



Real Advantages for Real People.™

2024 Annual Report

Providing Financial Advantages

Core Values

Advia Credit Union's mission is to provide financial advantages. We consider this mission along with our core values that act as our guiding principles in every business decision we make that impacts our membership and the communities we serve.

Our dedicated team of professionals throughout Michigan, Illinois and Wisconsin are committed to proactively seeking out the quickest and easiest solutions available for our growing membership to maximize the financial value we provide them.

It is this foundation that we build upon which has allowed us extraordinary growth and strength for nearly 90 years.

Thank you for taking time to review our Annual Report for 2024 – a year of continued expansion and financial soundness in serving our nearly 200,000 members.



Act with Integrity - Holding ourselves accountable to doing what's right.

Hiring and training the right people for the job – those committed to improving our organizational culture and living our mission of providing financial advantages for those we serve.

Fair and equitable operational practices – including adherence to Equal Opportunity Lending standards, and unbiased treatment of members, team, and community partners.

Being honest and transparent in our business decisions, service pricing, products, and member disclosures.



Drive Progress – Forward thinking, being spirited in delivering extraordinary solutions.

Engaging in a spirit of innovation – being proactive rather than reactive in developing improved solutions, services, and experiences for our membership and for our organization.

Build and Strengthen Relationships – Being the best of who we are by connecting with others around us.

Being visible and active within our communities through volunteerism.

Engaging in local sponsorships, financial literacy initiatives, and Advia Foundation Advancing Lives Grants in all the communities we serve.

Identifying members who have opportunity to save money by transferring debt or earn money by transferring deposits.

Delivering on the credit union promise of People Helping People, including the traditionally under served.



Keep People at the Core – Delivering extraordinary service.

Surveying our members regularly following branch, phone, and digital service interactions to look for better ways to meet their needs.

Engaging our team in regular learning opportunities regarding cultural diversity, equity, and inclusion; creating an environment for our team members to feel recognized and respected for their unique characteristics and differences.

Focus on improving collaboration across business units to help create the alignment necessary to achieve the strategic goals of the organization.



Message from our President & CEO



This past year marked our tenth year as Advia Credit Union, but our story began nearly 90 years ago, as a not-for-profit, member-owned, financial cooperative. Advia has grown over the years by creating financial advantages for our members. This is the mission and focus that continues to drive us.

In creating financial advantages, during the year, Advia supported our members and communities by originating over \$1 billion in new loans for our members! These loans helped our members start or fund a business, buy or refinance a home or car, or simply allowed them to refinance higher interest rate debt they held elsewhere to Advia. In 2024 alone, Advia members saved nearly \$9 million by refinancing higher interest rate debt! This has had a tremendous impact on these members' lives, especially when considering inflationary pressures we have all faced.

In 2024, Advia invested over \$1 million directly back into our communities. We accomplished this through active team volunteerism, events and sponsorships, Advancing Lives Grants, youth scholarships, and other local donations. It has been inspiring to see the impact Advia has had in the communities we serve, and incredible to see all the purple-shirted Advia team members actively engaged in improving their neighborhoods. When a need arises, Advia is there. This past year, tornadoes impacted Portage, Michigan and Janesville, Wisconsin. Advia quickly rallied with financial support and members of our team volunteering on the ground, supported by Advia paid-volunteer ACTION hours. In addition, Advia continues to support our communities by helping low-income borrowers access free Guaranteed Asset Protection (GAP) on auto loans, introducing a new secure credit card, and offering Credit Builder Loans to help individuals establish or rebuild their credit.

We continue to remain focused on creating financial advantages for our members through our Advantage Plus Rewards, which is structured to reward members who are engaged with the Credit Union. It has been fantastic to see the continued growth of members qualifying for Advantage Plus Rewards. These rewards allow you to earn an even higher rate on our deposit accounts, receive interest rate discounts on loans, and avoid fees.

To position Advia to continue creating financial advantages into the future, we recognize that we need to continue to grow and scale for our membership. This growth allows us to make investments in our people and technology, granting us the ability to create greater value for our members. As part of this growth, last year, Advia acquired NorthSide Community Bank, which had four branches in Lake County, Illinois. This acquisition added over 3,000 strong customers, new member relationships, and an amazing team of professionals. We are so fortunate to welcome these members and team to Advia.

Organizationally, NorthSide had a strength in commercial lending, which complemented Advia's already strong commercial lending team. In 2024, we achieved another milestone, ending the year with over \$672 million in outstanding commercial loans. These loans support businesses and individuals throughout the communities we serve.

Throughout the year, we worked to introduce greater functionality and continued to invest in our digital banking suite, such as expanded card management tools to allow members to self-navigate travel alerts, access limits, and other controls such as ability to turn on and off card access. We also introduced conversational phone banking powered by AI technology that streamlines the process members experience when trying to self-serve via phone. This tool, available through phone and 24-hour chat, has a dedicated team working behind the scenes to respond to member feedback and continually improve its functionality.

Cyber security needs are ever growing, and our team is persistently working to protect our members' financial assets. Advia's dedicated fraud prevention team works around the clock to detect and proactively respond to fraudulent schemes. In 2024, we deployed additional tools within our account opening and account monitoring such as risk alert software. Our efforts have received recognition by industry security professional organizations to celebrate our ongoing commitment to combat existing and new threats.

As always, I want to thank you for your ongoing trust in Advia as your financial partner. On behalf of the entire Advia team, please know that we are continually focusing on ways we can provide you easy access to financial solutions that enhance your well-being, creating financial advantages for you.



Jeff Fielder, President & CEO

Message from our Board Chair



This past year marked my 16th year as a board member and first year as your Board Chair. It is an honor to be part of this thriving credit union, so dedicated to giving back to the communities we serve and the changing demographics of our membership.

When reviewing the financial soundness results presented within this annual report, you'll see that Advia continues to soar for new heights in terms of balanced financial strength, growth, and investments into technology.

In 2024, we embarked on establishing strategies that will lead Advia for the next decade, addressing key areas such as asset and membership growth, leveraging innovation, improved efficiency, and culture. The commitment of the leadership team at Advia is unmatched. They continue to provide outstanding examples of dedicated service to our membership, communities and team.

On behalf of all other volunteer Board members of Advia, I want to thank you for your ongoing membership, and as always, encourage you to share with others to consider Advia for their financial needs.



Donna Kalmeta, Board Chair

Report of the Search Committee

In accordance with the Board Nomination Policy, the following incumbents were nominated for Board of Director positions within Advia Credit Union. No additional petitions were received.



Rich Seim, Vice Chair

Currently our Vice Chair and Chair of the Governance Committee, Rich has served as an Advia Board Director since 2010. Prior to his current Board position, Rich served as Board Secretary. Rich received a MS in Engineering from the University of Michigan and his BA in Physics, Mathematics and Engineering from Albion College. Rich is Managing Partner of RHZS Holdings, LLC in Michigan.



Nicole Kalmbach, Secretary

Currently our Board Secretary, Nicole has been on Advia's Board since 2009 and previously served as Board Chair (2020 – 2023) and Vice Chair prior. Nicole has been employed by Western Michigan University for over 16 years, focusing her work in the areas of business and finance. Nicole has many years of financial experience with specific emphasis on auditing credit union financial statements. Nicole holds a Masters of Science in Accounting and Bachelors of Business Administration in Accounting.



Mike Segal, Treasurer

Currently our Board Treasurer, Mike has served as an Advia Board Director since 2016, previously serving on the Supervisory Committee since 2012. Mike has over 20 years of experience in Information Technology and financial services software development. Additionally, Mike has a depth of experience in cyber-security and serves as the Board's representative on Advia's Information Technology Steering Committee. Mike received his BA in Computer Science and Mathematics from Kalamazoo College and holds several IT certifications.

All members of Advia Credit Union's Board of Directors are volunteer representatives of our membership and serve without compensation.

Treasurer's Report



Mike Segal, Treasurer

Advia Credit Union is financially strong, positioned within the top 10 credit unions in Michigan, and within the top 3% of credit unions in the United States in terms of asset size. Total assets increased by approximately \$457 Million in 2024, which equates to over 15% annual growth. By year end, our assets were nearly \$3.5 Billion. Our balance sheet is strong as demonstrated with our low overall delinquency and low net loan charge-offs.

For the year, we recorded a Return on Average Assets (ROAA) of 0.67%. At year end, our regulatory net worth ratio was 9.64%, which is well above the 7.00% amount required to be classified as "Well Capitalized." Advia is very well capitalized and positioned for continued growth for our members.

During 2024, the credit union contracted with Doeren Mayhew to complete the annual financial audit of the credit union. The most recent audit, which received an unqualified opinion, was for the period ending June 30, 2024. The credit union's Internal Audit department also conducts and coordinates internal audits for the credit union based on a risk-based internal audit schedule. I am pleased to report that there were no material findings identified in these audits during 2024.

We continue to remain focused on providing the best possible return to our members in the form of competitive deposits, low personal and business loan rates, soundness and integrity in our financial operations, and with a commitment to future growth to maintain sustainability within our regions. With these focuses, Advia Credit Union is well-positioned for continued growth and profitability in 2025.



Our Board of Directors

We are incredibly thankful to be governed by a volunteer Board of Directors. These individuals represent many facets of our communities served and dedicate countless hours in overseeing Advia's operational soundness. They ensure that the financial services we provide our members meet their everchanging needs, and that our communities are enriched by Advia's contributions back into the areas we serve.



Donna Kalmeta
Board Chair



Rich Seim
Vice Chair



Nicole Kalmbach
Secretary



Mike Segal
Treasurer



Marty Doorn
Director



Jim Bouma
Director



Dr. Grace Lubwama
Director



Rafael Castañeda
Associate Director

Advia's Executive Leadership Team

Our executive leadership team oversees all daily operations and strategic direction for Advia's continued growth.

Jeff Fielder, President & CEO

Ray Black, Chief Marketing & Technology Officer

Jeff Bolser, Chief Retail Officer

Tim Merwin, Chief Lending Officer

Renae Sisk, Chief People Officer

Tony Wright, Chief Financial Officer

Key Accomplishments of 2024

This past year provided amazing examples of our commitment to giving back to our membership, growing stronger financially operational soundness to protect member assets, and giving back to the communities we serve. Here are just some of the celebrations we marked throughout 2024.



\$8.9 Million Interest Saved

From higher rate loans transferred from other financial institutions



Over 20,000 New Members

Welcomed locally, digitally, and through an expanding network of indirect and fintech partnerships



4 New Branch Locations

Through an acquisition of NorthSide Community Bank, headquartered in Gurnee, Illinois



Nearly 50,000 with Premium Rewards

Members who earn our greatest return through engaged Advantage Plus relationships



15%+ Asset Growth

Positioning us well within the top 3% of credit unions nationally in terms of asset size



Over \$1 Billion in New Loans

Helping members with access to auto, home, credit cards and other commercial and personal borrowing needs

Growing to Provide Financial Advantages

Asset Size

Our asset growth over the past 10-years positions us within the top 3% of credit unions nationwide when measured by total assets.



Regulatory Net Worth Ratio

9.64%

Our net equity equity position is well above the 7% indicated as being "well capitalized" by the National Credit Union Administration (NCUA)

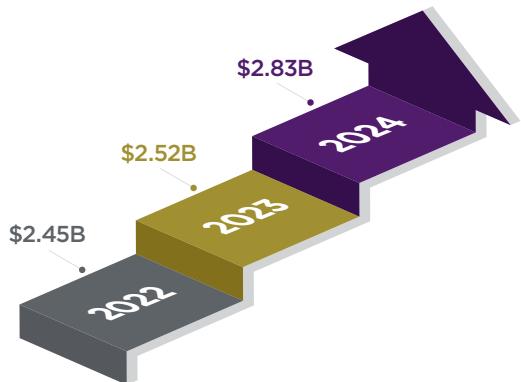
Total Membership

193,177

We are only as strong as the ongoing commitment our members have in trusting us as their financial partner.

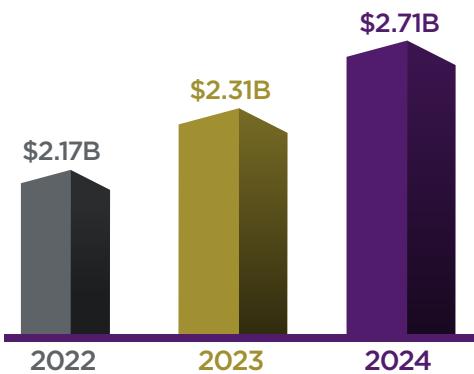
Growing to Provide Financial Advantages (Cont.)

Deposits Held



Our savings and certificate rates are among the highest within all regional markets served.

Loans Held



Continued loan growth is a great reflection of our focus in providing low cost personal and commercial borrowing options.

Loan Interest Savings

\$8.9
Million

We annually celebrate and encourage members to transfer higher rate loans held elsewhere to Advia.

Team Volunteerism

6,594
Hours

Our commitment to communities includes up to 20 volunteer hours paid annually per full time team member.

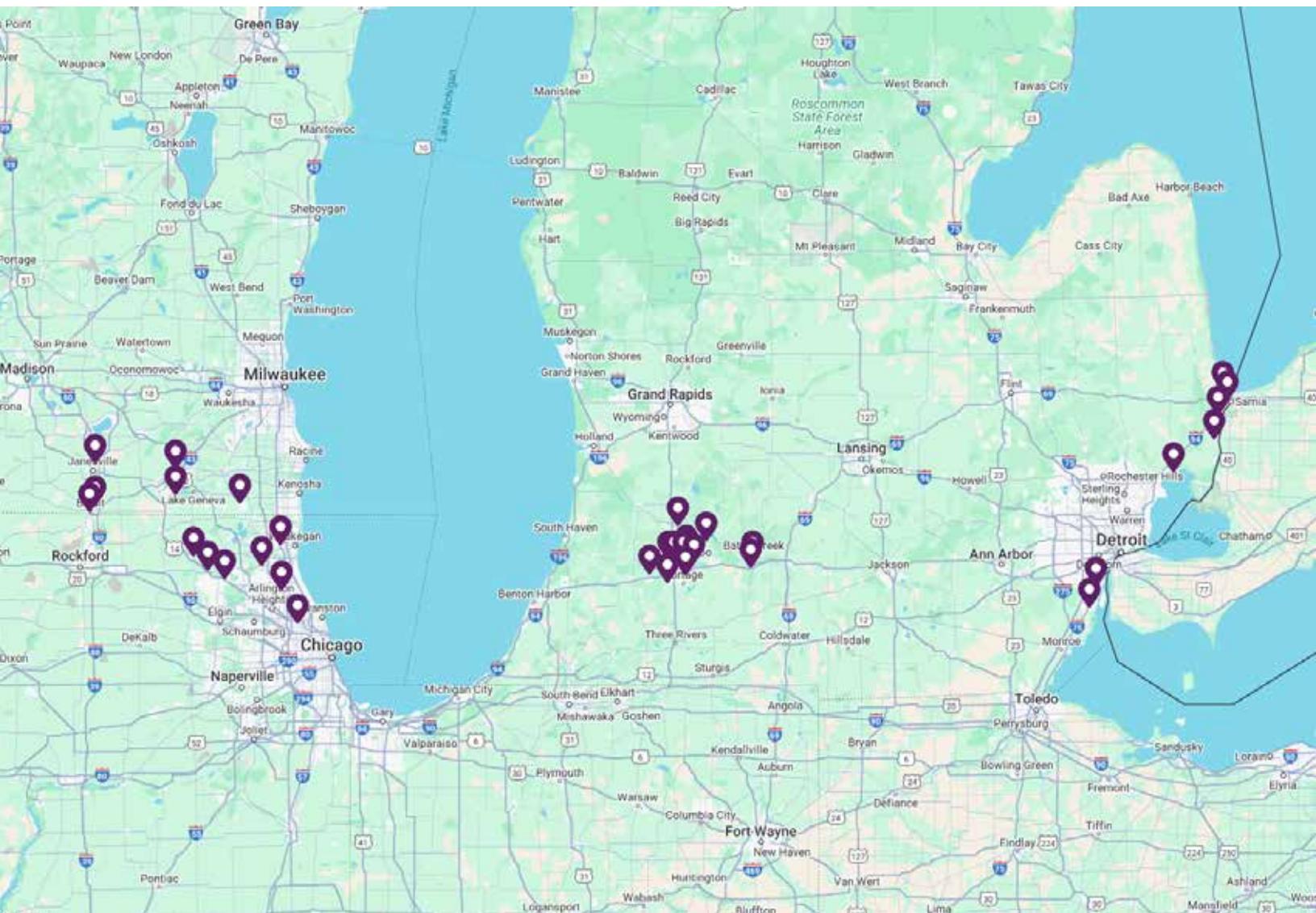
Community Donations & Sponsorships

Over \$1,000,000

We give back in the form of youth scholarships, donations, Advancing Lives Grants, and community event sponsorships.

We're Expanding Throughout Michigan, Illinois and Wisconsin

We are now 32 locations strong and growing! Our locations are within four primary regions of southwest Michigan, eastern Michigan, southern Wisconsin, and northeastern Illinois. We're here to serve members 24-hours a day online, on-the-go, and with our mobile app, by phone, and online chat. We additionally provide over 35,000 fee-free ATMs through an expanding network within the United States.



Fee-Free ATM Network

In addition to a strong proprietary branch network, we are also part of a Co-Op and Alliance One Network of fee-free ATMs nationwide and participate with select retail outlets to provide no-charge ATM services within Michigan, Illinois, and Wisconsin.

Advancing Lives in Our Communities

Advia is committed to advancing lives in our communities through active volunteerism, local involvement, and financial support. In spirit of our mission to provide financial advantages, we contribute by offering financial education and addressing critical needs such as affordable housing, food security, and reliable transportation.



\$38,000

Youth & Aviation Scholarships

Investing in education and dreams, we proudly support the aspirations of 28 youths and elevate 2 others to Soar Higher through aviation scholarships.



\$33,000

Local Storm Relief

When devastating storms hit Portage, MI and Janesville, WI in May and June 2024, Advia quickly responded to support affected communities.



Over **195** organizations supported.

Lending Impact

Helping all members, including those who may be struggling financially, obtain easy access to low-cost lending solutions.



49,038

Members enjoying exclusive benefits as Advantage+Members.



641

Loans funded with free GAP for a total of \$351,909 saved.



1,293

Members provided with a Credit Saver Loan YTD for a total of \$1.43 million.

Statement of Financial Condition: December 31, 2024 and 2023 (Unaudited)

ASSETS	2024	2023
Cash and Cash Equivalents	\$171,460,878	\$164,301,355
Investments	399,286,268	365,618,090
Loans, Net of Loan Loss Allowance	2,684,979,526	2,294,992,913
Accrued Interest Receivable	13,607,154	9,764,749
Property & Equipment, Net of Depreciation	72,215,172	69,671,064
National Credit Union Share Insurance Fund Deposit	26,882,180	21,966,846
Other Assets	75,467,691	60,738,928
TOTAL ASSETS	\$3,443,898,869	\$2,987,053,945

LIABILITIES, MEMBERS' SHARES & MEMBERS' EQUITY	2024	2023
Accounts Payable	\$18,196,507	\$13,724,804
Dividends Payable	812,417	217,640
Accrued Expenses	5,673,493	9,045,801
Borrowings	275,000,000	155,000,000
Other Liabilities	12,319,584	11,510,101
Total Liabilities	\$312,002,001	\$189,498,346
Members' Shares		
Shares	\$2,087,704,120	\$1,770,888,720
Certificates	746,940,101	753,571,467
Total Members' Shares	\$2,834,644,221	\$2,524,460,187
Members' Equity		
Undivided Earnings	\$267,707,059	\$246,188,412
Regular Reserves and Capital Acquired in Mergers	49,269,830	51,269,830
Other Comprehensive Income	(19,724,242)	(24,362,072)
Total Members' Equity	297,252,647	\$273,095,412
TOTAL LIABILITIES & EQUITY	\$3,443,898,869	\$2,987,053,945

Regulatory Capital Adequacy - December 31, 2024

GENERAL CAPITAL REQUIREMENTS	AMOUNT	RATIO
Amount Required to Be Classified as "Adequately Capitalized"	\$206,633,932	6.00%
ACTUAL REGULATORY NET WORTH	\$332,781,827	9.64%

OTHER RATIOS	RATIO
Delinquency Ratio	0.61%

Statement of Income for the Years Ended: **December 31, 2024 and 2023** (Unaudited)

INTEREST INCOME	2024	2023
Interest on Loans	\$136,340,594	\$110,923,335
Interest on Investments and Cash Equivalents	39,005,652	34,043,408
Total Interest Income	\$175,346,246	\$144,966,743

INTEREST EXPENSE	2024	2023
Dividends Paid	\$61,137,854	\$34,820,303
Interest on Borrowed Money	27,816,123	30,028,951
Total Interest Expense	\$88,953,977	\$64,849,254
Net Interest Income	\$86,392,269	\$80,117,489
Provision for Loan Losses	10,343,006	(3,727,140)
Net Interest Income After Loan Loss Provision	\$76,049,263	\$83,844,629
Other Non-Interest and Fee Income	39,723,217	36,058,720
TOTAL NET INTEREST AND FEE INCOME	\$115,772,480	\$119,903,349

GENERAL AND ADMINISTRATIVE EXPENSES	2024	2023
Compensation and Benefits	\$46,244,924	\$42,434,243
Office Operations	41,665,072	37,574,490
Office Occupancy	7,430,601	7,028,285
Total Operating Expense	\$95,340,597	\$87,037,018
Net Income from Operations	\$20,431,883	\$32,866,331
Non-Operating Gain (Loss)	1,087,522	293,047
Other Non-Operating Income	0	1,826,265
TOTAL NET INCOME	\$21,519,405	\$34,985,643

advia credit union

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Federally Insured by NCUA.