

Treasurer's Report

Consolidated Statements of Financial Condition		
December 31, 2017 and 2016		
ASSETS	2017	2016
Loans to Members	\$194,817,129	\$215,945,062
Allowance for Loan Losses	\$(1,110,760)	\$(1,774,702)
Investments	\$143,684,862	\$111,263,242
Other Assets	\$45,591,325	\$44,201,970
TOTAL ASSETS	\$382,984,574	\$369,635,571
LIABILITIES AND MEMBERS' EQUITY	2017	2016
Members' Deposits	\$338,907,293	\$328,587,812
Other Liabilities	\$2,731,343	\$2,311,049
Unrealized Gain/(Loss) on Investments	\$(1,808,540)	\$(2,244,350)
Undivided Earnings	\$43,154,478	\$40,981,061
TOTAL LIABILITIES AND MEMBER EQUITY	\$382,984,574	\$369,635,571
Consolidated Statements of Revenue and Expense		
For the Years Ended December 31, 2017 and 2016		
REVENUE	2017	2016
Interest on Loans	\$9,398,901	\$10,431,848
Interest on Investments	\$2,376,152	\$1,360,327
Other Revenue	\$4,289,555	\$4,225,379
Gain on Sale of Investment	\$-	\$211,098
TOTAL INCOME	\$16,064,608	\$16,228,652
EXPENSE	2017	2016
Operating Expense	\$12,514,763	\$12,531,020
Provision for Loan Losses	\$172,000	\$1,670,000
Non-Operating Income	\$(2,029)	\$-
Net Income Before Dividends	\$3,375,816	\$2,027,632
Total Cost of Funds	\$1,202,399	\$1,171,132
NET INCOME	\$2,173,417	\$856,501

Julian L. White
Treasurer

BOARD OF DIRECTORS

James C. Horne, Jr. – Chairman
William D. Thomson – Vice Chairman
Julian L. White – Treasurer
Nancy L. Ross – Secretary
Jeffrey Edwards – Director
Jace M. Padden – Director
William E. Poorbaugh – Director
Mary L. Sanderford – Director
Shawn Starkey – Director

ASSOCIATE DIRECTORS

Jackie Juergens
Lauren Napolitano
Michael Swink

EMERITUS DIRECTORS

Alice D. Owens
William F. Pearce
Lonnie L. Tolley

SUPERVISORY COMMITTEE

Anita C. Dunn – Chairman
Harrison Bonner III
Willie M. Jefferson
Dolly Snead
Michael Swink

SENIOR MANAGEMENT TEAM

Roger B. Ball – President & Chief Executive Officer
James Blau – Vice President of Risk Management
Chester Gilmore – Vice President of Retail
George P. Kite III – Chief Financial Officer
John West – Vice President of Operations

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2017 ANNUAL REPORT



Federally insured by NCUA

OUR VISION

Call Federal provides passionately local banking
by opening doors to your financial health.

Fellow Members,

It brings me great pride to share with you that 2017 was another excellent year for Call Federal Credit Union, and I am sincerely appreciative of the role each and every one of you plays in that success. Our financial cooperative remains strong, focused on sustainable growth, and committed to the financial health of its members. Speaking of financial health, attendees of this year's annual meeting will note the theme – "Where Will Financial Health Take You?" – where we encourage members to "Get Your Passion Passport." The passport is a metaphor for the value we bring to our members – building relationships that help people reach their goals and improve their financial health.

Sharing financial knowledge and building our members' confidence in their own decision-making is a cornerstone of our mutual success. In this past year, we expanded prior efforts and created new channels to deliver this vital information to our members. Four more Call Federal team members completed the rigorous program and examination to become Certified Credit Union Financial Counselors. They are exemplars of our dedication to our members and tremendous resources to the rest of our staff. We couldn't be prouder of their efforts. This past fall also saw the launch of our new website at CallFederal.org, complete with the Financial Insights blog. With regular updates, members will find a growing library of relevant articles on topics ranging from credit reports and car-buying guides to spending plans and savings tips. We have also added capabilities for online workshops, hosted at more convenient times, with replays available anytime.

The consideration of convenience and ease of access for our members was not isolated to our online content. A number of our core products also received improvements. Call Federal's revamped car-buying program makes purchasing a new vehicle quick, easy, and convenient. Thanks to a partnership with industry leader TrueCar®, finding a car that fits your needs and budget has never been easier. Our pre-approved Check-In-Hand auto loans remove dealer financing and haggling with a sales manager from the equation. We will even have a courier deliver the check to your home or office. Our Home Equity loan programs have expanded to better suit a variety of uses, with even more flexible funding and payback options. And we've reorganized our lending team to ensure that continuous improvement of all of our loan programs remains a top priority.

It continues to be a genuine pleasure serving as your Chairman. In the coming year, I encourage each and every one of you to remain active within Call Federal, to share your ideas and give suggestions on the ways we can better serve you, your needs, and your financial goals.

Respectfully,


James C. Horne, Jr.
Chairman, Board of Directors

OUR VISION IN ACTION

2017 HIGHLIGHTS Membership

- 2,407 new members joined the Call Federal family in 2017.
- We ended the year 30,213 members strong.
- Thanks to everyone who voted us the area's best resource for financial planning and one of the area's best credit unions in a *Richmond Magazine* poll.



Financial Achievement

- We ended the year with a net worth ratio of 11.27%, nearly double the regulatory requirement of 6%.
- The credit union's total assets at the end of 2017 were \$383 million, up 3.6% above the end of last year.

New Products and Services

- Rolled out a new online banking system with added features, easier navigation, and improved functionality.
- Launched a newly designed website delivering a Financial Insights blog where we share team members' experiences and knowledge gained from their own personal journeys on the road to financial health.
- Introduced a new home equity line of credit that offers flexible funding and repayment options so our members can turn that value into much-needed cash for improvement projects, debt consolidation, college tuition, or any number of large expenses.
- Partnered with TrueCar, allowing our members to take advantage of savings through their network of certified dealers as well as price transparency by seeing what others in the area paid.

Community Involvement

- Ranked among the area's Top 25 Most Generous Companies by Richmond BizSense.
- Call Federal awarded a total of \$10,000 to four outstanding student-members through the Alice S. Pearce Scholarship program.
- Unveiled a new bank exhibit at the Children's Museum of Richmond focusing on financial education in a playful environment offering guests hands-on learning opportunities like child-sized ATMs and an air tube deposit system.



SUPERVISORY COMMITTEE REPORT

Call Federal Credit Union's Supervisory Committee verifies that the credit union's policies, procedures, and internal controls protect our members' assets. The Supervisory Committee is a group of member volunteers appointed by the Board of Directors. The Committee oversees internal compliance and engages an independent auditor to ensure accurate reporting and effective practices and controls.

The independent auditor's report, issued by PBMares, LLP for the period covering July 1, 2016, to June 30, 2017, indicated a stable financial condition and sound operational procedures. This year, Call Federal engaged a firm for an opinion-based audit, a more thorough and in-depth audit than has been done in previous years. The firm issued their opinion that Call Federal's financial statements and financial condition are in accordance with generally acceptable accounting principles.

Examinations by the National Credit Union Administration (NCUA) were performed in August 2017 covering the period ending June 30, 2017. The report from the 2017 examination included a document of resolution related to the collection of physical addresses for certain members. As a result of the August 2017 examination, we received a satisfactory rating without any major areas of concern.

The Supervisory Committee is pleased to report these positive findings and to serve the membership. Financial statements are available upon request and are posted in the lobby of the Commerce Road location.

Respectfully,


Anita C. Dunn
Chairman, Supervisory Committee

