



AFFINITY

CREDIT UNION

BUILDING BETTER LIVES

2022 ANNUAL REPORT

AGENDA

Call to Order	Cindi Summers, Board Chair
Determination of Quorum	Cindi Summers, Board Chair
Welcoming Remarks	Katie Averill, Superintendent of Credit Unions - Iowa
Reading of the Chair Report	Cindi Summers, Board Chair
Recognition of Scholarship Recipients	Jim Dean, CEO
Food Bank of Iowa	Michelle Book, President & CEO
Member Testimonial Recognition	Jim Dean, CEO
The Power of Credit Union Membership	Chip Filson, Co-Founder Callahan & Associates
Acceptance of Committee Reports	Cindi Summers, Board Chair
Unfinished Business	Cindi Summers, Board Chair
New Business	Cindi Summers, Board Chair
Recognition of Employees & Volunteers	Jim Dean, CEO
Introduction of Board Nominees/Results	Christian Quijano, Board Vice Chair
Adjournment	Cindi Summers, Board Chair
Following adjournment, there will be a presentation of prizes selected at random from registered members.	

CONTENTS

- GUEST SPEAKERS
- CHAIR REPORT
- MEET THE CANDIDATES
- BOARD OF DIRECTORS
- FINANCIALS
- CREDIT COMMITTEE
- AUDIT COMMITTEE
- COMMUNITY

VISION/MISSION

- *Building Better Lives*

BRAND PROMISES



*Starts with
Employees*



*Work in the
Members
Best Interest*



*Simplify the
Members
Life*



*Enrich Our
Communities*



*Provide Solutions
to Help Our
Members Achieve
Financial Success*

GUEST SPEAKERS



MICHELLE BOOK
CEO - FOOD BANK OF IOWA

Michelle Book began her role as president and CEO of the Food Bank of Iowa on February 1, 2016. Food Bank of Iowa is a Feeding America member, helping to feed over 175,000 food insecure Iowans in 55 Iowa counties.

Prior to her work at Food Bank of Iowa, Michelle led Global Community Engagement for DuPont Pioneer and served as President of the Pioneer International Foundation which distributed \$6 million annually. She was responsible for worldwide philanthropic giving and community betterment focusing on food insecurity, science education, and community betterment.

She holds a Bachelor's of Business Administration degree from Iowa State University. She is a Certified Public Accountant and Certified Internal Auditor.



CHIP FILSON
CO-FOUNDER - CALLAHAN & ASSOCIATES

A nationally recognized leader in the credit union industry, Filson is an astute author, frequent speaker, and consultant for the credit union movement. He has more than 40 years experience in government, financial institutions, and business. Filson's experience makes him an authority on a range of topics, including analysis of credit union trends, credit union public and market-facing opportunities, and strategies for enhancing member value.

He's held concurrent positions at the National Credit Union Administration (NCUA) as president of the Central Liquidity Facility (CLF) and director of the Office of Examinations.

Filson holds a magna cum laude undergraduate degree in government from Harvard University. After being awarded a Rhodes Scholarship in 1966, he received a master's degree in politics, philosophy, and economics from Oxford University, England. He earned an MBA in management from Northwestern University's Kellogg School in Chicago.

BOARD OF DIRECTORS

As a not-for-profit cooperative, Affinity is owned by you, our members, with a volunteer board of directors who oversee the operations...not a highly paid outside group of stockholders. This unique philosophy is what sets your credit union apart from other financial institutions.

Once a part of the Board, you're a voice for Affinity's membership and tasked with helping set the direction for the future growth of the credit union. You have an opportunity to make a difference, which is a very powerful thing. In addition, the board of directors take on multiple responsibilities such as overseeing Affinity's policies, monitoring Affinity's strategic plan and ensuring Affinity operates in the best interest of its membership.



CINDI SUMMERS
BOARD CHAIR



CHRISTIAN QUIJANO
VICE CHAIR



TERRY JONES
SECRETARY



LEE ROY PORTER
TREASURER



CARA HARRIS



WEBSTER KRANTO



AARON OLSON



JAMES REASONER



JESSICA SCOTT



We would like to express our appreciation to Marge Ramsey, who stepped down from the Affinity Board after 26 years of volunteer service.

MEET THE CANDIDATES



WEBSTER KRANTO

Webster has been a local business owner for the past 8 years. He was born in the West African country of Liberia, into a large family of farmers and merchants. After three years of grueling conditions as a refugee, he was cleared for immigration to the United States.

He went on to attend Iowa State University where he studied Safety Engineering, graduating in 2015. He moved to Des Moines where he received a job with DSM Water Works. After being promoted to Operations Systems Analyst he joined the Magnolia Park Neighborhood Association, where he was elected president.

In 2019 Webster was appointed by the Governor to his first 4-year term on the Iowa Board of Corrections. During that time, he also served as the Chair of the Des Moines Civil and Human Rights commission.

These days Webster spends his time tackling the challenges that come with operating multiple businesses, while raising 3 children with his wife, Claire.



JAMES REASONER

James has been employed at Bridgestone/Firestone for 28 years.

He is a 20-year journeyman electrician and during his time in the IBEW was the Vice Chair for the Firestone Unit.

James graduated from Electrical Trades School at Southwestern Community College (Creston, Iowa) in 1987.

He has been a member of Affinity Credit Union for over 25 years. As a director, he would like for our members, current and new, to feel welcome and have the comfort knowing we will always be there to serve their needs.

When not at work you can find James enjoying his time off at his family farm in southern Iowa, riding motorcycles and camping, both hobbies created through the help of Affinity Credit Union.



CARA HARRIS

Cara is the Administrative Coordinator at Corteva Agriscience in Johnston, Iowa.

We welcome Cara back to the board after a brief hiatus following 5 years of volunteer service. She is currently a member of the Corteva Women's Leadership Group, Chairman of the Women's Leadership Circle Group, Global African Heritage Alliance Group, and Zeta Phi Beta sorority.

Cara holds a bachelor's degree in business management from William Penn University and an MBA in Business Administration from Ashford University in San Diego, CA.

"My goal in life is to keep a cheerful outlook and to uplift, encourage and inspire all that I encounter. Through my life experiences and former board experience, I have a lot of valuable insight that I can bring to the table for the benefit of Affinity and its members."

Cara was born and raised in Des Moines and has been a member of Affinity for over 30 years. She and her husband, Tracy, have three daughters and an 8-year-old son they adopted in 2017.



BRIDGET CRAVENS-NEELY

Bridget joined Big Brothers Big Sisters of Central Iowa as CEO in June 2022. Prior to this, she had a successful 30-year career in the insurance industry with her last 16 years spent at Nationwide. Her education includes Illinois State University and Keller Graduate School of Management.

Throughout her career, Bridget has held various roles from formal people leadership to individual contributor. Bridget has made an impact through her professional and civic work in the Des Moines community. In 2017, Bridget received the Greater Des Moines Leadership Institute's Alumni Volunteer Award.

"I am excited to join the Affinity Credit Union Board of Directors. I admire this organization's commitment to serving this community with fiscal responsibility and without sacrificing care for the members, I look forward to becoming a part of this caring culture as a board member."

While it is difficult to do these days, Bridget enjoys spending time with her family – husband of 30 years, their three adult sons and daughter-in-law, and all six family dogs. The moments when they can be together in the same space are her most treasured. She also enjoys her quiet time when she can just be still.

CHAIR REPORT



Welcome to the 2023 Affinity Credit Union annual meeting. Each year I'm grateful for this experience & feel truly blessed to be in the presence of our most passionate members.

Our annual meeting provides the perfect opportunity to tout the wonderful things your credit union is doing to support its members and community. Initiatives such as ongoing efforts to reduce and minimize fees, creating an in-house mortgage division to provide a full-service home loan experience, educating our members through personalized service & financial literacy tools, continued dedication to fully staffing our branches and service departments, & deploying a comprehensive member survey to keep our finger on the pulse of what you desire from us.

In addition to our member-first focus, I can't help but be extremely proud of the community involvement and engagement dedication that makes Affinity Credit Union so special. Affinity provides each employee 16 hours of volunteer time off, which resulted in over 125 hours of volunteer efforts put forth by Affinity staff members. We were also incredibly proud to donate nearly \$22,000 to Big Brothers Big Sisters of Central Iowa as part of our 28th annual charity golf outing.

I would also like to recognize some impressive achievements by our Affinity team. Congratulations to Operations Specialist Lauren Wilson for her participation as a crusher at the 2022 Iowa Credit Union League Convention. Next, our CMO Kris Laufer & the marketing team for winning a Category's Best Diamond Award for Brand Awareness at the CUNA Marketing & Business Development National Conference. Finally, our CEO, Jim Dean, for receiving the Community Impact Award from the Iowa Credit Union Foundation. This prestigious award is presented to individuals who have demonstrated outstanding civic and charitable responsibility through volunteerism, advocacy and philanthropy... and anyone who knows Jim would agree that describes him to a "t." Please join me in congratulating them on these outstanding achievements.

I said last year that there's never been a better time to be a credit union member and I truly mean that. Although we continue to face continued obstacles that come with operating a relatively smaller credit union in a fiercely competitive market, we battle with a passion that is fueled by your loyalty and support. Our mission of Building Better Lives not only resonates with us personally, but it extends to our members, neighbors and expanded community.

I'd like to close by thanking the Affinity team for all they've done to help fuel the credit union's tremendous performance. Our team is simply amazing, possessing talent and passion that you just won't find at other organizations. In addition to our staff, our directors tirelessly volunteer their time to ensure the best interests of our members are consistently represented. All with additional work and family obligations, they make sacrifices to attend monthly meetings, complete committee work and participate in other strategic credit union engagements throughout the year. Speaking of the Board, I'd like to take a moment to recognize Jessica Scott, who will close out her term after four years of volunteer board service... and we'll sure miss her.

Last year, I promised we'd continue to set the bar high, because our members deserve nothing less. I'm proud to say, that sentiment hasn't wavered in our eyes.

Thank you for trusting Affinity Credit Union with your financial future.

FINANCIAL REPORT

BALANCE SHEET

ASSETS	2022*	2021*
CASH/CASH EQUIVALENTS	\$14,916,442	\$11,247,530
INTEREST BEARING DEPOSITS IN FINANCIAL INSTITUTIONS	\$498,750	\$2,494,605
AVAILABLE FOR SALE INVESTMENTS	\$18,060,060	\$16,514,251
EQUITY SECURITIES	\$606,418	\$1,089,482
RESTRICTED INVESTMENTS	\$1,114,655	\$1,585,155
LOANS TO MEMBERS, NET OF ALLOWANCE FOR LOAN LOSS	\$103,876,561	\$100,606,469
ACCRUED INTEREST RECEIVABLE	\$314,192	\$253,309
PROPERTY/EQUIPMENT	\$3,081,578	\$2,865,931
NCUSIF DEPOSIT	\$1,197,572	\$1,216,600
OTHER ASSETS	\$1,021,792	\$1,056,215
TOTAL ASSETS	\$144,688,020	\$138,929,547
LIABILITIES		
MEMBERS' SHARES/SAVINGS ACCOUNTS	\$128,058,107	\$121,025,191
ACCRUED EXPENSES/OTHER LIABILITIES	\$3,178,821	\$3,020,008
BORROWINGS	-	\$1,000,000
INTEREST PAYABLE	\$67,260	\$39,898
TOTAL LIABILITIES	\$131,304,188	\$125,085,097
MEMBERS EQUITY		
REGULAR RESERVES	\$5,470,834	\$5,339,463
UNDIVIDED EARNINGS	\$9,621,150	\$8,443,539
MEMBERS EQUITY, SUBSTANTIALLY RESTRICTED	\$292,249	\$292,249
ACCUMULATED OTHER COMPREHENSIVE LOSS	(\$2,000,401)	(\$230,801)
TOTAL MEMBERS' EQUITY	\$13,383,832	\$13,844,450
TOTAL LIABILITIES/MEMBERS' EQUITY	\$144,688,020	\$138,929,547

INCOME STATEMENT

INTEREST INCOME	\$5,288,180	\$4,965,291
INTEREST EXPENSE	\$349,821	\$265,878
PROVISION FOR LOAN LOSSES	\$303,980	\$115,010
NON-INTEREST INCOME	\$3,190,743	\$3,573,551
NON-INTEREST EXPENSE	\$6,516,139	\$6,489,591
NET INCOME	\$1,308,983	\$1,668,363

2022 HIGHLIGHTS

- Total assets increased to \$144,688,020, an increase of 3.98%
- Loans to members totaled \$103,876,561, an increase of 3.15%
- Member savings grew to \$128,058,107, an increase of 5.49%
- Outstanding loans as % of member savings totaled 82.0%
- Loan delinquencies as % of loans outstanding were 0.54%
- Affinity capital reserves remains strong at 10.63%
- Funded over \$42 million in loans
- Number of members that Affinity Credit Union serves increased to 13,786
- Affinity staff volunteered over 125 hours in the community

*Unaudited

CREDIT COMMITTEE

Your Credit Committee is responsible for ensuring Affinity Credit Union's sound credit policies are maintained and loans are processed in an efficient manner. Most loans to members are approved by underwriters and closed by branch personnel. The Credit Committee, however, meets to process applications for persons in difficult or unusual borrowing situations.

In 2022, 1,867 loans were granted to members totaling more than \$42 million. This is attributed to a number of factors which include our members refinancing debt, our competitive interest rates and our board of directors ensuring we have sound credit policies.

Remember to check with Affinity Credit Union for all your lending needs - you'll be glad you did! The Credit Committee would like to commend the staff for their dedication and service to our membership.

CREDIT COMMITTEE MEMBERS

Christian Quijano, Terry Jones, Lee Roy Porter, Cindi Summers



"They're so nice and the service is super quick. I would recommend for first time account openers, they're educated and will help you through any problems or processes that you might encounter."

- DAMION LEWIS -



"I love Affinity! The employees are friendly and very helpful and always have a smile on their face which makes for a great experience."

- MINDY STOCKMAN -



"Have had my account with this organization for years and I've had nothing but pleasurable business."

- ROBERT MORSE -

AUDIT COMMITTEE

The summarized financial statement information included in this annual report was prepared by Affinity Credit Union's management team. The Audit Committee monitors the accounting system on behalf of you, members of Affinity.

As part of its duties, the Committee engages the independent accounting firm, CliftonLarsenAllen LLP, to conduct an annual audit of the credit union and provide an opinion of the financial statements as a whole. A copy of the report is available for review by interested members upon request.

We retained the services of ViClarity, who conducted an audit of the Bank Secrecy Act. Recommendations were made and subsequently corrected by the credit union.

It is the Committee's opinion, the credit union's daily practices remain in compliance with the credit union's policies, state and federal regulations and acceptable accounting procedures.

AUDIT COMMITTEE MEMBERS

Jessica Scott, Aaron Olson, James Reasoner



The Affinity staff celebrates raising \$21,750 for Big Brothers Big Sisters of Central Iowa through our 28th annual charity golf outing

THE AFFINITY COMMUNITY

\$10,000 TO FOOD
BANK OF IOWA



\$6,000 IN SCHOLARSHIPS
AWARDED THROUGH AFFINITY
SCHOLARSHIP PROGRAM

\$5,500 TO IOWA CREDIT
UNION FOUNDATION

\$2,000 IN SCHOLARSHIPS
PROVIDED THROUGH LATINO
HERITAGE FESTIVAL



PRESENTING SPONSOR OF
TAME THE HUNGER WITH THE
IOWA WILD (MEAL PACKAGING
FOR NEEDY FAMILIES)

\$21,750
TO BIG BROTHERS BIG SISTERS
OF CENTRAL IOWA
THROUGH OUR 28TH
ANNUAL CHARITY GOLF OUTING

\$2,000 TO POLK COUNTY
HOUSING TRUST FUND
\$3,000 TO CHILDSERVE
\$3,000 TO ORCHARD PLACE
\$3,000 TO IOWA REMEMBERS
\$3,480 TO CRADLING NEW LIFE

ONE OF AFFINITY'S FOUR BRAND PROMISES
IS TO ENRICH OUR COMMUNITIES,
AND IT IS A PROMISE WE ARE
PASSIONATE IN FULFILLING.

Thank you
AFFINITY
CREDIT UNION



\$1,750 IN DONATION
TO USW LOCAL 310
NEXT GEN COMMITTEE





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DES MOINES, IA 50313

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