

2020

ANNUAL REPORT



Altra
Federal Credit Union

OUR VISION

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, and Information
- Cooperation among Cooperatives
- Concern for Community
- Diversity, Equity and Inclusion

OUR MISSION

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



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LEADERSHIP

MESSAGE FROM THE PRESIDENT/CEO

"We're all in this Together" was our commitment to our members, employees, and the communities we served in 2020. It was a year where the credit union motto of People Helping People stood stronger than ever. Navigating through the COVID-19 pandemic presented uncertainty and challenges we had to overcome. We deployed two-thirds of our support staff to work from home. Lobbies were closed for a brief period and we relied on our digital banking services to serve our members. We reallocated employees to help other departments enabling us to keep everyone employed. The Altra Team

worked tirelessly to help our members with financial hardship. We worked to defer payments on over \$70 million in loan balances so members could make ends meet. As an SBA Preferred Lender, we helped our business members by processing \$30 million in Paycheck Protection Program loans to over 300 impacted businesses.

Giving back to the communities we serve in 2020 was more important than ever. Earlier this year, Altra gave each employee a \$50 gift card from their choice of local restaurants as part of our Altra Gives Back Now

**BECAUSE OF YOU, OUR MEMBER/OWNERS, WE CONTINUE TO
GROW AND CAN GIVE BACK. I WOULD LIKE TO THANK YOU FOR
ALLOWING ALTRA TO HELP YOU LIVE YOUR BEST LIFE!**

program to support small businesses. That initiative provided over \$21,000 to struggling restaurants. In October, Altra donated \$100,000 to organizations in our communities that provide immediate relief to those impacted by the pandemic. Over the holidays, Altra gave each employee \$50 to Pay It Forward in their community. Over \$23,000 was distributed at the employees' discretion. Often, employees matched the contribution to make a greater impact for a cause that is meaningful to them. All in all, Altra donated more than \$1 million to local community organizations.

Despite all the challenges we faced, we grew assets to over \$1.9 billion, loan volume was over \$1.6 billion, and deposits increased by \$266 million to over \$1.6 billion, or 19.3%. Over 12,800 new members

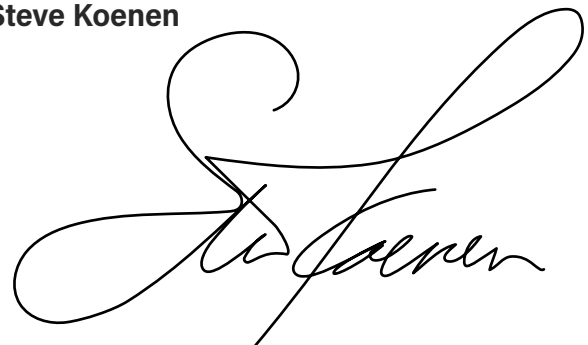
joined Altra, growing our membership to over 116,000. Our capital position was 11.09%, which is considered "well capitalized" by the National Credit Union Administration (NCUA). A strong capital position allows Altra to expand its products and services while maintaining a talented workforce. I am pleased to report Altra remains safe, sound, and financially strong.

Altra's brand is strong too. We are the number one mortgage lender in La Crosse County, WI as well as the number one auto lender in La Crosse, WI and Winona Counties, MN. We were also voted the Best Financial Institution in La Crosse County, WI and recognized as one of the top 5 financial institutions in Tyler, TX for mortgage, real estate loans, and personal loans.

Looking to the future, Altra will be breaking ground this year for a new office in Lindale, TX, a growing community. We are also rebuilding our Tyler Troup office. We will soon be launching new contactless debit cards that will make paying at the point of sale safer and easier.

During 2020, I was proud our organization and employees were able to step up to aid in relief efforts for those who needed it most. Because of you, our member/owners, we continue to grow and can give back. I would like to thank you for allowing Altra to help you live your best life!

Best regards,
Steve Koenen





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 2020. They have performed our audit for the past several years, and for 2020 we received 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



BOARD MEMBERS



TERRI BRENNAN

Chair

Board Member since 2008



JOHN NEMEČ

Vice Chair

Board Member since 1990



JILL BERNSTEIN

Assistant Secretary

Board Member since 1988



FRANK GILLETTE

Chair of the Supervisory Committee

Board Member since 2002



DON LEE

Secretary

Board Member since 2001



TANNER HOLST

Board Member since 2019



MIKE GORYL

Treasurer

Board Member since 2010



ANN MCDONALD

Board Member since 2020



JAMIE SCHLOEGEL

Board Member since 2020

Jill Bernstein, CFO, Director of Marketing – River City Image Works/Art Prints

Jill Bernstein was elected to the Altra Board of Directors in August of 1988. She has served as Chair, Vice Chair, and Secretary. She is presently Chief Financial Officer and Director of Marketing for River City Image Works/River City Art Prints in La Crosse, WI. Bernstein retired from Trane Company, La Crosse, WI in 2011 after 26 years, having held management positions in the Technical Computer Center, International Systems, and Logistics Systems. She has an MS in Computer, Information, and Control Engineering from the University of Michigan, an AM in Economics from Indiana University, and an AB in Economics from Smith College. Bernstein enjoys jewelry making, travel, as well as art and architectural history. She has two children, four grandchildren, and resides with her husband in La Crosse, WI.

Tanner Holst, MBA, FACHE, Vice Chair – Administration, Mayo Clinic

Tanner joined the Altra Board of Directors in July, 2019. Tanner has spent over 20 years at Mayo Clinic serving in a variety of leadership roles in clinical operations. In his current assignment Tanner serves as the senior operational leader for Primary Care, Medical Specialties, and Outpatient Ancillary departments in Mayo's southwest Wisconsin region and also as the Mayo Enterprise Operations Leader for the Division of Allergic Diseases based in Rochester, MN. Tanner also supports Mayo Enterprise efforts in the virtual care space and outpatient practice design. Prior to moving into operations Tanner spent many years in Healthcare Finance and Process/Quality improvement roles. Tanner received his BS-Accounting from Winona State University and his MBA from the University of Wisconsin-La Crosse. Tanner has attained Six Sigma Black Belt and Lean Specialist certifications, is a Mayo Gold Quality Fellow, and recently attained Fellow distinction with the American College of Healthcare Executives. Tanner has four children and resides with his wife in West Salem.

Jamie Schloegel, CFRE, Executive Director – La Crosse Community Foundation

Jamie Schloegel has served as the Executive Director of La Crosse Community Foundation since June, 2018. In her role, she oversees more than 260 charitable funds established by local community members to support their unique philanthropic giving priorities. Prior to the Foundation, Jamie spent ten years at Family & Children's Center in various positions, most recently the Center's Development Director. Jamie's career experience combined with her undergraduate degree in social work and graduate level education in fundraising and nonprofit management, provide a specialized knowledge base in best practice philanthropy, as well as an intimate understanding of the greater La Crosse area and its needs. Her work can be attributed to tens of millions of dollars in philanthropic gifts for charitable organizations in the La Crosse area. Jamie is a La Crosse area native and resides in Holmen with her husband, Joe, and their two children; Brennan and Violet.

RECOGNITION



SHAWN HAUSER CREDIT UNION ROCK STAR

Shawn Hauser, Altra's Community Relations Manager, has been recognized by CUNA as a Credit Union Rock Star. Over the years, Shawn has kick-started many community initiatives that continue to reinforce Altra's "strong culture of giving back to the community." These initiatives include Altra Gives Back Day, our Volunteer Time Off, and Corporate Social Responsibility.

"I'm fortunate to be in a position where I help Altra give back to our communities," says Shawn. "I love the spirit of the credit union movement that embodies people helping people. And I love being part of an organization that values that spirit."



KIM BAUER RISING STAR

Our very own VP of Human Resources, Kim Bauer, was recognized by the La Crosse Tribune as a Rising Star for her "calm and consistent" response to COVID-19 in 2020. Many organizations have had to make rapid changes to adapt to the pandemic and Kim has worked to make those changes as smooth as possible for her employees.

Kim strives to be a leader within Altra as well as our community stating, "I've wanted to make a difference in peoples' lives, even in small ways or ways they may not even realize. I've been fortunate to work with leaders that have exemplified what a great leader is, and have done my best to emulate or complement those leaders."



SPECIAL THANK YOU TO MARK WARD

Altra sends a special thank you to Mark Ward for his service on the Altra Board of Directors. Mark was appointed to the Board in January, 1993. During his tenure, Mark was involved in many committees, served as Assistant Secretary and was the Board Treasurer from 1998 through 2014! Mark has been a strong advocate for Altra's members. He made major contributions to our culture and growth over the years! So, on behalf of the staff and members, we say "Thank You" for your guidance, engagement, and leadership!

EXECUTIVE TEAM



MIKE NICKEL
Senior VP, Lending

DAN SCHWAAB
Senior VP, Retail Operations

KEVIN STRANGMAN
Executive VP, Administration

STEVE KOENEN
President/CEO

MARY ISAACS
Executive VP, CFO

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2020 AT A
GLANCE

2020 AT A GLANCE



- Grew assets to over **\$1.9** billion



- More than **\$1.6** billion in new loans originated



- Net income of **\$26,051,527**



- Return on Assets (ROA) of **1.41%**



- Capital Position of **11.09%**, which is considered “well capitalized”



- Grew membership to over **116,000**, with over **12,800** new members



- Average Services per member of **5.42**



- Grew total deposits to **\$1.6** billion, an increase of **\$266** million



- Relationship Net Promoter Score **73.66%**

2020 FINANCIAL SUMMARY

(Unaudited)

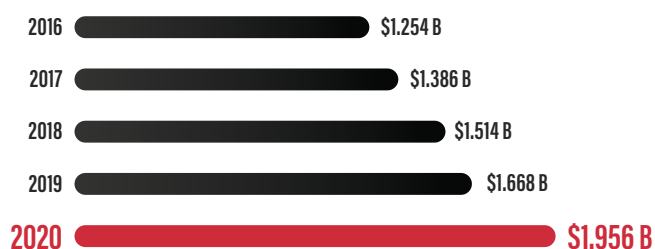
Balance Sheet

Assets	2020	2019
Cash	\$14,681,458	\$12,802,292
Investments	\$259,285,872	\$84,336,689
Loans (Net)	\$1,555,788,383	\$1,456,988,237
Premises and Equipment (Net)	\$53,841,225	\$54,226,627
Other Assets	\$72,028,685	\$59,633,303
TOTAL ASSETS	\$1,955,625,623	\$1,667,987,148
Liabilities and Members' Equity		
Members' Share and Savings Accounts	\$1,643,292,082	\$1,376,917,002
Borrowed Funds	\$82,444,104	\$88,662,958
Other Liabilities	\$12,988,177	\$11,537,383
Members' Equity	\$216,901,260	\$190,869,805
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$1,955,625,623	\$1,667,987,148

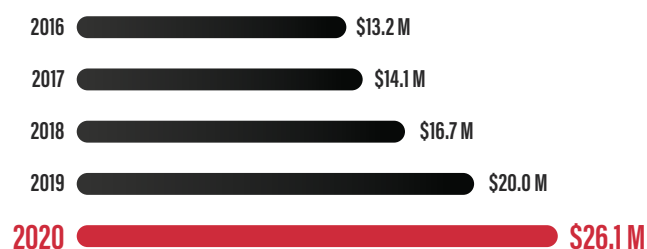
Income Statement

Interest on Loans	\$65,992,864	\$62,695,431
Income on Investments	\$2,497,319	\$4,242,584
Service Revenue	\$7,204,234	\$6,475,682
Other Non-Interest Revenue	\$34,270,472	\$21,224,765
TOTAL INCOME	\$109,964,889	\$94,638,462
Dividends and Interest	\$14,477,875	\$16,875,119
Non-Interest Expense	\$58,564,484	\$51,781,606
Provision for Loan Losses	\$10,871,003	\$6,018,258
TOTAL EXPENSE	\$83,913,362	\$74,674,983
NET INCOME	\$26,051,527	\$19,963,479

TOTAL ASSETS



TOTAL NET INCOME



MILESTONES



84 NEW HIRES



16 WEDDINGS

(Including 3 sets of Altra employees!)



14 BABIES

(7 Girls & 7 Boys!)



25 YEARS

35 YEARS



15 YEARS

20 YEARS



5 YEARS

10 YEARS



2020 ACHIEVEMENTS



The **Great Place to Work Certification** is the 'Gold Standard' in identifying and recognizing Great Workplace Cultures. The employees of Altra have spoken and we are among the Best of the Best in the Financial Services Industry. Thanks to everyone who participated in the survey, we have been recognized as an employer of choice.



In Wisconsin, we received the **First Place Alphonse Desjardins Youth Financial Education Award**, as well as the **First Place Alphonse Desjardins Adult Financial Education Award**. The Desjardins program—named after Alphonse Desjardins, who helped establish the first Canadian and U.S. credit unions—recognizes financial literacy leaders in the credit union movement.



We received a **First Place Dora Maxwell Social Responsibility Community Service Award** for the Altra Gives Back Day initiative. The award is presented to credit unions for outstanding social responsibility projects in their Wisconsin communities. This award is named after Dora Maxwell, who was a credit union pioneer.



Our Clarksville, TN Madison Street Branch has received **Green Certification**. Launched in March 2011, the Green Certification Program was put in place to help organizations learn and implement best practices in the area of environmental stewardship. The program is supported by Bi-County Solid Waste Management, Montgomery County, and the City of Clarksville. The program certifies organizations that are using sustainable practices. The Madison Street Branch was first certified in 2013 and must obtain recertification to achieve continuous improvement.



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COMMUNITY ENGAGEMENT

Altra GIVES BACK



Altra is always looking for ways to give back to the community. Through scholarships, financial education, employee volunteerism, corporate social responsibility, employee giving campaigns and much more;
WE'RE HERE TO HELP.



While 2020 was a challenging year for all of us, Altra and our employees still found ways to give back including annual employee fundraising campaigns for Children's Miracle Network Hospitals and Great Rivers United Way. Through initiatives such as Altra Gives Back Now in May, Altra Gives Back Day in October, Giving Tuesday in November, and Pay it Forward in December, Altra gave more than \$1 Million to help those most impacted by the pandemic.




NETGIVER
netgiverapp.com

In December, Altra began offering NetGiver to our members and our community. We believe non-profit organizations deserve 100% of donations. Now, our members can give freely and simply by using Altra Federal Credit Union's NetGiver app for fee-free donations.





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

WINONA

526 Orrin St.
Winona, MN 55987

ROCHESTER 2ND STREET

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

ROCHESTER 19TH STREET

3833 Cascade Creek Rd. NW
Rochester, MN 55901

TYLER TROUP HWY.

5523 Troup Hwy.
Tyler, TX 75707

TYLER S. BROADWAY

8976 South Broadway
Tyler, TX 75703

TYLER WEST

2815 W. SW Loop 323
Tyler, TX 75701

CLARKSVILLE MADISON ST.

1600 Madison St.
Clarksville, TN 37043

CLARKSVILLE WILMA RUDOLPH

2625 Wilma Rudolph Blvd.
Clarksville, TN 37040

PUEBLO

101 William White Blvd.
Pueblo, CO 81001

TRENTON

2231 E. State St.
Trenton, NJ 08619

HOLMEN H.S.

1001 McHugh Rd.
Holmen, WI 54636

CENTRAL H.S.

1801 Losey Blvd. S.
La Crosse, WI 54601

LOCATIONS





Altra

Federal Credit Union

**HELPING YOU LIVE
YOUR BEST LIFE!**

800-755-0055 • www.altra.org

