



2019  
Annual  
Report

Grow  
Listen  
Do  
Protect  
Give

**MORE**

**For You**



03

Message from the  
Chairperson and President »

04

Grow More »

05

Listen More »

06

Do More »

07

Protect More »

08

Give More »

09

Awards & Recognition »

10

Performance Trends »

11

Financial Statements »

13

Alliant Board of Directors and  
Executive Management Team »



**Ed Rogowski**  
*Chairperson*



**David W. Mooney**  
*President/Treasurer*

## More for you.

The title of this year's annual report has many meanings. It signifies our growth in membership, the enhancements to our digital banking channels, our focus on giving back to our members, and the going-above-and-beyond attitude of our employees. Our members are at the center of everything we do, and 2019 was no exception.

Our membership grew for the fifth year in a row. This sustained growth is key to the future of our credit union and allows us to continue to offer competitive rates and products for all of our members. In fact, despite rate cuts by the Federal Reserve, Alliant's rates remained consistently better than other credit unions and banks throughout the year.

Alliant has always been focused on giving back to our members, and as we've grown, we've created more ways to help our members succeed. In 2019, we rolled out the new Alliant Online Banking and several mobile app enhancements. Each improvement was made in concert with our mission to simplify your banking experience.

As we continued our digital-first approach to banking, we removed Alliant-owned ATMs used by less than 1 percent of our members. We did this to reduce operating costs while maintaining our 80,000+ fee-free ATM network and ATM fee rebate program for checking account holders who use out-of-network ATMs.

Decisions like these allow us to do more for you in more meaningful ways. For example, we added staff to the digital care and call center teams who answer your questions and provide support to help you do more with your money each and every day.

Our continuous drive to do more for you has also led to recognition from publications like CNBC, Kiplinger's Personal Finance, Bankrate, NerdWallet and MONEY Magazine, which named Alliant the best credit union in America for the second year in a row. Once again, Great Place to Work® named Alliant one of the 100 Best Medium Workplaces, and we received Gallup's Great Workplace Award for the fourth straight year.

Alliant will always strive to do more for you. We are proud that we helped empower you on your financial journey in 2019, and we look forward to many more years of simplifying how you save, borrow and pay.

Ed Rogowski  
*Chairperson*

David W. Mooney  
*President / Treasurer*

**Grow**

Listen  
Do  
Protect  
Give

# MORE

For the past five years, Alliant's membership has continued to grow. In 2019 alone, we expanded our membership by 12%. And more of you means more opportunities for Alliant to better enable you to save, borrow and pay.



## COMPETITIVE RATES

More members means we can give back more to you through high deposit rates and low loan rates. In fact, despite rate cuts by the Federal Reserve throughout the year, we were still able to offer consistently better rates than other banks and credit unions.



## FEEDBACK DRIVING IMPROVEMENTS

As we grow, we also make sure to listen to our members. More of you means more feedback on how we can enhance our offerings and services. Your feedback guides product improvements across the board, including the new Alliant Online Banking and enhancements to the mobile app.



## EXPANDING WORKFORCE

Our focus remains on our members and their banking needs. More of you means we also need to do more *for* you. To provide better service, we added more employees, including technology and Member Care Center staff. Our call center and digital care teams answered thousands of your questions via phone, email and secure message.

Grow  
**Listen**  
Do  
Protect  
Give

# MORE

A major part of Alliant's long-term strategy is something we call "Human-Centered Experience Design." In short, we want to design a simple, intuitive digital experience based on members' unique needs and wants. That means listening to our members and gathering your feedback via email, surveys, social media, focus groups and more, and then finding ways to bring your input to life.



## DIGITAL BANKING EXPERIENCE

Using extensive research and data around how members bank online, combined with member feedback on desired features and improvements, Alliant released new online banking and mobile banking app features in 2019 that put member experience at the forefront.



## EASIER INTERACTIONS

As our world changes and our members' lives change, so does Alliant. We're always looking for more ways to make it easier to bank digitally with us, whether it's using eSign forms for wire transfers or revamping our HELOC application process.



## CALL CENTER UPGRADES

We began building the foundation for our new interactive voice response system to help us respond to member feedback and serve our members more efficiently and effectively. Our Member Care Center's "service values" and focus on a consultative approach helped decrease call wait times and increase member satisfaction.

Grow  
Listen  
**Do**  
Protect  
Give

# MORE

As CEO Dave Mooney likes to say, "Banking isn't a place you go, it's a thing you do." Alliant strives to make banking on the go simpler and more reliable, while helping our members do more with their money. We emphasize the digital experience and drive innovation with initiatives like "Hackathon," our annual technology innovation contest, and new co-working spaces that allow employees to create and iterate with members in mind.



## NEW ALLIANT ONLINE BANKING

In December, we unveiled the new Alliant Online Banking, making it even easier for our members to bank digitally whenever and wherever they are. The simpler, more intuitive platform can be used seamlessly on all of your digital devices, and we'll continue introducing more new and enhanced features.



## ALLIANT VEHICLE SERVICE PROGRAM

Available to all Alliant members at no cost, our new Vehicle Service Program allows you to schedule, approve and pay for discounted vehicle services and much more, right from your digital device. It's an easy way to save money and time, so you have more of both to spend on other things.



## DIGITAL PAYMENTS

Members can now make and manage Alliant credit card payments with just a few quick taps in the mobile banking app. We also introduced contactless Visa® debit cards for our checking account holders, giving them an even faster and more secure way to pay.

Grow  
Listen  
Do  
**Protect**  
Give

# MORE

Our first priority is protecting the security of our members' funds and personal data. We use industry-leading technology and processes to keep our members' personal and financial information secure. We expanded our information security, business risk and fraud teams in 2019, and all Alliant employees receive ongoing training and testing on security procedures and regulatory compliance.



## **SECURITY AND FRAUD INITIATIVES**

In 2019, Alliant introduced two-factor authentication (2FA), an additional layer of security during account login. Members with Alliant Visa credit cards can now enroll in real-time, two-way fraud alerts so they'll receive a text message when our fraud-monitoring systems detect a suspicious transaction. Alliant Savings ATM cards were reissued with EMV chips, making them more secure.



## **REGULATORY COMPLIANCE**

After passing the \$10 billion asset threshold in 2018, the Consumer Financial Protection Bureau was added as a regulator. We expanded our regulatory compliance initiatives in 2019, adding personnel to Alliant's compliance and business risk teams, so we can continue to effectively meet our internal and external standards and provide an even more exceptional member experience.

Grow  
Listen  
Do  
Protect  
**Give**

# MORE

Alliant's long tradition of giving back to the community continued in 2019. In addition to the financial grants given by the Alliant Credit Union Foundation, our employees gave more money, time and resources to charitable organizations in their communities. Alliant also gave back to our members through contests that rewarded them for furthering their educations and serving their communities.



## CHARITABLE DONATIONS

The Alliant Credit Union Foundation granted over \$200,000 to charities and donated supplies and books to economically disadvantaged students. Teams of Alliant employees raised funds through the Mainliners softball tournament, the Special Olympics Plane Pull and the St. Jude Walk/Run. At Thanksgiving, employees donated more than 1,400 pounds of food and household items to a local food pantry, and our 14th annual employee volleyball tournament raised over \$17,000 for the StacheStrong glioblastoma charity.



## EMPLOYEE VOLUNTEERING

Alliant employees volunteered nearly 1,500 hours through our volunteer day benefit, which lets each employee spend one paid work day volunteering. Alliant teams also donated their time to charities like United Airlines Fantasy Flights, Bernie's Book Bank, Suzy's Place and Feed My Starving Children. Alliant employee volunteers taught 65 personal finance classes to more than 400 eighth graders in Des Plaines, IL.



## REWARDING OUR MEMBERS

In 2019, six Alliant members were selected as winners of our annual Alliant Member Scholarship Drawing. Each winner received \$2,500 to help pay for their college expenses. More Alliant members participated in Alliant's Giving Season Contest on social media, with winners receiving a \$1,000 prize for telling us how they give back to their communities.



# Awards & Recognition



Best Credit Union



# Bankrate®

Best Credit Union  
Best Banks and Credit Unions for  
Mobile Banking



Best Banks and Credit Unions  
Best Banks for Checking  
Best Banks for Savings

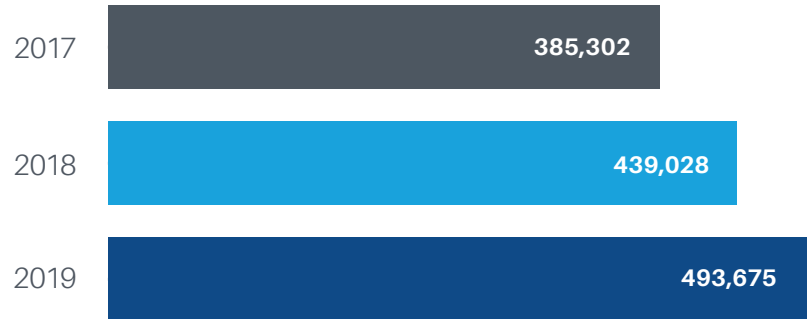


Best Cash Back Credit Cards



Best Mortgage Lender

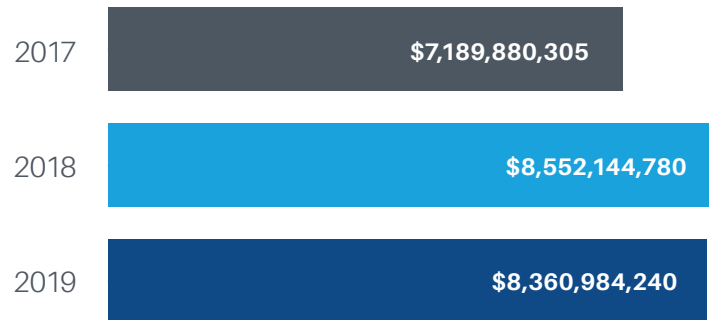
**TOTAL PRIMARY MEMBERS**



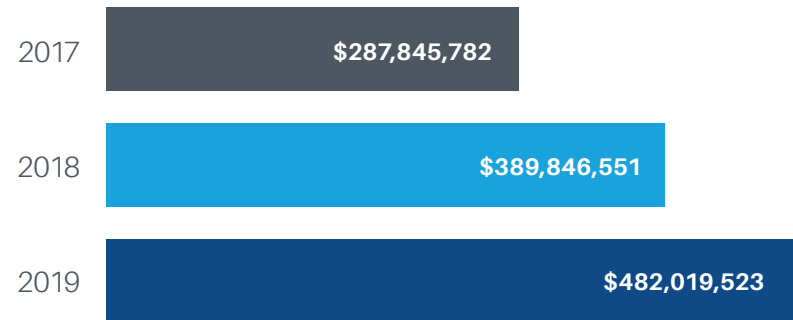
**TOTAL ASSETS**



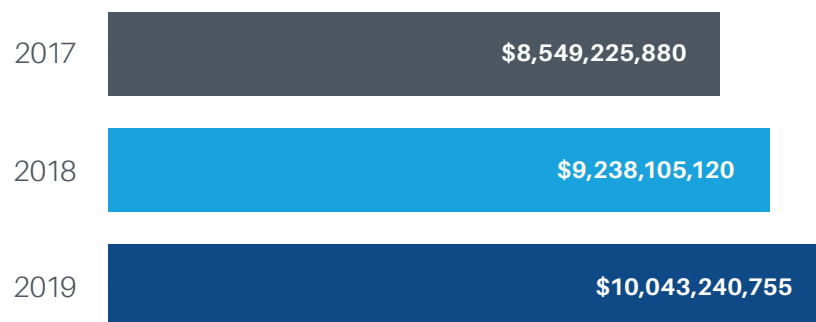
**TOTAL GROSS LOANS**



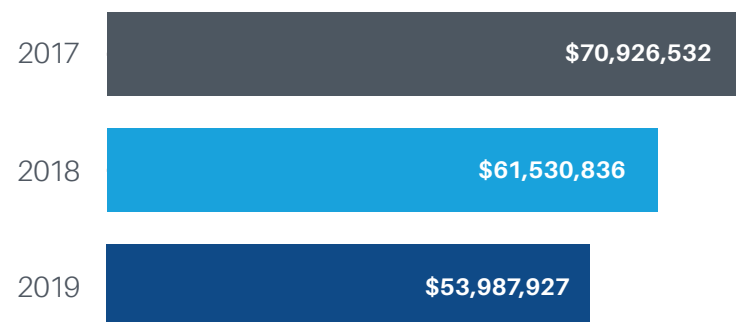
**TOTAL INTEREST INCOME**



**TOTAL DEPOSITS**



**NET INCOME**



# Statement of Financial Condition (Unaudited)\*

(\$ MILLIONS)	2019	2018	(\$ MILLIONS)	2019	2018
<b>ASSETS</b>			<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Cash and Cash Equivalents	\$233	\$402	Members' Shares		
Securities Available-for-Sale	\$3,152	\$1,864	Common Share Accounts	\$7,731	\$7,135
Loans to Members, Net	\$8,371	\$8,575	Certificate Share Accounts	\$1,304	\$1,139
NCUSIF Deposit	\$86	\$80	Individual Retirement Accounts	\$489	\$500
Other Assets	\$403	\$305	Checking Accounts	\$519	\$464
<b>TOTAL ASSETS</b>	<b>\$12,245</b>	<b>\$11,226</b>	<b>Total Deposits</b>	<b>\$10,043</b>	<b>\$9,238</b>
			Borrowings	\$905	\$782
			Other Liabilities	\$79	\$65
			<b>Total Borrowings and Other Liabilities</b>	<b>\$984</b>	<b>\$847</b>
			Members' Equity		
			Regular Reserve	\$121	\$121
			Undivided Earnings	\$1,093	\$1,039
			Accumulated Other Comprehensive Income	\$4	(\$19)
			<b>Total Members' Equity</b>	<b>\$1,218</b>	<b>\$1,141</b>
			<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$12,245</b>	<b>\$11,226</b>

\*Dollar amounts in millions.

# Statement of Income (Unaudited)\*

INTEREST INCOME	2019	2018	NON-INTEREST INCOME	2019	2018
Loans to Members	\$378	\$324	Gain on Loan Sale	\$9	\$3
Securities and Certificates of Deposit with other Financial Institutions	\$101	\$64	Loss on Foreclosed Assets	-	(\$1)
Other	\$3	\$2	Service Fees	\$7	\$6
<b>TOTAL INTEREST INCOME</b>	<b>\$482</b>	<b>\$390</b>	Interchange Income	\$2	\$4
			Other Income	\$15	\$20
			<b>TOTAL NON-INTEREST INCOME</b>	<b>\$33</b>	<b>\$32</b>
<b>INTEREST EXPENSE</b>					
Members' Shares	\$187	\$144	<b>NON-INTEREST EXPENSE</b>		
Borrowings	\$47	\$29	Salaries and Employee Benefits	\$83	\$76
Other	\$1	-	Service Charges	\$24	\$22
<b>TOTAL INTEREST EXPENSE</b>	<b>\$235</b>	<b>\$173</b>	Office Operations	\$10	\$10
			Depreciation	\$14	\$13
			Data Processing	\$13	\$11
<b>NET INTEREST INCOME</b>	<b>\$247</b>	<b>\$217</b>	Professional Fees	\$8	\$8
Provision for Loan Losses	\$58	\$35	Other	\$16	\$12
			NCUA Premium Assessment	-	-
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>\$189</b>	<b>\$182</b>	<b>TOTAL NON-INTEREST EXPENSE</b>	<b>\$168</b>	<b>\$152</b>
			<b>NET INCOME</b>	<b>\$54</b>	<b>\$62</b>

\*Dollar amounts in millions.

Certain amounts in the prior-period financial statements have been reclassified to conform with the presentation of current-period financial statements.

## Board of Directors

Ed Rogowski, *Chairperson*

Ted Davidson, *Vice Chairperson*

David W. Mooney, *President and Treasurer*

Earl (Lee) Achord, *Secretary*

Julian Chu

Irwin I. Gzesh

Sabrina King

David Leib

Anne Pease

Farhan Siddiqi

Scott Wilson

## Executive Management Team

David W. Mooney, *CEO*

Jason Osterhage, *SVP, Lending and Chief Member Experience Officer*

Phil Salis, *SVP, Member Engagement and Chief Banking Officer*

Lee Schafer, *SVP, Corporate Affairs and Chief Administrative Officer*

Timothy G. Wartman, *SVP, Executive Officer, Treasury & ALM*

Harry Zhu, *SVP, Finance & Risk Management and Chief Financial Officer*