

2018 Annual Report



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Equal Housing Opportunity

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Assets	2018	2017
Cash and cash equivalents	\$ 3,831,302	\$ 3,678,106
Investment securities, available-for-sale	27,473,336	34,966,253
Net loans	99,546,615	82,996,822
Accrued interest receivable	401,009	369,192
Investment in CUSOs	5,865,407	5,386,719
Premises and equipment, net	7,138,054	7,405,061
Credit Union owned life insurance	1,615,061	1,568,459
NCUSIF deposit	1,291,205	1,277,175
Alloya member capital	539,000	539,000
Prepaid expenses	448,231	418,028
Other assets	<u>1,283,346</u>	<u>1,588,613</u>
Total assets	<u>\$ 149,432,566</u>	<u>\$ 140,193,428</u>
Liabilities and Members' Equity		
Members' shares and savings accounts	\$ 128,988,199	\$ 127,104,023
Borrowing	6,500,000	-
Accrued expenses and other liabilities	<u>647,511</u>	<u>488,176</u>
Total liabilities	<u>136,135,710</u>	<u>127,592,199</u>
Members' equity		
Regular reserve	2,546,367	1,413,834
Other reserve	10,400,000	10,400,000
Undivided earnings	857,489	1,132,533
Accumulated other comprehensive loss	<u>(507,000)</u>	<u>(345,138)</u>
Total members' equity	<u>13,296,856</u>	<u>12,601,229</u>
Total liabilities and members' equity	<u>\$ 149,432,566</u>	<u>\$ 140,193,428</u>

BRANCHES

W. Saginaw Hwy.
5615 W. Saginaw Hwy.
Lansing, MI 48917

Jolly Rd.
301 E. Jolly Rd.
Lansing, MI 48910

DeWitt
14049 Lindsey Ln.
DeWitt, MI 48820

Ionia
3062 S. State Rd.
Ionia, MI 48846

Administration Office
111 S. Waverly Rd.
Lansing, MI 48917


Astera
CREDIT UNION

	<u>2018</u>	<u>2017</u>
Interest income		
Loans (including fees)	\$ 5,338,874	\$ 4,897,668
Investments	<u>709,866</u>	<u>656,839</u>
Total interest income	6,048,740	5,554,507
Interest expense		
Members' shares and savings accounts	<u>501,622</u>	<u>340,382</u>
Net interest income	5,547,118	5,214,125
Provision for loan losses	<u>251,602</u>	<u>(437,485)</u>
Net interest income, after provision for loan losses	5,295,516	5,651,610
Noninterest income		
Fees and charges	1,259,293	1,351,276
Net gains on sale of assets	1,141	9,992
Income from CUSO investments	547,159	433,724
Interchange and revenue sharing income	957,924	908,209
Other	<u>477,305</u>	<u>509,484</u>
Total noninterest income	3,242,822	3,212,685
Noninterest expense		
Compensation and benefits	4,071,405	4,022,524
Occupancy	613,978	657,157
Operations	1,588,888	1,587,647
Loan servicing	347,888	345,458
Professional services	678,251	738,587
Other	<u>380,439</u>	<u>380,389</u>
Total noninterest expenses	7,680,849	7,731,762
Net income	\$ 857,489	\$ 1,132,533

Board of Directors:

Mark Van Epps, Chairman
 Jason Hawkins, Vice Chairman
 Harold Brown, Secretary
 Susan Canen, Treasurer

Martha Adams, Membership Officer
 Kevin Goff, Director
 Cathy Murray, Director
 Robin Marhofer, Director

A message to our valued members,

On behalf of the board of directors and leadership team, I would like to thank our loyal membership for your continued support of Astera Credit Union.

2018 was another great year, marked by our third year of positive net income. Our key ratio benchmarks continued a positive trend as well and several of our ratios improved, which means the credit union remains strong and ready to serve our members. We generated \$46 million dollars in new loans (that's a 22% increase from 2017). Here are just a few other highlights:

- We launched small business lending for Astera members.
- We launched the Credit Builder Loan, a loan designed for members with no credit, or bad credit to help improve their score.
- We're proud to now offer student loans through a partnership with Sallie Mae.
- We began publishing a quarterly publication for members that focused on "security" and how members can protect themselves against scammers.

In 2019, as we celebrate 70 years in business, Astera will have a strategic focus that includes:

- Consistently making a difference in our members' lives by matching our products to their specific needs
- Delivering the right products and services in an efficient way that results in higher usage
- Nurture current revenue streams, develop new ones, and achieve economies of scale by managing expenses through efficient processes
- Pursue opportunities for growth in a strategic manner that align with our culture of service and financial education

I would like to take this opportunity to acknowledge and thank the entire staff for their tireless efforts to make your credit union the best it can be. Also, I would like to thank the board of directors for volunteering their time and making the commitment to ensure that your credit union will be here for many years to come.

In closing, I would like the membership to know, we are proud to be your local credit union, and remain committed to making sure you can continue to count on us to be your trusted financial partner.



Mark Van Epps
Board Chairman

