

**ALLIANCE**  
CREDIT UNION

ANNUAL  
**REPORT**  
MARCH 5, 2021



## SCHOLARSHIPS AWARDED



FOUR \$2,500  
SCHOLARSHIPS AWARDED

## EMPLOYEE DONATIONS



TO RONALD MCDONALD  
HOUSE CHARITIES

## REDUCING OUR CARBON FOOTPRINT



35+ GALLON BINS OF RECYCLABLE  
MATERIAL WERE CONTRIBUTED BY  
EACH BRANCH EVERY MONTH.



3,400 GALLONS OF RECYCLING WAS COL-  
LECTED FROM ALLIANCE IN 2020.

## BANZAI FINANCIAL EDUCATION SPONSORSHIP



SCHOOLS SPONSORED



TEACHERS SERVED

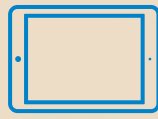


STUDENTS EDUCATED

## HELPING OUR HOSPITALS & SCHOOLS



13,500 EAR SAVERS DONATED TO LOCAL  
HOSPITALS AND SCHOOLS REDUCING  
EAR STRAIN DUE TO MASKS.



6 IPADS DONATED TO COVENANT  
HOSPITALS FOR USE WITH  
COVID-19 VACCINATIONS.



FOOD AND WATER DONATIONS TO  
COVID ICU NURSES AT COVENANT,  
UMC, AND COVID TESTING SITES

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HOCKLEY COUNTY  
Santa Fe Caboose  
Reese Center, Texas





# ANNUAL MEETING MINUTES

MAY 28, 2020

## I. CALL TO ORDER

Board Chairman Rex Andrews called the 80th Annual Meeting to order at 6:30 p.m. via conference call. Board Secretary Patsy Wilson confirmed a quorum was present. All actions approved in this meeting are unanimous unless otherwise noted.

## II. INVOCATION

Bob Clemmons, member of the board of directors, gave the invocation.

## III. MINUTES

Chairman Andrews presented the Minutes of the last Annual Meeting. There were no changes or corrections; therefore, the Minutes were approved as written.

## IV. CHAIRMAN AND CEO REPORT

Chairman Andrews presented the Chairman's Report and Matt Grannan, President and CEO, presented the President and CEO Report as printed in the Annual Report distributed at the meeting. A motion and second were made to dispense with the reading of all reports. The motion carried.

## V. FINANCIAL REPORT

Chairman Andrews presented the Financial Report as printed in the Annual Report. A motion was made to accept the Financial Report. The motion carried.

## VI. NOMINATING COMMITTEE REPORT

Chairman Andrews recognized the Nominating Committee members and thanked them for their commitment and service to the credit union. The nominating committee nominated Patsy Wilson and Darrel Crump to serve for an additional three-year term. Additionally, Lesa Reed was nominated as a new board member. Nominations by petition were called for earlier in accordance with the bylaws. Subsequently there were no candidates nominated by petition. A motion was made to accept the nominations by acclamation as well as the new nomination. The motion carried.

## VII. OLD BUSINESS

None.

## VIII. NEW BUSINESS

New Business was called for in writing earlier and none was submitted.

## IX. RECOGNITION

Dewain Collins, Vice Chairman of the Board of Directors was recognized for his lifetime of service to the credit union movement.

## X. ADJOURN

There being no further business, a motion was made to adjourn the meeting at 7:02 P.M.

# AGENDA

## CALL TO ORDER

Rex Andrews

## INVOCATION

Rex Andrews

## ASCERTAINMENT OF A QUORUM

Rex Andrews

## APPROVAL OF 2020 MEETING MINUTES

Rex Andrews

## CHAIRMAN'S REPORT

Rex Andrews

## CEO REPORT

Matt Grannan

## NEW BUSINESS

None submitted



### TERRY COUNTY

Sante Fe Railroad Depot & Harvey House  
Brownfield, Texas

# CHAIRMAN'S REPORT

“**WE CONSTANTLY LOOK FOR WAYS TO BETTER SERVE YOU** and are humbled by the trust you have placed in us.

**WELCOME TO THE 81ST ANNUAL MEETING OF ALLIANCE CREDIT UNION.** I am proud to be a member of ALLIANCE and I thank you for the support you give our outstanding financial institution. We are the stakeholders in this credit union and we are all invested in its success.

I want to recognize our board for their leadership, dedication, and passion for ALLIANCE Credit Union. We constantly look for ways to better serve you and are humbled by the trust you have placed in us. As a united body of leadership, we are responsible for ensuring that we have a successful, and trustworthy management team, and I can say with confidence that we do.

2020 was a year of change for everyone, including our board of directors. After 30 Years of combined service to ALLIANCE Credit Union, Dewain Collins stepped down from the Board of Directors in May of 2020. Mr. Collins' contribution to the credit union movement over the past 4 decades cannot be overstated. With love and gratitude, we thank him for his service.

The challenges of this past year have touched all of us in one way or another. On December 16, 2020, our Board of Director, Bob Clemmons passed away. Mr. Clemmons was a Lubbock resident for over 53 years. He attended Kilgore Junior College and Texas Tech University. He worked for the Lubbock Scottish Rite for 13 years. He served on the Scottish Rite Dormitory and Hospital Board as well as the Foundation Board in Waco for several years. Additionally, he was a part of the Masonic Lodge since the early 1960's. He was a steady hand on our board for the past 5 years and will be greatly missed. We thank him for his steadfast dedication to ALLIANCE Credit Union and his lifetime of servitude!

Though 2020 brought on unique challenges, your credit union performed extremely well. Our primary goal is to ensure ALLIANCE Credit Union stays financially healthy and well-positioned to lead the credit union movement in Lubbock, Texas. We focus on

offering our members the best interest rates possible, while ensuring you have access to reliable technology and modern physical locations to interact with your credit union in the safest, most convenient manner possible.

Some of the highlights of our report include:

- The number of primary accounts at ALLIANCE has increased to 26,870 representing year over year membership growth of 9.58%. This gives me confidence that we are serving your needs well enough to be recommended to your friends and family.
- As our credit union membership grows, so do our assets, which is one of the primary indicators of how well our members are receiving the products and services we offer. In 2020, our total assets have grown to exceed \$335 million dollars!
- I am very pleased to announce that once again ALLIANCE Credit Union is a well-capitalized financial institution, with a strong net worth ratio of 14.16%. To put that in perspective, a net worth position above 7% is considered well capitalized by our regulators.
- You, the member-owners of this institution, borrowed more than \$177 million dollars in 2020, committing to 4,666 new loans.
- As loan demand has increased, delinquencies remain low at less than 1%. This is a testament to the competitive rates we are able to offer and your strong commitment to honoring your financial obligations.

With a shared vision for a successful future, your board of directors is proud of the outstanding staff at ALLIANCE Credit Union and we stand behind CEO Matt Grannan as we look optimistically towards the future.

In closing, I would like to express my deepest confidence in the wisdom and guidance of our esteemed board of directors, the commitment of our dedicated staff, and the support and loyalty of our member-owners. Thank you all!



**REX ANDREWS**

Board Chairman



# PRESIDENT & CEO REPORT

“**OUR CREDIT UNION IS GROWING** so that we can meet the ever-evolving needs of our members.

**THE CREDIT UNION MOVEMENT HAS NEVER BEEN STRONGER IN LUBBOCK, TEXAS!** Though 2020 was a challenging year full of new hurdles brought on by the COVID-19 pandemic and economic shutdowns, your credit union weathered this storm with strength and resilience. ALLIANCE Credit Union ended 2020 stronger than ever with a growing membership and exceptional overall performance. We grew our membership base by 9.58%, resulting in a year-end total of 26,870 primary member accounts! As our membership has increased, so have our total assets, allowing ALLIANCE to finish the year at an all-time high of \$335,924,557 in total assets. We achieved an impressive 26.6% growth in our loan portfolio, ending the year with \$255,168,288 in total loans while maintaining a healthy, below average, delinquency ratio of 0.75%. Charge offs remained low at 0.21% of total loans. In 2020, ALLIANCE Credit Union recognized \$3,779,557 in net profit, allowing your credit union to achieve a remarkable return on assets (ROA) of 1.22%. 2020's exceptional performance, combined with a long history of positive earnings, ensures your credit union remains extremely well capitalized at 14.16% net worth! This is more than double the regulatory requirement of 7% and means that ALLIANCE Credit Union is well insulated from all types of risk.

Our credit union is growing so that we can meet the ever-evolving needs of our members. 2020 witnessed the completion and opening of your new main office located at 6219 Spur 327! If you have not visited the new office, I highly encourage you to do so. We are proud of the location which includes community spaces for our local organizations to gather, along with a reimagined drive-thru experience that offers traditional drive thru services through video chat and unprecedented 24/7 access to most all your banking needs. This is accomplished through our ALLIANCE Express ITM (Interactive Teller Machine) terminals. This 22,000 square foot facility will allow ALLIANCE Credit Union to continue serving the consumer financial needs of Lubbock and the South Plains for decades to come. If you frequent our physical branches, you will have noticed several of our other locations received technological upgrades as well. We overhauled the drive thru at 24th and Memphis to house two full service ITM's and installed a new ITM at our Central branch located at 34th and Avenue W. These improvements continue our mission to provide superior financial services to our expanding membership.

2021 will bring additional improvements and we are excited to expand our physical presence once more with the planned completion of an ALLIANCE Express terminal in New Home, Texas. The New Home area has seen significant growth in recent years and ALLIANCE is eager to facilitate the banking needs of this community through the installation of a full service ITM located at New Home's main intersection.

Giving back is an important part of the credit union mission. In 2020, the ALLIANCE Credit Union Foundation was formed to create greater awareness of the credit union mission and to elevate the lives of our community through educational scholarships, charitable giving, and financial education. In 2020, ALLIANCE Credit Union employees donated \$3,777 to the foundation and were able to give \$1,871 to our local Ronald McDonald house. In 2021, we anticipate employee donations to exceed \$15,000! As a fully functioning 501(C)(3), the ALLIANCE Credit Union Foundation looks forward to partnering with our community to further the credit union movement. Check out our website for information on how you can join the cause and help us elevate our community.

We believe in supporting our community and are proud to have a caring staff dedicated to the credit union mission. ALLIANCE Credit Union is the best choice for consumer financial services because we consistently offer the lowest rates on consumer loans while paying higher deposit rates than our competitors. We do this while engaging every member interaction with a not-for-profit mindset that focuses on quality of service over profitability. Every dollar of profit ALLIANCE generates goes back into the credit union so that we can continue to grow and provide superior services to an ever-expanding membership. ALLIANCE cares about the financial wellbeing of our members because we are a member-owned, not for profit, financial cooperative. When it comes to serving consumer financial needs, our business model is second to none!

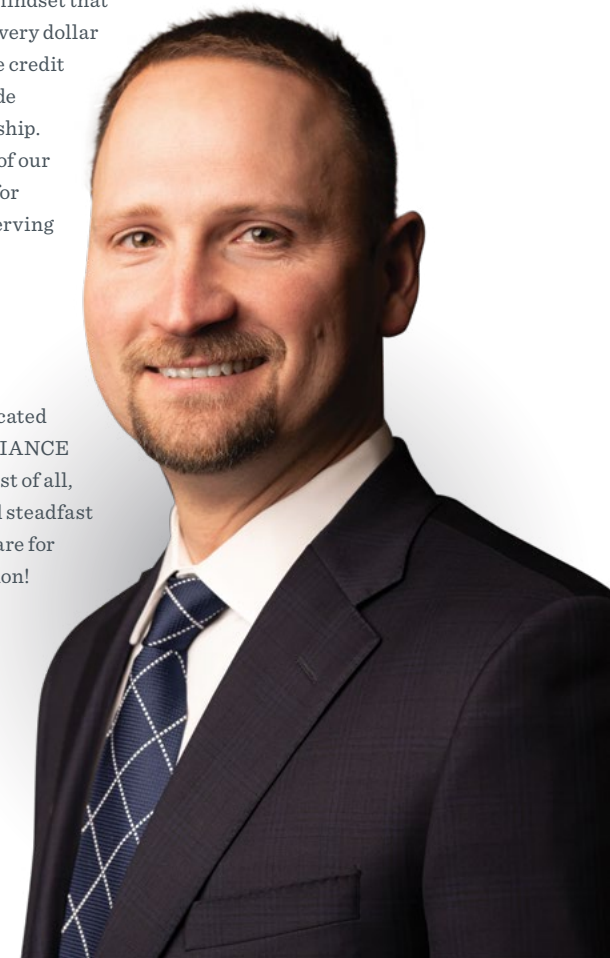
## ALLIANCE IS A MISSION!

Thank you to our professional staff and our dedicated board of directors for all they do to improve ALLIANCE and the financial well-being of our members. Most of all, I thank our member-owners for their loyalty and steadfast commitment to the credit union movement. We are for people, not profit. We are ALLIANCE Credit Union!



**MATT GRANNAN**

President / CEO







TRIBUTE TO

*Robert "Bob" Clemmons*

MAY 30, 1935 - DEC. 16, 2020

Mr. Clemmons was a Lubbock resident for over 53 years. He attended Kilgore Junior College and Texas Tech University. He worked for the Lubbock Scottish Rite for 13 years. He served on the Scottish Rite Dormitory and Hospital Board as well as the Foundation Board in Waco for several years. Additionally, he was a part of the Masonic Lodge since the early 1960's.

Mr. Clemmons served on the ALLIANCE Credit Union Board of Directors from 2015 until his passing. He was retired and devoted his time to the credit union and the Lubbock community.

He was a good man with a heart bigger than the state of Texas. He will be greatly missed!

## BOARD *of* DIRECTORS

*\*Years denote term expiration.*



**REX ANDREWS**

Chairman, 2022



**PATSY WILSON**

Vice Chairman, 2023



**KENT BALLARD**

Treasurer, 2021



**VICKI RITCHERSON**

Secretary, 2022



**DARREL CRUMP**

2023



**LESA REED**

2023



**DEWAYNE WILLIAMSON**

2021

ASSETS	2020	2019
Consumer Loans	\$104,004,172.90	\$91,494,463.92
Credit Card Loans	\$4,296,484.57	\$4,904,343.76
Home Loans	\$67,534,297.59	\$44,559,221.80
Business Loans	\$71,107,260.15	\$56,946,112.76
Loans Held for Sale	\$7,008,624.48	\$3,601,941.00
MBL Participations Purchase	\$1,217,448.75	\$0.00
<b>Total Loans</b>	<b>\$255,168,288.44</b>	<b>\$201,506,083.24</b>
Allowance for Loss	\$(528,323.02)	\$(520,118.82)
Net Loans Outstanding	\$254,639,965.42	\$200,985,964.42
Cash	\$26,966,790.63	\$16,270,041.92
Total Investments	\$30,333,275.97	\$40,851,221.36
Total Fixed Assets	\$19,308,397.20	\$17,676,319.30
Total Other Assets	\$4,676,128.22	\$4,163,096.57
<b>Total Assets</b>	<b>\$335,924,557.44</b>	<b>\$279,946,643.57</b>

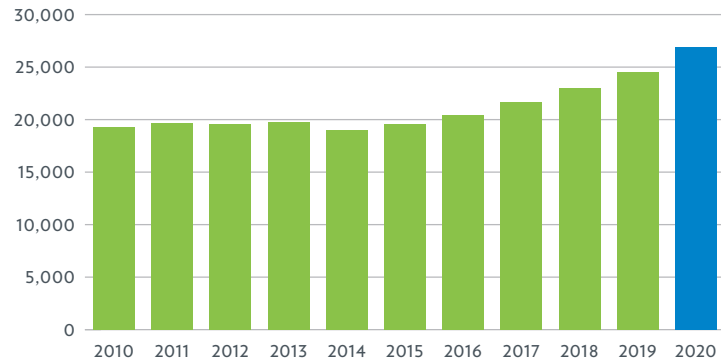
LIABILITIES, SHARES & EQUITY	2020	2019
Accounts Payable	\$2,661,839.31	\$1,535,230.59
Regular Shares	\$89,275,478.14	\$66,076,644.74
Share Drafts	\$54,840,520.30	\$39,832,034.50
Money Market Shares	\$42,298,405.55	\$36,104,186.56
IRA	\$14,854,457.09	\$15,791,232.58
Share Certificates	\$83,350,206.96	\$76,757,398.64
<b>Total Shares</b>	<b>\$284,619,068.04</b>	<b>\$234,561,497.02</b>
<b>Total Other Liabilities</b>	<b>\$1,084,844.56</b>	<b>\$828,515.82</b>
<b>Reserves &amp; Undivided Earnings</b>	<b>\$47,558,805.53</b>	<b>\$43,021,400.14</b>
<b>Total Liabilities, Shares &amp; Equity</b>	<b>\$335,924,557.44</b>	<b>\$279,946,643.57</b>

OPERATING INCOME	2020
Loan Interest Income	\$12,058,298.51
Investment Interest Income	\$664,233.57
Operating Income	\$6,228,650.82
<b>Total Gross Revenue</b>	<b>\$18,951,182.90</b>

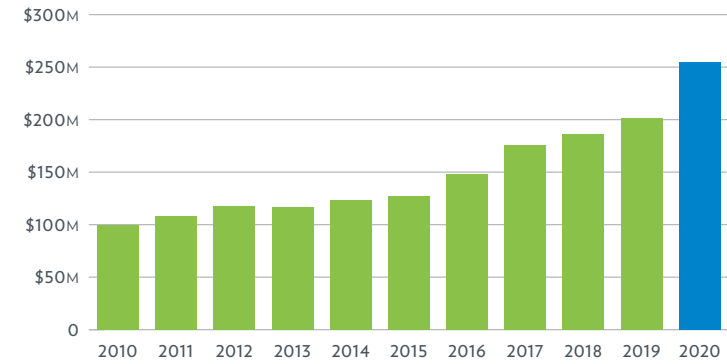
OPERATING EXPENSES	2020
Employee Compensation	\$5,794,190.40
Employee Benefits	\$1,637,694.40
Board of Director Compensation	\$44,950.01
Travel & Conference	\$3,469.53
Association Dues	\$78,212.76
Office Occupancy	\$1,303,986.56
Office Operations	\$1,094,435.57
Education & Promotion	\$549,452.86
Loan Servicing	\$936,630.16
Professional Services	\$1,677,335.42
Provision for Loan Loss	\$534,257.04
Misc. Operating Expense	\$93,171.20
<b>Total Operating Expense</b>	<b>\$13,747,785.91</b>

Net Income Before Dividends	\$5,203,396.99
Dividend & Interest Expense	\$(1,918,707.95)
Gain/(Loss) on Investments	\$0.00
Gain/(Loss) on Disposition of Asset	\$122,839.80
NCUA Corporate Stabilization	\$424,600.00
ASI Special Premium Assessment	\$(52,572.09)
<b>Net Income</b>	<b>\$3,779,556.75</b>

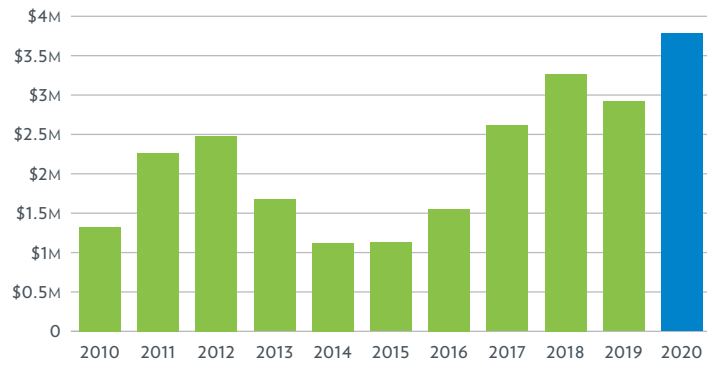
## MEMBERS



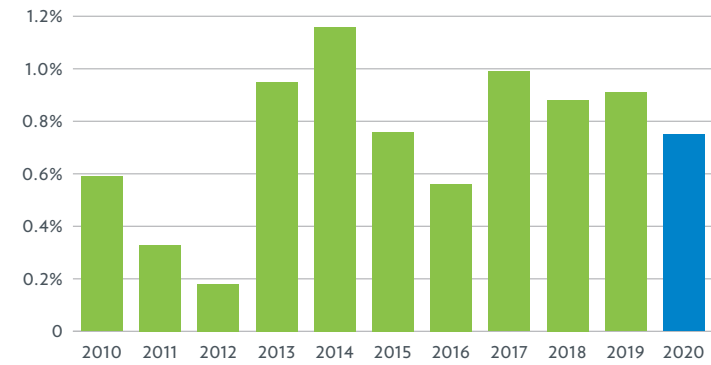
## LOANS



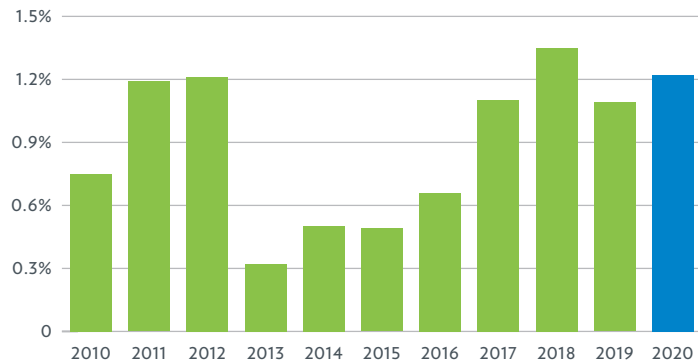
## NET PROFIT



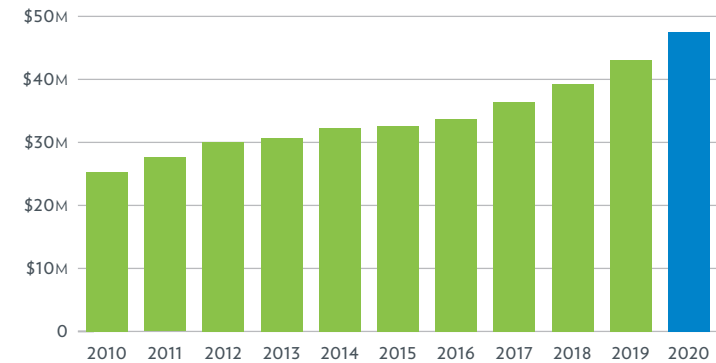
## DELINQUENCY



## ROA



## NET CAPITAL





# STAFFING & BRANCHES

## LEADERSHIP

Matt Grannan  
Jonathan Brunson  
Josh Wade

## OPERATIONS & LENDING

Judy Alvarado  
Tim McClellan  
Dalton Cockerham  
Devannie Buck

## INFORMATION TECHNOLOGY & FACILITIES

Clint McQuerry  
Amy Wilkinson  
Devon Allen  
Jay Mancilla  
Derek Garza  
Bobby Johnston

## MARKETING & BUSINESS DEVELOPMENT

Abbie Jones  
Shannon Dunlap  
Farah Sickman

## COLLECTIONS

Michael Lopez  
Brittainy Pauda

## COMMERCIAL LENDING

Brian Riedel  
Ashley Barker  
McKinzie Smith  
Brianna Dixon

## HUMAN RESOURCES

Brittany McIntire

Rebekah Pinkert

## ACCOUNTING

Clay Beardemphl  
Brenda Cambron  
Tyesha Duke  
Traci Moore

## COMPLIANCE

Amber Cook  
Laura Boles  
Marisol Rios

## SUPPORT SERVICES

Cydney Jackson

## CONSUMER LENDING SUPPORT

Matthew Davis  
Azzeneth Carabali

## MORTGAGE

Tracy Weatherly  
Richard Beauchamp  
Denise Jones  
Larissa Cable  
Lance Sampley  
Roxanne Montes  
Michelle Mullins  
Justice McMullen  
Candice Gerron  
Tyler Perez  
Lorena Juarez  
Normalinda Vasquez  
Jennifer Garcia  
Irma Carrasco

## CENTRAL

2224 34TH STREET  
LUBBOCK, TEXAS 79411  
Susan Urrutia  
Sandeia Starr  
Corey Garza  
Alyssa Rodriguez  
Haley Petmecky  
Julissa Fuentes  
Chris Castro  
Efren Maldonado  
Mary Joe Gonzales

## MEDICAL

3802 24TH STREET  
LUBBOCK, TEXAS 79410  
Aide Estrada  
Vickie Reynolds  
Jennifer Campos  
Meaghan Shelton

## MAIN

6219 SPUR 327  
LUBBOCK, TEXAS 79424  
Cassie Martin  
Brittanie Webb  
Charles Jones  
Abraham Bocanegra  
Sarah Garcia

## •SOLUTIONS

Ashley Lovette  
Katy Mire  
Laura Delossantos  
Jeremiah Stewart  
Krystal Hedrick  
Zack Hall  
Jordan Dain  
Bailey Rollins  
Jennifer Moffatt  
Christina Gonzales

## NORTHWEST

1008 FRANKFORD AVE.  
LUBBOCK, TEXAS 79416  
Andrew Marmolejo  
Cody Mayfield  
Danielle Montano  
Courtney Garner  
Fabiola Torres  
Christy Williams  
Mikayla Swires  
Shawn Yates  
Roger Rivas  
Kayla Pena  
Jose Mora  
Rex Ashley

## SOUTH

2404 82ND STREET  
LUBBOCK, TEXAS 79423  
Lauri Moreno  
Mari Corredor  
Joann Wales  
Cara Cowan  
Ashley Hosch  
Clark Cumby

## SOUTHWEST

6716 82ND STREET  
LUBBOCK, TEXAS 79424  
Laura Mendoza  
Mary Ann Rinehart  
Ashley Rivera  
Shelby Ross  
Jacob Craycraft

## QUAKER

8401 QUAKER AVE  
LUBBOCK, TX 79424  
Tammy Cox  
Roxy Rammage  
Keeli Griffin  
Brianna Christensen  
Savannah Pinon  
Briana Guajardo  
Noah Shedd  
Camie Crump  
Veronica Tello



**LUBBOCK COUNTY**  
ALLIANCE Credit Union – Main Branch  
Lubbock, Texas



## WHAT MEMBERS HAVE TO SAY ABOUT US

“The young lady that helped me set up my account was very kind and understanding! Also, she talked to me like she knew me and we carried on a conversation! This place makes it feel more like a family!”

**RODNEY SNEAD**

“Great staff who were not only professional and smiling but down to earth and treated me kindly during my visit. The atmosphere was that of small town banking where I grew up in Childress, Texas. My son made the recommendation after he opened up an account. Thank you ALLIANCE and five stars to the ladies who assisted me today!”

**JEANENE STEIN**

“ALLIANCE is always our go-to for our finance needs. Shawn Yates always goes the extra mile and we always recommend him to anyone we know. Love how they still do things with great traditional customer service instead of everything being through an automated system.”

**JEFF JOHNSON**

“I cannot say enough GREAT things about ALLIANCE Credit Union and Krisha Saucedo. In the three short years I have banked with them, they have helped approve me for two personal loans to tackle my debt by offering lower interest rates and affordable monthly payments along with refinancing my vehicle at a lower interest rate and a lower monthly payment. I would not use anyone else other than Krisha or ALLIANCE CU.”

**RICARDO MARTINE**

“ALLIANCE has been a great transition from traditional banking such as Wells Fargo and Bank of America. The customer service is amazing. Shawn (4th street location) was instrumental in helping us set up a vehicle purchase! Denise and Justice were amazing to work with for our home purchase!”

**STEPHEN SMITH**

“First impressions are a big thing to me and I have to say I am very pleased. The customer service I received was great and couldn’t asked for a better first experience.”

**RICHARD PEREZ**

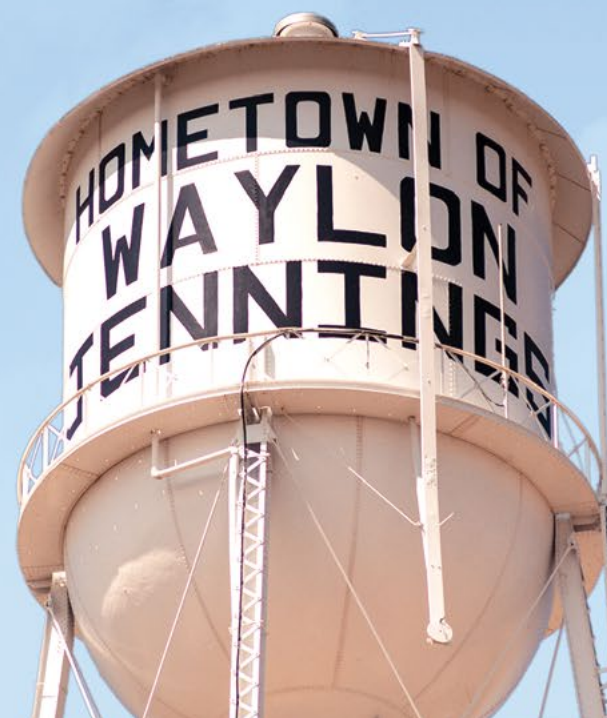
## ALLIANCE UPDATES

### GENERAL

- Opened new Main Branch & Corporate Offices at 6219 Spur 327
- Introduced Interactive Teller Machines (ITMs) at three branches: Main, Central, and Medical
- Added Podium as an online text-to-chat provider
- Remote Deposit Capture (RDC) is now available to ALL members at account opening
- Creation of the ALLIANCE Credit Union Foundation
- We ended our contract with Heartland and began a new partnership with Beyond. This new payment option was a great choice for ALLIANCE because it made it much easier for the eSolutions Department to process payments for members. This new payment option allows us to process payments within a members account and there is less room for error.
- We added new hours to better serve our members:  
*Spur (Main) Lobby:* Monday – Friday 8:00 a.m. – 5:00 p.m. | Saturday 8:00 a.m. - 1 p.m.  
*Medical Lobby:* Monday – Friday 8:00 a.m. – 5:00 p.m. | Saturday ITM only

### IT DEPARTMENT

- Added second data center for infrastructure resilience
- Improved network speed and resilience between branches with new fiber provider
- Improved security with new solutions for anti-virus, server backup, and network monitoring



**LAMB COUNTY**  
Waylon Jennings Water Tower  
Littlefield, Texas

“ALLIANCE Credit Union is the best choice for consumer financial services because we consistently offer the lowest rates on consumer loans while paying higher deposit rates than our competitors. We do this while engaging every member interaction with a not-for-profit mindset that focuses on quality of service over profitability. Every dollar of profit ALLIANCE generates goes back into the credit union so that we can continue to grow and provide superior services to an ever-expanding membership. ALLIANCE cares about the financial wellbeing of our members because we are a member owned, not for profit, financial cooperative. When it comes to serving consumer financial needs, our business model is second to none! ALLIANCE is a mission!”

- MATT GRANNAN, President & CEO

# ALLIANCE

C R E D I T   U N I O N

P.O. Box 64970, Lubbock, Texas 79464

806.798.5554 | 800.687.4328 | [info@alliancecutx.com](mailto:info@alliancecutx.com)

[alliancecutx.com](http://alliancecutx.com)



**LYNN COUNTY**

Lynn County Courthouse  
Tahoka, Texas