

ANNUAL REPORT

2022



CONTENTS

ANNUAL MEETING

Meeting Agenda
2022 Meeting Minutes

3

LEADERSHIP

Message from the
President/CEO
Board Members
2023 Board Nominees
Executive Team
Recognition

5

2022 AT A GLANCE

Metrics
Milestones
Achievements
Financial Summary
Supervisory Committee
Annual Report

11

A GREAT PLACE TO WORK

Coulee Region Women Magazine Article
Locations

15

OUR MISSION STATEMENT:

To create member loyalty by providing **products, services,** and **guidance** that enable our **members, staff,** and **communities** to prosper.

OUR VISION STATEMENT:

Helping you live your BEST life!

OUR GUIDING PRINCIPLES:

Like all credit unions, we follow eight basic guiding principles:

- Voluntary Membership
- Democratic Member Control
- Member Participation
- Autonomy & Independence
- Education, Training, & Information
- Cooperation among Cooperatives
- Concern for Community
- Diversity, Equity, & Inclusion



Annual Meeting

MEETING MINUTES

MEETING AGENDA:

1. Roll Call
2. Introduction
3. Minutes of the 2021 Annual Meeting
4. Chair's Report
5. Management Report
6. Supervisory Committee Report
7. Elections
8. Old Business
9. New Business
10. Adjournment

Altra Federal Credit Union Minutes of the 91st Annual Meeting February 24, 2022

The meeting was called to order at 6:00 pm by Board Chair Terri Brennan.

Chair Brennan asked for a count of members present. Hearing that a quorum was in attendance, she declared it a legal meeting.

Chair Brennan introduced the Board of Directors. Those present were:

John Nemeec, Ann McDonald, Jill Bernstein, Jamie Schloegel, Donald Lee, Tanner Holst, Mike Goryl, and Terri Brennan.

As the minutes of the 90th Annual Meeting were printed and included in the meeting agenda, Chair Brennan asked if there are any corrections, additions, or deletions.

Upon hearing none, the minutes stand approved as printed.

The Chair's report, in video format, was delivered by Chair Brennan. The Chair's report commented on the favorable 2021 operating results:

- Assets grew to just shy of \$2.2 billion
- Originated more than \$1.76 billion in new loans
- Net Income of \$36.3 million
- Return on Assets of 1.75%
- Capital Ratio of 11.56%
- Grew membership to over 126,000
- Retail Services per member of 5.28
- Grew total deposits to \$1.86 billion
- Net promoter score of 71.47%

The video also highlighted some of Altra's work in the community.

The report was accepted as presented.

The report from Management was presented by President and Chief Executive Officer Steve Koenen. Koenen briefly commented on some of the great results from 2021. He then thanked and introduced the Senior Management Team. Steve also recognized the credit union staff for a job well done in 2021. Koenen's report commented on 2022 goals in areas such as membership, assets, loans, and deposits as well some key objectives for the credit union.

Goals for 2022:

- Membership increasing from 126,000 to 135,400
- Total Assets increasing from \$2.190 to \$2.315 billion
- Total Loans increasing from \$1.814 to \$1.949 billion
- Total Shares increasing from \$1.86 to \$1.979 billion

Objectives for 2021 focused on:

- **Branch Remodel and Expansion**
 - Lindale, TX opening in April 2022
 - Clarksville, Madison St office remodel
- **Digital Transformation**
 - Digital Loan Platforms
 - Improved Online/Mobile Solution
 - Further SAM-e[®] ATM Deployment
 - Video Banking
- **Other Major Objectives**
 - Best Life Wellness Program
 - Crypto Currency Solution
 - Partnership with Coopera

The Management report was accepted as presented.

The report of the Supervisory Committee was presented by Ann McDonald and accepted.

The report of the Nomination Committee was presented by Tanner Holst.

The nominating and voting procedures were explained by Tanner Holst.

Hearing that there were no nominations from the floor, it was moved and seconded that the nominations be closed and the secretary be instructed to cast a unanimous ballot for Terri Brennan, Frank Gillette and Don Lee for 3-year terms.

Old business: None

New business:

A question was asked by a member whether or not Altra would retain cryptocurrency or invest in it. CEO Koenen explained Altra would just provide buying and selling crypto as a service and would not invest in it or own it.

A second question was asked about Russia's invasion of Ukraine and if we were doing anything special as far as data security and overall cyber attack risks. CEO Koenen explained that Altra already has a robust information/data security program and that the recent events perhaps caused a heightened awareness.

A final question was asked about the recent Arbitration Clause that was sent to all the members. CFO Mary Isaacs explained the reasons for this and what it meant for members and no follow up questions were presented.

It was moved and seconded that the Meeting be adjourned at 6:25 pm.

Motion carried.

After the meeting was adjourned, there were \$90 gift cards awarded to three attendees and sandwiches and beverages were served.

Respectfully submitted,
Jamie Schloegel
Secretary

Leadership

This has been a very exciting year for Altra! We were featured in the World's Greatest television show where they highlighted ways we take care of our members, employees, and the communities we serve that make us one of the World's Greatest organizations. Altra made the lists for both Forbes Best in State and Bankdash 100 Best Credit Unions in America. In addition, we received first place awards from the Wisconsin Credit Union League for our commitment to youth and adult financial education and community service. We further received first place nationally for our youth education efforts.

Plus, we were voted the Best Financial Institution in La Crosse County, Winona, MN, Rochester, MN, Clarksville, TN and Tyler, TX! Lastly, we continue to be a Great Place to Work™ Certified Organization and Fortune Best Workplaces four years running!

We completed the remodel of our Holmen, WI and Clarksville, TN Madison Street offices offering our smart ATM technology, SAM-e®, in the lobby and drive-up. Members can now do their banking 24/7. During the month of June, we celebrated our Lindale, TX office grand opening. It's great to serve our members in this growing community.

Giving back is so important to Altra's culture. Altra donated over \$1 million to our communities. We continued our Best Life Community Awards which is a member-driven initiative supporting organizations important to Altra members. Thanks to your help, we awarded \$90,000 to some very worthy organizations.

Last year, we partnered with the Financial Health Network to distribute our Best Life Financial Wellness survey to our members. I'm proud to inform you that Altra members are more financially healthy than the national average. We are investing in more resources to help improve financial wellness and have Financial Wellness Coaches on staff.

Altra's total assets grew to over \$2.5 billion, and our total membership

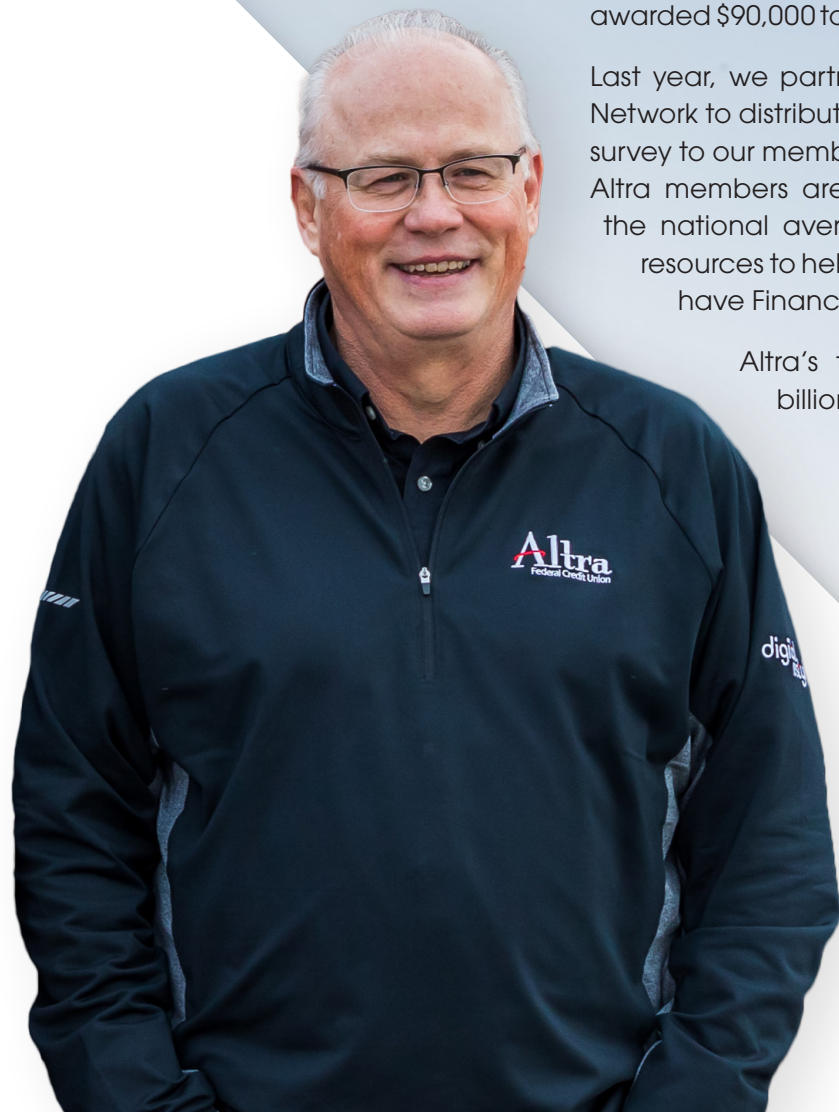
is over 136,500. We are the number one mortgage lender in La Crosse County, WI and the number one auto lender in La Crosse and Winona, MN Counties. Our capital position was 10.97%, which is considered "well capitalized" by the National Credit Union Administration (NCUA). A strong capital position allows Altra to expand its products and services while maintaining a talented workforce. I am pleased to report Altra remains safe, sound, and financially strong.

In 2023, we will be completing a Digital Restyle of our online and mobile banking services bringing new technology, tools, and services to our members to help them better manage their money. Watch for communications throughout the year.



We could not have achieved the recognition, growth and giveback in 2022 without you and our dedicated employees. **I would like to thank you for allowing Altra to help you live your best life.**

Steve Koenen President/CEO



Rochester 19th St. Office • Rochester, MN

MESSAGE FROM THE
PRESIDENT/CEO

JILL BERNSTEIN



Assistant Secretary
Board Member Since 1988

FRANK GILLETTE



Chair of Supervisory Committee
Board Member Since 2002

MIKE GORYL



Treasurer
Board Member Since 2010

TERRI BRENNAN



Chair
Board Member Since 2008

TANNER HOLST



Vice Chair
Board Member Since 2019

ANN MCDONALD



Board Member Since 2020

JAMIE SCHLOEGEL



Secretary
Board Member Since 2020

PAUL WELCH



Board Member Since 2022

JOHN NEMEC



Board Member Since 1990

2023 BOARD NOMINEES

Mike Goryl joined the Altra Board of Directors in 2010, as an Associate Board Member, and serves as the Board Treasurer and Chair of the Personnel and Compensation Committee. He is currently a Territory Collection Leader for Trane Technologies where he leads a team responsible for managing credit, collections, and mitigating risk within Trane Commercial Systems portfolio. He has been employed by Trane since 2000 holding various positions within the Order to Cash Group. Goryl earned a Bachelor's Degree in Finance and Psychology from the University of Wisconsin-La Crosse. Goryl is active in his local community. He currently serves as President of the Holmen Youth Baseball Association and volunteers his time with St. Elizabeth Ann Seton Parish in Holmen. Goryl resides in Holmen, WI with his wife and three children.

Ann McDonald joined the Altra Board of Directors in April of 2020 and currently serves on the Supervisory Committee. McDonald is the Chief Financial Officer at Family & Children's Center in La Crosse, WI where she has the responsibility for all day-to-day activities including financials, audits, payroll, insurance and banking relations. McDonald has over 29 years of experience in the accounting profession, including public accounting, and financial leadership roles at local non-profit human service agencies. She is also on the Board of Providence Academy in La Crosse, WI. McDonald graduated from Winona State University with a Bachelor of Science in Accounting and two minors in English and Business Law. She has held an active CPA license in WI since 1998. Ann and her husband live in Onalaska, WI. They have four children.

John Nemeč was first elected to the Altra Board of Directors in 1990 and currently serves on the Personnel and Compensation Committee. He previously served as Board Chair, Vice Chair and Chair of the Supervisory Committee. Nemeč is retired from Mayo Clinic Health System in La Crosse, WI where he worked for 33 years. Prior to joining Mayo Clinic Health System, Nemeč worked at Trane Company in La Crosse, WI in Corporate and International Accounting. He has a Master of Business Administration from the University of Wisconsin-La Crosse and a Bachelor of Science in Accounting from the University of Minnesota. Nemeč enjoys hiking, boating, fishing and traditional archery. He has four children and resides with his wife in La Crescent, MN.

A SPECIAL THANK YOU TO DON LEE

DON LEE



Board Member Since 2001

Altra sends a special thank you to Don Lee for his service on the Altra Board of Directors. Don was elected to the Altra Board of Directors in March of 2001. Until stepping down recently, Don served as Board Secretary and also served on various Board Committees during his tenure. Don was a passionate advocate for Altra's members! He made significant contributions to the culture and growth of the credit union during his time on the Board. So on behalf of the Altra staff and members, we say "Thank You" for your guidance, engagement and leadership!





Kevin Strangman Executive VP, Administration
Mary Isaacs Executive VP, CFO
Mike Nickel Executive VP, CLO
Steve Koenen President, CEO
Dan Schwaab Executive VP, Retail Operations

Volunteerism Awards

Best Life Community Awards



Jennifer Robaczewski
Real Estate Servicer III



Jon Strangstalien
Document Management Supervisor



Karen Fries
Member Contact Center Supervisor



Kathy Landsinger
Manager, Deposit Operations



Mary Isaacs
Executive VP, CFO

As part of Altra's Best Life Community Awards, five employee volunteers were rewarded with a \$1,500 donation made to a nonprofit organization of their choice. The top three employees in volunteer hours were Kathy Landsinger (151), Mary Isaacs (143), and Jon Strangstalien (120). The two randomly selected employees who volunteered a minimum number of 10 hours were Jennifer Robaczewski and Karen Fries.

Kathy Landsinger chose Clearwater Farm, a "100% volunteer-operated, non-profit organization" that advocates for sustainable agricultural resources in our area.

Mary Isaacs chose Freedom Honor Flight which flies "veterans to Washington D.C. to

visit the memorials that stand in their honor."

Jon Strangstalien chose The Center: 7 Rivers LGBTQ Connection whose mission is to "create spaces for connection, community, education and advocacy for LGBTQ+ people."

Jennifer Robaczewski chose the Capella Performing Arts Center whose "mission is to inspire, educate and entertain through its distinct and engaging cultural and artistic offerings that embrace and amplify the diversity of the region."

Karen Fries chose the UWL Alumni Band Scholarship Fund which provides support to the musical talents of UWL's hard working students.

RECOGNITION

Financial Coaches

Congratulations to our Financial Coaches for receiving their **Certified Credit Union Financial Counselor** designation (**CCUFC**).



Amber Tompkins
Solutions Specialist I



Danielle Martin
Office Manager II



Devonte Humber
Solutions Specialist Team Leader



Kaitlin Franke
Lending Center Officer



Kendra Nichols
Financial Services Officer



Kirsten Wallace
Solutions Specialist Team Leader



Laura Flottmeyer
Office Manager I



Molly Koch
Office Manager II



Nohemi Garza
Office Manager I



Pedro Ramirez
Real Estate Loan Originator



Tony J. Beyer
Financial Wellness Coordinator



Tura Fisher
Member Contact Specialist I

2022 At A Glance

METRICS

over
\$ **2.5**
billion
in Assets

\$ **27.25**
million
Net Income

over
136
thousand
Members

72.13
percent
Net Promoter
Score

1.15
percent
Return on Assets

10.97
percent
Capital Position

\$ **1.57**
billion
Loans
Originated

over
\$ **2**
billion
in Total Deposits



Tyler South Broadway Office • Tyler, TX

MILESTONES

78
New Employees

5
Weddings

23
Babies

ALTRAVERSARIES

38 Employees
celebrated
5
Years

16 Employees
celebrated
10
Years

6 Employees
celebrated
15
Years

3 Employees
celebrated
20
Years

3 Employees
celebrated
25
Years

RETIREMENTS

Ellen Ritger, Member Relations Specialist – **43 years of service**

Amy Shanley, Fraud Analyst – **36 years of service**

CORPORATE SOCIAL RESPONSIBILITY

- First Time Homebuyer Loan: **867** borrowers for **\$194,116,974.00**
- Banzai students reached: **5,160**
- Corporate Funding: **\$1,007,947**
- Volunteer Hours: **4,136.17**

Altra made the lists for **Forbes Best in State** and **Bankdash 100 Best Credit Unions in America.**



Altra was awarded the **Great Place to Work™ Certification** for the fourth consecutive year.



Altra was voted the **Best Financial Institution** in **La Crosse County, WI; Winona, MN; Rochester, MN; Clarksville, TN; and Tyler, TX.**



In Wisconsin, Altra received the **2022 First Place Alphonse Desjardins Adult AND Youth Financial Education Awards.**



Altra received the 2022 **First Place Dora Maxwell Social Responsibility Award** for 90 Acts of Altra.



ACHIEVEMENTS

	2022	2021
Assets		
Cash	\$15,435,827	\$13,825,672
Investments	142,789,402	258,774,100
Loans (Net)	2,283,773,021	1,800,387,226
Premises and Equipment (Net)	57,568,450	57,398,086
Other Assets	55,919,963	59,461,696
TOTAL ASSETS	\$2,555,486,663	\$2,189,846,780
Liabilities and Members' Equity		
Members' Share and Savings Accounts	\$2,020,698,110	\$1,859,888,069
Borrowed Funds	241,558,448	63,208,717
Other Liabilities	22,267,754	14,819,377
Members' Equity	270,962,351	252,430,617
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$2,555,486,663	\$2,190,346,780
Income Statement		
Interest on Loans	\$81,329,745	\$68,044,578
Income on Investments	5,765,677	3,350,163
Service Revenue	7,953,742	8,482,572
Other Non-Interest Revenue	23,482,233	35,275,254
TOTAL INCOME	\$118,531,397	\$115,152,567
Dividends and Interest	\$18,249,858	\$10,864,119
Non-Interest Expense	67,531,267	67,158,363
Provision for Loan Losses	5,501,492	820,413
TOTAL EXPENSE	\$91,282,617	\$78,842,895
NET INCOME	\$27,248,780	\$36,309,672

TOTAL ASSETS



TOTAL NET INCOME



Supervisory Committee **Annual Report**

The Supervisory Committee is responsible for maintaining oversight of the credit union's management and financial records to ensure that the credit union's financial condition is fairly presented.

To meet this responsibility, the Supervisory Committee ensures that a regular independent financial audit of the institution's financial statements is performed. The certified public accounting firm of CliftonLarsonAllen LLP performed the audit for 2022. They have performed our audit

for the past several years, and for 2022 we will be receiving an unmodified opinion, similar to previous years.

The Supervisory Committee also oversees the internal audit function. The internal audit function is an independent appraisal activity established by the Board of Directors to conduct reviews of operations and procedures and to report findings and recommendations to management and to the Board of Directors via the Supervisory Committee.

Frank Gillette | Chair Supervisory Committee

A Great Place to Work

An article from **Coulee Region Women Magazine**
written by **Michelle Byom**



We're living in what's been coined the "Great Resignation," where millions have decided to leave their jobs during the pandemic. As consumers, we see the impact as employers face staffing shortages, condense business hours and wrangle fewer employees into doing the work of many. Given that tumultuous picture, just how do organizations like Altra Federal Credit Union achieve a Great Place to Work™ Certification?

UNDERSTAND THAT CHANGES ARE INEVITABLE

Kim Bauer, Vice President of Human Resources at Altra, explains how the organization's long history of being employee-friendly was more pronounced during the pandemic. "When a lot of places were laying off employees and reducing pay, we actually paid our essential workers a premium," she says. "The sense of care for employees has always been there, but it was elevated even more with the pandemic." Bauer shares that Altra has not been completely left out of the unstable climate. "It's definitely a different environment right now," she says. "We focus on growth and development of our employees, and we understand that growth might eventually take them elsewhere. We want the best for all our employees, both former and current."

A VISION THAT COMES FULL CIRCLE

Recently, Altra created a new vision statement: Helping you live your best life. It speaks to employees, credit union members and communities. Altra invests in its employees through training, education,

health and wellness benefits and providing time and space for employees to give back to their communities. "It comes full circle," explains Cheryl Dutton, Senior Vice President and Chief Marketing Officer. "If we have a healthy community, people can give back."

A GREAT PLACE TO WORK™

Great employees, Dutton explains, are hands-down the reason behind the organization's efforts. Altra achieved the Great Place to Work™ certification based on some of the following features available to members and employees:

- enhancing employee skills and providing ongoing training
- assisting with tuition for continuing education
- investing in young professionals and encouraging participation in programs that help build their careers, such as Future Business Leaders of Altra
- providing the best benefits package possible, including PTO, retirement and wellness
- supporting work-life balance with policies and procedures such as remote work options
- giving back to the community through volunteering and donations to causes important to members

INVESTING IN EMPLOYEES' WELL-BEING

With Altra's Work on Wellness program, participating employees accumulate points for maintaining

a healthy lifestyle and attending annual wellness physicals or other activities such as donating blood or exercising. "Points accumulate and employees and their spouses can receive a wellness premium on the health plan and other rewards, such as a Fitbit," Bauer says. "If employees prioritize a healthy lifestyle, then that mindset transfers to their work, not just for Altra, but for the communities where they live and volunteer."

Altra also upgraded its employee assistance program to include additional visits at no charge and options to include in-person or video visits. They partnered with a chaplaincy program, where chaplains make rounds to the La Crosse area locations each week. "(The chaplain is) great to talk with, and sometimes just talking with someone helps take that burden off your shoulders a bit," Bauer says.

"We've added a third level of care for more extreme or urgent (mental health) needs," Bauer adds. "All of these options help our employees and their families get in to see someone more quickly than they might be able to otherwise, since there is such a shortage of behavioral health providers and such a high demand for care."

MAKING MEMBERS' FINANCIAL WELLNESS A PRIORITY

Altra prioritizes its members with programs and resources that allow them to maintain and grow their financial wellness. "There's a quiz called "The Best Life Financial Wellness Quiz" on the home page of our website," Dutton explains. "You get a score that identifies what you're doing well financially in terms of budgeting and saving and what you might improve." Financial Counselors are on staff to provide members with advice to help them become more financially sound.

GIVING BACK TO LOCAL COMMUNITIES

"Altra gives back \$1 million organization-wide each year to the communities we serve," Dutton says.

Altra is closed for one business day each year for Altra Gives Back Day, a designated day for employees to volunteer their time and talents to causes important to them and to the communities, such as food pantries and the Salvation Army. Additionally, employees receive volunteer time off as an employee benefit they can use.

Altra's Best Life Community Awards program has so far awarded \$90,000 to various nonprofits. Members in each community vote online to select the nonprofit that will receive the donation. "We want to make sure the things we are doing are important to our members," Dutton says.

Altra Federal Credit Union was selected as best in its category and appeared on the World's Greatest TV series that highlights the world's greatest companies, products, places and people.

The organization followed a rigorous application and interview process and was selected based on continued growth, a solid culture of innovation and experimentation, innovative products and services and commitment to serving its members and communities with such features as

- palm technology that keeps members' identities safe
- smart ATMs
- unique programs for first-time home buyers that helped over 800 families get into their first homes last year
- mobile applications that encourage young members' financial wellness
- opportunity to earn cash back with debit card purchases
- 24/7 banking, where members can make deposits, make loan payments and essentially complete every basic transaction one might complete with a teller any time of the day or night



**ROCHESTER
19TH ST.**

3833 Cascade Creek Rd. NW.
Rochester, MN 55901

**ROCHESTER
2ND ST.**

123 16th Ave. SW. Suite 500
Rochester, MN 55902

WINONA

526 Orrin St.
Winona, MN 55987

OPERATIONS CENTER

1700 Oak Forest Dr.
Onalaska, WI 54650

LA CROSSE

2715 Losey Blvd. S.
La Crosse, WI 54601

**LA CROSSE
FESTIVAL FOODS**

28 Copeland Ave.
La Crosse, WI 54603

ONALASKA

1807 E. Main St.
Onalaska, WI 54650

HOLMEN

1404 S. Main St.
Holmen, WI 54636

WEST SALEM

1400 Waterloo Ave.
West Salem, WI 54669

LA CRESCENT

205 N. Chestnut St. Suite 102
La Crescent, MN 55947

HOLMEN H.S.

1001 McHugh Rd.
Holmen, WI 54636

CENTRAL H.S.

1801 Losey Blvd. S.
La Crosse, WI 54601

TRENTON

2231 E. State St.
Trenton, NJ 08619

PUEBLO

101 William White Blvd.
Pueblo, CO 81001

**TYLER
TROUP HWY.**

5523 Troup Hwy.
Tyler, TX 75707

**TYLER
S. BROADWAY**

8976 S. Broadway
Tyler, TX 75703

TYLER WEST

2815 W. SW. Loop 323
Tyler, TX 75701

LINDALE

404 S. Main St.
Lindale, TX 75771

**CLARKSVILLE
MADISON ST.**

1600 Madison St.
Clarksville, TN 37043

**CLARKSVILLE
WILMA RUDOLPH**

2625 Wilma Rudolph Blvd.
Clarksville, TN 37040



Helping you live your **BEST** life! • www.altra.org • **800-755-0055**

Altra

Federal Credit Union



Equal Housing Lender • Federally insured by NCUA