

## 2016 Annual Report Summary

assets	\$ 1,244,696,755
deposits	\$1,080,910,809
loans	\$823,545,130
auto loans	\$481,178,649
members	124,695
capital	12.58%
net income	\$13,781,337
return on assets	1.15%

(Full copy of financials available upon request.)



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federally insured by NCUA



**KEEPING IN TUNE  
WITH THE TIMES**

for more than 80 years





## Board & Management Report

Tennessee Valley Federal Credit Union (TVFCU) has kept *in tune with the times* for more than 80 years. Through the years, the lyric of the times has changed, but the song has remained the same – exceptional personal service for you. This focus on service is clearly a hit, as we have steadily grown to nearly 125,000 members and a record \$1.2 billion in assets.

To help meet this growing demand, we planned the introduction of our sixteenth and seventeenth branches in early 2017. Housed inside Red Bank and East Hamilton Food City stores, these new locations feature Interactive Teller Machines (ITMs) with tvfcuLIVE personal tellers and extended hours. Due to the outstanding response to this exciting new technology, we have also recently added the convenience of extended hours to several branch drive-thrus with tvfcuLIVE ITMs.

Serving our growing membership has required an increase in the number of employees. As a result, TVFCU's back-office operations have outgrown our main office in downtown Chattanooga. Renovations on a larger facility at 535 Chestnut Street are nearing completion and we anticipate moving in administrative staff later this summer.

With a year-end capital ratio of 12.58% and net income of almost \$14 million, TVFCU is firmly established as one of the region's strongest financial institutions. Total loans increased 20% in 2016, topping \$823 million while deposits ended the year at over \$1 billion. This sound performance supports TVFCU's solid position in the local financial market and ensures our continued health and viability.

To stay atop the charts, we will keep in tune with constantly changing technology and carefully craft services to meet your needs. Since TVFCU's inception, we have made it a priority to utilize innovations that enhance member service. Guided by this successful strategy, we will continue searching for new solutions to help you *live the life you love*. We welcome the opportunity to serve you and look forward to a bright future together.



## Supervisory Committee Report

The Supervisory Committee is created by Federal law and appointed by the Board of Directors in accordance with the provisions of the Federal Credit Union Act. Committee members for 2016 included Judy Field, Bernard Harris, Ron Thomas, and Cheryl Willoughby.

According to the rules and regulations of the National Credit Union Administration (NCUA) and the Federal Credit Union Act, the Supervisory Committee is accountable for the performance of certain duties and responsibilities. The Committee is available to provide impartial assistance to any members who encounter problems transacting credit union business, and is responsible for internal audit oversight that seeks to minimize the credit union's risk of loss due to carelessness, error or fraud.

The Internal Audit Department, under the Committee's direct supervision, assists by performing periodic audits of the credit union's operations, policies, procedures, internal controls and regulatory compliance. Board and management then utilize these audits to consider possible improvements to the credit union.

The Supervisory Committee annually enlists outside auditors to provide an independent financial audit of the credit union's records. For 2016, the accounting firm of Elliott Davis Decosimo, LLC performed the audit. This audit assured the Committee that Tennessee Valley Federal Credit Union's financial statements accurately present the condition of the credit union as of December 31, 2016.