

2021

Annual Report



Tranita
Alltru Member

Our Core Focus

Help people achieve their financial dreams by providing accessible financial tools.

Our Three Uniques

(A) Local Not for Profit Financial Cooperative (THAT IS) Impacting the Community with Accessible Financial Tools (IN A PLACE WHERE YOU ARE) Not Just A Credit Score

Our Core Values

(WE ARE) Brave, Big Hearted, Banking Nerds (WHO) Do the Right Thing (WITH) Hustle!



Alijah & Emrie
Alltru Members

Together we make our communities stronger.

Fifty-four years ago, a small group of men and women in North St. Louis County, began pooling their funds together. They trusted one another. They started this credit union with the belief that everything is possible when people work together with integrity and trust.

Alltru is a name that reflects our collective ownership and demonstrates our shared integrity. We are all in this together, just as we always have been. Just as we always will be.

There is much work still to do, but together we make our communities stronger. Thank you for going on this journey with us.



Michelle Rosner
Chief Executive Officer

2021 CEO Report

Year in Review

Credit Unions were originally established in the United States to promote savings and provide access to credit to people of modest means. Thanks to Franklin Delano Roosevelt, The Federal Credit Union Act was signed into law in 1934; during a time when people needed access to better banking. And while there is a plethora of banking choices today, some would argue we still need better banking options for those of modest means. The need for fair access to credit and other financial services, remains as important today as it was nearly 90 years ago. In 1968 (just 34 years after the Credit Union Act was signed) the union employees of District 837 IAMAW (International Association of Machinists and Aerospace Workers) started a tiny credit union in the basement of the union hall. That tiny credit union has grown to be more than 37,000 people strong and is now Alltru Credit Union.

While 2021 brought hope that the pandemic would subside and our lives would return to a new normal, the need to help people through a financial crisis like no other demonstrated once again the incredible necessity for credit unions in our communities. Whether helping people who had temporarily lost income or were fighting the COVID-19 virus, Alltru stayed true to our purpose of helping people achieve their financial dreams by providing accessible financial tools... even through the most difficult of times.

As the year progressed, the battle to keep our employees safe, serve our members, and be a community partner during a pandemic continued. As usual, our Alltru team devised creative and smart ways to safely serve members so we could keep our branches open. In addition, the Alltru team banded together to move forward with our 2021 Business Plan to continue our commitment of improving service to the membership.

Products and Services

Understanding the importance of growth, we added membership growth as a fourth pillar to our key strategies that include member experience, employee experience, and community development. Our strategy for membership growth began by launching a new online referral program to provide an online resource that would help our members become our biggest advocates (and earn rewards in the process!). We know that 92% of consumers trust referrals from people they know. Providing a system that would let our members easily share their positive experiences with family and friends to earn rewards was a win-win scenario.

Next, we focused on the member experience by mapping the online account experience for members. Referred to as journey mapping, we were able to identify areas of improvement for our online account opening process. Our goal to create a seamless digital experience with less clicks is well under way as we have begun to implement solutions to remove obstacles and create a top-notch member experience for 2022 and beyond. Our online account opening process now takes less than five minutes!

Continuing our focus on member service, we introduced a new system to gather feedback from members who completed in branch transactions or opened new accounts. In 2021, we received 882 member feedback surveys. Thank you! I want you to know that we review each and every survey that we receive to look for actionable insights for making improvements. With this new survey system in place, we're gaining greater insights into your experiences so that we can make it easier to do business with us. Positive responses and areas of where we may need improvement are both welcomed as we want to make sure we're meeting your expectations!

Employee Experience

While serving our members is our #1 priority, we are intensely aware that our credit union doesn't exist without the outstanding service of 126 men and women who choose to share their incredible talents with us each and every day. Whether navigating the incredibly difficult pandemic or using their resourcefulness to work from home on a moment's notice, the employees and team members of the Alltru crew are like none other.

Seeing our team's compassion for taking care of our members never gets old. Whether helping someone who has lost a job due to COVID-19 figure out how to get their loan payments made or seeing a branch manager listen to a member who had no where to turn and needed a \$500 loan to repair their car... Alltru team members go the extra mile EVERY SINGLE DAY to help people when they need it most. So, while we may be a small credit union in terms of total members or total employees, we are large in heart, passion, and our purpose to serve.

In 2021, as part of our commitment to our employee's growth and development we set out to define succession plans for key roles. To prepare people for successful successions, we needed to first build the skill levels of our employees. Developing career paths for our employees addresses many needs and ensures a strong foundation for the future growth of the credit union. Plus, it gives our team members opportunities for growth within the credit union.

We also recognized the need for an employee performance management system that allowed for regular employee meetings to help us determine if we are supporting our employees with the right tools for future development. In 2021, our Human Resource department completed this objective and implemented emPerform. It has been a great tool to help employees meet regularly with their managers to discuss their goals, what is working, what is not working, and what we can do better!

In a time when "The Great Resignation" or "The Great Job Hop" is making headlines, we are doing our best to keep our outstanding team members at the forefront of our thoughts and plans. The future of Alltru depends on providing a great employee experience so that they can serve our membership well.

Community

After more than 54 years of service to St. Louis, Alltru is currently serving 37,454 members with a full range of banking and lending products, as well as comprehensive credit and budget counseling. The credit union is highly experienced in deploying loans at a volume which exceeds their peer group and excels at underwriting loans at credit tiers which would otherwise only be eligible for predatory lending products.

In 2021 Alltru employees deployed 7,470 savings, checking and loans to Low Income Designated census tracts. We proudly hold an outstanding lending portfolio exceeding \$231 million dollars, highly focused on specifically serving local communities of St. Louis and St. Charles and assisting members across 43 U.S. States with 18,645 loans deployed and 71% of members living below a 650 credit score. Alltru has built specific loan products and services to serve a population with a median poverty rate of 20.4% and a median family income of \$45,782 (U.S. Census Bureau, American Community Survey, 2020). As evidence of lending policies built to serve at risk populations, 37.35% of total Alltru members are considered low to extremely low-income.

For the third year in a row, Alltru has exceeded their record for loans deployed to credit scores below 640. In fact, Alltru has deployed over \$169M in auto loans to 640 credit scores and lower in the last three years. Currently only 50% of Alltru branches are within CDFI census tracts, however in 2021, 63.7% of the loans deployed were within CDFI Target Markets, proving that Alltru is positioned to develop and effectively deploy loans to low income and credit challenged households.

In 2020, the Alltru Board of Directors set a goal to grow membership to 100,000 members by 2030. As one of the first efforts towards this fast growth goal Alltru will be building a branch in a new market for the first time since 2006. The new branch, scheduled to launch in late 2022, will be located in North St. Louis in a commercial area surrounded by

CDFI designated residential neighborhoods. The upcoming year will be spent building, as well as researching the market for product need and laying groundwork for community introductions to how a CDFI like Alltru can help create financial stability for every family in the surrounding community. Seeing our Alltru passion shining through never gets dull.

In 2021 our employees showed their big hearts for our community by spending more than 500 hours serving nonprofit organizations.

In the scope of the financial landscape, Alltru appears to be small, but we are mighty. To be as effective as possible, we focus our community efforts into three strategic priorities: job training, education, and sustainable housing. By only partnering with nonprofits and programming that focuses in those three areas, we can make the largest impact for the needs of our community, regardless of their socioeconomic status.

As we look forward to the remainder of 2022 and beyond, please know, I am incredibly grateful for every member who chooses Alltru as their banking partner and to every team member who chooses to make Alltru 'The Better Way to Bank' for our members. You are the heart of Alltru and we're so appreciative for you.

Respectfully,

Michelle R. Rosner

Michelle Rosner
Chief Executive Officer

Habitat for Humanity Volunteer Day 2021



Gina
Hakenewerth
Chairwoman of the Board

2021

Chairwoman's Report

2021 proved to be a year full of ever-changing challenges. We had hoped to put the pandemic behind us; however, that would soon prove to be difficult. Whether finding ways to keep our employees and members safe during COVID-19 spikes or dealing with supply chain challenges which caused new car production to come to a halt, the Board of Directors continued to be proud of the credit union team for staying focused on its strategic plans.

Despite the challenges that 2021 brought, Alltru continued to focus on four key strategic areas: membership growth, member experience, employee experience, and community development. The 2021 Business Plan objectives were at the center of each of the four strategies. Membership growth consisted of possibly deploying a new branch in North St. Louis County near the Black Jack/Florissant area and I am excited to share that we will be announcing the new location soon.

"Moving forward" became the Alltru mantra for 2021. Expecting the unexpected and preparing for the unknowns kept the credit union team pivoting on a dime to serve our membership. Through that the credit union met with financial success, record deposit dollars, and a strong balance sheet.

As we watched the credit union team hustle to show their big hearts and commitment to the membership, we, your Board of Directors, are proud of the Alltru team for ensuring the Credit Union purpose is rooted in all decisions. From helping members with special payment programs to offering zero percent loans during the pandemic; taking thoughtful action steps to navigate the difficult times is what fuels Alltru to be your credit union.

We look forward to moving forward with growth for our members, employees, and communities in 2022.

Respectfully yours,

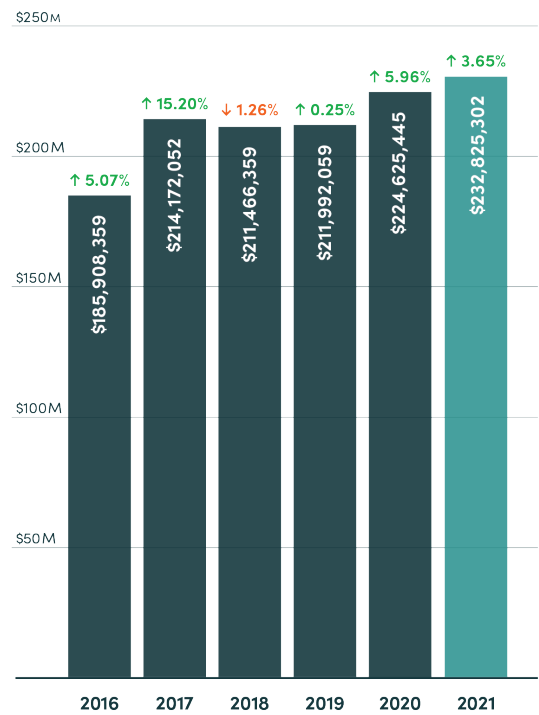
Gina Hakenewerth

Gina Hakenewerth
Chairwoman of the Board

MEMBER SAVINGS & MEMBER HEALTH:

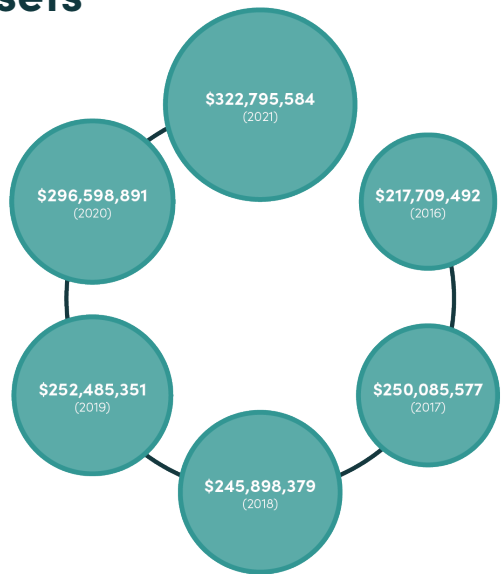
We have seen a significant increase in member deposit account balances this past year, increasing by \$27 million, or 10%. The rise in member deposits began with stimulus payments received during the pandemic, and member savings has continued into 2022. Since the pandemic, member deposit balances have increased \$68 million, or 30%. Delinquency on member loans have also declined, allowing us to lower the amount we set aside for potential loan charge offs/losses.

Net Loan Growth

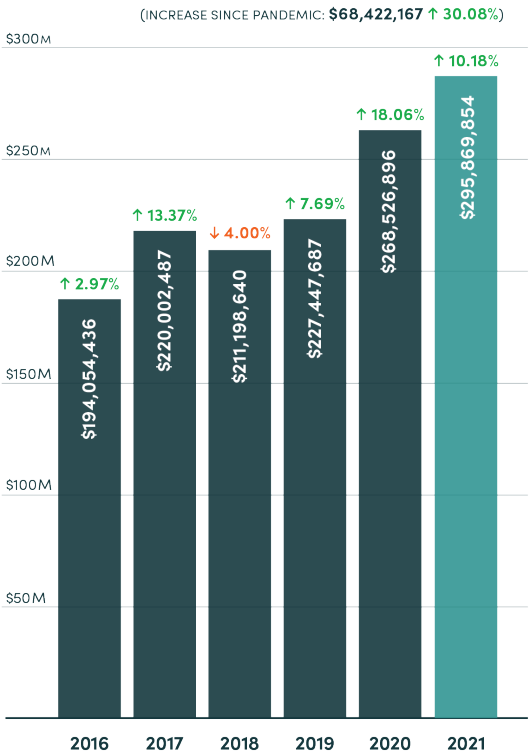


Bradley
Alltru Member

Total Assets



Total Deposits



Comparative Balance Sheet

Assets	2021	2020
Cash on-hand and in Banks	\$3,915,624	\$2,987,010
Investments & Deposits	\$67,039,235	\$50,001,549
Loans to Members	\$232,825,303	\$224,625,445
Land, Office Property, & Equip.	\$12,449,961	\$12,756,977
Other Assets	\$6,565,461	\$6,227,910
Total Assets	\$322,795,584	\$296,598,891
Liability and Equity		
Member Savings	\$285,677,829	\$262,470,020
Nonmember Deposits	-	\$1,259,674
Accrued Expenses & Other Liabilities	\$10,192,025	\$4,797,203
Total Liabilities	\$295,869,854	\$268,526,897
Equity and Reserves		
Regular Reserves	\$2,923,808	\$2,923,808
Reserve for Contingency	\$24,457,082	\$24,811,411
Unrealized Gains (Losses) on Investments	(\$455,160)	\$336,775
Total Equity and Reserves	\$26,925,730	\$28,071,994
Total Liabilities, Equity & Reserves	\$322,795,584	\$296,598,891

Comparative Income Statement

	2021	2020
Interest Income	13,685,035	13,943,940
Interest Expense	685,477	1,025,533
Net Interest Income	\$12,999,558	\$12,918,407
Provision for Loan Losses	(\$220,738)	1,613,627
Net Interest Income After Provision	\$13,220,296	\$11,304,780
Other Income	6,733,948	5,763,913
Other Non Interest Expenses	20,308,573	14,268,506
Net Income	(\$354,329)	\$2,800,187



Todd Grizzle
Alltru Supervisory
Committee Chairman

2021

Supervisory Committee Report

The purpose of the Supervisory Committee is to ensure that the financial condition of the credit union is accurately and fairly presented in the credit union's financial statements; and the credit union's management practices and procedures are sufficient to safeguard members' assets. The Committee supervises an annual external audit of the financial condition of the credit union, verifies account information, and reports the results to the Board of Directors. In 2021, the Certified Public Accounting firm of Anders CPAs and Advisors was retained by the Committee to perform the annual audit of the credit union's financial statements. The National Credit Union Administration conducted their examination of the credit union during 2021 as well.

In addition to these audits and examinations, the Committee conducts periodic tests of the credit union's operations and accounting practices. All items disclosed by the above referenced audits, examinations, and tests have been addressed and any necessary corrective action(s) has been taken. It is the unanimous opinion of the Supervisory Committee that Alltru Federal Credit Union is a financially solid credit union and is being operated safely and soundly while providing quality member service.

Respectfully submitted,

Todd Grizzle
Supervisory Committee Chairman

ALLTRU BOARD MEMBERS & MANAGEMENT

Board of Directors

Gina Hakenewerth, Chairwoman
Robert Rutkowski, Vice Chairman
James Setzekorn, Board Secretary
Jennifer Coliny, Board Director
Bob Cote, Board Director
Lawrence Pionke, Board Director
Christopher Wood, Board Director

Supervisory Committee

Todd Grizzle, Chairman
Lisa Gates, Committee Member
Kasie Orso, Committee Member
Tyrome Petty, Committee Member
Nila Tuckson, Secretary

Associate Volunteer Program

Stanley Kohn, Associate Volunteer
Kelli Boruff, Associate Volunteer

Executive Management

Michelle Rosner, Chief Executive Officer
Dave Franke, Chief Financial Officer
Robyn Whalen, VP of Employee Experience
Laura Woods, VP of Marketing & Community Presence
Lone Callahan, VP of Member Experience
Donn Dischert, VP of Technology



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