



Spring 2018

Dividend News

Our regular share rate remained at .70% (0.702% APY) and the IRA accounts earned .95% (0.954% APY) during the quarter. The Federal Reserve Open Market Committee did raise their overnight rate at the March meeting. Accordingly, we've increased our share rates and CD rates. Effective April 1, regular shares will be earning .75% (0.753% APY) and IRA accounts will earn 1.0% (1.005% APY). As we see our income increase, we will increase dividend rates.

Please visit our website at www.railroadfcu.com to stay current on our rates.

Annual Meeting Review

It's hard to believe, but the 62nd annual membership meeting is now in the history books. The crowd was large again this year, with 193 primary members in attendance so the crowd was about 250 since a lot of members had a guest with them.

The business portion of the meeting began with the re-election of three Board members; James Adams, Mary-Wade Green and Marshall Walk each were elected to serve another three-year term. For the first time ever, members of the Supervisory Committee were also elected by the membership as this is a rule under the recently acquired state charter. The newly elected Supervisory Committee members are Linda Bass, Cynthia Sims and Alvin Ash.

Operational reports were given by Don Dixon, Jim Adams, L.C. Smith and Sharon Hazelwood. Mr. Dixon updated everyone on the general operation of the credit union and some regular building maintenance projects. Mr. Adams' talk focused on the reasoning behind the Board's decision to convert to a state charter. Mr. Smith gave a brief

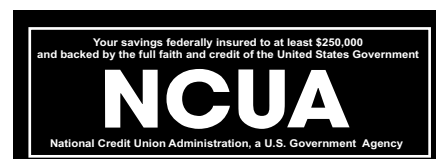
summary of the audit report and encouraged everyone to utilize their borrowing capacity with the credit union and, therefore, paying themselves. Mr. Smith also urged members to invite people they know to join the credit union if those persons live or work within our membership area. Sharon Hazelwood reviewed the financial statements and assured members the operation continues to be conservative in nature. She also informed members that a marketing project would be forthcoming to invite prospective members to join.

As always, the biggest hit of the meeting was the drawing for the door prizes. This year, every household went home with a gift! There were three top winners, each taking home a flat screen television; other winners went home with hams and cash.

Rebranding to Railroad Community Credit Union

As you know by now, we did receive approval to move to a state charter and had to change our name. We are diligently working to get everything changed; so please be patient with us. If you come to our office, you'll notice our new signage. Happily, we were able to reuse some of the existing materials.

We've got the website logos changed, but not the actual website address yet. This URL address change requires various components that we don't have control over. We'll notify all home banking users when this project is complete.



(continued)

VISA Debit/Credit Card Purchases

We feel the need to restate this issue as we've spoken with too many members lately that have ordered "free" items they've seen either on television or on an e-mail solicitation. Please be wary of these solicitations. Most of the cases involve vitamin supplements. In every case, additional products start coming in with billing they did not know they had authorized.

Generally, orders for vitamin supplements and things of this nature constitute a "subscription" which means you are authorizing (generally in the fine print) the merchants to begin shipping and billing items on a regular basis. In most cases, the items won't be accepted when returned because of the nature of the product. You can get the "subscription" stopped, but may be out the costs of the items you've received before getting the service cancelled. It is your responsibility to contact the merchant to cancel this transaction. You must do this because simply cancelling the card doesn't solve the problem since charges will continue to post because of the nature of the transaction (subscription).

Quick Notes....

Tax deadline. The filing deadline for your 2017 tax return is **deadline is April 17th.** So, you still have time to make an IRA contribution for 2017 through this date. Give us a call if you need more information concerning IRA contributions and tax deductibility.

Credit Union Toll Free Number: Call us toll-free at 855-320-6767.

Collateral Insurance Requirement. When making a loan with us, for a car, boat, motorcycle, or travel trailer, casualty insurance is required on the item. Just call your insurance agent and ask them to list the credit union as the lienholder and send us a copy of the coverage. This insurance requirement is mandatory; it protects you as well as the credit union. If you don't provide us with proof of insurance, we are forced to obtain collateral insurance on the property as our regulators require it. This insurance only covers the credit union and it is extremely expensive. So, please be sure to inform your insurance agent when we've done financing for you.

Free \$2,000 Accidental Life Insurance. If you've received notice of the free accidental life insurance the credit union offers, please be sure to complete and return the form for the basic accidental coverage. Yes, the \$2,000 coverage is free to you, but this form must be on file with the insurance company for the insurance to be in effect.

We've had this member benefit for many years, and want everyone to take advantage of the benefit. The coverage is for the primary account member and you must be 18 or older to accept the coverage. Please remember the coverage is strictly accidental life, and the coverage is reduced by one-half at age 70 and older.

Please be aware the insurance company will mail you enrollment forms for additional coverage options. We do caution you to read these forms closely and only select the \$2,000 benefit if you don't want to pay any premiums. If you elect additional coverage, it is at your expense; we pay the cost of the \$2,000 benefit only.

If you have already signed up for this coverage and have questions about the beneficiary, we do not have any beneficiary data available to us. Please call 1-877-309-6576 for this information.

FINANCIAL REPORT

February 28, 2018

Assets.....	\$106,685,135.92
Shares.....	94,076,575.37
Loans.....	13,273,796.52
Net Worth.....	13,148,194.91
Gross Inc (Y-T-D).....	364,352.74
Dividends Paid (Y-T-D).....	129,350.49

Upcoming Holiday Observance

Memorial Day - May 28th

Independence Day - July 4th



Board of Directors and Supervisory Committee

Don Dixon
Brenda Aldridge
L.C. Smith
Jerry Graben
Richard Linn
Linda Bass, SC
James W. Adams

Marshall Walk
Cynthia Sims, SC
Mike Darden
Mary Wade-Greer
Alvin Ash, S.C.