

WEST
MICHIGAN'S
BEST AND
BRIGHTEST®
COMPANIES
TO WORK FOR
WINNER 2018

2018

ANNUAL REPORT



ADVENTURE

CREDIT UNION



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THE CHAIRMAN'S REPORT

The Adventure Credit Union Board of Directors is comprised of volunteers from a wide variety of backgrounds and work experience. As Chairman, it is my pleasure to work with the Board and Senior Management in our collective goal of providing excellent products and services to you, our members.

The Board's role is to serve and promote the best interests of the credit union and its membership. We oversee the business practices of the credit union and collectively set strategic planning goals with Senior Management. Since we are elected from the membership, my fellow Board members and I have a vested interest in the success of Adventure Credit Union.

I am happy to report Adventure Credit Union is well capitalized and financially sound. The Board understands as consumers, you have a wide selection of financial services options and we would like to take this opportunity to thank you for your loyal membership. In addition, I would like to thank the Board of Directors, Management and Staff for their work this past year and their dedication to Adventure Credit Union.

-Charles Breneman



Grandville BRANCH

Opened February 2018

5165 Wilson Ave. SW.
Wyoming, MI 49418





THE TREASURER'S REPORT

Adventure Credit Union continues to be a strong and healthy financial institution. We are pleased to report the business affairs of your credit union comply with federal regulations and the financial statements were audited by our external accounting firm which found them to be accurate and free of any misrepresentation.

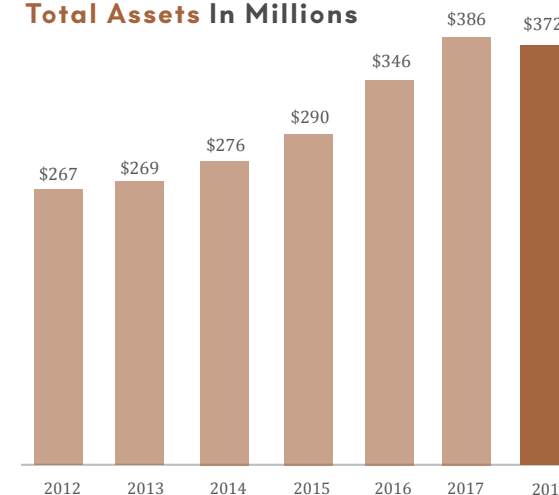
We look forward to a prosperous 2019. As Treasurer, I am confident Adventure will continue to be a strong financial institution, and the management of the Credit Union will strive to provide healthy returns to our members.

-David Ferguson

Total assets ended the year at \$372,702,714, down slightly (3.5%) from the 2017 year-end figure of \$385,710,905. Membership increased slightly from 30,803 to 30,891. These are the results of scaling back the growth in auto lending which was the primary driver of asset and membership growth in recent years.

We are proud to report as of year-end 2018, Adventure has a capital ratio of 12.47%. This is an increase from 11.82% at year-end 2017. This level of capital is above the federal guidelines and Adventure is categorized as a well-capitalized financial institution.

Total Assets In Millions



STATEMENT OF FINANCIAL CONDITION

ASSETS	2018	2017
Cash & Cash Equivalents	\$24,149,099	\$24,138,579
INVESTMENT SECURITIES		
Available for Sale	\$11,397,343	\$11,449,565
Held to Maturity	\$4,115,576	\$5,348,086
Time Deposits with Other Financial Institutions	\$746,000	\$3,235,000
Loans to Members (Net)	\$302,679,515	\$310,638,112
Accrued Interest Receivable	\$807,756	\$858,372
Premises & Equipment (Net)	\$9,258,187	\$10,423,314
NCUSIF Deposit	\$2,954,711	\$2,755,207
FHLB Stock	\$1,575,000	\$1,575,000
Cencorp Perpetual Contributed Capital	\$600,000	\$600,000
Credit Union Owned Life Insurance	\$7,185,526	\$7,022,127
Other Assets	\$7,234,001	\$7,667,543
Total Assets	\$372,702,714	\$385,710,905
LIABILITIES & MEMBER EQUITY		
Members' Shares and Savings Accounts	\$287,773,254	\$287,730,748
Non-Member Certificates of Deposit	\$9,772,000	\$14,731,000
Borrowed Funds	\$25,000,000	\$33,000,000
Accrued Interest Payable	\$129,979	\$150,468
Accrued and Other Liabilities	\$3,659,733	\$4,614,497
Total Liabilities	\$326,334,966	\$340,226,713
MEMBER EQUITY	\$46,367,748	\$45,484,192
TOTAL LIABILITIES & RESERVES	\$372,702,714	\$385,710,905

STATEMENT OF INCOME

INTEREST INCOME	2018	2017
Loans	\$13,178,473	\$12,729,782
Investment Securities	\$308,471	\$327,636
Other	\$335,795	\$198,884
Total Interest Income	\$13,822,739	\$13,256,302
INTEREST EXPENSES		
Members' Shares and Savings Account	\$1,801,999	\$1,534,463
Borrowed Funds	\$442,748	\$353,221
Non-Member Certificates of Deposit	\$212,745	\$223,484
Total Interest Expense	\$2,457,492	\$2,111,168
Net Interest Income	\$11,365,247	\$11,145,134
Provision for Loan Losses	\$2,220,344	\$1,041,022
Net Interest Income / After provision for loan losses	\$9,144,903	\$10,104,112
NON-INTEREST INCOME		
Net Gain on Sale of Loans Held for Sale	\$265,139	\$311,581
Fees and Charges	\$5,631,919	\$5,603,682
Gain on Sale of Other Real Estate Owned	-	-
Other	\$458,591	\$364,918
Total Non-Interest Income	\$6,355,649	\$6,280,181
NON-INTEREST EXPENSES		
Compensation and Benefits	\$7,151,510	\$8,363,915
Operating Expenses	\$5,649,980	\$5,689,849
Occupancy	\$1,669,072	\$1,921,824
Loss on Sale of Other Real Estate Owned	-	\$24,481
Writedown of Fixed Assets - Discontinued	-	\$603,462
Total Non-Interest Expenses	\$14,470,562	\$16,603,531
NET INCOME	\$1,029,990	(\$219,238)



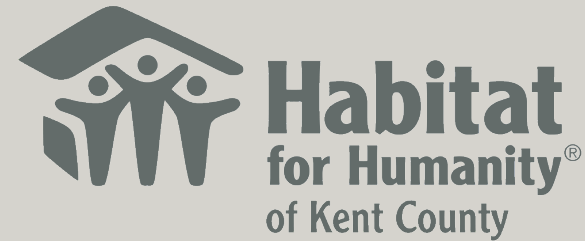
ADVENTURE *gives*



Adventure Gives Committee, Back row (L to R) Shannon Hubble, Joey Giarmo, Sarah Crosby, Sarah Sherman, Nick Herson, Carrie Reno. Front row (L to R) Nick Groulx, Maggie McKinney, Sara Southwick

Credit Unions are strong charitable contributors to their communities and Adventure is no exception. In 2018 we started Adventure Gives, a charitable program which not only provides monetary gifts to local causes, but also allows employees to donate their time and energy. We sponsor Habitat for Humanity of Kent County, Humane Society of West Michigan, the Greater Lansing Food Bank and Urban Roots.

To supplement this activity, we also donate our Jean's Day donations to a different charitable organization each quarter. In 2018 we donated to Helen Devos Children's Hospital, Humane Society of West Michigan, Exodus Place, and the National Network Organization for Veterans.



Habitat for Humanity of Kent County

Mission: Habitat for Humanity of Kent County and Lansing bring people together to build homes, communities, and hope.

Adventure Gives Involvement: We had several dates throughout the year to help build homes, change lives, and transform our community.



Urban Roots

Urban Roots is a Grand Rapids urban farm in the Madison Square neighborhood. Their mission is "to cultivate durable and resilient families, communities and ecosystems through urban agriculture."

Adventure Gives Involvement: Open Houses, Group Service Learning, On-site Projects



Humane Society of West Michigan

Mission: To promote the humane treatment and responsible care of animals in West Michigan & Lansing through education, example, placement and protection.

Adventure Gives Involvement: We've partnered with both the West Michigan & Capital Region Humane Societies to not only donate money but also our time helping with weeding, painting, laundry and general cleaning of their facilities throughout the year.



The Greater Lansing Food Bank

Mission: Partner to alleviate hunger one meal at a time, to create a future where everyone has access to nourishing food

Adventure Gives Involvement: We've partnered with GLFB to work with them as volunteers helping with anything from fundraising events to sorting food.



COMMUNITY IMPACT



20K

Over \$20,000 donated to our four signature partners.



738

Throughout 2018 Adventure employees volunteered 738 hours!



341

Lansing Branches collected 409 lbs of food that equals 341 meals.



80

80% employee participation!

1

TEAM

4

LOCAL CAUSES

738

HOURS VOLUNTEERED

HUGE IMPACT!



6K

Employees raised over \$6,000 dollars with Jeans Day donations which was then used to buy wish list items for local organizations.



100+

Children's Toys



50

Pounds of Rabbit food



300

Cans of Cat food



23

Coats



5760

Baby wipes



50

Pairs of socks

