIDENT & CFO
CINDY SMITH | SENIOR VICE PRESIDENT, OPERATIONS
SHANAZ HASSAN-ABADI | AVP, BRANCH OPERATIONS
JOCELYN JONES | AVP, LENDING
CHRISTIAN PAGAN | MARKETING & BUSINESS DEVELOPMENT MANAGER
ASHLEY SAENZ | CARD SERVICES MANAGER
COLLEEN STUBBS | ASSET RECOVERY MANAGER
KEN GALLIHER | MORTGAGE LOAN MANAGER
RAFAEL HINOJOSA | IT MANAGER
MICHAEL CHAPMAN | FACILITIES MANAGER

VOLUNTEERS

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 & PALLIATIVE CARE
DAVID MARTIN | MAYO CLINIC
JIM WILLIAMS, JR. | FLORIDA BLUE (RETIRED)
JASON GRIGGS | ABENTRAS

SUPERVISORY
COMMITTEE

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



ANNUAL MEETING MINUTES | APRIL 25, 2018

Call To Order

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

Recognition and Introductions

Mrs. Moredock introduced the board and supervisory committee members. Board members present at the meeting were: Camille Cossa, Maury Pilver, Nancy Moredock, Jason Griggs, Jim Williams, Mel Maycole, and Dina Vickers. Also, in attendance was Director Emeritus Fred Gaudios. Supervisory Committee members Darryl Smith and Blane McMillan were also present.

President’s Report:

Rose Gunter, President & CEO began by speaking a bit about the last 64 years. She then expressed what a successful year 2017 was for saving members money. She stated we exceeded our goal of \$2M and saved our members \$2.3M in 2017.

Rose spoke about bringing in-house our own mortgage program and thanked Ken Galliher, our mortgage loan manager, for an outstanding job assisting our members with our lower cost mortgage programs. She mentioned several other new programs that expanded our ability to help members improve their financial lives; including the Greenpath Financial Wellness Program, the Coopera demographic research, the new iScore program, and the Filene research program.

Rose expressed gratitude to our dedicated volunteers and management team. She stated our strong vision and mission positions us well for continued success in the years to come.

Supervisory Committee Report:

Mrs. Moredock called on Darryl Smith to give the Supervisory Committee report.

Mr. Smith said the committee met on a quarterly basis to monitor the credit union’s compliance with all policies, regulations, and verify there are adequate internal controls in place to safeguard member assets. He mentioned the BSA audit conducted by Leverage indicates ACU is in compliance with today’s Bank Secrecy Act regulations. In addition to performing periodic member verifications, the committee contracted with the Certified Public Accounting firm, Clifton-LarsonAllen to conduct the annual financial audit. Mr. Smith expressed the committee’s confidence in the credit union’s very strong financial condition.

Camille Cossa made a motion to dispense with the reading of the minutes from the 2017 Annual Meeting. Jim Williams seconded and all were in favor.

Unfinished Business:

Mrs. Moredock announced there was no unfinished business.

New Business:

Mrs. Moredock turned the meeting over to Mel Maycole for the announcement of the Election Results and the Ballot Drawing Winner.

Mel Maycole stated that the 2018 election was held in accordance with the credit union by-laws. Three Directors were elected to the Board for new three-year terms: Maury Pilver, Camille Cossa, and Nancy Moredock. Wendell Davis and Darryl Smith were re-elected to the Supervisory Committee for another three-year term. Mr. Maycole announced our member, Frank Butler, was the ballot winner and received \$100 in his account with ACU.

Mrs. Moredock announced there was no other known new business.

SUPERVISORY COMMITTEE REPORT

WENDELL DAVIS, COMMITTEE CHAIR

Your Supervisory Committee is elected by the membership and works in their best interests. They support the Board of Directors in fulfilling its oversight responsibilities for the accuracy of financial reporting, assessment of compliance with laws and regulations, and verification of adequate internal controls in place to safeguard member assets.

For 2018, the committee again retained the Certified Public Accounting firm, CliftonLarsonAllen to perform a comprehensive audit of the credit union’s financial statements as well as handle agreed upon procedures, ACH audit and periodic member account verifications. Although we have engaged this Top 10 auditing firm in previous years, this year we changed our principal, which gave us a fresh set of eyes. The Committee additionally engaged the Credit Union Audit and Compliance Group to conduct an annual Bank Secrecy Act audit.

We are pleased to report the audit findings indicate the credit union continues to be in a strong financial and operational condition. Thank you for the opportunity to serve you.

Meeting Minutes Continued

Evening Honors:

Mrs. Moredock turned over the program to Christian Pagan for the announcement of our Betty M. Collins Scholarship winner. Christian spoke about being the chair of the scholarship committee and how one applicant’s passion, determination and desire to make a difference stood out above the rest. He gave a small background on the accomplishments of the winner and then presented Jeremy Ford with a certificate and check. Mr. Ford received \$2,500 towards his Master’s Degree in Healthcare Administration.

Nancy Moredock presented Maury Pilver with a 35-year Volunteer Service Award for serving on the Board of Directors.

Rose Gunter acknowledged the 10, 15 &

20-year employee anniversaries for 2018. Mrs. Gunter and Cindy Smith presented Becky Filaroski with a gift and \$200 check in honor of her 20-year anniversary.

Mrs. Gunter then recognized the previous Employee of the Year honorees. She then announced the 2018 Employee of the Year – Adrienne Wilson, Branch Manager. Ms. Wilson was given a \$500 check, an extra week’s vacation, Employee of the Year plaque and “bragging rights for the year.”

Closing Comments/ Adjournment:

Nancy Moredock called Christian Pagan to the podium to announce the door prize winners.

With no further business, Mrs. Moredock thanked everyone for attending and formally adjourned the meeting at 5:45 pm.

2018 FINANCIALS

STATEMENT OF FINANCIAL CONDITION:

	2018
Cash and Equivalents	\$6,251,925
Agency Securities, Available for Sale	\$18,356,266
Unrealized Gain/(Loss) on AFS Investments	(\$585,636)
Agency Securities, Held to Maturity	\$1,005,178
Other Investments and Bank Deposits	\$15,605,000
Loans to Members, (at fair value)	\$82,191,921
Accrued Interest Receivable	\$230,995
Fixed Assets (Net of Accumulated Depreciation)	\$4,459,475
NCUA Federal Deposit Insurance Fund	\$1,099,222
Prepaid / Deferred Expenses	\$267,859
Intangible Assets	\$0
Other Assets	\$1,601,832
Total Assets:	\$130,484,037

Liabilities and Equity:

	2018
Member Shares and Term Certificates, (at fair value)	\$109,817,576
Accounts Payable and Accrued Expenses	\$491,954
Work in Process and Other Liabilities,	\$860,320
Total Liabilities	\$111,169,850


Total Equity

\$130,484,037

Total Liabilities and Equity

\$130,484,037

LOANS GRANTED IN 2018

	New/Used Vehicle Loans	\$29,312,043 (1,056 Loans)
	Personal Financing	\$2,105,290 (2,171 Loans)
	Mortgages/Home Equity Loans/HELOCs	\$8,240,401.52 (338 Loans)

Special Dedication

STEPHEN KENNETH WILSON

August 3, 1931 – January 19, 2019

As we celebrate our 65th Anniversary, we look back at the special people who have over the years, contributed to the success of Alive Credit Union and dedicate a moment to remember Stephen Kenneth Wilson.

Mr. Wilson joined our board of directors in 1993 and served our membership for nearly 10 years. He was a long-time member of our credit union and well beloved by our team. Taking after his family who have also dedicated their lives to health care, Mr. Wilson devoted his life to the medical industry, earning a Master’s degree in Hospital Administration from Washington State University in 1961, serving on boards of many state and national healthcare related associations throughout his lengthy career, earning him a Lifetime Achievement Award and making him an instrumental part of our volunteer management team.



2018 BETTY M. COLLINS MEMORIAL SCHOLARSHIP

The winner of the 2018 Betty M. Collins Memorial Scholarship was Jeremy Ford, a Masters in Healthcare Administration student at UNF. Jeremy held a 4.0 GPA in graduate school, completed over 1,000 hours of community service and has been awarded the President’s Volunteer Service Award Medal from the White House. After graduation, he aspires to improve the quality of life of service members and create systems that improve health care operations. 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.

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