

FROM YOUR PRESIDENT & CEO

I am pleased to report to our members that your credit union continues to remain in a very strong financial condition through these unstable economic and pandemic driven times. In 2021 our assets grew 9.9% to \$178M. As a not-for-profit financial institution with the core mission of encouraging the financial well-being of our members, I am also happy to report that overall, our members have continued to fair well financially this past year. Member deposits grew by 11.7% or \$16.5M in 2021. Delinquency and loan losses remain at historical lows, further suggesting the financial health of our membership.

Throughout 2021, we remained focused on enhancing member benefits while supporting our purpose of inspiring financial wellness. Besides our low-cost mortgages, first time auto buyer loan, and savings programs, we offered new services like our popular Easy Cash Plus emergency/credit building loan and Fresh Start checking account to help those with limited, poor or no credit. We also offered solutions to improve our members' financial knowledge and health, including free in-person financial coaching as well as virtual coaches and education on our website. This program teaches real-world finance and practical life experience and is ideal for anyone to practice money management. To further empower our members, we began offering SavvyMoney. This no cost online and mobile banking tool provides convenient access to your credit report, monitoring, and comprehensive credit score analysis.

Another way we serve our mission on behalf of our members is by making meaningful contributions in our communities. Each year we donate thousands of dollars to charitable organizations. This year, we are proud to be the official Credit Union of High School 9:12. This nonprofit utilizes academics, sports, and life skills to increase opportunities of success for students after graduation. Besides monetary support, through this program, we are providing financial bootcamps to the students. On a related note, this year we are offering four scholarships, including two healthcare and two general member scholarships. Please encourage your children who are attending college or will be soon to apply.

We also hope you'll share with your friends, family, and neighbors that your credit union can make a significant difference in their financial lives especially during these times of rising rates and exorbitant prices. Never since the Depression when credit unions were founded, have credit unions been more important to consumers. Another way we are broadening our impact, is by working on qualifying for the Community Development Financial Institution (CDFI) certification. Grants we receive are being used for our Drive with Alive program and further development of our affordable mortgage program. We enjoy helping our members and it's especially rewarding when we can play a role in realizing their dream of homeownership.

In closing, I would like to sincerely thank our volunteers and employees for another successful year. Throughout the challenges, your credit union board and staff have remained committed to serving our members' needs. Their remarkable efforts during these past two years have helped our credit union and membership navigate the uncertainties. Our employees faced their own challenges and concerns for their well-being and their families, yet they were here for our members, never complaining, and always finding creative ways to meet member needs. We truly appreciate their dedication for the benefit of all our members.

Take care,
ROSE GUNTER

CREDIT UNION LEADERSHIP

EXECUTIVE TEAM

| | |
|---------------------|------------------------|
| Rose Gunter | President CEO |
| Cindy Smith | SVP Operations |
| Ricky Joshi, CPA | VP CFO |
| Jocelyn Jones | VP Lending |
| Shanaz Hassan-Abadi | VP Member Experience |

VOLUNTEERS

BOARD OF DIRECTORS:

| | |
|-------------------|------------|
| Camille Cossa | Chair |
| Dina Vickers | Vice Chair |
| Maury Pilver | Treasurer |
| Fred Gaudios | Secretary |
| Mel Maycole | Director |
| Mary McElroy | Director |
| David Martin | Director |
| Jim Williams, Jr. | Director |
| Jason Griggs | Director |

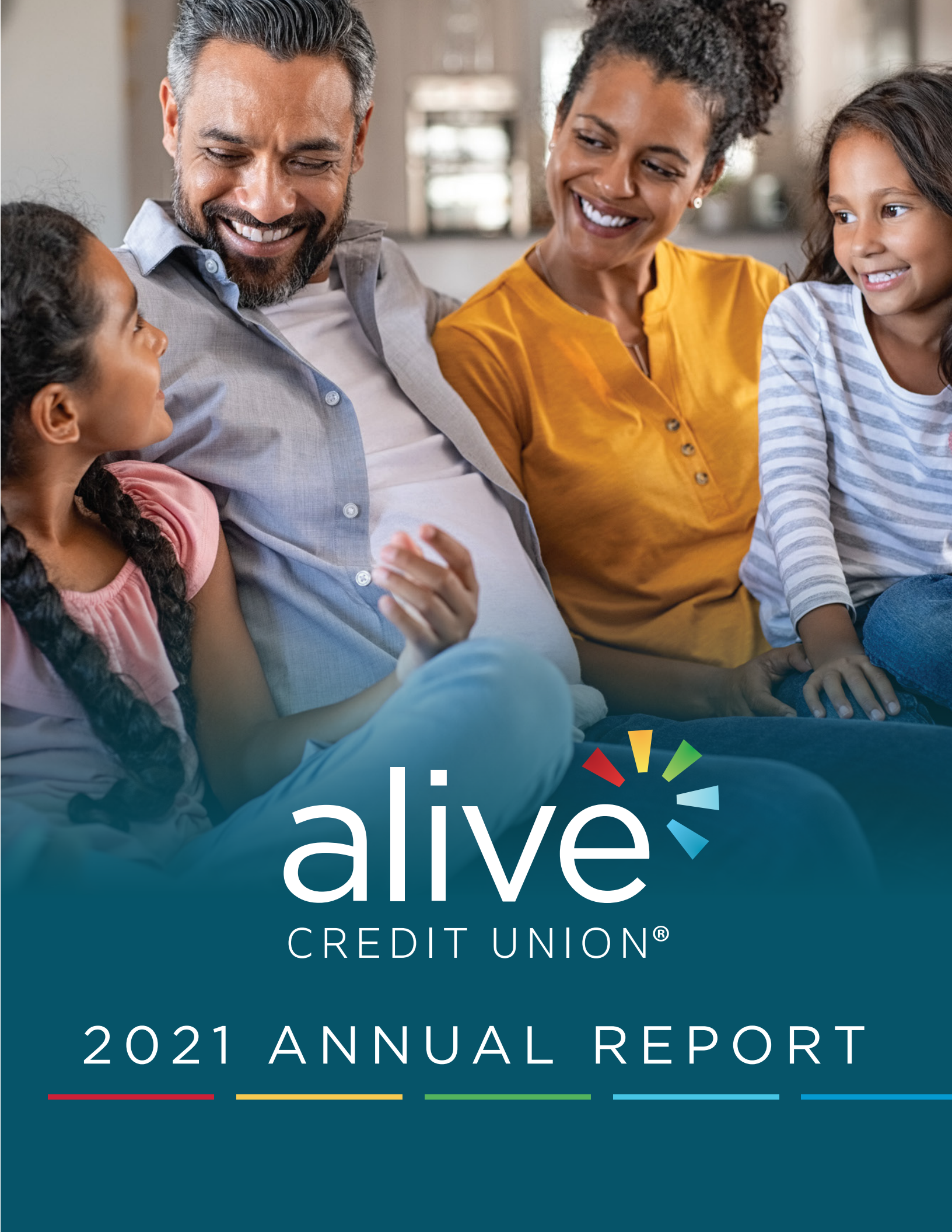
SUPERVISORY COMMITTEE:

| | |
|----------------|--------------------|
| Wendell Davis | Committee Chairman |
| Woody Gash | Member |
| Blane McMillan | Member |
| Maria Velez | Member |
| John Showalter | Member |



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CREDIT UNION®

2021 ANNUAL REPORT

HONORS

| | | |
|--|---|--|
| Employee of the Quarter Tara Oakley Dani Anderson Tammy Hoover Maryann Aviles | Employee Milestones - 10 Years Mayann Aviles Cynthia Jackson Dee Mooney Tara Oakley Carol Porter Fran Wilson | Volunteer Milestones - 10 Years Blane McMillan - Supervisory Committee |
| Employee Milestones - 5 Years Ken Galliher Maria DingChong Christen Ballantyne | Employee Milestones - 15 Years Sharon Moore | Volunteer Milestones - 20 Years Mary McElroy - Board of Directors Wendell Davis - Supervisory Committee |

2021 MEETING MINUTES

Opening Remarks and Call to Order | Due to COVID-19, this year's Annual Meeting was held virtually on YouTube. Maury Pilver introduced himself, welcomed listeners the 67th annual membership meeting and thanked everyone for their flexibility and understanding as we adjust through these unprecedented times by conducting this year's meeting virtually in order to comply with the recommended guidelines of social distancing for the safety of our members and our credit union team which is our number one priority. He invited everyone to join the conversation on Facebook & Twitter by using the hashtag "alivécu". A quorum has been established and the meeting was called to order. It was dispensed with the reading of the 2020 annual membership meeting minutes as they were included in the annual report previously provided via email and were available for review on our website in advance. With no additions or corrections, the minutes stand as submitted.

Recognition & Introductions | The narrator introduced the board members: Maury Pilver, Camille Cossa, Fred Gaudios, Dina Vickers, Jim Williams, Mary McElroy, Mel Maycole, David Martin, Jason Griggs, and Nancy Moredock. The Supervisory Committee members were introduced: Wendell Davis, Darryl Smith, Blane McMillan, Woody Gash, Maria Velez, and John Showalter. All were thanked for their volunteer service, as was Alive's management team: Rose Gunter, Ricky Joshi, Cindy Smith, Jocelyn Jones, Shanaz Hassan-Abadi, Christian Pagan, Ashley Saenz, and Colleen Stubbs.

President's Report | The full message from our President and CEO, Rose Gunter, is available on our 2020 annual report and on our website. Some highlights include:

- Very early on, we activated our pandemic business continuity plan and put into place emergency relief programs for our affected members.
- Your staff has done an amazing job reaching out to members, lending an ear, and simply letting them know we are here for them. They have also gone above and beyond to give back to our communities during this time of great need and their generosity and kindness has been far reaching.
- Along with other credit unions, we contributed to Rethreaded to make masks for Baptist Medical Center. This credit union partnership is a perfect example of the amazing spirit of our cooperative movement and our collective mission of "people helping people."
- During this pandemic crisis, people have changed some of their attitudes and habits. Like how they shop, work and learn. We also anticipate a shift in how they will bank, borrow and save for rainy days. What will remain the same is our commitment to inspiring financial wellness and being here for our members on their journey back to financial health.

Supervisory Committee Report | The narrator introduced SC Chair Wendell Davis to present the SC Report. The Certified Public Accounting firm, CliftonLarsonAllen, was retained to perform a comprehensive audit of the credit union's financial statements, periodic member account verifications and confirming that adequate internal controls are in place to safeguard our members' assets. Additionally, Credit Union Audit & Compliance Group was engaged to conduct our annual Bank Secrecy Act and ACH audit. He stated It is our pleasure to report that the audit findings indicate our credit union continues to be in a strong financial and operational position.

Annual Election | The narrator presented the 2021 election results: 3 Board of Directors candidates and 1 Supervisory Committee candidates up for re-election, there were no write-ins. Maury Pilver, Camille Cossa, and Fred Gaudios were re-elected for their positions on the Board; Wendell Davis for the SC.

Unfinished Business | There was no unfinished business.

New Business | The narrator recognized the Employees of the Quarter: Fran Wilson, George Aparicio, Jessica Austin, & Andre Ruiz-Feijoo. The 2020 Betty M. Collins Scholarship winner was Shushana McFarlane. The 2021 Betty M. Collins Scholarship winner is she will be receiving a certificate and \$2,500 check. She is working towards her Masters of Science in Nursing while working at Ascension St. Vincent's Riverside.

Closing Comments / Adjournment | Chairman Pilver thanked everyone for joining us for this presentation, we look forward to continuing to inspire your family's financial wellness in 2021 and beyond. If you have any questions regarding any of the content covered in today's meeting, please contact our management team. They will be happy to assist you. Enjoy the rest of your day.

Virtual meeting adjourned at 11:49am.

Camille Cossa
CHAIR

Fred Gaudios
SECRETARY



We just joined and
couldn't be happier.
Friendly staff, easy to
set up the account,
and most importantly
we feel our money
is safe at Alive.
Thank you!

- D. WATRAS

STATEMENT OF FINANCIAL CONDITION

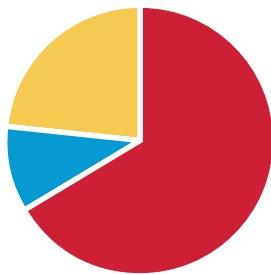
| | 2020 | 2021 |
|--|----------------------|----------------------|
| Cash and Equivalents | \$16,284,191 | \$20,204,652 |
| Agency Securities, Available for Sale | \$34,648,800 | \$51,749,712 |
| Unrealized Gain/(Loss) on AFS Investments | \$266,507 | \$(558,143) |
| Agency Securities, Held to Maturity | \$420,583 | \$274,630 |
| Other Investments and Bank Deposits | \$21,243,000 | \$14,663,005 |
| Loans to Members, (at fair value) | \$80,988,836 | \$79,684,308 |
| Accrued Interest Receivable | \$230,830 | \$236,092 |
| Fixed Assets (Net of Accumulated Depreciation) | \$4,996,694 | \$4,803,557 |
| NCUA Federal Deposit Insurance Fund | \$1,276,394 | \$1,431,877 |
| Prepaid / Deferred Expenses | \$294,991 | \$264,581 |
| Intangible Assets | \$0 | \$0 |
| Other Assets | \$1,639,042 | \$5,539,432 |
| Total Assets: | \$162,289,868 | \$178,293,703 |

LIABILITIES AND EQUITY

| | 2020 | 2021 |
|---|----------------------|----------------------|
| Member Shares and Term Certificates (at fair value) | \$139,951,592 | \$156,444,969 |
| Accounts Payable and Accrued Expenses | \$485,457 | \$425,522 |
| Work in Process and Other Liabilities | \$921,132 | \$997,629 |
| Total Liabilities: | \$141,358,181 | \$157,868,120 |
| Total Equity: | \$20,931,687 | \$20,425,583 |
| Total Liabilities and Equity: | \$162,289,868 | \$178,293,703 |

2021 Loan Activity:

| | |
|-----------------------------|--------------|
| New/Used Vehicle Loans | \$21,487,142 |
| Personal Financing | \$3,385,725 |
| Mortgages/Home Equity Loans | \$7,472,468 |



2021 Year-End Loan Portfolio:

| | | |
|-----------------------------|--------------|-----------------|
| New Vehicle Loans | \$23,139,062 | 29% total loans |
| Used Vehicle Loans | \$28,458,246 | 36% total loans |
| Mortgages/Home Equity Loans | \$27,100,009 | 35% total loans |



Member Loans Outstanding at
Year-End: \$78,697,317

SUPERVISORY COMMITTEE REPORT

PRESENTED BY WENDELL DAVIS, COMMITTEE CHAIR

Your Supervisory Committee, who is comprised of five volunteer members elected by Alive Credit Union's membership, supports the Board of Directors in fulfilling its oversight responsibilities for the accuracy of financial reporting and assessment of compliance. To perform its responsibilities, the Supervisory Committee engaged the assistance of a national accounting firm, which performed the comprehensive audit of internal controls system, and a credit union compliance firm which conducted our annual Bank Secrecy Act and ACH audits. Furthermore, information technology security and controls were assessed by an independent information security firm.

The committee has concluded and is pleased to report that the audit findings for 2021 indicate the credit union continues to be in a strong financial and operational position and has in place effective internal control and security systems.

It is our pleasure to continue to serve you and your family.

BETTY M. COLLINS MEMORIAL HEALTHCARE SCHOLARSHIP



Congratulations to 2021's recipient, Baptist Health Wellness RN, Amaris Chrispell!

"I am wholeheartedly grateful to be awarded the scholarship in Betty M. Collins' name. Please keep in mind all our men and women in healthcare, education and public safety who are struggling silently. Please pray and advocate for mental health to be destigmatized and that those asking for help to be rewarded with open arms and robust resources. Those who entered these fields have a calling and it is our job to support those who help others in mind, body, spirit, and emotion. Our community needs our caregivers!"

- AMARIS CHRISPELL, MSN, RN, AH-BC