

Boone Braves



Orlando Orthopaedic Center
OrlandoOrtho.com



ORLANDO HEALTH



ARNOLD PALMER
HOSPITAL
For Children

BRAVES	BHSAA				GUEST
██	██	██	██	██	██
T.O.L.	DOWN	TO GO	BALL ON	QTR	T.O.L.
█	██	██	██	██	█

 **McCoy Federal Credit Union**
ATHLETIC COMPLEX

R'S DOCKSIDE
SEAFOOD & SPORTS

iLock
PROTECTION

Dr. Jack's
Protecting Home Health Since 1972

Kyles Electric Services

MORALE

BM

 **McCoy Cares**
McCoy Federal Credit Union

2017 Annual Report

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Value Statements

Our Vision

Provide financial services beyond your expectations.

Our Mission

Provide a wide range of affordable financial products with exceptional member service.

Our Core Values

Culture of Help

From the very beginning, the purpose of the Credit Union has been “People Helping People.” We care about the well being of the individuals we serve and the communities in which they live. This care and concern is primary to all decision making.

Integrity

Our transactions with members, vendors and each other are conducted with the highest level of integrity. The net result is an organization built on trust and a reputation for honesty.

Longevity

We have helped members for sixty years. We have weathered challenging times with our members and will continue to be a vibrant source of financial services into the future.

Competence

We pursue excellence in everything we do. Drawing on the professional skills of our staff we continuously improve our services driven by member needs. We also seek assistance from strategic partners whose expertise improves our competencies.

Chairman's Report

2017 has been another interesting year. The financial, political and sports arenas saw many exciting events and changes. McCoy Federal Credit Union also had an interesting and busy year.

The Central Florida economy is still improving but still not back to the pre-recession level. The unemployment rate was 4.5% last January and ended the year about 3.5%. Although this is an improvement, it does not reflect the underemployed, those working a full time low paying job, those working one or more-part time jobs or those who just stopped looking for a job. Add to that sickness, injuries, retirement and family situations all impacting a family's income and ability to meet obligations. Our membership reflects this cross section of the Central Florida economy. McCoy has been working diligently with our membership to help them meet their financial obligations. Financial education, Easy Checking Accounts, low interest credit cards, secured credit cards, skip-a-pay, and many more products and services to help our members. Many of our members were adversely affected by Hurricane Irma and we were there to help. We also provided case by case loan modifications to help keep families in their homes and keep their automobiles until they get back on their feet.

To better serve our members, we have been partnering with leading automobile dealers providing loan officers and member service representatives on site during 12 major car sales. During 2017 we provided over \$22,000,000 in low interest auto loans to 136 existing members and 812 new members. During 2018 we will continue to have car sales. We are partnering with other credit unions in auto loan participations which resulted in over \$47,000,000 in total loans. We also provided our small business members with over \$21,000,000 in loans.

The Leadership Team and staff have worked diligently to maintain and improve the safety and soundness of your credit union. The recent financial downturn resulted in many additional regulations and more oversight in the financial industry. McCoy has done an outstanding job meeting all regulatory and General Accepted Accounting Principles requirements. The National Credit Union Administration (NCUA) and our financial and external auditors found us to be well run, safe and sound and well capitalized.

Throughout 2017 McCoy FCU sponsored and especially its staff participated in many community projects including some adopted public schools, YMCA, toy drives, Boy Scouts, walkathons, and many more.

It has been a privilege and pleasure for the McCoy FCU Directors and Volunteers to serve our membership and we thank you for your confidence in us.



Fred S. Browne, Jr.
Chairman

63rd Annual Meeting Minutes



The 63rd Annual Meeting of McCoy Federal Credit Union was called to order by Chairman of the Board Fred S. Browne, Jr. at 6:30 p.m., February 22, 2017 in the Community Room of McCoy Federal Credit Union's Administration Building.

Chairman Browne welcomed everyone and thanked them for taking the time to attend the 63rd Annual Meeting of McCoy Federal Credit Union and coming out in the bad weather. The Chairman called upon Director Dennis Johnson to lead the Pledge of Allegiance.

Due to the illness absence of Board Secretary Janet Brewer, the Chair appointed Director Dennis Johnson as Secretary Pro Tem for the Annual Meeting.

The Chair asked the Secretary if there was a quorum present. Mr. Dennis Johnson, Secretary Pro Tem replied in the affirmative. There being a quorum, the Chairman declared the 63rd Annual Meeting of McCoy Federal Credit Union in session.

Chairman Browne introduced the Directors, Associate Director, the President/CEO, and Supervisory Committee Members asking them to stand to be recognized. The Chair then called upon President/CEO Alvin Cowans to introduce the Senior Management Team.

President Cowans first thanked everyone for coming to the Annual Meeting. President Cowans introduced each of the Senior Management Team as well as his Executive Assistant and the VPs Administrative Assistance in attendance.

Chairman Browne began his remarks with thanking everyone for joining us tonight for the McCoy Federal Credit Union Annual Meeting. Several years ago as we grew above the 400-million-dollar asset mark, we started looking at 500 million. The National Credit Union Administration (NCUA) groups credit unions by asset size. We were in the 100 to 500 million group and moving toward the top. A lot of hard work by Senior Management, the professional McCoy Team, and a slowly (Very Slowly) recovering economy, we approached 500 Million. We were becoming the big kids in our asset group. We were meeting or exceeding the expectations by NCUA and the CPA auditors. Additions, improvements, and changes were being made to the products and services offered to our members. McCoy compared favorably to our peers Nationally, Regionally and locally.

Two years ago we passed the 500 Million mark; that's Half a Billion. NCUA's top asset group is 500 million and up. The up includes many multi-Billion-dollar credit unions including a \$35 Billion credit union and \$80 plus Billion (Big Navy). McCoy went from the big kid in the former group to the little kid in the top group. NCUA now examines McCoy like the Billion-dollar credit union they expect us to become. We are still meeting or exceeding the expectations by NCUA and the CPA auditors.

McCoy (except for dollar amounts) compares favorably to our new peers.

We are steadily growing, maintaining our Well Capitalized position with Safety and Soundness and Member Service as priorities. We are steadily approaching 600 million. The billion-dollar mark is a ways off. With the active Volunteers, the great McCoy Team and our membership's support, it is an attainable goal.

Chairman Browne introduced President Cowans to provide his remarks for the evening.

63rd Annual Meeting Minutes

President Cowans once again bid a Good Evening and a thank you to each for attending the 63rd Annual Meeting of McCoy Federal Credit Union. We are living in a community which has seen significant growth and is projected to be on the path of being the fastest growing region in the United States. The Metropolitan Statistical Area (MSA) as it is known, is comprised of the City of Orlando, Orange, Osceola, Seminole and Lake Counties.

The annual report from the Orlando Economic Development Commission outlined Orlando's economic prosperity as having gained significant momentum in 2016. There is a sense that Orlando's best is still yet to come. The region is transitioning from an emerging region to a world-class, fastest growing large region in the country.

The Orlando Economic Development Annual Report indicates Orlando's success was outlined with gains such as:

Orlando International Airport - posting its highest annual passenger total on record for the second consecutive year - 41.9 million passengers past through OIA or MCO as we refer to it; a \$1.1 billion expansion project, to include adding 120 new gates, bringing the North Terminals capacity to 45 million annual passengers.

I-4 - \$2.3 billion I-4 ultimate project, overhauling 21 miles of key transportation corridor

Orlando Sanford International Airport - \$43 million expansion and Allegiant Airlines opening its \$24 million training & simulation center in Spring 2017

United States Tennis Association - opened new National Campus with 100 courts, in Lake Nona

Deloitte - industry leading audit, consulting, tax and advisory services firm, adding 1,000 new jobs with plans to add an additional 850.

ADP - global HR provider, opened new office in Maitland, adding 1,600 new jobs

KPMG - one of the world's largest accounting and professional service firms, agreed to build a \$430 million 800,000 sq. ft. global training facility in Lake Nona Area

Orlando City Soccer Club - builds \$155 million, 25,500 seat soccer stadium downtown Orlando

BRIDG ("Bridge the Gap"- formerly called ICAMR) - builds 109,000 square foot facility in Osceola, that includes a vibration and particle free clean room, creating the first industry-led, smart sensor consortium

Samsung - locates its appliance division's Southeast distribution headquarters to Groveland, occupying the old 562,000 sq. ft. Circuit City distribution center

These companies' decisions contributed to the areas 2016 unemployment levels closing at its lowest level in a decade. And there is more to come!

Also in 2016, the credit union industry closed out the year with outstanding results. Now serving over 106 million members collectively, credit unions nationally ended the year with nearly a 4% year-over-year growth rate. Credit unions now hold a deposit market share of a little over 8% in the financial space, we find that to be a measure of how much faith the consumers are putting in the member-owned financial institutions you know as credit unions.

63rd Annual Meeting Minutes

President Cowans indicated in the Annual report booklet, highlights of McCoy's 2016 financial successes in the Lending, Treasurer's and various Committee reports, along with our community involvement activities. On Tuesday we opened our 14 branch on 17-92 in Lake Mary / Longwood.

The Credit Union growth happened while the nation's economy steadily recovered from one of the worst recessions since the Great Depression. It has been 10 years since the beginning of the housing bubble burst, that led to that Recession. During that time the credit union deposit base has doubled, and over those 10 years, credit unions have more and more become the first place for consumers to seek, home mortgage loans, car loans, small business loans, credit cards, and much more.

Data and focus groups indicate that consumers are increasingly attracted to a model that puts their interest at the financial forefront, which is the not-for-profit member-owned financial cooperative of credit unions. The banking industry by their mere organizational structure must act in the interest of stockholders first, who are looking primarily for earnings and dividends.

Although many credit unions have closed their doors, consolidated or merged into another credit union, the remaining 5,844 FICUs are as strong as ever.

We will certainly continue to see volatility and regulatory burden as the movement continues to grow and adjust. Some of the industries successes or failures will depend on external factors beyond the control of credit unions.

Much of the economic impact has been directly related to regulatory burden. Although much of the regulations enacted over the past eight years, we believe they were not intended to affect credit unions directly, but there is no doubt that it has. We have had to make significant compliance related investments in people, processes, and resources to be in regulatory and sometime legislative compliance. McCoy has grown from one person in compliance to a Risk Management Department of 8 people.

Interest rates have remained low for some time now, and it's not clear when and how far the Federal Reserve will push rates. When they do, it will probably be gradual and by small increments. We anticipate at least two (2) Fed rate hikes in 2017. We anticipate a rise in mortgage rates and other consumer loan rates and we should also begin to see a slight increase in investment rates take place following the Fed rate hikes.

We are already positioned for the interest rate rise, with sufficient capital in reserve and internal investing positions within our own portfolio that should buffer against the interest rate shock.

Continued loan growth along with further development of non-interest income sources of revenues, and most importantly, tight expense controls will be critical to maintaining financial strength and soundness in 2017.

We are ready for the challenges and the opportunities before us in 2017 and positioned to continue providing you the best in financial products and services. President Cowans said a thank you and that McCoy looks forward to continuing to serve the members and their financial needs.

Chairman Browne thanked President Cowans for his remarks and then continued with the business portion of the Annual Meeting. The Minutes of the 62nd Annual Meeting were presented in the Annual Report. Having determined there were no corrections, a motion was made, seconded and approved to accept the Minutes as presented.

63rd Annual Meeting Minutes

The Chairman called for questions of the Official Reports. There were no questions to the Lending Report, Treasurer's Report or the Supervisory Report.

Chairman Browne then called on the Chairman of the Nominating Committee for his report. Mr. Dennis Johnson reported there were no nominations by petition.

There being no nominations by petition, Mr. Fred S. Browne, Jr. and Mr. Gilbert B. Croft were each nominated for a term of three years. A motion was made, seconded and carried that these persons be elected by acclamation.

The nominations concluded the Official Reports. There was neither Unfinished Business nor any New Business. There being no further Official Business, Chairman Browne closed the Business Meeting and declared the 63rd Annual Meeting adjourned at 7:02 p.m., February 22, 2017.



Dennis M. Johnson
Secretary Pro Tem



Fred S. Browne, Jr.
Chairman

President's Message

Economist report that we are enjoying the longest sustained period of growth since the beginning of the 2007 financial crisis. They report that growing confidence in the labor market has consumers encouraged not to be afraid to add to their family debt a little more. Reports show that retailers had a better holiday shopping season than expected. Reports of strengthening wage growth should also add even more support to consumer confidence.

The credit union industry, had a good year in 2017. Membership continued to grow in 2017 at a rate of 4%, deposit growth fell off a little but was still a healthy 6.8%, and loan growth was a healthy 10.6%. Net earnings did see a decline because of margins being squeezed tighter and tighter. One of the riding factors contributing to the tight profit margins is the length of the low interest rate environment, the rising cost of operations, and the cost of implementing new technology within delivery channels.

For the past 35 years McCoy Federal has been serving our members using the same CORE data system. While the system has tried to keep up with the changing technology during those years we have come to realize that the system can no longer provide us the adequate processing the Credit Union needs. We have out grown the capability of our data system both in size, efficiency and new technological product and service demands. The same issues present itself when we also look at our digital delivery channel needs (myMcCoy Online & Mobile, Bill Pay, Toni-the-Teller, McCoyFCU.org), and the processors we use to provide those services. It is for those reasons we took on the task of evaluating new digital channel processors and CORE data providers to replace the current systems we operate.

What does all that mean to our membership? We will be converting our digital delivery channels from our current provider to a new provider during the first quarter of 2018. Changes are on the way. This will require some adjustments on the Credit Union side and some changes on the members part. We will also then begin our CORE Data conversion with the hopes of being completed by the end of the second quarter 2019. Once again, an adjustment will be necessary and some additional changes in how you access the products and services we offer, will take place.

There is a motivational quote that says, "CHANGE is not the End of the road, it's just a Bend in the road, unless you fail to make the Turn". 2018 will be a time when McCoy will be making the Turn to improve our product and service delivery channels and improve the level service to our membership. 2018 will be an opportunity for McCoy to bring to our membership service technology they are expecting and to allow us to improve our levels of operational efficiencies. The Board of Directors, Volunteers and the Management Team strategically evaluated where we are, where we are headed, where we want to be as a credit union, and what are our plans to get there. We have determined that because of the digital channels and CORE conversions, 2018 will be a very impactful year filled with many changes. We have outlined our goals for the year and the initiatives needed to accomplish these goals.

President's Message

Our strategic goals for the year 2018 are to:

- Continue to market the Credit Union advantages and to enhance our communication efforts to our members on products, services and delivery channels.
- Enhance our Call Center Options
- Continue to Grow our Loan portfolio
- Implement the new product delivery channels and technologies. Enhance service levels using the new delivery channels
- Proceed with the CORE Data Processor evaluation and implementation

We thank you in advance for your patience throughout the year as we work through the delivery channels and data conversions. We expect the level of service and our ability to provide you with the products you would want, will be an overall improvement as we move forward.

We also thank you for allowing us to serve you and your family's financial needs.



Alvin J. Cowans, CCUE
President/CEO

Lending Report

As we look back at 2017 our optimism was not misplaced because we had many highs. Our caution was not misplaced either, as we had our fair share of challenges. Our strategic goal was twofold. We aimed for a 15% growth but, based on the economic uncertainty however, 10% or at peer would be acceptable. Our overall growth rate for the year ending December 2017 was 9.91% which is just around industry average.

As was the case in 2016, the automobile portfolio dominated our growth, primarily Indirect Auto loans. New Indirect Auto Loans grew 36.7% while Used Indirect Auto grew by 32.7%. Most of the growth came in the first 3 quarters as the volume slowed in the 4th quarter due to a softening of demand in the market. Organically, growth was only in the Used Auto segment with a 2.2% increase versus a .31% decline in New Auto. The tepid numbers were somewhat self-inflicted as we tightened our underwriting to slow charge-offs.

Business Loans was one area where we anticipated potential growth which turned out better than projected. Our strategy consisted of a combination of organic growth and loan purchases. The loan types were predominately SBA loans. The outstanding balances grew from \$10.8 Million in 2016 to \$31.8 Million at the end of December 2017. This translated to a 192.8% increase.

In terms of true organic growth, Other Real Estate (2nd Mortgages) Loans grew 16.5%. The success of this sector was due to the continued promotion of our 2nd Mortgage Product that offers 100% Loan to Value with rates as low as 4.00%. This remains unprecedented in our market. No other financial institution in our market offers a 2nd Mortgage with that high of a Loan to Value. The success of the product is also due to realtors, who receive no incentive, referring their clients to us for the product.

Our roller coaster ride came as a result of three segments, Credit Cards, Unsecured Loans and First Mortgages. We anticipated the drop in Credit Cards but not in First Mortgages. The reduction in Credit Cards was anticipated because of switching to a different processor. During the conversion, we curtailed all marketing to bolster a smooth conversion process. After conversion, we planned a very aggressive marketing calendar to get the portfolio back on track. On the First Mortgage front, we did not receive the budgeted volume of loans from the partner we used to process these loans. As such, effective January 1st, we moved the process back in house as we now have the staff trained to manage the volume. Our Unsecured Loan portfolio declined 5% for the year. The decline was a product of low demand due to a strong local economy.

We ended the year on a strong note. Our marketing strategy for Credit Cards is already showing early success as we had a slight gain that took us past the \$18 million mark. Applications flowed through the mortgage portal within minutes of turning on the First Mortgage online application process. Even though there seems to be an outlook of decline in the Auto market, we see great potential in other areas. We have numerous campaigns planned throughout the year to sustain our growth.



Basil A. Buchanan
Vice President Lending

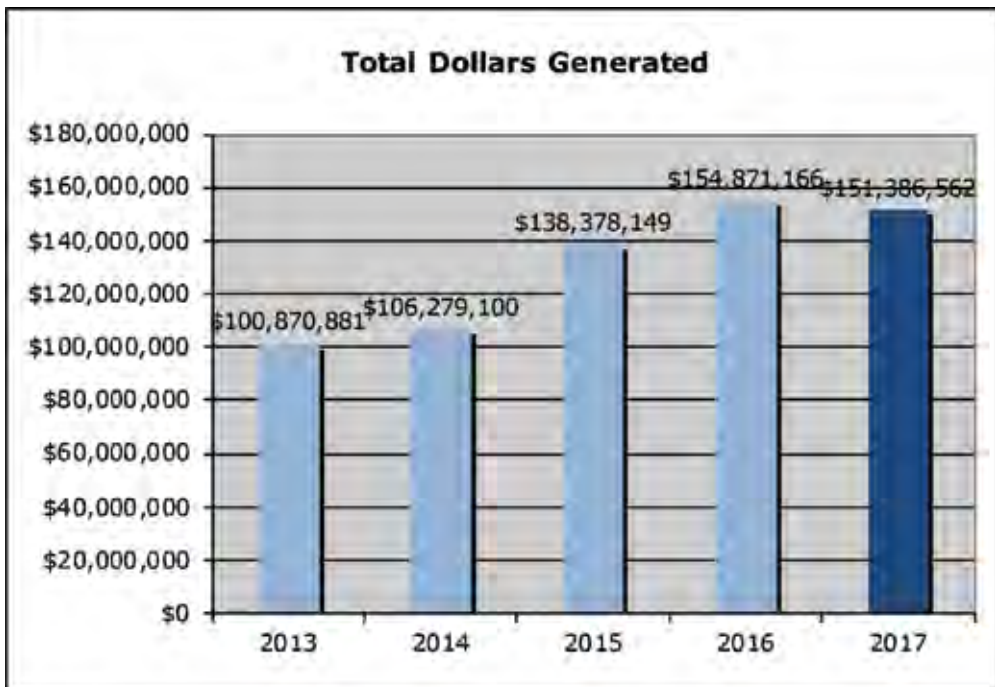
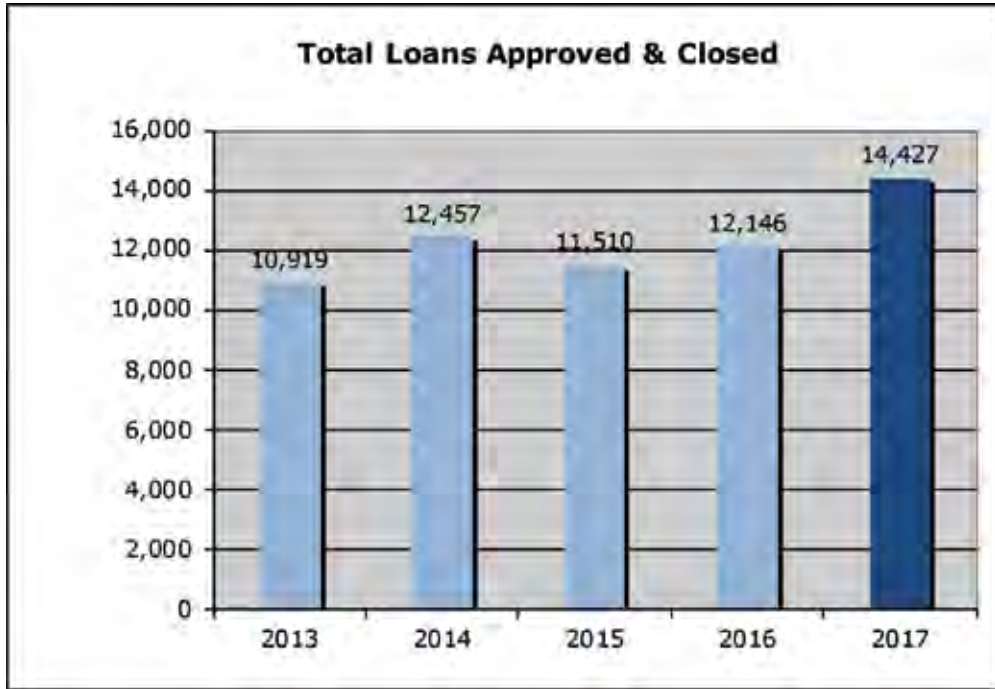
2017 Lending Performance

Total number of Loans Approved and Closed: **14,427**

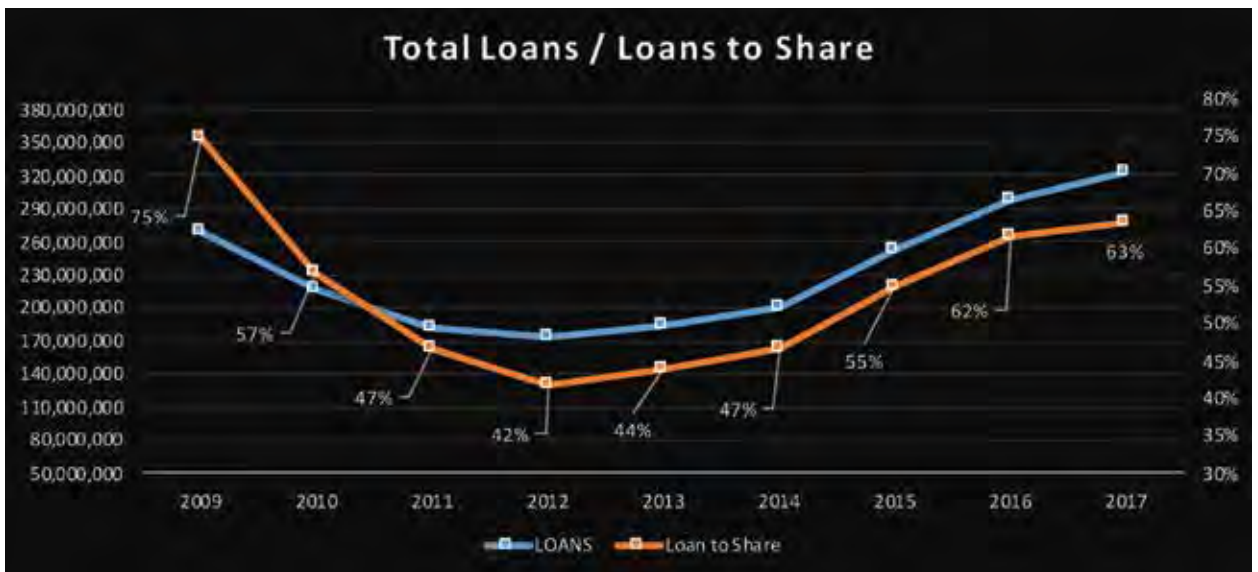
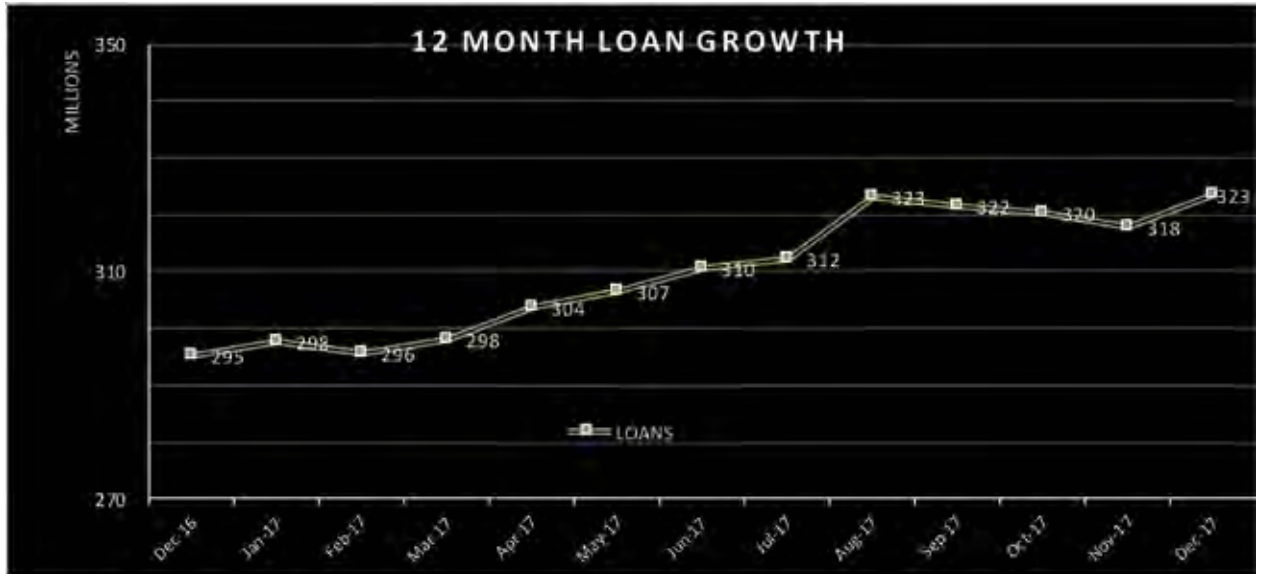
Total dollar amount of Loans Generated: **\$151,386,562**

Total Loans Outstanding (Net) as of December, 2017: **\$323,498,087**

Lending Report



Lending Report



Treasurer's Report

The summary financial reports shown below for the past three years indicates McCoy's financial status for 2017 and the two preceding years, 2015 and 2016. During 2017, our total assets ranged from February's \$535,424,286 to a high of June's \$574,848,419. Our ending assets for the year were \$568,816,322. This was a net increase in our assets of \$28,172,970 over the prior year.

In 2017, we continued to experience significant growth in our net loans. Our net loans increased from \$295,133,310 to \$323,498,087 during the year reflecting an increase of \$28,364,777. The biggest increases came in business loans and vehicle loans.

During 2017 the Federal Reserve raised short-term interest rates by a total 75 basis points with very little impact on longer term rates. The rate hikes were a small ones, but they will eventually affect millions of Americans including investors, home buyers and savers. Savers will eventually see a little more interest on their deposits and mortgage rates will gradually rise.

Due to the significant increase in our loans and a change in our calculation for Trouble Debt Restructured (TDR) reserves, our Provision for Loan Losses increased from \$3,540,000 in 2016 to \$5,442,532 in 2017. Even with this backdrop during 2017, we were able to keep the loan delinquency ratio under 1.00%. Great credit should go to our Loan Services staff for their hard work and outstanding efforts!

Finally, due to a shortfall in interest income and the increase in loan loss reserves offset by significant expense savings, we finished 2017 with a net income of \$476,519 which was \$749,060 below our 2017 projected budget. The market had anticipated and we had budgeted for more significant rate increases throughout the entire year.

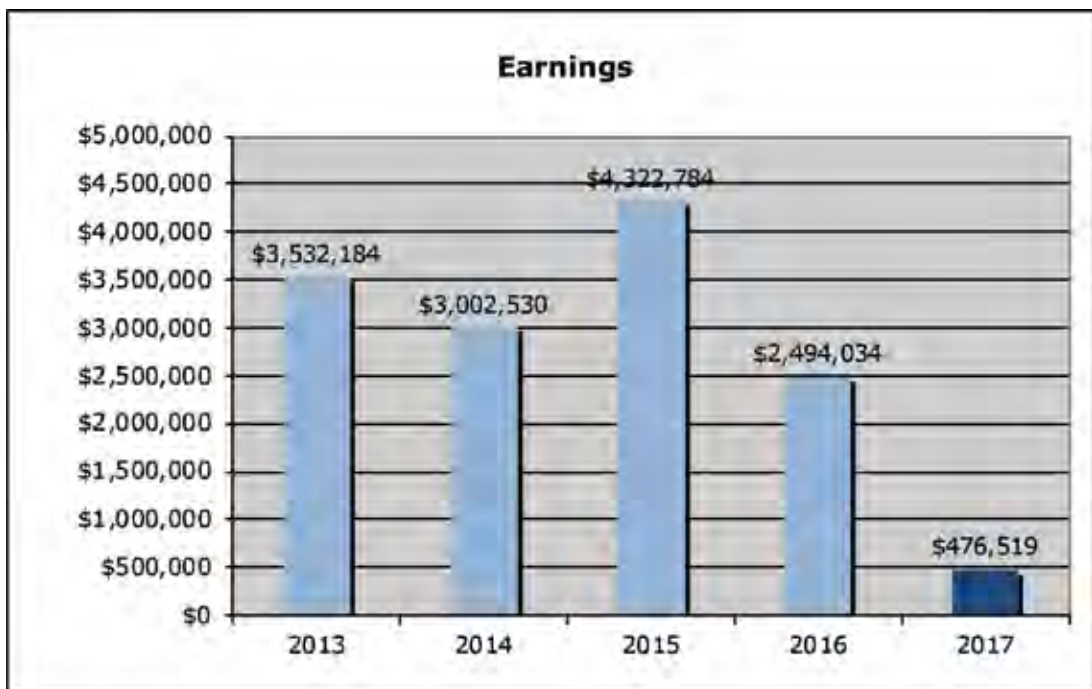
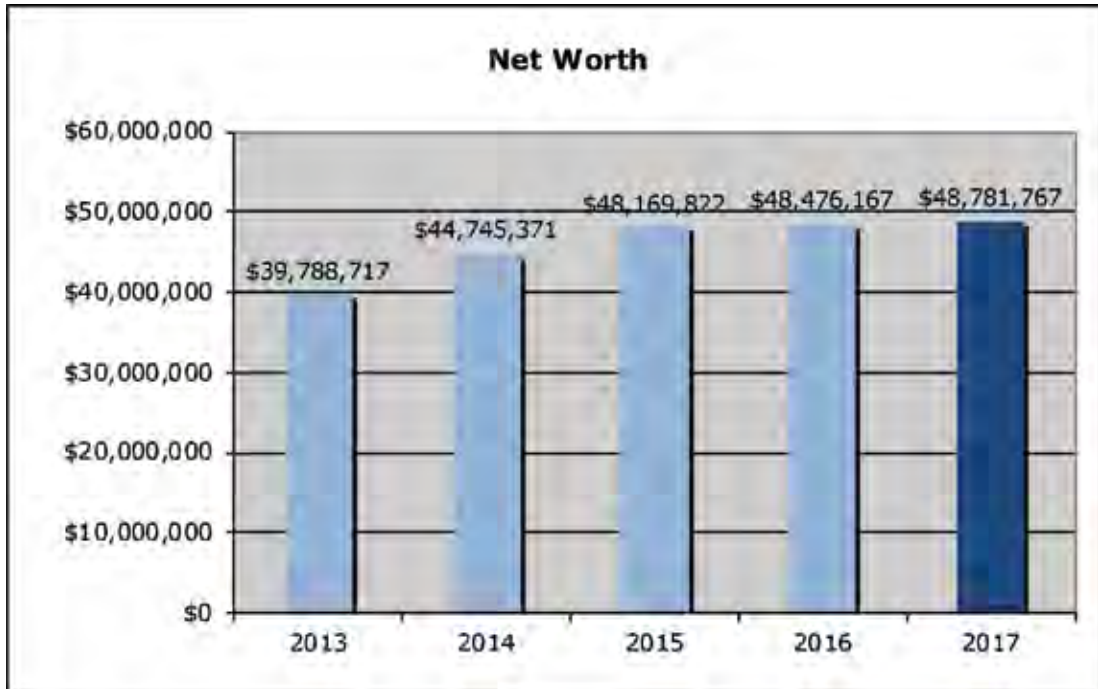
I would personally like to congratulate all the McCoy FCU staff members on controlling expenses while growing our member base to position us for future years!

	Assets	Member Deposits	Net Worth	Earnings
2017	\$568,816,322	\$510,630,984	\$48,781,767	\$476,519
2016	\$540,643,352	\$485,755,412	\$48,476,167	\$2,494,034
2015	\$512,868,600	\$460,358,613	\$48,169,822	\$4,322,784



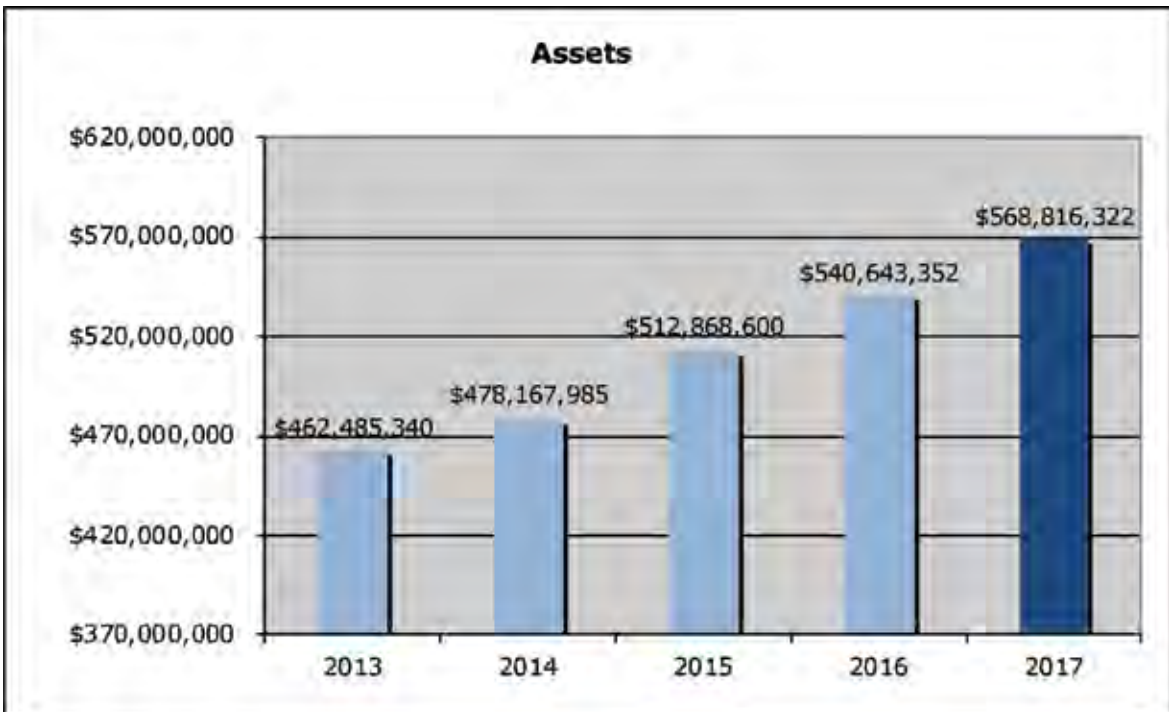
Richard W. Tressler
Treasurer

Treasurer's Report



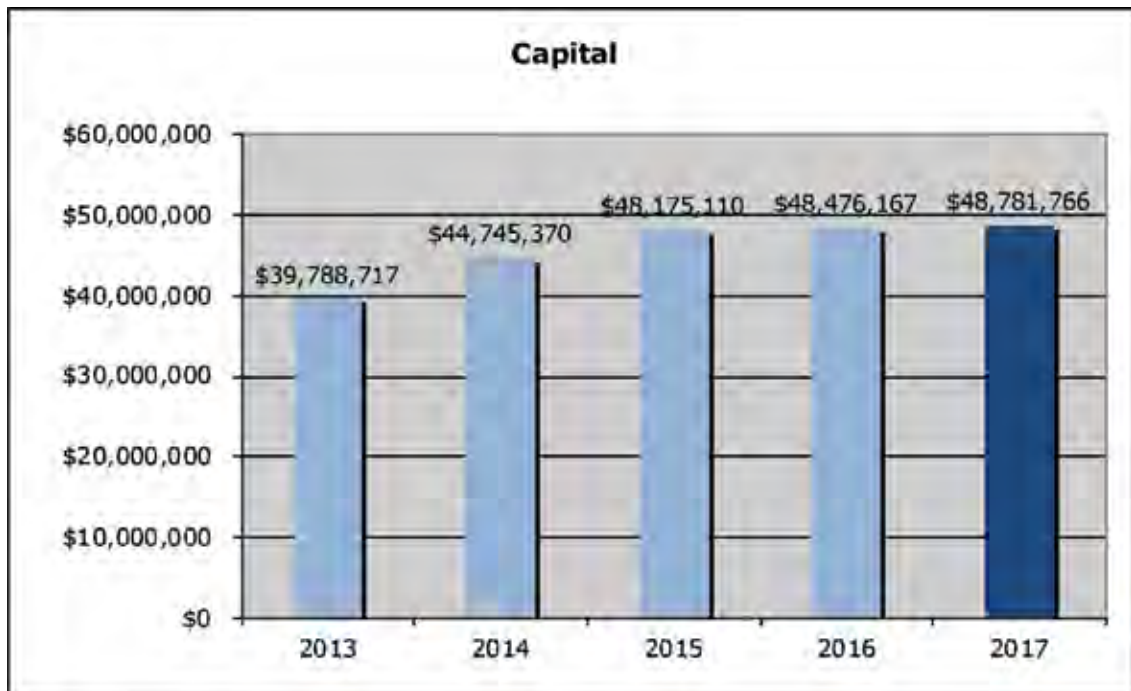
Balance Sheet

	2013	2014	2015	2016	2017
Assets					
Loans (net)	\$178,112,299	\$196,122,357	\$248,583,975	\$295,133,310	\$323,498,087
Cash & Accounts					
Receivable	\$20,149,833	\$23,143,003	\$30,193,745	\$20,061,155	\$22,961,814
Investments	\$233,187,958	\$224,721,400	\$199,046,508	\$188,463,477	\$183,610,094
Facilities & Fixed Assets	\$16,174,580	\$18,955,062	\$19,258,264	\$20,822,431	\$20,353,083
All Other Assets	\$14,974,837	\$15,226,161	\$15,786,108	\$16,162,979	\$18,393,244
Total Assets	\$462,599,507	\$478,167,985	\$512,868,600	\$540,643,352	\$568,816,322
Liabilities & Equity					
Accounts Payable	\$3,610,224	\$4,251,039	\$4,340,165	\$6,411,773	\$9,403,572
Share Accounts	\$294,176,699	\$314,193,622	\$354,061,847	\$383,096,047	\$422,130,984
Certificates	\$124,909,700	\$114,977,954	\$106,296,766	\$102,659,365	\$88,500,000
Regular Reserve	\$4,181,359	\$4,181,359	\$4,181,359	\$4,181,359	\$4,181,359
Contingency Reserve	\$35,671,525	\$40,514,012	(\$5,289)	\$0	\$0
Undivided Earnings	\$50,000	\$50,000	\$43,993,751	\$44,294,808	\$44,600,407
Total Liabilities	\$462,599,507	\$478,167,985	\$512,868,600	\$540,643,352	\$568,816,322



Income & Expenses

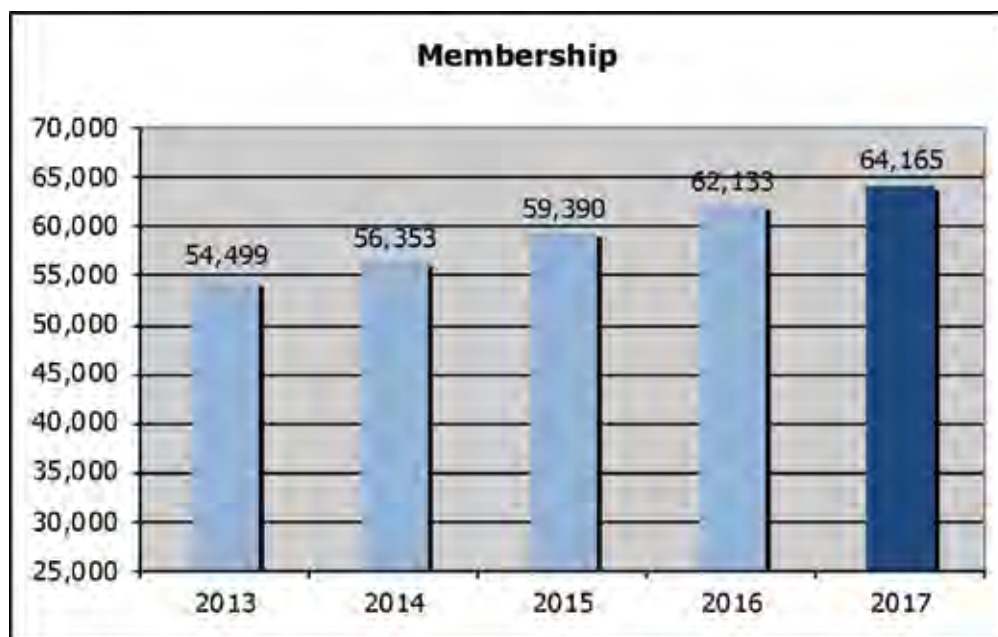
	2013	2014	2015	2016	2017
Income					
From Loans	\$10,990,421	\$11,632,955	\$12,760,734	\$13,987,815	\$14,664,923
From Investments	\$3,009,502	\$3,364,431	\$3,337,915	\$2,989,692	\$3,328,586
From Other Sources	\$13,184,315	\$12,394,746	\$12,926,507	\$13,246,873	\$13,256,398
Gross Income	\$27,184,238	\$27,392,132	\$29,025,156	\$30,224,380	\$31,249,907
Expenses					
Compensation	\$9,846,074	\$10,178,056	\$10,540,870	\$11,193,699	\$11,859,286
Office Occupancy	\$2,095,982	\$2,254,104	\$2,032,315	\$2,047,033	\$2,144,297
Office Operations	\$2,881,354	\$3,019,372	\$3,160,510	\$3,324,481	\$3,715,614
Advertising	\$641,247	\$673,920	\$769,915	\$730,699	\$796,053
Collection Expense	\$2,509,684	\$2,511,192	\$2,535,535	\$2,573,117	\$2,788,697
Professional Services	\$1,617,081	\$1,832,782	\$1,967,061	\$2,158,081	\$1,939,883
All Other Expenses	\$1,234,567	\$1,311,542	\$840,963	\$1,061,853	\$998,587
Provision for Loan Loss	\$1,408,593	\$1,476,498	\$1,762,440	\$3,540,000	\$5,442,532
Total Operation Expense	\$22,234,581	\$23,257,466	\$23,609,610	\$26,628,965	\$29,884,948
Net Income from Operations	\$4,949,657	\$4,134,666	\$5,415,546	\$3,595,416	\$1,564,959
Dividends Paid to Members	\$1,295,623	\$1,132,136	\$1,092,765	\$1,101,399	\$1,088,441
Contribution to Capital	\$3,654,034	\$3,002,530	\$4,322,781	\$2,494,017	\$476,519



Membership Data

	2013	2014	2015	2016	2017
Total Membership	54,499	56,353	59,390	62,133	64,165
Potential Membership	2,223,674	2,267,846	2,321,418	2,321,418	2,321,418
Penetration of Potential	2.45%	2.48%	2.56%	2.68%	2.76%
Number of Loans	11,632	12,184	13,265	14,319	14,704
Number of Credit Cards	7,885	8,005	8,349	7,768	8,187
Financial Data*					
Income	\$499	\$486	\$489	\$486	\$487
Expense	\$408	\$413	\$398	\$429	\$463
Net Income	\$91	\$73	\$91	\$58	\$24
Dividends	\$24	\$20	\$18	\$18	\$17
Average Share Balance	\$7,690	\$7,616	\$7,751	\$7,818	\$7,958
Number of Loans & CC	19,517	20,189	21,614	22,577	22,891
Average Loan Balance	\$9,126	\$9,714	\$11,501	\$13,072	\$14,132
Financial Ratios					
Return on Loans	6.19%	5.97%	5.60%	5.07%	4.67%
Return on Investments	1.23%	1.42%	1.52%	1.48%	1.72%
Return on Assets	0.77%	0.63%	0.86%	0.47%	0.09%

**per Member*



Distribution of Income

	2013	2014	2015	2016	2017
Compensation	36.22%	37.16%	36.32%	37.04%	37.95%
Office Occupancy	7.71%	8.23%	7.00%	6.77%	6.86%
Office Operations	10.60%	11.02%	10.89%	11.00%	11.89%
Advertising	2.36%	2.46%	2.65%	2.42%	2.55%
Collection Expense	9.23%	9.17%	8.74%	8.51%	8.92%
Professional Expense	5.95%	6.69%	6.78%	7.14%	6.21%
All Other Expenses	4.54%	4.79%	2.90%	3.51%	3.20%
Dividends	4.77%	4.13%	3.76%	3.64%	3.48%
Increase to Capital	13.44%	10.96%	14.89%	8.25%	1.52%
Provision for Loan Loss	5.18%	5.39%	6.07%	11.71%	17.42%



Supervisory Committee Report

The Supervisory Committee is responsible for making sure the Credit Union's financial records are in order and that internal controls are in place to protect the assets of the Credit Union and its members. The Committee does this by making sure that an annual audit is conducted and by making sure that internal controls are tested regularly.

The primary function of the Committee is to ensure ongoing reviews and audits to make sure that your credit union records are maintained properly, honestly, and accurately; that policies established by law and by the Board of Directors are carried out. We are also to make sure members' assets are safeguarded and used according to the purpose outlined by the Federal Credit Union Act, National Credit Union Administration rules and regulations and Board of Directors' policies.

In addition to our primary functions as a Supervisory Committee we are also responsible to:

- Review the actions of the Board of Directors, Officers and Committees to make sure that they exercise firm control over the credit union's affairs.
- Review all policies and changes in credit union procedures in terms of their effects on the quality of service to members and safety of members' funds.
- Conduct or order a verification of members' loan and share accounts to comply with credit union policy and regulatory requirements.
- Present a full report of the findings of annual audits and any special findings to the Board of Directors.
- Prepare and make available an Annual Report presented to members at the Annual Meeting.

An annual Federal examination of McCoy Federal Credit Union was performed in 2017 by the National Credit Union Administration. NCUA concluded that McCoy Federal Credit Union is fundamentally safe and sound.

Nearman Maynard Valez, Certified Public Accountants (CPAs), performed an annual external audit of our financials for the year ending September 30, 2016, as authorized by the Supervisory Committee. They also found that the Credit Union was financially sound and rendered a clean opinion.

McCoy Federal continues to seek additional ways to improve efforts toward better security and safeguarding members' assets. Thus, in doing so there were additional audit functions performed by our external audit firms during 2017.

McCoy Federal Credit Union's Mission is to provide a wide range of affordable financial products with exceptional member service.

Respectfully submitted,

Maureen Gimenez

Associate Director

Chairman Supervisory Committee

Nominating Committee Report

As required by our Bylaws and as published in the October 2017 newsletter, said Committee submitted three names for vacancies on the Board of Directors. After thorough search and interviews, the Nominating Committee is proud to submit the following:

For the Board of Directors



Mr. Richard J. Albert
Director
Terms of Three Years



Mrs. Janet E. Brewer
Director
Terms of Three Years



Mr. Michael F. Hester
Director
Terms of Three Years

Additionally, in the newsletter, the Chairman of the Nominating Committee informed all members of the procedures for nomination by petition. The membership was also notified of the deadline for filing of such petitions. There were no nominations submitted by petition. Therefore, the election will be conducted by voice ballot at the Annual Meeting.



Gilbert B. Croft
Director
Chairman Nominating Committee

2017 Board of Directors



Mr. Fred S. Browne, Jr.
Chairman



Mr. Michael F. Hester
Vice Chairman



Mr. Richard W. Tressler
Treasurer



Mrs. Janet E. Brewer
Secretary



Mr. Richard J. Albert
Director



Mr. Gilbert B. Croft
Chairman



Mr. Dennis M. Johnson
Director

Supervisory Committee

Mrs. Maureen Gimenez	Chairman
Mr. Richard Albert	Member
Mr. Daniel Collins	Member
Mr. Samuel Davis, Jr.	Member

Senior Management



Alvin J. Cowans, CCUE
President/CEO



Tod W. Mazzocco
Executive
Vice President



Basil A. Buchanan
Vice President
Lending



Donald J. Knopick
Vice President
Information Technology



Andrew Meyer
Vice President
Finance



Ronald C. Nesbitt
Vice President
Risk Management



Laura K. Retherford
Vice President
Operations

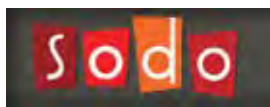
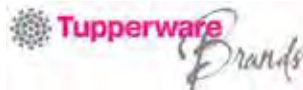
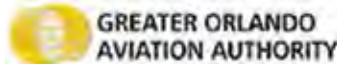


Danny H. Snider
Vice President
Loan Services

2017 Community Partnerships

2017 Business Development Summary

	EG Events	Community Events	Total Events	Sponsorships
1st Quarter	6	11	17	9
2nd Quarter	2	6	8	25
3rd Quarter	10	5	15	21
4th Quarter	11	9	20	20
Total	29	31	60	75



2017 Community Involvement



BOONE HIGH SCHOOL



McCoy Federal
Credit Union

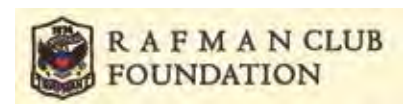
ATHLETIC COMPLEX



2017 Community Involvement



2017 Community Involvement



2017 Community Involvement



SOUTH LAKE
ALL-SPORTS BOOSTERS, INC.



Mt. Olive AME
Where Church Street Ends and Church Begins



STREET TEAM MOVEMENT
Hands and Feet to the Streets

2017 Community Involvement



LION OF JUDAH ACADEMY



FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY



Products & Services

- Regular Share (Savings) Accounts with dividends
- Easy, Classic & Fresh Start Checking Accounts with Overdraft Protection & Overdraft Privilege
- Visa Debit Card with Rewards
- Money Management Share Accounts (MMSA) with dividends
- 6-Month, 1-, 2-, 2 ½-, 3- and 5-Year Share Certificates
- Individual Retirement Accounts (IRA) – Traditional, Roth, and Coverdell Educational Savings Account (CESA)
- IRA Certificate Accounts—6-Month, 1-, 2-, 2 ½ -, 3- and 5-Years
- IRA Online Center
- Health Savings Accounts
- Youth Savings Accounts (Ages 5 - 17)
- Youth Checking
- Golden Eagle Club (Ages 55 and over)
- Direct Deposit
- ATMs—CU24, CU Here, CIRRUS, Pulse
- Safe Deposit Boxes (select locations)
- Western Union Wire Service (within USA only)
- Wire Transfer of Funds (within USA only)
- Night Depository (select locations)
- Money Orders
- Official Checks
- Free \$2,500 Accidental Death Insurance
- Toni-the-Teller at McCoy FCU
 - 24-Hour Access to Your Accounts
- First Mortgages – 10, 15, 20 & 30 year terms
 - VA, FHA & USDA Mortgages
- Second Mortgages
- Home Equity Loans
- Home Improvement Loans
- Land & Lot Loans
- Rental, Condo & Mobile Home Loans
- Line-of-Credit Loans
- Vehicle Loans (New & Used)
 - Auto, Truck & Motorcycle
 - RV & Travel Trailers
 - Boats & Jet Skis
- Debt Consolidation Loans
- Share Certificate and Share Account Secured Loans
- Visa Signature Credit Cards with Cash Back
- Visa Platinum Credit Cards with Rewards
- Visa Platinum Credit Cards with Low Rate
- Share Secured Credit Cards
- Credit Life and Credit Disability Insurance
- Auto Gap Insurance
- Automobile Warranties
- Auto Deductible Re-Imbursement Insurance
- Automatic Loan Payments
- Electronic Loan Closing
- 24 Hour Loan by Phone
- Online Account Opening
- Online Loan Applications
- Indirect Lending
- My McCoy – OnLine Account Access with:
 - Online Bill Pay
 - E-Notices
 - Electronic Statements (E-statements)
 - E-Checks (OnLine)
- My McCoy Mobile – for iOS & Android
 - Mobile Banking
 - Mobile Check Deposit
 - Mobile Bill Pay
 - Person to Person Payments
- Apple Pay
- Samsung Pay
- Android Pay
- Visa Checkout
- Business Accounts
 - Business Credit Cards with Rewards
 - Commercial Loans
 - Business Lines of Credit
 - Business Loans
 - SBA Loans
 - Business Debit Cards with Rewards
- Accel Credit & Debt Counseling
- Quorum Insurance - Auto, Commercial, Home & Health

Office Locations



1. McCoy Road Office

1900 McCoy Rd
Orlando, FL 32809

2. Curry Ford Office

5757 Curry Ford Rd
Orlando, FL 32822

3. Central Florida Pkwy Office

2075 Central Florida Pkwy
Orlando, FL 32837

4. Michigan Office

35 W. Michigan St
Orlando, FL 32806

5. L.B. McLeod Office

5620 L.B. McLeod Rd
Orlando, FL 32811

6. Chickasaw Office

502 S. Chickasaw Tr
Orlando, FL 32825

7. Apopka Office

931 N. Park Ave
Apopka, FL 32712

8. Osceola Parkway Office

1221 W. Osceola Pkwy
Kissimmee, FL 34741

9. Clermont Office

1051 E. Hwy 50
Clermont, FL 34711

10. Lake Nona Office

9101 N. Narcoossee Rd
Orlando, FL 32832

11. VA Office

Orlando VAMC
13800 Veterans Way
Orlando, FL 32827

12. Ocoee Office

1575 E. Silver Star Rd
Ocoee, FL 34761

13. Aloma Office

2871 Clayton Crossing Way
Oviedo, FL 32765

14. Longwood/Lake Mary Office

3540 N Hwy 17-92
Lake Mary, FL 32746

Contact Information

Lobby Hours

Monday - Thursday Friday
9:00 AM - 5:00 PM 9:00 AM - 6:00 PM

Drive Thru

Monday - Thursday Friday
8:00 AM - 5:30 PM 8:00 AM - 6:00 PM

Phone (All Offices)

407-855-5452 • Toll Free 1-888-584-7701

Toni-the-Teller at McCoy FCU

24-hr Phone Account Access
407-857-8245 • Toll Free 1-888-584-8268

Orlando VAMC

Monday - Friday
8:00 AM - 4:00 PM

Aloma Office

Monday - Friday
9:00 AM - 5:00 PM

Call Center

Monday - Thursday
8:00 AM - 5:00 PM
Friday
8:00 AM - 6:00 PM

Mailing Address

McCoy Federal Credit Union
P.O. Box 593806
Orlando, FL 32859-3806

Web Site

www.mccoyfcu.org

Email

mccoy@mccoyfcu.org

The McCoy Federal Difference

- 1. Better interest rates and lower fees.** When you're getting better interest rates and paying lower fees, you get to keep and save more of YOUR money, helping you take charge of your financial life.
- 2. Full line of products and services.** At McCoy, you receive the same services as a bank - like checking, savings, ATMs, debit cards, investment funds, mortgage loans, car loans and even small business loans.
- 3. Convenience.** As a member, you have access to free ATMs at any McCoy location, all CU Here/CU24 ATMs plus all Publix ATMs.
- 4. Expertise.** Financial matters can be complicated. Not only do our staff members have terrific product knowledge, they have years of experience to help you make those important decisions.
- 5. Customer Service.** Credit union customer satisfaction consistently ranks higher than banks. At McCoy, you're always a member and not a number.
- 6. Credit Unions Give Back.** We believe in giving back to the communities we serve through event sponsorships, scholarships, financial literacy assistance and more. Your community is our community.
- 7. Safe and Sound.** The safety of your money and investments is an important aspect to consider. Rest assured, your money is safe and insured at McCoy.
- 8. Not-for-Profit.** Our not-for-profit status is a very important distinction that separates us from banks. In a nutshell, it means we return our profits (after paying expenses) to you, and not to stockholders, by offering better returns on savings, lower rates on loans, and new or improved services.
- 9. Member-owned.** Don't let membership scare you. It simply means you have a say in some of the activities of your local credit union should you want it. And it means you're treated with the same respect as everyone else.
- 10. Locally-Owned.** McCoy Federal is locally owned by our members. Since we are local, we have faster decision making and less red tape. We know the market and have a vested interest in seeing the local economy and our members succeed.

Membership



Membership to McCoy Federal Credit Union is open to anyone, who lives, works, worships, volunteers or attends school in Orange, Osceola, Seminole or Lake Counties; members of the immediate family or household; and organizations of such persons. Businesses and its employees located in Orange, Osceola, Seminole or Lake Counties are also eligible for membership.

Our History

1954 On December 14, 1954, seven people pooled their knowledge and assets to establish the Pine Castle Air Force Base Federal Credit Union, a military member credit union.

1958 Pine Castle Air Force Base was renamed McCoy Air Force Base in honor of Colonel Michael N.W. McCoy, and the credit union followed suit. From that time, it has been known as McCoy Federal Credit Union.

1974 McCoy Air Force Base was closed.

1981 McCoy Federal became a community chartered credit union serving those who lived and worked in Southside Orlando, between Michigan Street, I-4, Highway 15/15A and South County Line.

1985 McCoy Federal's first branch office, the Curry Ford Office, was opened near the corner of Curry Ford Road and Highway 436.

1990 The Williamsburg Branch Office began as a store front operation on Central Florida Parkway.

1993 The Michigan Street Office located in the Market at Southside opened.

1995 The Williamsburg Branch Office was relocated to a new full-service building on Central Florida Parkway near Orange Blossom Trail and was renamed as the Central Florida Parkway Office.

1997 McCoy received approval from NCUA to expand its field of membership to accept members who live, work, worship or attend school south of Highway 50 in Orange County, Florida.

1999 McCoy Federal opened its West Orlando Office on L.B. McLeod Road and Kirkman Road.

2002 McCoy opened its sixth office located on Chickasaw Trail in East Orlando at Lake Underhill.

2003 McCoy Federal received approval to expand the membership boundaries to anyone who lives, works, worships or attends school in all of Orange County. By the end of 2003, McCoy opened a new Administrative office building along side a new branch location at 41 & 35 West Michigan Street. McCoy's store front located at The Market at Southside was relocated to the new office at 35 West Michigan Street.

2006 Our 7th office opened in Apopka at 931 N. Park Avenue serving our members in Northwest Orange County. In December 2006, McCoy received approval from NCUA to expand its field of membership to include Orange, Lake, Seminole and Osceola County, Florida (Orlando MSA).

2007 Our 8th office opened near the Loop and Hunter's Creek in the Osceola Corporate Center at 1221 W. Osceola Parkway in Kissimmee.

2008 We opened our 9th location in Clermont in February 2008 to serve our members in Lake County. The Clermont Office was originally a store front located at 4300 S. US Hwy 27 at the Legends Pointe Center. On December 31, 2008, Central Florida Healthcare FCU merged with McCoy which added 14,000 new members and approximately \$50 million in assets to our Credit Union.

2009 We opened two new offices serving the Ocoee and Lake Nona areas.

2012 The Aloma office is opened off Aloma Ave just West of the 417.

2014-15 To better serve our members, the Clermont office is relocated to 1051 E Hwy 50 just east of Hwy 27. The Lake Nona Office is moved from a storefront location to a new free standing facility. Both locations are full-service branches with larger facilities, drive-thrus and easier access for our members.

2017 The Longwood/Lake Mary office is opened at 3540 N Hwy 17-92 and Ronald Reagan Blvd (427) serving residents of Longwood, Lake Mary & Sanford areas.

TODAY McCoy Federal is one of the largest credit unions in Central Florida with over 64,000 members, assets over \$560 million, 14 branch locations and still growing!



McCoy Federal
Your Full-Service Community Credit Union

