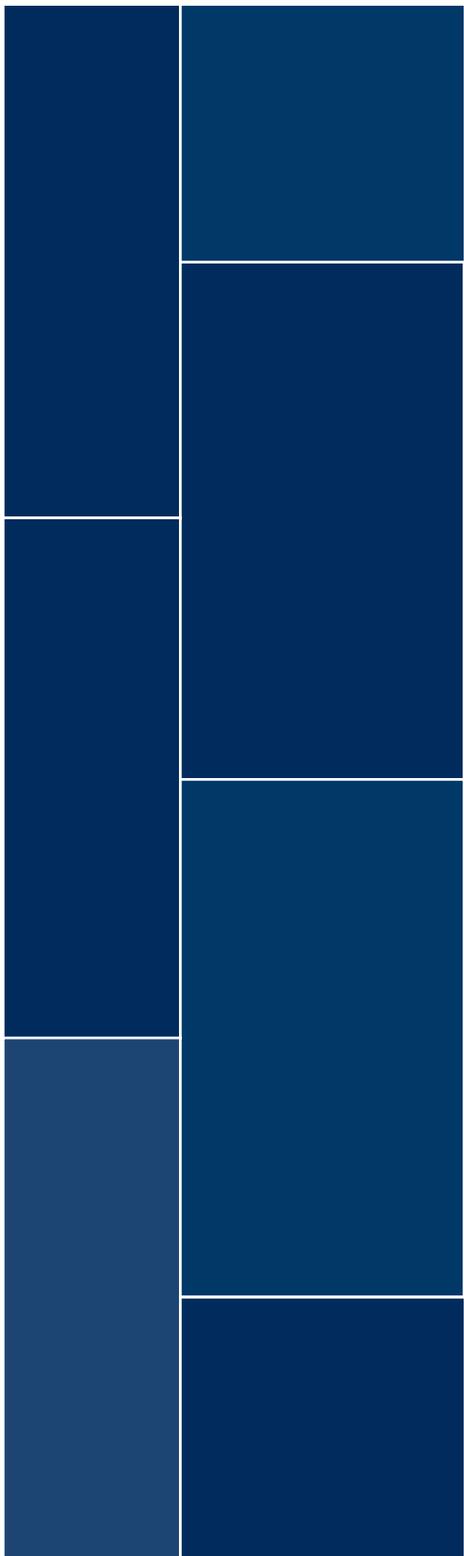




# 140,000 STORIES TO SHARE



2019 ANNUAL REPORT





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# OUR STORY

The Altura story began back in 1957 and has covered 62 years of success. Ours is a story of overcoming obstacles, responding to challenges, and finding practical ways to keep promises. The most interesting aspect of the Altura story is that we don't really write it. Our Members do.

There's a story of a young couple who dreamed about how they might fix up a small home with a "For Sale" sign they often drove by. An Altura home loan helped them deal with the down payment so they could take down that sign. We've heard the stories about Home Equity Lines of Credit that helped kitchens get remodeled and higher interest debt get paid off. There are many stories about Members who refinanced an auto loan with us and are now much more comfortable with the monthly payment.

We hear stories involving parents who used an Altura loan to pay for their child's college education, or about grandparents opening a savings account to help their grandchildren go to college someday. It probably comes as no surprise to learn there are many stories about us saying, "Yes," when other institutions said, "No." Members tell us about the convenience of our Online and Mobile Banking but we also hear a lot about the friendly, knowledgeable service they enjoy at our branches.

While we may provide the inspiration, the Altura Credit Union story is literally thousands of individual chapters penned by the Membership we serve and the communities we touch. Our job is to do everything we can to make sure each individual story has a happy ending.

# AT A GLANCE



**141K**  
MEMBERS



**16**  
BRANCHES



**408**  
EMPLOYEES

**3,218**  
NEW VEHICLE LOANS



**395,223**  
CALLS TO SERVICE CENTER



**7,158**  
USED VEHICLE LOANS



**122,806**  
MOBILE BANKING USERS



**1,128,703**  
CREDIT CARD TRANSACTIONS

**28,064,944**  
DEBIT CARD TRANSACTIONS

**104,992**  
CHECKING ACCOUNTS



**\$19,348,760**  
TOTAL INCOME

**\$1,515,289,445**  
TOTAL ASSETS

**11.5%**  
NET WORTH RATIO



**5,656**



**740**



**1,782**

# LETTER FROM THE CHIEF EXECUTIVE OFFICER



Dear Members,

I am delighted to report our credit union's financial performance in 2019 was, quite simply, superb. We expected good numbers but were pleasantly surprised to see just how much we exceeded expectations. The year closed with a 33% increase in net income. Total Assets grew by 7% and Membership climbed 9.95% to slightly under 141,000. Our net worth to asset ratio, considered the primary measure of a credit union's strength, is 11.5%. That's considerably better than the 7% standard for "well-capitalized." And, the stronger we are, the more our Members can capitalize on us.

When 2019 began we had established a string of 8 consecutive years of economic growth. When 2019 ended, we'd made it 9 in a row. In between, we had written more than \$1 billion worth of home, auto and unsecured loans. Altura's Ascend Checking Account was created in 2019. It's like an all-in-one account. It has no monthly service fee, allows the account holder to monitor their credit score in real time, and, best of all, can qualify for dividends. The year saw Altura continue its long standing tradition of adapting to the marketplace and to our Members' needs.

At Altura, we begin with an egalitarian philosophy, and a belief that our diversity is our strength. We agree with the credit union philosophy of people over profits. That well-known phrase doesn't mean people over success. Our success is fuel for everything we can do. People over profit means we put the interests of our Membership, the communities we serve, and the general public, ahead of our own. It means we cater to everyone. It means when people need a hand, whenever possible, Altura extends one. And we often do that through Altura Cares.

Altura Cares is the umbrella that covers most of our enrichment programs to communities and individuals. We awarded more than \$50,000 in college scholarships to Riverside public and private high school seniors. Of course, not every donation needs to be in dollars. In 2019 our team volunteered about 4,000 hours of their time to a variety of community causes and events in Riverside County. In the last 5 years, Altura employees have donated more than 2 years' worth of their time. That's above and beyond, and something I take particular pride in.

In 2019 we asked Members that are teachers to submit a nomination explaining why they love teaching and how their classroom would benefit from a makeover. We awarded about \$11,000 in prizes. May is Military Appreciation Month. Altura employees spent one afternoon buying more than 100 lunches for Members of the Armed Services at March Air Reserve Base Backstreet Grill. Altura employees were among the many volunteers to place flags at each headstone at the Riverside National Cemetery. We celebrated National Just Because Day by randomly giving Members at different branches a treat. We believe "just because," is one of the best reasons to do something nice.

At a time when some financial institutions were closing their doors in Riverside County communities, we were opening up new opportunities in 2019. New and remodeled Altura branches began serving Banning, Beaumont, Temecula, Murrieta and Wildomar. While online and mobile banking is a wonderful convenience, a friendly brick and mortar branch speaks to our community commitment.

There is strength in numbers. Building a stronger credit union means we can do more for our Members and in turn, Members can do more with us. The successes we've seen in 2019 allow us to continue to improve products and develop new ones. We can pass on savings to our Membership. It gives us the means to keep and attract talented staff.

We're in the business of empowering people by giving them more and better options. We're here to help local communities thrive.

2019 was the latest chapter in the Altura saga. What we were able to achieve gives us the confidence and tools to face whatever challenges tomorrow brings. My thanks go out to the Board of Directors, the entire Altura team, and the Membership for making 2019 another banner year.

SINCERELY,  
**JENNIFER BINKLEY**

A handwritten signature in black ink that reads "Jennifer Binkley". The signature is written in a cursive, flowing style.

# LETTER FROM THE CHAIRWOMAN



Dear Members,

Altura Credit Union put on yet another vibrant fiscal performance in 2019. And, once again the numbers reflect the hard work, dedication and sagacity of talented executives and exceptional employees. As Chairwoman of the Board of Directors I could not be more proud of this remarkable institution. I vigorously applaud the numbers, but I save my standing ovation for something else.

I derive the most gratification from Altura's steadfast commitment to model the credit union philosophy of people helping people. Altura really does care; our outreach to causes, communities and individuals, called Altura Cares, are the stories I love to share.

I am a volunteer with various community organizations, several of which the credit union supports. Many people, oftentimes Altura Members, seemed to recognize me in 2019 and have approached me with their own Altura anecdote. The stories always seem to involve Altura going out of its way to provide great service. There's often a mention of how friendly the atmosphere is at the branches and how comfortable they feel. I remember a Member telling me they were anxious and nervous because they desperately needed a new vehicle. Altura and Auto Expert made buying and finding the right car a piece of cake. Altura's initial connection to people is typically financial, but the bond that rapidly develops is a very human one.

As a former principal, I've always been pleased by the connections Altura has to education. The credit union hosts interactive financial simulations that help teach students how to manage money. In 2019, through Altura Cares, students from Riverside County public and private high schools were awarded more than \$50,000 in college scholarships. There's one particular education related story from 2019 that stands out in my mind.

In 2019, a teacher in Moreno Valley applied for and won a grant from Altura Cares to redecorate her classroom. This was a classroom for special education students and the results were especially heartwarming. Volunteer painters from Altura turned what had been a drab bungalow into a rainbow of colors. Inside, the classroom was reinvented with comfortable furniture and a microwave kitchen set up, so the students could warm food and learn to cook. There's a reading corner with an inviting couch and a science section with microscopes and lab coats. Outside the classroom, there's a storage unit for art supplies and PE equipment which the teacher refers to as her "She Shack." The district was so excited that they even matched the money Altura had donated. Altura gives and also inspires giving. Schools, hospitals, charities, military veterans and their families, legal aid, the homeless, and the arts have all been among the 2019 beneficiaries of Altura Credit Union's generosity.

In 2019 the exchange of ideas and enjoyable camaraderie continued to make working with the Board of Directors a pleasure. I look forward to helping Altura build on its 62-year history of success and service.

SINCERELY,  
**JACQUELINE HALL**

A handwritten signature in black ink that reads "Jacqueline Hall". The signature is written in a cursive, flowing style.

# CREATING UNIQUE EXPERIENCES



Altura's Member Enrichment Program, Altura Cares, aspires to Enrich the Lives and Empower the Dreams of our Members and Communities we call home. Through unique experiences and extraordinary gestures both big and small, we are dedicated to making a difference for our Members and being there when it matters most.

**Altura Cares is at the heart of our stories.**

## ALTURA CARES 4 TEACHERS

Altura Cares 4 Teachers was a social media contest in which Altura asked for Member teachers to submit a nomination detailing "why they love teaching and how their classroom would benefit from some extra care." Over the course of two weeks Altura received 79 submissions; two of which were awarded the grand prize of a classroom makeover valued at \$2,500. The Altura Cares Team also went out to hand deliver cash prizes of \$250 - \$500 to 16 runner-up recipients.



*Altura Cares 4 Teachers Grand Prize Winner and 25-year Altura Member, Shunna Bradford, seeing her new classroom for the first time.*

*Altura Cares 4 Teachers \$500 runner-up and 30-year Altura Member, Jerry Carmona, receiving his prize from Michelle Gardner, Director of Corporate Events and Tina Covington, VP of Sales and Business Development.*



# THROUGH EXTRAORDINARY GESTURES

*Altura SVP, Chief Financial Officer Kathy Thayer, presents Member Jennifer Berry and her son with their Holiday Hookup prize: tickets to Disneyland for their family of six.*



## MEMBER HOLIDAY HOOKUPS

In December of 2019, 125 Altura Members received more than \$30,000 worth of gifts that they wished for as part of Altura's Holiday Hookup Program! The Holiday Hookup program encourages Members to write in and share what they would like to be "hooked up" with for the holiday season and why. In 2019 Altura received over 1,300 submissions.

*Member Tychon Flakes and his son Noah, picking up their Holiday Hookup Prize: a DJI Mavic Mini Drone.*



## GORGEOUS GRANDMA MAKEOVER

For National Gorgeous Grandma Day, Altura ran a social media campaign requesting Members to "celebrate the grandma in their life by nominating her for our Gorgeous Grandma Makeover!"



*The winner of the Gorgeous Grandma Makeover Contest Nora Plott. Nora was nominated by her daughter, Altura Member Paula Drummond.*

## DOING SOMETHING GOOD FOR OUR NEIGHBORS

*Vern & Karen Goodwalt, Altura Members 1990, were recognized for National Do Something Good for Your Neighbors Day. Vern, retired Navy, and Karen, a retired RCC employee, refinanced their Riverside home with Altura to pay for their Jayco Travel Trailer.*



*In honor of Military Appreciation Month, Altura Employee Robert Strong plants flags at each headstone at the Riverside National Cemetery.*



# WRITING THE STORY OF TOMORROW | ALTURA COLLEGE SCHOLARSHIPS

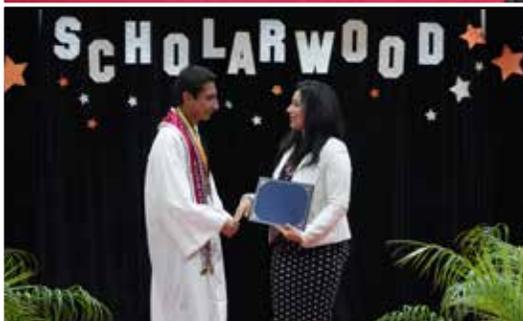
Altura Credit Union has been awarding college scholarships to Riverside County public and private high school seniors for more than 25 years. Through its Foundation, \$700,000 in scholarships has been awarded to 750 students.

Academic performance, financial need, extracurricular activities and a written essay about their college goals are the criteria used in the selection process. The scholarship program is open to students who plan to attend an accredited college in the fall.

In 2019

**\$50,000**  
IN SCHOLARSHIPS

AWARDED TO  
**50 students**



## THE DR. LINDA WISHER EDUCATIONAL ENDOWMENT

This endowment is in memory of Dr. Linda Wisher, a former member of our Board of Directors. Recipients are female students pursuing a career in education.

## THE ALTURA MEMBER SCHOLARSHIP

This new scholarship is designed for graduating high school seniors who are Members of Altura or have an immediate family member that belongs to the credit union.

## ALTURA FUTURE LEADER SCHOLARSHIP

Altura's Future Leader Scholarship is personally funded by Altura's CEO and designed for a graduating high school senior who embodies leadership characteristics and tendencies.



# AUTO EXPERT DELIVERS | STORIES OF SAVINGS AND SO MUCH MORE



Car buyers who go through Auto Expert typically tell the same story. They often say, "It was the most hassle free car buying experience I've ever had!" Usually, they talk about the money they saved. And the time. The moral of this story is, if you happen to be in the market to buy a vehicle, Auto Expert should be your first call.

Auto Expert is our auto locator service. It works like this. You tell them the year, make, model, color and accessories of the vehicle you want. Auto Expert has a large, exclusive network of dealerships. They'll conduct a search of their network and locate the vehicle you are looking for. You won't have to look under a hood, or kick a tire.

Auto Expert will even negotiate the price, deal with the DMV and take care of the loan docs. They can help with your trade-in too. They'll deliver the vehicle to the Altura branch nearest you.

**What do you do? Just enjoy the vehicle you've wanted.**

Auto Expert has 13 credit union partners, and in 2019, was involved in the sale of 3,159 vehicles. Credit union Members who used Auto Expert in 2019, saved an average of \$1,611.36. When it comes to Member satisfaction, Auto Expert hits it out of the park 95.3% of the time. It's a story worth repeating.

If you'd like Auto Expert to assist you with your next vehicle purchase, visit [AutoExpertOnline.com](http://AutoExpertOnline.com) or call 800-359-4567.



**795K**  
MEMBERS WE SERVE



**\$1,611.36**  
MEMBER SAVINGS



**95.30%**  
MEMBER SATISFACTION



**3,159**  
VEHICLES SOLD



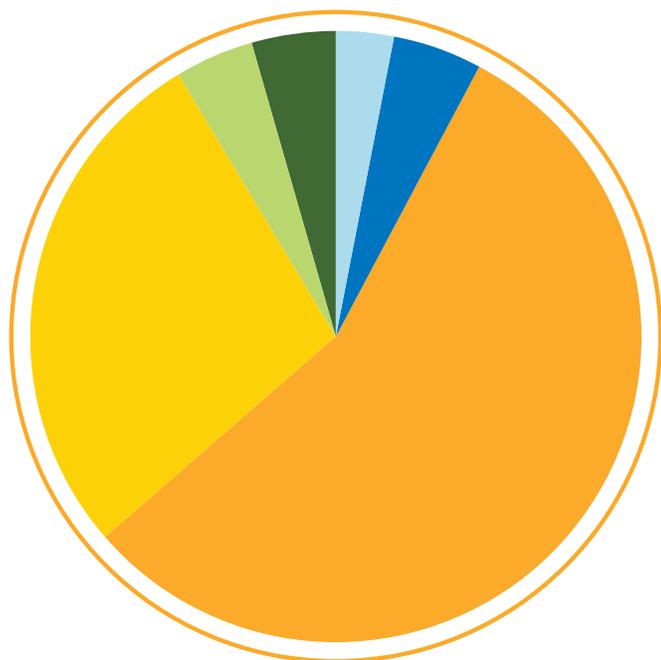
**13**  
CU PARTNERS

# FINANCIAL STATEMENTS

As of December 31

STATEMENT OF FINANCIAL CONDITION		2019	2018	Percent Change
LOANS TO MEMBERS		\$1,158,517,617	\$1,021,791,032	13.38%
LESS: LOAN LOSS ALLOWANCE		(13,158,748)	(11,851,212)	11.03%
CASH ON HAND AND IN BANKS		57,139,925	95,061,900	-39.89%
INVESTMENTS		172,220,811	180,446,698	-4.56%
LAND & BUILDING, NET DEPR.		37,195,250	35,820,745	3.84%
OTHER FIXED ASSETS, NET DEPR.		7,706,460	3,784,629	103.63%
OTHER ASSETS		95,668,130	90,096,704	6.18%
<b>TOTAL ASSETS</b>		<b>\$1,515,289,445</b>	<b>\$1,415,150,496</b>	<b>7.08%</b>
ACCOUNTS PAYABLE/OTHER LIABILITIES		\$18,694,072	\$ 70,688,298	-73.55%
TOTAL LIABILITIES		18,694,072	70,688,298	-73.55%
TOTAL MEMBERS' SHARES		1,322,087,830	1,192,136,873	10.90%
REGULAR RESERVE		13,419,033	13,419,033	0.00%
UNDIVIDED EARNINGS		160,317,922	140,969,163	13.73%
NET UNREALIZED LOSSES ON AFS, INVESTMENTS		770,588	(2,062,870)	-137.36%
<b>TOTAL EQUITY</b>		<b>174,507,543</b>	<b>152,325,326</b>	<b>14.56%</b>
<b>TOTAL LIABILITIES, SHARES &amp; EQUITY</b>		<b>\$1,515,289,445</b>	<b>\$1,415,150,496</b>	<b>7.08%</b>
STATEMENT OF INCOME		2019	2018	Percent Change
INTEREST ON LOANS		\$52,533,673	\$43,394,196	21.06%
INVESTMENT INCOME		5,158,431	4,995,085	3.27%
OTHER NON-INTEREST INCOME		37,418,111	34,885,148	7.26%
<b>TOTAL OPERATING INCOME</b>		<b>\$95,110,215</b>	<b>\$83,274,430</b>	<b>14.21%</b>
EMPLOYEE COMPENSATION AND BENEFITS		\$30,177,473	\$27,940,734	8.01%
OFFICE OCCUPANCY		5,283,062	4,470,712	18.17%
OFFICE OPERATIONS		7,741,260	7,264,247	6.57%
EDUCATIONAL & PROMOTIONAL		3,236,235	3,844,123	-15.81%
LOAN SERVICING		8,530,465	8,264,486	3.22%
PROFESSIONAL & OUTSIDE		3,809,006	3,505,768	8.65%
OTHER OPERATING EXPENSES		3,123,227	3,277,914	-4.72%
DIVIDENDS		5,993,893	3,466,732	72.90%
PROVISION FOR LOAN LOSSES		7,866,835	6,777,047	16.08%
<b>TOTAL EXPENSES</b>		<b>\$75,761,456</b>	<b>\$68,811,764</b>	<b>10.10%</b>
<b>NET INCOME</b>		<b>\$19,348,760</b>	<b>\$14,462,666</b>	<b>33.78%</b>

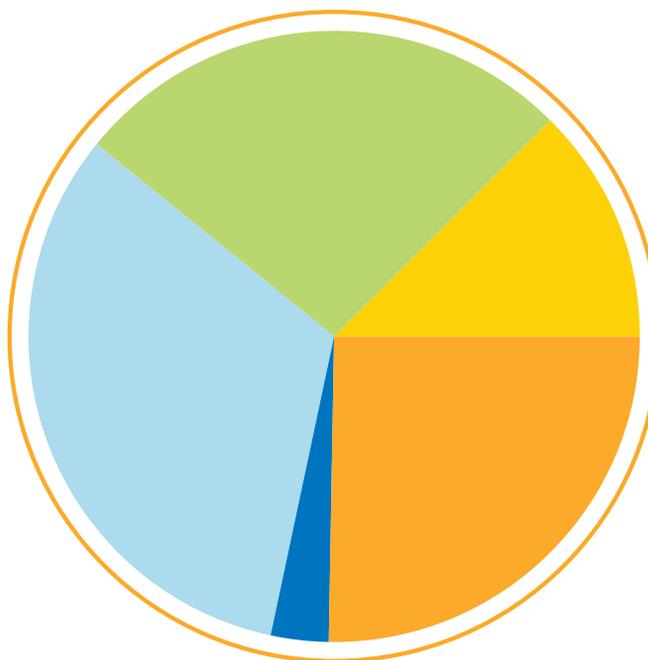
## TOTAL LOANS \$1,158,517,617



- AUTO LOANS:** 55.66% | \$644,810,829
- 1ST MORTGAGE REAL ESTATE LOANS/LINES OF CREDIT:** 27.76% | \$321,639,227
- OTHER UNSECURED LOANS/LINES OF CREDIT:** 4.85% | \$56,221,178
- OTHER REAL ESTATE LOANS/LINES OF CREDIT:** 4.33% | \$50,199,428
- ALL OTHER LOANS:** 4.19% | \$48,567,436
- CREDIT CARD LOANS:** 3.20% | \$37,079,519

## TOTAL SHARES \$1,322,087,830

- MONEY MARKET SHARES:** 32.44% | \$428,826,060
- SHARE DRAFTS:** 26.67% | \$352,551,884
- REGULAR SHARES:** 25.53% | \$337,552,061
- SHARE CERTIFICATES:** 12.41% | \$164,091,750
- I.R.A. SHARES:** 2.95% | \$39,066,075



# MEET THE ALTURA TEAM

## BOARD OF DIRECTORS



**JACQUELINE HALL**  
Board Chairwoman



**PERRY REED**  
Vice Chair



**JOSEPH CALDERON**  
Secretary



**JERRY RIVERA**  
Treasurer



**MARK BALYS**  
Immediate Past Chair



**NINFA DELGADO**  
Director



**KEITH DOWNS**  
Director



**EUGENE KIM**  
Director



**ALAN STRZEMIECZNY**  
Director



**GLORIA PEREZ**  
Director



**NORMAN PERRY**  
Director



**GEORGE PRICE**  
Director



**BARBARA PURVIS**  
Director

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## AUDIT COMMITTEE



**PERRY REED**  
Chair



**KEN GEORGE**  
Member



**MARCUS RIDLEY**  
Member



**JERRY RIVERA**  
Member



**ALAN STRZEMIECZNY**  
Member

## EXECUTIVE TEAM



**JENNIFER BINKLEY**  
President  
Chief Executive Officer



**KEVIN SHERRELL**  
Executive Vice President  
Chief Strategy Officer



**KATHY THAYER**  
Senior Vice President  
Chief Financial Officer



**ROBERT WHITTON**  
Senior Vice President  
Chief Operating Officer



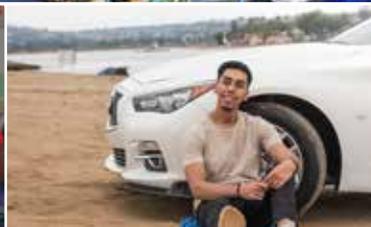
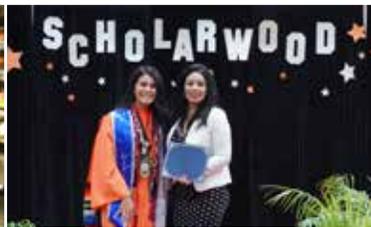
**DAVID CONSTANTINO**  
Senior Vice President  
Chief Lending Officer



**CHRIS ANDRUS**  
Senior Vice President  
Chief Culture Officer  
President, Auto Expert



**WADE PYUN**  
Senior Vice President  
Chief Risk Officer  
General Counsel



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