

MINUTES

70TH ANNUAL MEETING OF ALABAMA ONE

MAY 2, 2023 • 4PM CST

TRAINING & COMMUNITY CENTER

Alabama ONE[®]

One.Together.

71ST ANNUAL MEETING OF ALABAMA ONE

MAY 7, 2024 • 4PM CST

On May 2, 2023, Alabama ONE Credit Union held its 70th annual membership meeting which covered the 2022 financial performance and accomplishments for the year. The decision was made last year to limit in-person attendance as the country was still coming out of the COVID-19 health issue; therefore, we streamed this year's Annual Meeting live via Zoom to protect our Members, TEAM Members, and Volunteers. There were four Volunteer positions up for a vote, Tamika Alexander, Loo Whitfield, Ron Abernathy, and David Loe. A quorum was met. Matt Tompkins from Rosen Harwood acted as Parliamentarian for the annual meeting. The annual meeting video, as well as the annual report is available on our website at alabamaone.org/2023annualmeeting. Included in this annual report were the minutes from the May 3, 2022 annual membership meeting.

Chairperson Loo Whitfield welcomed the Members attending on behalf of the Alabama ONE Volunteers and Alabama ONE TEAM members. Chairperson Whitfield requested a motion to approve the prior year's annual meeting minutes and to dismiss the reading of the prior year's minutes. Motion passed. Chairperson Whitfield requested a motion to approve the renewal of the volunteer positions up for a vote. Motion passed. Chairperson Whitfield informed everyone that all questions or feedback can be sent to ComplianceDept@alabamaone.org.

A video containing the 2022 highlights was shown. The video documented the 2022 financial performance of Alabama ONE, as well as the past years of performance, the new and improved products and services offered, and new changes to come. Included in the video, Jacquie Johnson presented the West Alabama Food Bank with a donation of \$7,000.

After the video concluded, Secretary Tamika Alexander thanked everyone for attending and requested a motion to close the meeting. Motion passed.

The meeting was adjourned.



LOO WHITFIELD
Chairman

SUPERVISORY COMMITTEE REPORT

It is an honor to serve as the Chairman of the Alabama ONE Supervisory Committee. The Committee operates independently of the Board to ensure Alabama ONE operates safely and in compliance with all applicable laws, regulations, and credit union policies. To do this, our committee works alongside our internal compliance TEAM as well as our external auditors, Pearce Bevill, to monitor Alabama ONE's internal controls and audit its financial statements.

Based on the results of the audit and ongoing internal compliance reviews, Alabama ONE is operating safely, prudently, and in compliance with laws, regulations, generally accepted accounting principles, and the policies of our credit union.

This Board and management TEAM has done a tremendous job in promoting a strong culture of corporate governance, TEAMwork, and expanding vision for Alabama ONE. Their collective efforts have resulted in outstanding loan quality, outstanding earnings, strong capital, recognition of superior member service, and dedicated community involvement. Our committee congratulates the Board and management TEAM on a job well done.

DAVID LOE
Chairman of the Supervisory Committee

TREASURER REPORT

It is an honor to represent the membership as the Board Treasurer. As Treasurer, I believe my primary responsibility is to ensure funds and resources are allocated to serve the membership in a safe and sound manner. Our team has done an outstanding job growing our financial strength and achieving outstanding profitability to reinvest in our members. Amazing financial milestones were achieved in 2023 for Alabama ONE. Here are a few highlights of those achievements:

- Earnings of over \$6M
- Capital Reserves of almost \$97M (8%)
- Over \$32M restored to capital over the last 5 years
- Outstanding loans grew to \$892M, an \$129M increase over last year
- Provided over \$770M in new loans to members over the last three years
- Membership reached over 90,000, adding over 21,000 during the last three years
- Total deposits grew to \$1.064B
- Total assets grew to \$1.221B

We are excited about the future of our credit union and expanding the number of communities we serve. The announcement of the First Bank acquisition as well as other new branches will allow the credit union to continue to grow across the state. We congratulate our Board and management team for their efforts in achieving outstanding performance in 2023 and look forward to working with them in 2024.

RON ABERNATHY
Treasurer

The Alabama ONE

Commitment Five Pillars

- Provide Excellent Member Service
- Offer the Best Products & Services
- Embrace Sound Corporate Governance
- Focus on Financial Wellness
- Treat Each Other with Respect & Fairness

Market-Leading Products & Services

- Online Consumer Lending with Debt Protection
- Comprehensive mortgage offerings from 100% financing and government programs to jumbo loans
- Auto Loans with GAP/Warranty options
- Advanced Online Banking Tools (Bill Pay, Live Chat & Text, Mobile App, E-Statements, Link Accounts, External Transfers, Person-2-Person)
- Full Service Insurance Agency
- Business, Land, Ag, and Equipment loans and services
- Wealth Advisory TEAM
- IT Support TEAM
- Credit Cards with strong rewards program
- Instant Issue Debit Cards
- Expanded operating hours with Virtual Branch

Member & Community Service Driven

- 9,800 students reached since 2019 through our financial wellness program in local schools
- 2,800 adults reached since 2019 through our financial wellness seminars and one on one coaching
- Alabama ONE Aspire Foundation offers 10 unique scholarships to our members
- Strategic community partnerships including Habitat for Humanity, United Cerebral Palsy, and Backpack Connections
- Alabama ONE Aspire Foundation Builders Awards, a celebration of the community that highlights and awards amazing community partners that strive to ensure equitable access to resources for all.
- FinTalk Academy, a program of diverse events, designed to bring financial literacy, healthier family relationships, and stronger communities.

Major Achievements as of 2023

- Expanding our presence statewide with the acquisitions of First Bank of Wadley, as well as opening additional branches
- Earnings of over \$6M
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- Over \$32M restored to capital over the last 5 years
- Outstanding loans grew to \$892M, a \$129M increase over last year
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STATEMENT of FINANCIAL CONDITION

As of December 31, 2023 (UNAUDITED)

Assets		IRA Accounts	\$	53,739,051
Loans (<i>net of allowance for loan losses</i>)	\$ 884,895,919	Club/Escrow Accounts	\$	53,372,057
Cash and cash equivalents.....	\$ 80,603,099	Total Deposits	\$	1,063,872,829
Investment securities.....	\$ 159,469,151	Other Liabilities.....	\$	71,580,714
Property and equipment.....	\$ 33,188,334	Total Liabilities	\$	1,063,872,829
Other Assets	\$ 62,357,130	Regular Reserves	\$	84,519,886
Total Assets	\$ 1,220,513,633	Unrealized Gain (Loss) on Securities.....	\$	(6,705,151)
Liabilities and Members' Equity		Other Reserves	\$	7,245,355
Share Accounts.....	\$ 312,655,688	Undivided Earnings	\$	
Share Draft Accounts.....	\$ 242,195,871	Total Members' Equity	\$	85,060,090
Daily Money Market Accounts	\$ 119,834,605	Total Liabilities & Members' Equity	\$	1,220,513,633
Money Market Certificate Accounts	\$ 282,075,557			

STATEMENT of INCOME

As of December 31, 2023 (UNAUDITED)

Interest Income		Operating Expenses	
Interest on Loans	\$ 37,884,882	Compensation and Benefits	\$ 20,774,506
Interest on Investment Securities	\$ 4,121,715	Occupancy Expense	\$ 1,961,333
Total Interest Income.....	\$ 42,006,597	Office Operations Expense	\$ 9,065,395
Interest Expense		Professional and Outside Services.....	\$ 5,132,979
Dividends/Interest on Members' Accounts ...	\$ 13,789,911	Other.....	\$ 4,588,476
Net Interest Income	\$ 28,216,686	Total Operating Expenses	\$ 41,522,689
Provision for Loan Losses	\$ 1,252,099	2023 Net Income.....	\$ 6,004,232
Net Interest Income After Provision for Loan Losses	\$ 26,964,587	2022 Net Income	\$ 6,216,027
Other Income	\$ 20,562,334	2021 Net Income	\$ 5,108,875
		2020 Net Income.....	\$ 3,207,201
		2019 Net Income	\$ 5,554,086
		2018 Net Income	\$ 6,051,041

