

On behalf of the Greater Iowa Credit Union Board of Directors, it is my pleasure to present this annual report to you. One of the benefits of being a credit union is our ability to understand and appreciate the diversity and unique needs of the over 33,900 members we serve. Our members rely on us for financial guidance; they share their stories with us, and let us know when we are succeeding and when we are off track in providing the quality of service they deserve. We listen and we value what our members have to say.



BOARD OF DIRECTORS 2020 - 2021

Front Row: Annie Arbuckle, Mike Wahlin, MaryAnn Grapp, Lara Olson
Back Row: Carla Sacca, Chris Campbell, Bill McKim, Rob Tebben, John Villotti

The board of directors consists of volunteers who put in numerous hours each month in board and committee meetings. One of our major responsibilities is to represent you in providing direction to the credit union management and senior leadership team. We do this as we work to develop and update our strategic plan for the credit union, examining the trends both in our communities and nationally to set short-term and long-term goals. In order to accomplish this task, we must receive input and recommendations from management, senior leadership team members and the staff as a whole from the operations side of the organization. Through these goals, we work together to provide the services you demand from financial institutions, all the while ensuring we are not taking on excessive risk that would threaten operations. In fact, one of my monthly habits as board Chair is to remind the board before each meeting of our decision filters: Safety & Soundness, Member Benefits, and Ethics & Logic. Our aim is to continue to be an organization that takes the needs of our members and the soundness of the institution seriously. Scott and the entire staff work diligently to keep our expenses in line while providing great member service.

In reviewing the committee reports, you'll note we had another successful year despite the challenges mentioned in the President/CEO report with COVID-19, and identifying ways to keep our members and staff safe and healthy while continuing to deliver service. The Derecho also created challenges along with feeling the squeeze of net worth due to the rapid growth of deposits and decreased lending. Many of you have also experienced challenges in your own financial decisions this past year - you have had to make modifications to your personal budgets, due to reduced hours, layoffs, or temporary shut-downs by your employer. It has been a truly different environment for us to adapt to. Despite these challenges, I also want to highlight the role you as members played in our success; our loan delinquencies are the envy of the credit union community, and our metrics show our members are taking advantage of many of our services. These factors drive our success, and we sincerely thank you for your business. You can continue to help us grow by spreading the word to your relatives, friends and neighbors about the great people and services available at Greater Iowa Credit Union.

I want to express my appreciation to the Greater Iowa team, including staff, management, senior leadership team and board for their contributions this past year. I continue to be impressed by the loyalty and hard work displayed every day, and want to commend them for all they do. I also want to thank my colleagues on the board for their support and confidence in me as Chair and their commitment to guiding Greater Iowa to even greater success. Finally, thank you to the most important people at Greater Iowa - you, our member-owners, who make the credit union possible.



ASSETS	
Gross Loans	\$472,879,775
Less: Allowance for Loan Losses	(\$2,459,998)
Net Loans	\$470,419,777
Cash and Cash Equivalents	\$5,904,330
Investments and Overnight Funds	\$110,870,922
Accrued Interest	\$1,175,206
Buildings, Land, Land Improvements,	\$21,243,057
Collateral Pending Liquidation	\$3,500
Mortgages in Process	\$5,287,866
Share Insurance Fund	\$5,059,841
Other Assets	\$4,500,368
TOTAL ASSETS	\$624,464,867
LIABILITIES	
Total Member Deposits	\$567,160,309
Notes Payable	\$5,000,000
Accounts Payable & Other Liabilities	\$5,989,119
TOTAL LIABILITIES	\$578,149,428
EQUITY	
Legal Reserves	\$18,842,533
Undivided Earnings	\$24,704,302
Unrealized Gain/Loss on AFS	\$57,501
YTD Net Income	\$2,711,103
TOTAL EQUITY	\$46,315,439
TOTAL LIABILITIES AND EQUITY	\$624,464,867

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. Equal Housing Opportunity.

The Credit/Asset/Liability Committee (CALCO) is elected by the Board of Directors to appropriately identify, measure, monitor and control specific elements of balance sheet risk, including the pricing of loans and deposits.

Our lives were impacted significantly in 2020 by the emergence of the coronavirus pandemic, stay-at-home orders and economic disruptions. We have all had to adjust our daily routines but one thing that remained the same was our service commitment to members. Greater Iowa Credit Union continues to be in a strong financial position and remains poised to provide its nearly 34,000 members a path to better their lives and businesses in the years ahead.

With members dealing with financial uncertainty, we did see a rise in deposits due to lower member spending. At the same time, we saw loan activity decrease. This resulted in an enhanced focus on the management of our interest rates and net interest margins. As a financial not-for-profit cooperative, we must balance our organizations operational requirements while continuing to provide quality services that meet the needs of our members. This resulted in periodic rate adjustments; however, I want to stress we remained very competitive with our peers in the credit union industry.

Net Income was strong in 2020 as we finished the year at \$2.7 million - ahead of budget by \$177,000. We ended the year at \$624 million in Total Assets, Net Worth of 7.41 percent (which still remains above the National Credit Union Association's rating of "well-capitalized") and Return on Assets of 0.43 percent. The credit union continued to maintain a low loan delinquency and charge-off ratio.

During 2020, Greater Iowa funded \$67 million in consumer direct loans, \$75 million in consumer indirect loans, \$98 million in first mortgage loans, \$8 million in participation loans and \$22 million in business loans. The total loan portfolio at year-end 2020 was \$473 million.

The credit union also participated as a lender in The Paycheck Protection Program (PPP) which is a loan program that originated from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Act allocated billions to help keep workers employed amid the pandemic and economic downturn by providing American small businesses with eight weeks of cash-flow assistance through federally guaranteed loans. Importantly, these PPP loans may be forgiven if borrowers maintain their payrolls during the crisis or restore their payrolls afterward. The loans are backed by the Small Business Administration (SBA). Through this program, Greater Iowa generated close to \$2.5 million in PPP loans for almost 100 member-business owners.

We look forward to 2021 and a return to more normal times. We hope you can soon safely reconnect with family and friends, plan and take a fun summer vacation, and regain balance in your lives. We thank you for your membership and continued commitment to your financial cooperative. Greater Iowa Credit Union is here for you!

AUDIT COMMITTEE REPORT - Rob Tebben, Committee Chair

The Audit Committee's major responsibilities are to safeguard our members' assets, ensure an independent audit is performed annually and verify members' accounts. In 2020, the committee performed its duties in collaboration with the credit union's internal audit compliance officer, certified public accountants, the State of Iowa Department of Commerce Credit Union Division and the National Credit Union Administration (NCUA).

Many events of 2020 caused us to operate during very unprecedented times. We took quick action to protect our employees and members, maintained our ability to provide online assistance, allowed for personal one-on-one appointments, and continued to operate with no impact to our regular business. We remained committed to demonstrating our local difference through service quality, charitable donations, and community action.

The Audit Committee engaged the auditing firm of Gardner + Company to perform the annual independent audit of Greater Iowa Credit Union's financial statements. We are pleased to inform you that the audit as December 31, 2019 was completed successfully. Greater Iowa Credit Union's financial statements comply with generally accepted accounting principles and fairly represent the financial condition of the credit union.

Based on the results of the annual financial audit, Greater Iowa's internal audits and examinations conducted by the State of Iowa and the NCUA, the committee finds Greater Iowa Credit Union is a sound organization dedicated to serving its members. In addition, the committee commends President and CEO Zahnle, the senior leadership team, all other credit union staff and the board of directors for their diligence and support.

2020 has been a challenging year for many. Despite stay-at-home orders and social distancing, we continued to keep our employees and members safe, while remaining open to serve our membership and communities. As we closed out the year, we took time to reflect on our accomplishments and looked forward to set new goals for the coming year. As of December 31, 2020, the Credit Union stood steadfast with 33,900+ members, 125 employees and \$624 million strong in assets. All would not be feasible without our members' patience, understanding and loyalty throughout this unprecedented year. We truly are all in this together!



In March, we began to grasp the new "norm" as an essential service to our members when COVID-19 moved in. With the need to social distance our staff from our members, communities and each other, we responsibly closed our lobbies. However, we were fortunate to have measures in place to continue serving members through drive-up services and by scheduling one-on-one appointments. We also immediately moved high risk staff members to remote/work from home options, while front-line branch staff rotated in-branch by days and back office staff rotated in-office weekly. All staff truly went the extra mile in helping members during this time. Once we were able to re-open for member-facing services, branch traffic remained slow to pick up.

Throughout the navigation of various obstacles, we were able to have a very successful year. Some highlights include:

- Renovated and reopened our East Des Moines branch to the community
- Developed an Internal Culture Champions Program in which staff are able to engage in the development and implementation of the Program to help further refine our corporate culture
- Continued our Project Classroom and Land-a-Grand programs, giving \$13,000 to local K-8 teachers and high school seniors
- Received Best of Story County award for Best Credit Union for 13th year in a row
- Brought GICU to the Ankeny community in December by way of our newest branch location on SE Delaware Avenue
- Continued annual matching gift to United Way of Story County and United Way of Central Iowa by matching staff donations dollar-for-dollar
- Held our first All Employee Virtual Connection allowing staff to participate via zoom. Leading to a new level of communication and continued connection as a team
- Supported over 70 local non-profit organizations through our Givelowa crowdfunding program, Corporate Giving Committee, GICU Team Member Donations, and event sponsorships
- Net Income at December 31, 2020 was \$2.7M which was \$177k over budget.

I, along with our staff, am grateful for you and for the trust you put in Greater Iowa. For over 89 years, Greater Iowa CU has been caring for you and your financial needs. Although we know the pandemic continues to provide us with many unknowns, we truly believe 2021 will follow as another successful year.

I challenge you to re-explore the convenience of the Credit Union with your friends and family. Let us continue to help you on your financial journey.

Together our future is exciting!



The 88th annual business meeting of the Greater Iowa Credit Union was held on Monday, February 17, 2020 in the Operations Center Board Room at 1509 Baltimore Drive in Ames, Iowa. The meeting was also broadcast at branch locations. Directors present were Annie Arbuckle, MaryAnn Grapp, Bill McKim, Carla Sacco (serving as Governance Committee Chair), Jennifer Tebbe, Rob Tebben, Mike Wahlin, Mike Welter and Don Wirth. Also present was Associate Director Lara Olson. Absent: None

After the ascertainment of a quorum of 104 primary voting members present from board secretary MaryAnn Grapp, Chair Don Wirth called the meeting to order at 4:35 p.m. CUES provided confirmation that 423 eligible members cast an e-ballot. Hearing no objections, Wirth declared the agenda approved as presented.

Welter moved to approve the minutes of the 87th annual business meeting of Greater Iowa held on February 25, 2019. Ashby 2nd. Minutes approved as written and presented.

Governance Committee Chair Sacco presented slate of candidates as published and approved by the Greater Iowa Credit Union Board of Directors on December 16, 2019:

- Christopher Campbell** – Ames
Systems Analyst in Information Technology/Iowa State University
- Lara Olson** – Urbandale
O3685 & SharePoint Developer & Continuous Improvement Leader/Keystone Electrical Manufacturing
- Leo Kanne** – Denison
President/United Food and Commercial Workers Local 440
- John Lewis Villotti** – Windsor Heights
Retired/Preschool-Grade 6 Building Principal

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. Online voting was caused by Credit Union Executive Society (CUES) eVote.

Board Chair Wirth, on behalf of the executive committee, presented the 2019 chairperson's report for acceptance as presented in the 2019 Annual Report. Motion to accept by Welter. Arbuckle 2nd. Accepted.

The 2019 Board Committee Reports were accepted by the membership as printed in the 2019 Annual Report. Reports were given by Audit Committee Chair Tebbe; Treasurer Welter on behalf of the ALCO; and Credit Committee member Haug.

Scott Zahnle, President/CEO presented his Chief Executive Officer report for acceptance as printed in the 2019 Annual Report. Motion to accept by Ashby. Tebbe 2nd. Accepted.

Governance Committee Chair Sacco received the ballot results from Election Committee Chair Zahnle as compiled by Credit Union Executive Society eVote, a secure platform for online voting. Elected to serve three-year terms were Christopher (Chris) Campbell, Lara Olson and John Villotti. Sacco announced that the ballots will be destroyed after 60 days according to the by-laws. As Election Committee Chair, Zahnle administered the oath of office to the Board of Directors for 2020-2021.

Hearing no unfinished business or new business brought forth by the membership, Chair Wirth declared the 88th Annual Meeting of Greater Iowa Credit Union adjourned at 4:46 pm.

Respectfully submitted,
Cathy Krebs, Recording Board Secretary
Executive Assistant to President/CEO

ANNUAL REPORT 2020



Greater Iowa Credit Union
1509 Baltimore Drive, Ames, Iowa 50010
www.gicu.org | 800.296.9064 |

Federally insured by NCUA. Equal Housing Opportunity.

Greater Iowa
CREDIT UNION