

East Alabama Medical Center Federal Credit Union

The Credit Union Difference = More Than You Think

Not for profit, not for charity, but for service

Credit unions are not-for-profit financial cooperatives, owned by the people who save and borrow there. Every member has the right to vote for members of the credit union board. Credit union boards are made up of volunteer members.

Unlike most other financial institutions, credit unions do not issue stock or pay dividends to outside stockholders. Instead, earnings are returned to our members in the form of lower loan rates, higher interest on deposits, and lower fees.

By current federal statute, credit unions cannot serve the general public. People qualify for a credit union membership through their employer, organizational affiliations like churches or social groups, or a community-chartered credit union.

Our critics often claim that credit unions “don’t pay taxes.” **Credit unions do pay taxes – payroll taxes, sales taxes, and property taxes.** Congress exempts credit unions from federal income taxes. The exemption was established in 1937, affirmed by statute in 1951, and re-affirmed in 1998 in H.R. 1151, the Credit Union Membership Access Act, which states:

Credit unions, unlike many other participants in the financial services market, are exempt from Federal and most State taxes because credit unions are member-owned, democratically operated, not-for-profit organizations generally managed by volunteer boards of directors and because they have the specified mission of meeting the credit and savings needs of consumers, especially persons of modest means.

Our Credit Union

East Alabama Medical Center Federal Credit Union is located in Opelika, Alabama. It has 2800 members and approximately \$7 million in assets. The credit union was founded in 1961 and originally served Lee County Hospital employees. Since then, Lee County Hospital has been renamed East Alabama Medical Center and is still the major sponsor group. However, several additional select employee groups have been added, which include The City of Opelika, Lee County Employees, Care Center of Opelika, Staff Physicians and Employees, and family members of all listed employee groups.

Our credit union provides the following financial services:

- Basic Share (Savings) Accounts with a minimum balance of \$5
- Certificates of Deposit
- Christmas Club Accounts
- Vacation Club Accounts
- Free Share Draft (Checking) Accounts
- ATM/Debit Cards
- Signature Loans
- Vehicle Loans
- Share Secured Loans
- Money Orders / Travelers Cheques
- Voice Response System
- Discounted Tickets for Carmike Cinemas, Six Flags, White Water, Surfside Water-park, and Tennessee Aquarium.

Our Commitment to Financial Education & Literacy

Promoting financial literacy has been a primary mission of credit unions since they were established. Edward A. Filene, the father of the American credit union movement in 1908 said, "Credit unions are educational institutions." Our intent is to teach people wise money management skills they can use to make their entire lives better.

Credit unions offer individuals budget and financial counseling as a routine matter. Some examples in our credit union include:

- Full and Fair Disclosure on Pricing
- Educational Materials provided in the credit lobby
- One-on-one financial counseling with members including such basics as "balancing your checkbook."

Our Commitment to Good Governance and Diversity

Credit unions exist to serve all members equally, with dignity, respect and consideration. We strive to serve everyone who needs financial services within our membership and to be sensitive to the individual needs of the various cultures we serve.

- We make annual meetings more accessible to accommodate the majority of members
- We set Board and committee attendance standards
- We educate the members, staff, Board and the community about the uniqueness of credit unions, specifically the importance of volunteer leadership and democratic elections.
- We instruct the Nominating Committee to actively seek wider member representation on credit union boards and committees
- We involve more volunteer through active committees
- We provide special training for members on the board of directors and other volunteer committees
- We seek out volunteers, staff and management who reflect the diversity of the membership

Our Commitment to Community & the Credit Union Movement

Credit unions don't just exist to provide financial services—we provide financial services for the purpose of improving lives. While our first responsibility is to our members, part of being a cooperative movement means looking beyond our walls to the larger community. This philosophy leads us to support worthwhile charitable and social causes, and to work with other credit unions.

In our credit union, we reach out by providing "Christmas Gifts" for five families in the Lee County Department of Human Resources. We also plan to participate this year in the Credit Unions for Kids Campaign which raises money for the Children's Miracle Network.

**East Alabama Medical Center FCU
509 East Thomason Circle
Opelika, AL 36801
334-705-1268**