



Alliant

CREDIT UNION

2018
ANNUAL
REPORT

TESTIMONIALS

ACU went above and beyond for me. They were willing to take a chance and help me work on building my credit back up while no other place would. I'm grateful for all they do! - Josh



ACU has many products and services to choose from. The staff is my favorite because they always make me feel like family. I love to know when I call they will be so friendly and understanding. It makes life so much easier. Thank you for all you do! - Lori

I tell my family members to become a member at ACU because you're treated as a person not a number. - Nichole



ACU is the best credit union in our area. They are always helpful and friendly. The staff never fails to ask about my family and to check in on what's new. Their personal touch provides all the comfort I need to know my money is being saved at the right place. - Melanie

MESSAGE FROM THE CHAIRMAN AND PRESIDENT

As the calendar flips to 2019, I am pleased to report another exceptional year for Alliant Credit Union and am looking forward to hosting our 86th Annual Meeting on St. Patrick's Day this year. There are many wonderful Irish proverbs that will help tie into this report highlighting 2018 and forecasting what the New Year may have in store.

“You'll never plough a field by turning it over in your mind.” At the beginning of 2018, the board and staff were very excited to launch our fresh new website. We realized that in today's fast paced, instant gratification world, we needed improvements with our digital presence. We were searching for something functional and seamless and we knew that our members should be able to contact us and complete requests with a few simple clicks. If you follow us on Facebook or Twitter, we hope you have noticed our focus to educate and engage with you on social media. We know you lead busy lives and we need to connect with you when you are on the go.

“May misfortune follow you the rest of your life, and never catch up.” After many years of credit unions being under attack from the banks in the State of Iowa, 2018 was a year where all credit unions and members in the state joined together to fight for our cooperative structure. Alliant Credit Union board and staff joined over 700 of our fellow credit union peers in Des Moines on a cold, blistery day to hike the hill to defend our tax status. After numerous phone calls, emails and letters that were sent to our elected officials reminding them of what credit unions do every day for our members, WE WON! The bill was voted down. As our officials reconvene for 2019, our message must continue to be loud and clear. We work every day for each and every owner of our credit union. May the misfortunes never catch us!

“May your home always be too small to hold all your friends.” In the spring of 2018, ACU was once again approached by our friends in Burlington from Des Moines County Postal Credit Union (DMCPCU) as they were seeking out a merger partner due to retirement of their wonderful CEO. After careful research and analysis, our Board of Directors voted to welcome DMCPCU into our ACU family. On Saturday, September 1st, we were able to successfully merge in a very strong and successful credit union. Please join me in welcoming DMCPCU to ACU. We believe you have made a solid choice.

By all measurable accounts, Alliant Credit Union had a very successful year by ending with over \$126 million in assets. Total loans grew an outstanding \$6.6 million (before merger activities) in total making our end of year Total Loans to Total Shares ratio 88.54%. Strong loan growth is great, however as the old Irish saying goes:

“Forgetting a debt doesn't mean it's paid.” ACU works very hard with all our members to ensure we set our members up for future successes. This rings true with our very low delinquency and charge off ratios as the staff takes the time to understand each members concerns and works with our members to chart a new course.

As we gear up for a new year, ACU is committed to ensuring that capital improvements in infrastructure keep us competitive in a very aggressive marketplace.

“Tis better to spend money like there's no tomorrow than to spend tonight like there's no money.” While this proverb perhaps takes it too far and is more aggressive than ACU will be, we will be introducing high speed internet for all branches as well as further investments in computer software/hardware and core processing to ensure connectivity and redundancy for our membership. Our goal is to be an employer to our great staff where there are no barriers to perform their job with greater ease going forward. These improvements will position us very well for the future.

“May you have the hindsight to know where you've been, the foresight to know where you are going, and the insight to know when you have gone too far.” Perhaps our report has gone too far, or too long, so we shall conclude by sharing our appreciation for a wonderful 2018. To our Board of Directors. Thank you for your passion and wonderful guidance to truly looking out for all members. To our Staff—your dedication to our members is unparalleled and you all truly epitomize the people helping people philosophy. To our members—thank you for your loyal dedication, for using your credit union and for entrusting us to help you achieve your goals!

“May the wind always be at your back.” May the saddest day of your future be no worse than the happiest day of your past.

Sláinte! to a successful and fun 2019!
Jack Schumacher, Chairman
Mike Moroney, President and CEO

BALANCE SHEETS

Assets	2018	2017	2016
Consumer Loans	43,891,932	40,898,129	39,500,614
Mortgage Loans	53,081,393	47,762,091	45,946,167
Allowance for Loan Loss	(213,650)	(365,620)	(480,869)
Cash in Bank	2,630,834	2,054,986	1,754,534
Investments - Held to Maturity	17,235,238	18,562,761	17,967,884
Accrued Interest	273,658	246,752	191,400
Fixed Assets (Less Depreciation)	2,249,113	2,377,338	2,453,741
CUSO Investments	781,541	803,571	826,121
NCUSIF	1,104,658	1,058,511	1,015,033
Other Assets	45,91,242	8,520,982	7,372,831
Total Assets	125,625,960	121,919,501	116,547,456



Total Assets: 125,625,960
 2017: 121,919,501 2016: 116,547,456

Liabilities and Members' Equity	2018	2017	2016
Member Savings	109,525,544	107,424,030	103,084,878
Other Liabilities and Accrued Expense	503,993	582,109	540,676
Statutory Reserve	5,783,704	4,995,022	4,820,022
Undivided Earnings	9,812,719	8,918,340	8,101,880
Total Liabilities & Equity	125,625,960	121,919,501	116,547,456



Number of Members: 11,058

STATEMENTS OF INCOME

Interest and Income	2018	2017	2016
Interest Income			
Interest from Loans	4,103,878	3,691,910	3,491,304
Interest from Investments	423,203	232,709	243,024
Total Interest Income	4,527,083	3,924,619	3,734,329
Less Interest and Dividend Expense	609,818	504,853	515,317
Less Provision for Loan Loss	-	-	93,800
Net Interest Income After Provision for Loan Loss	3,917,265	3,419,767	3,125,211
Non-Interest Income	1,548,656	1,625,830	1,556,955
Less Operating Expenses	4,222,030	4,054,137	3,764,151
Net Income	1,243,891	991,460	918,015
Transfer to Reserves	-	-	-
Transfer to Undivided Earnings	1,243,891	991,460	918,015

GROWTH FOR 2018

Description	Amount of Increase	Total for 2018	Total For 2017
Assets	3,706,459	125,625,959	121,919,501
Total Savings	2,101,514	109,525,544	107,424,030
Total Loans	8,313,105	96,973,325	88,660,220

Percent of Growth:



2018 ANNUAL MEETING MINUTES

The 85th annual membership meeting was held at The Diamond Jo Casino, Dubuque, Iowa, on Sunday, April 8, 2018. There were 56 members and guests in attendance.

Jack Schumacher, Chairman, called the meeting to order at 2:30 p.m., welcoming everyone to the annual meeting on behalf of the board and staff.

Jack announced the winners of the Credit Union's annual scholarship program. Each winner listed below will receive a \$500 scholarship:

- Kathryn Mehlretter
- Kristen Sumpter
- Alex Decker
- Colin Thiele
- Jillian Haas

Jack also drew winners for our door prizes. Winners were Don Schaible and Sam Wolter.

Jack introduced the current board of directors, Vince Copeland, Jeff Eddy (not present), Sandy Even, Shelley Fitzgerald (not present), Becky Jenkins (not present), Joe Kubesheski, Kathy Miller, Mike Moroney, Jack Schumacher and Vince Schuster (not present); and, board emeritus Jean Hoeger and Jim Hodgson (not present).

Jack introduced Terry Kouba and he introduced the Nomination Committee. Terry thanked everyone for attending and reviewed the ballot of candidates that would be elected to the board. There are four seats up for election, three seats are for a three-year term and one seat is for a one-year term. The individual receiving the fourth highest vote will serve a one-year term to create more staggered three-year term going forward. Terry introduced the nominees: Mark Arthofer, Sandy Even, Joe Kubesheski, Jack Schumacher, and Mark Seckman. The votes are scheduled to be announced later in the meeting.

President Mike Moroney presented the 2017 Financial Report highlighting Alliant Credit Union and commented that from humble beginnings, ACU had grown to 33 employees, 7 branches, over 10,500 members and \$122 million in assets. Mr. Moroney shared the focus on social media and discussed the new website ACU will be launching shortly. He further commented on the state of affairs within the state and the implication a tax on credit unions would have on all Iowa Credit Unions. He thanked board, staff and membership for their help in making 2017 a success.

Jack referred members to the annual report. Chuck Nachtman motioned to approve the minutes from the 2017 annual meeting. This was seconded by Steve Hoeger. All in favor, motion carried.

Nick Ryan motioned to approve the financials 2017 financial statements. This was seconded by Marty Decker. All in favor, motioned carried.

The election committee, Chair Jean Nachtman and committee member Chuck Nachtman, collected and tallied the votes. The following were elected to the board:

- Mark Arthofer (one-year term)
- Jack Schumacher
- Sandy Even
- Joe Kubesheski

Michelle Stelken motioned to adjourn the meeting. Seconded by Pam Krieg. Motion carried. Meeting adjourned at 2:50.

Respectfully Submitted,
Mike Moroney, Acting Secretary

CREDIT COMMITTEE YEAR END REPORT

At year end, December 31, 2018 the loan officers and credit committee processed 2,159 loans for \$45,844,629. This includes 216 mortgages loans, including advances, for \$18,268,223.

Loan processing can be as easy as visiting our web site for applications, rates and terms or by calling our office for your personalized financial solution. Your credit union can meet all of your financial needs online and in person. Because of mobile banking, you can have financial assistance 24/7. When you use

the many services at your credit union, you are doing business with an organization in which you have a vested interest.

The credit committee would like to commend the staff for their dedication and service to the membership.

ACU looks forward to serving you in 2019.

Sandy Even, Chair, Joe Kubesheski, Secretary, and member Shelley Fitzgerald

AUDIT COMMITTEE REPORT

The financial statements accurately reflect the financial condition of Alliant Credit Union as of December 31, 2018, and were in accordance with generally accepted accounting principles. It is our opinion that the credit union is operated in

an efficient and professional manner as the credit union continues strong financial performance.

Kathy Miller, Chair, Jeff Eddy, Secretary, and member Vince Copeland

ACU wishes to thank the Board of Directors for their ongoing support, dedication and contributions.



Mark Arthofer



Vince Copeland



Jeff Eddy



Sandy Even



Shelley Fitzgerald



Becky Jenkins



Joe Kubesheski



Kathy Miller



Mike Moroney



Jack Schumacher



Vince Schuster



At Alliant Credit Union, we strive to deliver exceptional service and personalized financial solutions that will help members achieve their goals.

Your savings federally insured to at least \$100,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency