



Relationships shape our lives. From the relationships we develop with our family, social circle or friends to our professional contacts, these connections form who we are and how we live. To be successful, we must have a purpose; something worthy for which to strive. Not a mantra, but rather the cornerstone of our entire credit union industry, the philosophy “People Helping People” that has served as the critical gauge by which Greater Iowa Credit Union’s 2018 efforts and successes were measured.

I am pleased to report that we are in a strong financial position and growing to meet your needs now and well into the future. We attribute that success to our unwavering focus on connecting people and inspiring action to build member and community wealth. December 2018 was an outstanding month for net income finishing with \$450K. That pushed us over \$2.1M for the year. Throughout the year, we saw substantial growth in our indirect lending portfolio which led to a 16.40% total loan growth at 2018 year-end with a 4.40% growth in member shares. Assets grew 8.11%, investments grew 6.55% and membership grew 4.55% in 2018.

According to a performance overview conducted by Callahan and Associates, in our asset class of \$200-\$500M, we ranked #19 out of 352 credit unions in our value return to our members as of September 30, 2018. That’s in the 94.89 percentile, a level we can all be proud of!

Greater Iowa Credit Union has been an active part of the local communities for 85 plus years now. Our commitment to the credit union philosophy of People Helping People involves giving back to the community we serve through charitable efforts, in addition to providing as much value back to our members as we’re able.

Our ability to remain true to this core purpose has allowed us to make a positive impact on the lives of members and non-members alike. We consider ourselves truly fortunate to be in a great part of the communities we all call home. Corporate giving is the philanthropic arm of Greater Iowa. Each year we receive funding requests from community groups. With the earned interest from our managed Corporate Donation Investment Account, your credit union was able to grant \$95.3k to 501(c)3 entities throughout our field of membership. What an honor it is for the credit union to be able to give back to the communities it so proudly serves through Corporate Giving requests and grants. Individual employees of Greater Iowa also directly support philanthropy at Greater Iowa. They give personal pledges to the United Way of Story County and the United Way of Central Iowa with credit union matching funds approved by the board of directors. In 2018 your board of directors voted to match \$15.8k in employee contributions.

We hope you, as members, are as proud as our board and staff are to be part of a cooperative focused on its members and building strong communities. Together, we build financial security. You are why we are here, and we look forward to continuing to build member and community wealth with all of you in 2018 and beyond.

OUR PROMISE

We will grow with our communities and our members by providing lifelong personal service and innovative financial products.

OUR VISION

Greater Iowa Credit Union will become a pacesetter in the financial services industry.

OUR CORE VALUES

- Diversity
- Accountability
- Respect
- Excellence
- Integrity

OUR VALUE PROPOSITION

Solutions at every point of contact.

The 86th annual business meeting of the Greater Iowa Credit Union was held on Saturday, February 10, 2018 at the Scheman Building, Iowa State Center. Entertainment for the evening was provided by Shy of A Dozen. Directors present were Linda Ashby, Annie Arbuckle, Ashraf Bastawros, Bob Haug (serving as Governance Committee Chair), Darren Jarboe, Kevin Stow, Jennifer Tebbe, Mike Welter and Don Wirth.

After the ascertainment of a quorum of 94 primary voting members present from board secretary Bob Haug, Chair Linda Ashby called the meeting to order at 7:05 p.m. There were no additions or deletions to the agenda. Chair Ashby declared the agenda approved as written.

Kevin Stow moved to approve the minutes of the 85th annual business meeting of Greater Iowa held on March 4, 2017. Don Wirth 2nd. Minutes approved as written and presented.

Governance Committee Chair Haug presented slate of candidates as published and approved by the Greater Iowa Credit Union Board of Directors on December 18, 2017. Haug noted that a resignation effective February 10, 2018 was received from current director Daren Jarboe at the January 22, 2018 Board of Directors meeting. It was approved by the board to fill an additional one-year term position to fill Jarboe’s seat from the slate of candidates presented:

- Ashraf Bastawros**, Incumbent, Professor of Engineering ISU – Ames
- MaryAnn Grapp**, Program Coordinator ISU – Ames
- Mary Daily Lange**, Self-employed Facilitator – Windsor Heights
- William (Bill) McKim**, CEO Midland Power Cooperative – Ames
- Carla Sacco**, Realtor Hunziker & Associates – Ames
- Michael Ulmer**, Plant Manager of Operations Danfoss – Ames

Call for candidate notification, announcement of the annual meeting notification and voting procedure were in compliance with Chapter 533 of the Iowa Code and Chapter 189 of the Administrative Rulings. There were no nominations from the floor.

Election Committee Vote Tellers were primary members Chris Low (head election teller), Geri Derner, Traci Faber, John Hawkins and Alice Risden.

Board Chair Ashby, on behalf of the executive committee, presented the 2017 chairperson’s report for acceptance as presented in the 2017 Annual Report. Motion to accept by Daren Jarboe. Annie Arbuckle 2nd. Accepted.

The 2017 Board Committee Reports were accepted by the membership as printed in the 2017 Annual Report. Reports were given by Audit Committee Chair Jennifer Tebbe; Treasurer Mike Welter on behalf of the ALCO; and Credit Committee Chair Don Wirth.

Scott Zahnle, President/CEO presented his Chief Executive Officer’s report for acceptance as printed in the 2017 Annual Report. Motion to accept by Don Wirth. Derek Krebs 2nd. Accepted.

There was no unfinished business or new business brought forth by the membership.

Governance Committee Chair Haug received the ballot results from Election Committee Head Teller Chris Low and announced the election results: elected to serve three-year terms were MaryAnn Grapp, Bill McKim and Carla Sacco. Elected to serve a one-year term was Ashraf Bastawros. Don Wirth moved that the ballots be destroyed after 60 days according to the by-laws. Kim Zahnle 2nd. Approved.

Chris Low, Attorney at Law administered the oath of office to the Board of Directors for 2018-2019.

Geri Derner moved to adjourn the meeting at 7:58 p.m. Derek Krebs 2nd. Meeting adjourned.

Respectfully submitted,

Cathy Krebs, *recording board secretary*



ANNUAL REPORT 2018



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Greater Iowa
 CREDIT UNION

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Greater Iowa Credit Union, it has been an honor to serve as your board chair over the past year. It is an enormous responsibility to be entrusted with the leadership of this great financial institution. I along with executive committee members Haug, McKim and Welter, am grateful to the management, the senior leadership team, the staff members, the board members and the entire Greater Iowa membership for entrusting me with this immense task.

As a not-for-profit cooperative, the needs of our members are always at the forefront of our decision-making process. Today, as a full-service financial cooperative, we serve over 32,000 members with diverse backgrounds and occupations. Greater Iowa's board of directors represents this entire membership, guiding the organization in its mission to improve the financial well-being of people. We establish policies that govern the organization and monitor the performance of the credit union and determine the best ways to inform members of our progress. Together with audited financial statement, this annual report is among the important tools we use to convey information to our members about the credit union's performance.

Each year we also conduct random monthly membership surveys to monitor your satisfaction with the credit union and to solicit your suggestions for improvement. It's just one way to assure we are using our resources to best meet your needs. In 2018, we've been pleased to see a continued growth in member satisfaction with the overall performance of the credit union. And we are especially proud of the level of enthusiasm members have for recommending the credit union to a friend or colleague. This level of performance does not occur without strength, integrity, skill and perseverance.

Moving forward, we will continue to remain dedicated to a continual review of strategic direction as we evaluate the performance of our organization to ensure our member-owners are realizing all the benefits of being part of a not-for-profit financial cooperative. CUNA economic experts predict that credit unions will continue to benefit from the relatively strong economy in 2019, however, there may be challenges ahead. Your leaders have planned for well managed growth and have put in place strategies to ensure the continued safety and soundness of your credit union.

We cannot emphasize enough that our success and growth depends on your trust in Greater Iowa that you express with your deposits, borrowings and use of all the services we offer. We will remain focused on meeting your needs and helping you achieve your financial goals.



THE 2018-2019 BOARD OF DIRECTORS
 Front Row: Annie Arbuckle, Don Wirth, Jennifer Tebbe and MaryAnn Grapp
 Back Row: Ashraf Bastawros, Michael Welter, Carla Sacco, Robert Haug and Bill McKim

We will remain focused on meeting your needs and helping you achieve your financial goals."

Credit Union Advocacy at the State Capital



As Treasurer, and on behalf of the Asset Liability Committee (ALCO), I want to acknowledge President & CEO Scott Zahnle, his Senior Leadership Team along with all Greater Iowa Credit Union employees for a job well done, earning a net income in 2018 of \$2.1M.

In looking at the numbers, Greater Iowa Credit Union had another financially successful year in 2018. Assets grew from \$422 million to \$457 million or 8%. This growth included outstanding balances of loans to our members of \$372M and member deposits of \$390M.

The Board of Directors, Zahnle and the Senior Leadership Team have worked together closely to ensure that we remain a well-capitalized credit union with a net capital ratio of 8.59% at year-end. This ratio, established by NCUA, sets the regulatory standard for the minimum allowable-capital level for "well-capitalized credit unions" at 7.00%. Greater Iowa continues to exceed this number as a result of prudent practices. Remaining safe and secure is a significant achievement, and our members can take comfort in this strong performance.

To ensure profitable results, your credit union focused on reducing expenses and improving risk management processes and operational efficiencies. We continue to strive to meet our members' financial needs through solutions at every point of contact, and with innovative products and services.

As your credit union continues to prosper, ALCO board members Grapp, Sacco and I want to express our sincere appreciation to the entire membership for the support you provide to your financial

CREDIT COMMITTEE REPORT

Carla Sacco, Committee Chair

It is an honor for me to serve as Chair of your financial cooperative's Credit Committee. The Committee's primary responsibility is to ensure that your credit union is following approved lending policy and guidelines; reviewing key metrics such as lending activity and delinquencies. The Credit Committee is pleased to report another successful year of making loans available to our members. Our loan officers and Credit Committee were able to make 8,533 loans to members totaling \$200.3M.

Our Member Business Loan Department made 43 loans totaling \$13.3M million. These loans helped members expand their business and purchase new equipment.

We made 666 first mortgage and home equity loans totaling \$60.2M. Members used the mortgage loans to buy new homes and to re-finance loans from other institutions. Our home equity products were used for many purposes ranging from home renovations to debt consolidation loans.

We made 7,824 loans to members totaling \$126.8M. These loans were used to purchase new and used vehicles, boats, motorcycles and many other items.

The Collection Department continued with their consistent and prudent approach to the collection process. Our delinquency rate at year-end 2018 was .58% or \$2.2M thanks to their hard work.

Board members of the Credit Committee Sacco, Haug and Bastawros would like to thank the entire credit union staff for their hard work and dedication to the quality service extended to our members. We would like to thank our members for their engagement for their lending needs.

AUDIT COMMITTEE REPORT

Jennifer Tebbe, Committee Chair

Greater Iowa Credit Union has the responsibility to ensure that your funds are safe and are as productive as possible. The Audit Committee is responsible to you, the membership, to ensure that your financial cooperative operates prudently and according to all applicable rules and regulations as set forth by the State of Iowa Department of Commerce Credit Union Division and the National Credit Union Administration (NCUA).

In addition, we are responsible for ensuring Greater Iowa follows generally accepted accounting principles. To accomplish this, the Audit Committee retained the services of the independent audit firm of Petersen & Associates, Certified Public Accountants to complete the Greater Iowa Credit Union audit and examine the consolidated financial statements as of December 31, 2017.

Audit committee members Grapp, McKim and I are pleased to report that the Credit Union has received an unqualified opinion in the Independent Auditors' Report. The summary of Greater Iowa's Consolidated Statements of Financial Condition as of December 31, 2017, based on our review and the results of the auditor's efforts, the Audit Committee believes the Greater Iowa has maintained accurate and timely accounting records, is in a strong financial position and is operating in a safe and sound manner.

STATEMENT OF CONDITION

ASSETS		12/31/2018
Gross Loans		\$375,341,495
Less: Allowance for Loan Losses		(\$3,535,266)
Net Loans		\$371,806,269
Cash and Cash Equivalents		\$4,696,663
Investments and Overnight Funds		\$55,698,805
Accrued Interest		\$982,824
Buildings, Land, Land Improvements, and Equipment, net		\$16,295,447
Collateral Pending Liquidation		\$310,475
Mortgages in Process		(\$15,000)
Share Insurance Fund		\$3,665,187
Other Assets		\$3,158,699
TOTAL ASSETS		\$456,599,370
LIABILITIES		
Total Member Deposits		\$390,119,865
Notes Payable		\$21,910,000
Accounts Payable & Other Liabilities		\$5,631,277
TOTAL LIABILITIES		\$417,661,142
EQUITY		
Legal Reserves		\$16,102,814
Undivided Earnings		\$20,908,960
Unrealized Gain/Loss on AFS		(\$195,008)
YTD Net Income		\$2,121,462
TOTAL EQUITY		\$38,938,228
TOTAL LIABILITIES AND EQUITY		\$456,599,370

Management represents, to the best of its knowledge, that this year-end financial statement and related reports, present fairly in all material respects, the financial position of the GREATER IOWA CREDIT UNION.

The Greater Iowa Credit Union's Chair and Treasurer acknowledge receipt and review of this report.

Federally insured by NCUA.