

AOD FEDERAL CREDIT UNION  
P.O. BOX 608  
BYNUM, AL 36253

MINUTES OF THE 74th ANNUAL MEETING #06-2024

1. Date, time, Place and Attendance:

Date and Time: February 27,2024, 6:00 p.m.

Place: Oxford Civic Center/Virtual

Attendance: Board Members Present:  
Bobby Israel, Chairman  
Gordon “Doc” Williamson, Vice-Chairman  
Jim Webb, Treasurer  
Gloria Jean Newton, Secretary  
Charlene Stallings, Director  
Tony Burdell, Director  
Donte Vincent, Director

2. Virginia Bowen, Chief Executive Officer welcomed everyone to the 74th Annual Meeting for AOD Federal Credit Union. She turned the meeting over to the Bobby Israel, Chairman of the Board of Directors.
3. Mr. Israel asked Craig Young to give the Invocation. After the Invocation Mr. Israel asked everyone to stand and he led the Pledge of Allegiance.
4. Mr. Israel recognized the Board of Directors and Supervisory Committee. Mr. Israel asked all first responders, military personnel, and police to stand and be recognized.
5. The meeting was called to order at 6:06 p.m.
6. Mr. Israel asked Mrs. Newton if a quorum was present. Mrs. Newton said there was a quorum present.

7. Mr. Israel asked if we have a motion to forgo reading of the minutes of the 73<sup>rd</sup> Annual Meeting.  
*Mr. Williamson made the motion to forgo reading the minutes. Mr. Phillips seconded the motion. The motion passed unanimously.*
8. Mr. Israel introduced a the 2023 AOD Federal Credit Union video.
9. Mr. Israel introduced the reports of the directors.

### **Chairman's Report** – Bobby Israel, Chairman

It is my honor to serve as Chairman of the Board of Directors and I am pleased to present AOD Federal Credit Union's 2023 Annual Report. Since our inception in April 1950, when 45 charter members envisioned a financial institution owned and operated by its members, we've remained steadfast in that philosophy for 74 years. Today, with over 37,000 members, we continue to uphold our commitment to serving our membership.

In 2023, AOD Federal Credit Union experienced another successful year, culminating in over \$438 million in assets. We're proud to be recognized among the top 200 Healthiest Credit Unions in America and earning a 5-Star rating from Bauer Financial Services. This achievement would not be possible without the dedication of our Board of Directors, Supervisory Committee, and the unwavering commitment to Quality Member Service from our Management Team and Staff. AOD Federal Credit Union remains one of the safest and financially strongest institutions in Alabama.

Membership at AOD Federal Credit Union comes with numerous benefits. In 2023, members shared in our success with a \$25.00 bonus dividend, and we paid out over \$3.4 million in dividends overall. Our members enjoy higher interest rates on savings products and competitive rates on loan products. Throughout the year, we offered CD rate specials and a variety of loan specials to benefit our membership. AOD Federal Credit Union provides a comprehensive range of financial products and services to meet the diverse needs of our members, including e-banking solutions, checking and savings accounts, retirement and investment options, insurance services, and a wide array of personal and business loans.

As a Community Champion, AOD Federal Credit Union is dedicated to giving back to our communities. We're honored to have been voted the Best Financial Institution and Best Home Mortgage provider in Calhoun County for the eighth consecutive year. With seven branches throughout Calhoun and St. Clair counties and a robust digital platform, we're committed to serving our members both in person and online. Through our Employee Volunteer Program and support for local nonprofit organizations, we strive to make a positive impact in our communities. We continue to support our student members through initiatives like our Report

Card Rewards Program, operating two in school student ran branches, and scholarships, demonstrating our commitment to education and community involvement.

Looking ahead to 2024, our members can trust that the Board of Directors, Supervisory Committee, Management, and Staff will remain dedicated to the growth and success of the credit union, honoring our 74-year commitment to our membership. It's our privilege to serve you, our AOD family and member owners.

**Nomination Committee Recommendations for 2023-** Bobby J. Israel on behalf of Jim Webb, Nomination Committee Chairman-  
AOD Federal Credit Union's Nomination Committee consisting of Jim Webb, Charlene Stallings, Bobby Israel, and Anthony Burdell submit the following recommendations:

Board of Directors: In accordance with AOD Federal Credit Union's Bylaws, Article 5, Elections, Section 1, AOD Federal Credit Union elected not to have a ballot election and to only fill vacant positions. There were three vacant positions, and there were only three applications. All applicants were deemed highly qualified and provided all proper paperwork in a timely manner. The Nomination Committee recommends that Mr. Donte Vincent, Mr. Gordon 'Doc' Williamson, and Mrs. Gloria Jean Newton be affirmed at the 2024 Annual Meeting to serve 3-year terms on the AOD Federal Credit Union's Board of Directors. All notices were posted within the proper time period and there was sufficient time for any "Run By Petition" applicants.

The Nomination Committee feels that these three nominees offer the highest standard for serving on the AOD Federal Credit Union Board of Directors.

**Treasurer's Report-** Jim Webb, Treasurer

Ladies and gentlemen, esteemed members, and valued guests,

I am delighted to stand before you today to present the treasury report for the past year, and I am thrilled to share the outstanding success that your credit union has achieved. It has been a year of growth, resilience, and commitment to our members' financial well-being.

Let's dive into the numbers that reflect the remarkable achievements of your credit union over the past fiscal year.

**Loan Growth:** Our total loans have surged, marking an impressive increase of \$25 million, reaching a substantial \$232 million. This signifies a remarkable loan growth rate of 12%, a testament to the trust and confidence our members place in us.

**Asset Growth:** The credit union's assets have seen a robust year-over-year increase, soaring by \$20.8 million to an impressive \$438.7 million. This growth underscores our commitment to financial stability and the effective management of resources.

**Net Income:** I am delighted to announce that your credit union has recorded a net income of \$6.7 million. This achievement is a result of prudent financial management, strategic planning, and our unwavering dedication to providing you with the best financial services.

**Share Certificates:** To maximize returns for our members, we introduced share certificate specials that have been met with great enthusiasm. The figures speak for themselves, with an increase of \$38.9 million, bringing our share certificates to a total of \$81.7 million. This demonstrates our commitment to offering you the highest possible yields.

**Bonus Dividend:** In recognition of your trust and loyalty, we provided a bonus dividend of \$25.00 per member, amounting to a total distribution of \$859,000. Overall, we returned over \$3 million in dividends to our valued membership, reinforcing our commitment to sharing our success with those who matter most – you.

**Financial Position:** A key indicator of a credit union's strength is its net worth ratio. I am pleased to report that your credit union is in an enviable position with a net worth ratio of 13.83%, well above the industry standard of 7%. This places us in a strong position to weather economic uncertainties and continue providing you with the exceptional service you deserve.

In conclusion, your credit union has had a highly successful year, thanks to your continued trust, the dedication of our staff, and the resilience of our financial strategies. As we move forward, rest assured that we remain steadfast in our commitment to keeping the credit union in the best possible position to serve you.

Thank you for your trust, your membership, and your commitment to the success of our credit union. Here's to another year of shared prosperity and financial well-being!

### **Supervisory Committee Report-** Thomas A. Smith, Chairman.

The Supervisory Committee is created by Federal law and appointed by the Board of Directors according to the provisions in the Federal Credit Union Act. Current Supervisory Committee members for 2023 included:

- Tom Smith, Chair
- Charlene Stallings, Secretary/Recording Officer
- Mike Phillips
- Angie Coley
- Dave Henderson

The Supervisory Committee's responsibility is to serve AODFCU members by ensuring that credit union operations are effective in protecting credit union assets, certifying records are accurately and properly reported, and for guaranteeing that internal controls are in place to protect the assets of the credit union and its members. The committee provides oversight related to the establishment of effective internal controls, adherence to Board policies, and compliance with appropriate laws and regulations. The Supervisory Committee also serves as the members' representative to the Board and can help to

resolve member complaints. As members, we volunteer to serve in this role because we are passionate about AODFCU’s mission to enhance the lives of our members and the community.

One of the Supervisory Committee’s most significant responsibilities is to select an external auditor and then oversee the annual audit and internal audits. The Financial Audit of AODFCU’s accounts and financial records was performed by Barfield Murphy Shank & Smith. This audit validated that the financial statements presented the true and accurate financial condition of your credit union and with an unqualified opinion. Barfield Murphy Shank & Smith also performed the Agreed Upon Procedures Audit and Bank Secrecy Act Audit. These audits were completed with no material findings. All audits validated that your credit union’s operational procedures and practices were adequate to secure AODFCU and member assets while following regulatory requirements and guidelines.

In addition to the annual external audit, various internal reviews and audits were conducted by the Compliance Officer and compliance staff. Audits were conducted to review the operations and internal controls for the credit union. Based on audits and reviews, the Supervisory Committee is confident that the financial, compliance, and operational controls in place on behalf of AOD Federal Credit Union’s members are adequate to effectively monitor and respond to the safety of their interest.

The Supervisory Committee can say with complete confidence that AODFCU continues to maintain an elevated level of financial safety and soundness. We will remain vigilant representatives of our members’ interests, ensuring continued safety and soundness for your money as the credit union strives to provide you and your family with excellent member service.

The Supervisory Committee thanks you, our members, for supporting the credit union during the year. Together, we can take pride in a successfully operated credit union that complies with established policies, guidelines, and regulations.

10. Old Business- None

11. New Business- None

12. Special Recognition- Mr. Israel asked Mrs. Rikki Graben to come up and recognize the Anniston Bulldog Branch and Welborn Panther Branch.

13. Mr. Israel adjourned the meeting at 6:30 p.m.

DocuSigned by:  
*Bobby Israel*  
E5C057E6F2044A2...  
Bobby Israel, Board Chairman

Date: April 1, 2024 | 11:33:58 AM CDT

DocuSigned by:  
*Christy McCullough*  
0B39443F77B24FB...  
Christy McCullough, Board Recorder

Date: March 27, 2024 | 9:44:25 AM CDT

**Certificate Of Completion**

Envelope Id: E58BB40F1DA842B9A25A08E6D9F5179D	Status: Completed
Subject: Annual Meeting Minutes	
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Document Pages: 5	Signatures: 2
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AutoNav: Enabled	Envelope Originator:
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Time Zone: (UTC-06:00) Central Time (US & Canada)	PO BOX 608
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Status: Original	Holder: Christy McCullough	Location: DocuSign
3/27/2024 9:41:55 AM	cmccullough@aodfcu.com	

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Bobby Israel  
 bisrael@aodfcu.com  
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 Viewed: 4/1/2024 11:33:27 AM  
 Signed: 4/1/2024 11:33:58 AM

**Electronic Record and Signature Disclosure:**  
 Accepted: 12/2/2022 2:44:32 PM  
 ID: a8b05898-54f4-4bf5-bc65-2ad9ae1b2a31

Christy McCullough  
 cmccullough@aodfcu.com  
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Sent: 3/27/2024 9:43:37 AM  
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**Electronic Record and Signature Disclosure:**  
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/27/2024 9:43:38 AM
Certified Delivered	Security Checked	3/27/2024 9:44:21 AM
Signing Complete	Security Checked	3/27/2024 9:44:25 AM

<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
Completed	Security Checked	4/1/2024 11:33:58 AM
<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
<b>Electronic Record and Signature Disclosure</b>		

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Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum

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