



# ANNUAL REPORT 2021



Donna Trapani



Lydia  
Rayner-Syed



Susan Helmey



Sheila Donaldson



Michael Lamb



Russell Bright

## PRESIDENT'S & CHAIRMAN'S REPORT

2021 was another eventful year as Georgia Heritage Federal Credit Union continued to adjust and deal with the effects of the COVID-19 pandemic on our economy and our everyday lives. Over the past two years, the Credit Union has effectively managed and adjusted. Through all of the changes and challenges, we have achieved a number of positive accomplishments!

In 2021, we selected an Interactive Teller Machine (ITM) strategy to replace many of our aging ATMs. ITMs have more functionality than ATMs, and they also have the ability to allow our members to interact with a live teller through video. Almost all transactions that can be conducted at the teller window or drive-through lane, can be accomplished at the ITM. In the fourth quarter of 2021, GHFCU deployed ITMs in our Lathrop and Pooler Branch drive-through lanes and at our Georgetown location. In early 2022, we plan to deploy phase II of the ITM programming to add even more functionality for our members.

We also deployed our mobile/online banking for new loans and new membership account opening. In January 2021, we implemented our new membership account opening and funding. Anyone who wants to join the Credit Union can now do it remotely. In June 2021, our members are now able to apply for a new loan online or on their mobile device. If the loan is approved, the member will have the choice to fund the loan remotely or come in to the branch. We have established strong security features for these new remote processes in order to mitigate the risk to our members and the Credit Union.

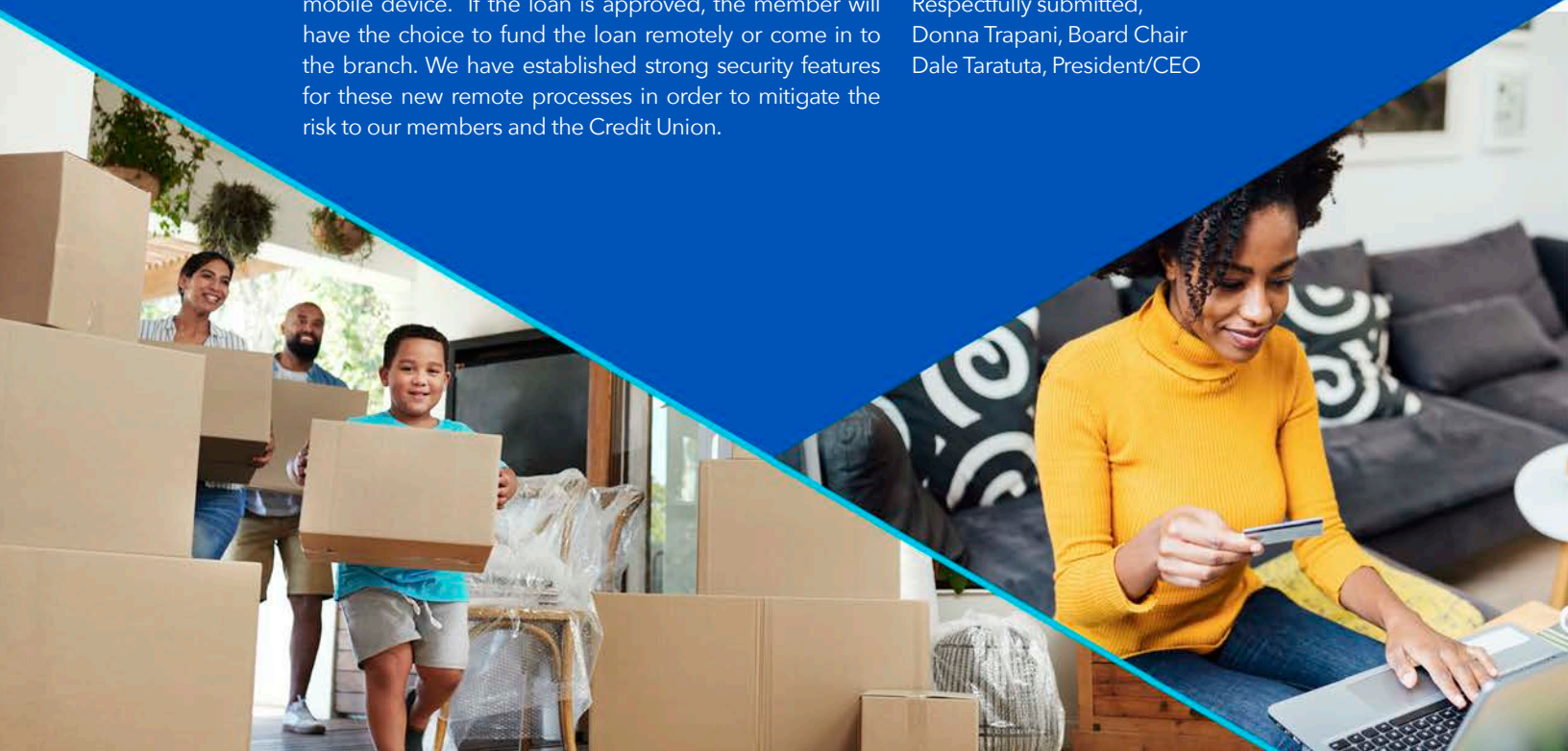
We completed a number of strategies to help with efficiencies and profitability. We have completed our core new account workflow which has reduced our dependency on a third party provider and has helped reduce costs. Our core frontline and accounting roles and privileges have been updated. We deployed a new HRIS/Payroll System to help manage staff's pay and benefits.

Overall, all of these projects should help us operate more efficiently and have a positive effect on our interactions with members, while reducing risk to the Credit Union.

Georgia Heritage Federal Credit Union strives to be a valued partner in all of the communities we serve by sponsoring and participating in community events and by continuing our popular college scholarship program. We are committed to our mission statement of, "making a positive difference for our members and the communities we serve", and the credit union philosophy of, "People Helping People."

We look forward to the challenges of 2022 and serving the needs of our members. Thank you for your continued support and membership!

Respectfully submitted,  
Donna Trapani, Board Chair  
Dale Taratuta, President/CEO



## SUPERVISORY COMMITTEE



Gary Guillory



Susan Helmey



Christine Collins

## DIRECTORS EMERITUS:

J.D. Dyches  
Jerry Gill

Gene Johnson  
W.R. Reed

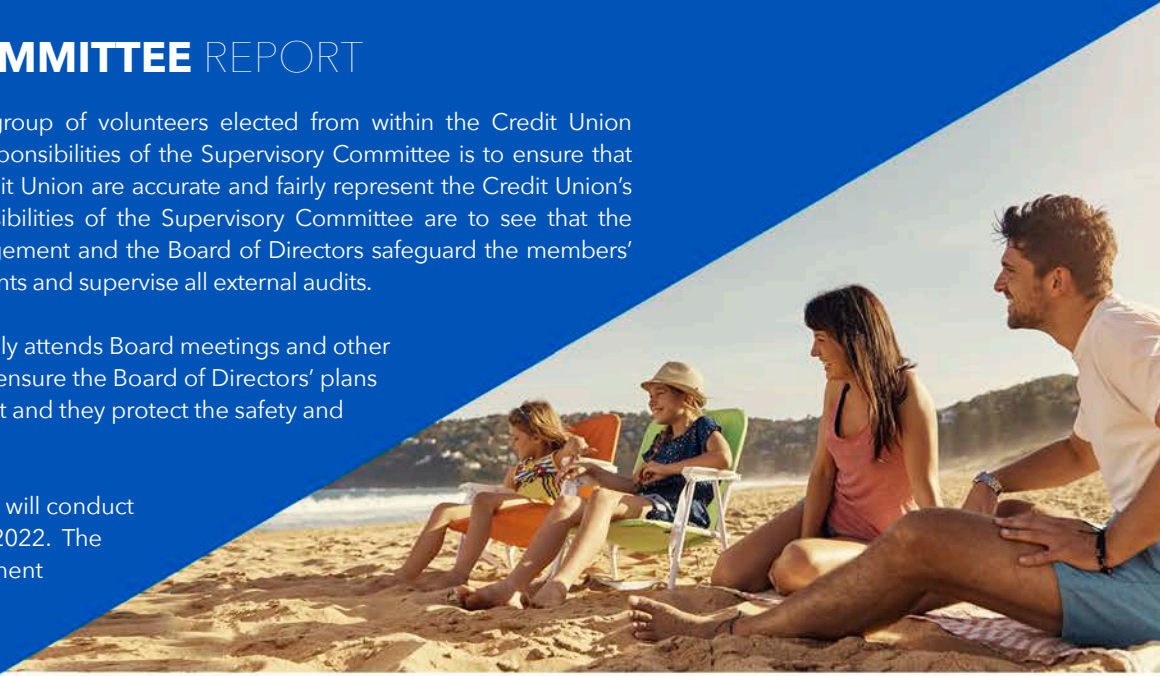
Sammy  
Blankenship

## SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is a group of volunteers elected from within the Credit Union membership. One of the main responsibilities of the Supervisory Committee is to ensure that the financial statements of the Credit Union are accurate and fairly represent the Credit Union's financial condition. Other responsibilities of the Supervisory Committee are to see that the practices and procedures of management and the Board of Directors safeguard the members' assets, respond to member complaints and supervise all external audits.

The Supervisory Committee routinely attends Board meetings and other committee meetings as needed to ensure the Board of Directors' plans and policies are in your best interest and they protect the safety and soundness of the Credit Union.

Nearman, Maynard, Vallez, CPAs PA will conduct an audit during the 2nd quarter of 2022. The results will be reported to Management and the Board of Directors.



## STATEMENT OF FINANCIAL CONDITION

	2021	2020	2019	2018	2017
<b>Assets</b>					
Cash	\$2,193	\$2,696	\$2,506	\$2,638	\$2,103
Member Loans	\$77,964	\$72,967	\$78,054	\$80,205	\$75,709
Loan reserves	(\$320)	(\$366)	(\$380)	(\$483)	(\$586)
Investments	\$40,568	\$34,995	\$17,426	\$10,116	\$13,341
Fixed Assets	\$4,056	\$3,968	\$4,340	\$4,337	\$3,000
Other Assets	\$4,726	\$4,181	\$3,708	\$3,979	\$3,608
<b>Total</b>	<b>\$129,187</b>	<b>\$118,442</b>	<b>\$105,654</b>	<b>\$100,792</b>	<b>\$97,175</b>
<b>Liability and Equity</b>					
Accounts Payable and Other Liabilities	\$1,424	\$1,297	\$1,613	\$1,837	\$1,930
Dividends Payable	\$23	\$37	\$46	\$36	\$28
Total Savings	\$115,055	\$104,499	\$91,569	\$86,826	\$83,599
Total Equity	\$12,684	\$12,609	\$12,426	\$12,093	\$11,618
<b>Total</b>	<b>\$129,187</b>	<b>\$118,442</b>	<b>\$105,654</b>	<b>\$100,792</b>	<b>\$97,175</b>
<b>STATEMENT OF INCOME</b>					
<b>Gross Income</b>	<b>\$5,449</b>	<b>\$5,523</b>	<b>\$5,680</b>	<b>\$5,289</b>	<b>\$5,112</b>
Less: Operating Cost Minus Loan Provision	\$4,894	\$4,446	\$4,686	\$4,253	\$3,782
Loan Provision	\$180	\$381	\$226	\$248	\$502
Cash Dividends to Members	\$334	\$510	\$498	\$358	\$331
<b>Net Operating Income/(Loss)</b>	<b>\$41</b>	<b>\$185</b>	<b>\$270</b>	<b>\$430</b>	<b>\$497</b>
Non-Operating Non-Operating Income	\$22	\$0	\$66	\$58	-
Gain (Loss) on Disposition of Assets	\$13	(\$2)	(\$3)	(\$13)	(\$6)
<b>Net Income (Loss)</b>	<b>\$75</b>	<b>\$183</b>	<b>\$333</b>	<b>\$475</b>	<b>\$491</b>

All numbers are in thousands.

# TREASURER'S REPORT

In 2021, the economy expanded by an annual average of 5% vs. a 3.5% decline in 2020 when the COVID-19 pandemic created the worst economic performance in 74 years. In 2021, the Savannah metro area unemployment rate dropped from 6.8% in January 2021 to 2.8% in December 2021. Fed Funds rates have remained at historic lows all year and were 8 BP at year-end 2021.

Georgia Heritage Federal Credit Union continued to grow in 2021, ending the year with \$129.2 million in total assets, an increase of \$10.7 million or 9.07% over 2020. Membership grew at a rate of 7.58% and we ended the year with 13,097 members. Shares increased \$10.5 million or 10.1% over 2020 as a result of pandemic related savings rates increasing. Primarily driven by lower rates and pent up demand, loan balances increased \$4.99 million or 6.8% in 2021. Most of the loan growth was in indirect, direct auto loans, and real estate loans. Our loan to share ratio declined from 69.8% in 2020 to 67.8% in 2021 as deposit growth outpaced loan growth.

We will look at various strategies to increase loan volumes and to diversify our loan portfolio with an emphasis on the managing the mix of fixed and variable rate loans. Federal rate

hikes are also expected in 2022 which will propose challenges as well.

2021 net income finished at \$75,201 with a return on assets ratio of 0.06% which was down from 0.16% in 2020. Georgia Heritage Federal Credit Union continues to maintain a strong financial position with a capital ratio of 9.82%. Credit quality remains solid with controlled delinquencies and net charge-offs totaling 0.30% for the year.

Economic uncertainty always brings challenges but we are committed to maintaining a healthy financial position while supporting membership growth. Our management team continues to look for opportunities to provide our members with high-quality products and services, while controlling expenses.

Thank you for supporting your Credit Union!  
Respectfully submitted,

Sheila Donaldson  
Secretary/Treasurer

## LOCATIONS:

1085 W. Lathrop Ave.  
Savannah, GA 31415

200 Stephenson Ave. Suite 100  
Savannah, GA 31405

102 Park Ave.  
Pooler, GA 31322

5745 HWY 21 South  
Rincon, GA 31326

[www.gaheritagefcu.org](http://www.gaheritagefcu.org)



## MISSION STATEMENT

**Making a positive difference**  
for our members and the communities we serve.

