

2017
ANNUAL REPORT



infirstfcu.org

Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

LEADERSHIP Report

Every year brings with it a sense of hope to achieve personal goals, take advantage of new opportunities, and become better at what we do. It is our pleasure to report to you that 2017 was an exceptional year for your credit union, financially and in member growth.

We are a service industry and our employees are an integral part of the “product” that we offer to our family of members. Exceptional service and member experience continues to be at the heart of what we do every day, with every interaction, and with every transaction. Your credit union exists today because you made a decision to be a member-owner in a not-for-profit financial cooperative, instead of a customer at a bank.

The 2017 highlights include:

Delivering a world-class member experience - Our team remains focused on greeting every member with a smile and a solution. This is why we offer financial guidance, education, one-on-one coaching, and innovative products.

Protecting our members - Nothing is more important than protecting the security of our members’ data. We continue to invest in and partner with vendors that offer the best tools and technologies to remain on the leading edge of data protection.

Providing best-in-class products - Although the competitive landscape can be challenging, we strive every day and with every opportunity to provide our members with the best value in the marketplace. We offer higher rates on checking and certificates, and lower rates on auto loans, first and second mortgages, and unsecured loans. Our VISA Rewards credit card is one of the richest cards offered.

Our brand conveys that we are at the forefront of technology. Celebrate the essence of your credit union by making InFirst your first choice in financial services today, and your family’s first choice for a lifetime: Members First. Partners Forever.

This is an exciting time for credit unions. There is so much change – and so many opportunities to help you with every milestone.

On behalf of the volunteer Board of Directors and the entire InFirst Federal Credit Union team, thank you for your support and trust as we build on almost nine decades of helping members afford life.

*William E. Shackelford, **Chair*** *Martha W. Wye, **President & CEO***

BOARD OF DIRECTORS

William E. Shackelford
Chair

Arthur D. Scrutchins
Vice Chair

Lynn C. Ross, Ph.D.
Secretary

Richard G. Thissen
Treasurer

Alan D. Rothenberg
Assistant Treasurer

Bette D. Cabot
Director

Dennis M. Corrigan
Director

SUPERVISORY COMMITTEE Report

The Supervisory Committee is composed of independent volunteers who are primarily responsible for ensuring that the financial condition of InFirst Federal Credit Union is accurately stated and presented.

The committee's major responsibilities are to you, the members. The committee ensures compliance with NCUA guidelines and regulations, monitors the financial reporting by management, oversees the role of the Internal Audit department, and makes sure that your credit union responds to the concerns of the members.

During 2017, the committee engaged the services of Robert L. Mann, LLC, Certified Public Accountant, to perform the annual audit of the credit union's financial statements to make certain that these statements fairly represent, in all material respects, the financial position and operational results in compliance with generally accepted accounting principles (GAAP).

The NCUA examination conducted during 2018 found your credit union to be a safe, sound financial institution. An independent firm specializing in technology security performed internal and external intrusion detection audits. The credit union received an excellent report for its technology security systems and processes. The credit union finished financially strong and continues to be well capitalized at 10.34%.

All of these accomplishments show our continued commitment to provide extraordinary value and service to each of you, the member-owners. These steps ensure that the members' needs are being addressed, while providing assurance that InFirst Federal Credit Union's financial condition is accurately stated and presented.

Sincerely,

John R. Clements, Chair

Sara B. Rearden

Linda Pintro

LOCATIONS

Alexandria

6462 Little River Turnpike
Alexandria, VA 22312

Monday - Friday: 9:00 a.m. - 3:00 p.m.

King George / Dahlgren

16384 Consumer Row
King George, VA 22485

LOBBY & DRIVE - THRU HOURS

Monday - Thursday: 9:00 a.m. - 5:00 p.m.

Friday: 9:00 a.m. - 6:00 p.m.

Saturday: 9:00 a.m. - 1:00 p.m.

Federal Communications

Commission - FCC Building

445 12th Street SW, Room MA-B515
Washington, D.C. 20554

Monday - Friday (Restricted Access):

10:00 a.m. - 2:30 p.m.

U.S. Office of Personnel

Management - OPM Building

1900 E Street, NW, Room G449
Washington, D.C. 20415

Monday - Friday (Restricted Access):

10:00 a.m. - 2:30 p.m.

FINANCIAL Report

ASSETS

	2016	2017
Loans	\$125,496,662	\$131,424,819
Allowance for Loan Losses	(\$821,341)	(\$958,340)
Allowance for Negative Overdrafts	(\$17,755)	(\$19,930)
Cash in Banks	\$10,798,353	\$7,788,428
Investments	\$26,034,792	\$20,184,804
Land & Building	\$3,594,340	\$3,448,395
Furniture & Fixtures	\$869,511	\$828,018
CUMA/Co-Op/CU24/PSCU	\$204,897	\$241,152
Share Insurance Fund	\$1,370,055	\$1,412,322
Other Assets	\$2,707,878	\$3,424,525
Accrued Income	\$374,633	\$343,122

Total Assets **\$170,612,025** **\$168,117,315**

LIABILITIES & NET WORTH

	2016	2017
IRA Accounts	\$2,713,022	\$2,449,483
Share Draft/Checking	\$31,234,344	\$29,789,381
Certificates	\$53,230,282	\$55,581,237
Money Market Accounts	\$26,209,824	\$22,732,677
Share/Savings	\$34,124,920	\$34,075,297
Accounts Payable	\$428,274	\$490,894
Notes Payable	\$7,001,168	\$7,001,661
Withholding Taxes	\$19,841	\$30,258
Accrued Expenses	\$273,379	\$296,292
Other Liabilities	(\$482,647)	(\$741,763)
Reserves	\$9,105,469	\$9,105,469
Unrealized Gain (Loss) on Securities	(\$239,041)	(\$276,692)
Accumulated OCI	(\$818,926)	(\$772,245)
Undivided Earnings	\$7,812,116	\$8,355,366

Total Liabilities & Net Worth **\$170,612,025** **\$168,117,315**

INCOME

	2016	2017
Income on Loans	\$5,439,185	\$6,383,506
Income on Investments	\$788,214	\$557,772
Other Income	\$1,481,090	\$1,435,583
Total Expenses	(\$6,149,330)	(\$6,803,391)
Dividends Paid	(\$1,007,702)	(\$1,084,956)
Regular Reserves (Net)	\$0	\$0
Gain (Loss) Disposition of Assets	(\$20,492)	\$54,737

Net Income **\$530,965** **\$543,251**

MANAGEMENT

Martha W. Wye
President & CEO

Patricia A. Irwin
Chief Operations Officer

Carolyn M. Inscoe
Chief Financial Officer

Jeffrey I. Parish
Chief Business Development Officer

Tameka C. Brown
Vice President of Human Resources

Michael E. Mutchler
Vice President of Lending

Janice K. O'Brien
Vice President of Member Engagement

Victoria L. Cho
Vice President of Business Development

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