



# CEO's Report

## Ann Marie Nelson

I would like to begin by expressing my gratitude for the ACU staff, our members, and our Board of Directors for all the time and effort spent in 2021 navigating another challenging year. I am proud to be part of a team that continues to embrace our mission of “Discovering Solutions and Achieving Success Together.”

For our employees, 2021 started out as 2020 had ended with a majority of our staff working entirely remote. As circumstances around the pandemic changed, we were able to transition to a hybrid model where employees split their time between in-person and remote work. I am incredibly thankful for our frontline staff who have worked in the branches throughout the pandemic. I am also appreciative of our members' patience as we worked through periods of being short staffed. Adventure was not immune to the tough labor market in 2021.

Despite the challenges, we continued to focus on our three-year strategic plan placing our priorities on 1) increasing member engagement through utilization of touch points, 2) focusing on the financial wellness of our members, employees and the community and 3) balancing growth with managed risk to achieve our targeted financial performance.

Examples of ways we executed our 2021 business plan included launching a new digital banking platform, a new online chat service, adding more certified financial counselors, and increasing our commitment to the community through our Adventure Gives Program. In 2021, Adventure Credit Union was also named one of the Best & Brightest Companies to Work For in the Nation.

I look forward to all that we will accomplish together in 2022 as we continue to strengthen our infrastructure by focusing on process efficiencies and staff development. And finally, on behalf of the staff and membership I would like to thank the Board of Directors for their support, guidance and volunteer service over this past year.



# Chairman's Report

David Ferguson

Despite some continuing challenges from the COVID-19 pandemic during 2021, I am pleased to report that Adventure Credit Union is still well capitalized and financially sound. We also received positive reports from our regulators and independent auditors.

The Board's role is to serve and promote the best interests of the credit union and its membership. Under the Board's supervision, the credit union's senior management made great progress with implementing the organization's strategic direction. Adventure generated very strong net income, and experienced continued growth in member deposits during the year. The credit union ended 2021 with more than 30,600 members, \$439M in assets, and a net worth ratio of 12.55%-- far exceeding the NCUA's threshold of 7% to be considered "well capitalized."

In closing, I want to extend my gratitude to the Adventure Credit Union staff for their hard work throughout 2021. You completed several major projects, such as our digital banking upgrade, that will benefit our members for years to come. I would also like to thank you, our members, for the loyalty, patience, and understanding you have showed us over the past two years. The pandemic has pushed both our members and staff to bank and work in new ways. Thank you for allowing us to be Your Trusted Financial Guide.



# 2021

# HIGHLIGHTS

Challenges from the pandemic persisted through much of 2021, but we continued to discover solutions and achieve success together! Check out these highlights from a very productive year:



Increased deposits by \$34M



Increased Assets by \$23M



Increased Loans by \$7M



24 New Employees



Best & Brightest Companies to Work For in the Nation



600+ Volunteer Hours

*Congratulations!*

to our newly awarded Certified Credit Union Financial Counselors!



Megan Wethy



Taylor Chorba



**BEST AND  
BRIGHTEST**  
COMPANIES  
TO WORK FOR  
IN THE NATION  
WINNER 2021



# AWARDS & PROJECTS FROM 2021



WEST  
MICHIGAN'S  
**BEST AND  
BRIGHTEST**  
COMPANIES  
TO WORK FOR  
WINNER 2021





# ADVENTURE *gives*

## 2021 Highlights:

Community events: 38

Volunteer hours: 607.75

Employee volunteers: 115

Donations and sponsorships:  
\$15,202.89

## Volunteer Events with:

Kids Food Basket

Greater Lansing Food Bank

Friends of Grand Rapids Parks

Habitat for Humanity

Blandford Nature Center

North Kent Connect

And more!



# GIVING TUESDAY

Partnered with Family Promise  
in GR and Haven House  
in Lansing

**\$1,500 raised – 489 cleaning items purchased**  
**21 families to benefit from kits donated to**  
**Family Promise and (4) \$25 gift cards to local**  
**restaurant for volunteers.**

**26 families to benefit from kits donated to**  
**Haven House**



# Treasurer's Report

Ryan Sheffer

Adventure Credit Union is a strong and healthy member owned cooperative financial institution. We are pleased to report that the business affairs of your credit union comply with all state and federal regulations, and that the credit union's financial statements were audited by an independent public accounting firm and determined to be accurate and free from any material misrepresentation.



We ended 2021 with Total Assets of \$438,784,061, an increase of 5.5% from the \$415,888,601 reported at the end of 2020. Credit Union membership rose from 30,626 members on December 31st, 2020 to 30,679 members on December 31st 2021. Our Indirect Auto lending program has been a primary driver of loan, asset, and membership growth in recent years. New members from the program have allowed us to keep up with or outpace any membership attrition that we would experience otherwise.

The credit union has strong capital and earnings in both 2021 and 2020 against a backdrop of rising Member Deposits. Member Deposits rose 9.8% in 2021 and 20.1% in 2020, push higher by a variety of financial assistance from the federal government aimed at helping consumers through the Covid-19 pandemic. The Net Worth to Assets Ratio increased from 12.49% on December 31st, 2020 to 12.55% at the end of 2021. Under capital guidelines established by the NCUA, Adventure Credit Union is classified as a Well Capitalized financial institution. Net Income for 2021 was \$3,099,911 and \$3,391,911 in 2020. The credit union's Return on Average Assets in 2021 and 2020 was 0.73% and 0.88% respectively.

2021 was another challenging year in many respects but the credit union continued to move forward with its strategic plan, focused on investment and development that improves our members, our teammates, and our communities. As your Treasurer I am confident Adventure will continue to be a strong, vibrant, and agile financial institution that's committed to "partnering with members, employees, and the community to enrich their financial futures."



# FINANCIALS

## STATEMENT OF FINANCIAL CONDITION

ASSETS	2021	2020
Cash & Cash Equivalents	\$46,428,122	\$64,896,682
<b>INVESTMENT SECURITIES</b>		
Available for Sale	\$58,887,722	\$22,541,280
Held to Maturity	\$4,844,953	\$12,844,703
Time Deposits with Other Financial Institutions	0	0
Loans to Members (Net)	\$296,452,865	\$289,327,333
Accrued Interest Receivable	\$975,592	\$879,628
Premises & Equipment (Net)	\$8,008,142	\$8,417,755
NCUSIF Deposit	\$3,639,823	\$3,212,187
FHLB Stock	\$1,575,000	\$1,575,000
Cencorp Perpetual Contributed Capital	\$600,000	\$600,000
Credit Union Owned Life Insurance	\$10,036,141	\$6,879,506
Other Assets	\$7,335,701	\$4,714,527
<b>Total Assets</b>	<b>\$438,784,061</b>	<b>\$415,888,601</b>
<b>LIABILITIES &amp; MEMBER EQUITY</b>		
Members' Shares and Savings Accounts	\$381,245,972	\$343,476,415
Non-Member Certificates of Deposit	0	\$3,720,000
Borrowed Funds	0	\$12,000,000
Accrued Interest Payable	\$80,636	\$96,258
Accrued and Other Liabilities	\$3,029,183	\$4,594,589
Total Liabilities	\$384,355,791	\$363,887,262
<b>MEMBER EQUITY</b>		
Undivided Earnings, Reserves, and Other	\$54,428,270	\$52,001,339
<b>TOTAL LIABILITIES &amp; RESERVES</b>	<b>\$438,784,061</b>	<b>\$415,888,601</b>

## STATEMENT OF INCOME

INTEREST INCOME	2021	2020
Loans	\$13,853,911	\$13,517,558
Investment Securities	\$388,532	\$355,720
Other	0	0
<b>Total Interest Income</b>	<b>\$14,242,443</b>	<b>\$13,873,278</b>
<b>INTEREST EXPENSES</b>		
Members' Shares and Savings Account	\$1,542,957	\$1,782,167
Borrowed Funds	\$114,011	\$206,587
Non-Member Certificates of Deposit	\$34,856	\$97,963
<b>Total Interest Expense</b>	<b>\$1,691,824</b>	<b>\$2,086,717</b>
Net Interest Income	\$12,550,619	\$11,786,561
Provision for Loan Losses	\$144,026	\$799,713
<b>Net Interest Income / After provision for loan</b>	<b>\$12,406,593</b>	<b>\$10,986,848</b>
<b>NON-INTEREST INCOME</b>		
Net Gain on Sale of Loans Held for Sale	\$2,480,731	\$2,263,691
Fees and Charges	\$3,695,438	\$3,884,732
Gain on Sale of Other Real Estate Owned	\$120,000	\$6,914
Other	\$400,064	\$811,894
<b>Total Non-Interest Income</b>	<b>\$6,696,233</b>	<b>\$6,967,231</b>
<b>COMPENSATION AND BENEFITS</b>		
Operating Expenses	\$7,900,674	\$7,354,773
Occupancy Expenses	\$3,245,855	\$2,950,636
Loan Servicing Expense	\$1,063,048	\$1,100,566
Loan Servicing Expense	\$2,029,409	\$1,410,141
Professional and Outside Services	\$1,763,929	\$1,746,052
<b>Total Non-Interest Expenses</b>	<b>\$16,002,915</b>	<b>\$14,562,168</b>
<b>NET INCOME</b>	<b>\$3,099,911</b>	<b>\$3,391,911</b>



**Core Purpose:**

Your Trusted Financial Guide

**Mission Statement:** Discovering solutions and achieving success together

**Vision Statement:** As the Trusted Financial Guide, we partner with our members, employees, and community to enrich their financial futures

**Strategic Direction:**

With a focus on the evolution of touch points, and portfolio diversification, Adventure Credit Union will achieve a purpose driven impact on our members, employees and the community while maintaining sustainable financial performance.