





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Cooperatives like Dupaco are owned and democratically controlled by their members. Recognizing the important role of co-ops, the United Nations General Assembly proclaimed 2012 as the "International Year of Cooperatives." The theme for 2012 was "Members Matter Most."



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ANNUAL REPORT EDITION

DUPACO COMMUNITY CREDIT UNION

The Dupaco Times

2012

THE FINANCIAL HOME YOU OWN | ESTABLISHED 1948 | ACCOUNTS FEDERALLY INSURED BY NCUA

Dupaco Members Again Realize 'Top Performing' Benefits

BY EMILY M. KITTLE
DUBUQUE, Iowa—When a credit union finishes in the top 10 in its industry, it must be doing something right. When a credit union finishes among the best year after year, you know it's doing right by its members. For the third time in four years, an independent national credit union research firm recognized Dupaco Community Credit Union as one of the 10 "Top Performing" credit unions in the United States with more than \$500 million in assets. The Crystal Performance Award, presented by the Raddon Financial Group (RFG), recognizes credit unions for achieving a top 10 ranking based on a balanced scorecard measurement of growth, income, efficiency and margin management. The prestigious award, based on the credit union's 2011 performance, reaffirms

that Dupaco continues to help its members get—and stay—money ahead, while building a stronger credit union to better serve members in the years to come. "The Crystal Performance Award confirms Dupaco is meeting the needs of its members, both financially and from a relationship perspective," said Eric Wittekiend, a strategic consultant at the Lombard, Ill.-based RFG. "Every day, Dupaco strives to enhance the financial well-being of its members through Money Makeovers and other initiatives." As a financial cooperative, it's Dupaco's mission to help improve its member-owners' financial positions. Dupaco does that through a wealth of products and services, including its popular, no-cost Money Makeovers that help members cut costs and build savings. As Dupaco has grown, so has the credit union's ability



Scott VanNatta and Rachel Stecklein brush a fresh coat of paint onto their new home's living room wall. The couple's home purchase was made possible through their systematic saving of \$2,000 into an Individual Development Account (IDA), 18 months of financial coaching and a mortgage loan—all through Dupaco Community Credit Union. The Iowa Credit Union Foundation provided a \$2-for-\$1 matching grant. FOR SCOTT AND RACHEL'S STORY, SEE PAGE 7. (L. Hemesath/Dupaco photo)

to offer cost-effective financial services and operate more efficiently. The more business members do with their credit union, the more everyone benefits, with even lower loan rates and greater dividends. Wittekiend said Dupaco is well respected among industry peers, himself included. "I have been involved with hundreds of banks and credit unions over the past decade. Dupaco, by far, is the

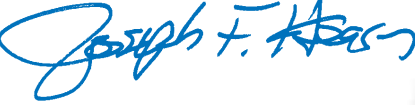


finest organization I have worked with," he said. "In fact, I feel so highly about this organization that I have moved my personal financial business to Dupaco." In order to be a Crystal Performance Award recipient, a credit union must rank among the top three percent of all credit unions analyzed by RFG for two consecutive reporting periods. More than 500 credit unions were evaluated in two asset classes, over and under \$500 million. "The difficult market conditions and regulatory challenges community institutions face today make it difficult to perform at a high level. Despite these challenges, these credit unions succeed because of their

commitment to develop and deploy successful strategies," said Bill Handel, vice president of research and product development with RFG. "The management teams, boards, employees and members of each credit union should be very pleased with this recognition." Dupaco also received RFG's Crystal Performance Award in 2011 and 2009. In addition, the credit union in December again earned a 5-Star Superior rating from the independent ratings firm BauerFinancial for "capital adequacy, profitability and asset quality." The Coral Gable, Fla., firm said the rating means Dupaco "has demonstrated the epitome of safety and soundness."

Welcome to the Financial Home You Own

On behalf of the Dupaco Community Credit Union Board of Directors and staff, I'm delighted to present your credit union's 2012 annual report. It highlights Dupaco's pursuit of fulfilling its mission: To improve the financial lives of our more than 67,000 members, each of whom is an owner of the credit union. The exceptional results displayed in this annual report are a tribute to the response we receive from members in the form of increased participation in their financial cooperative. If you're not already a member, I invite you to discover Dupaco's unique approach to financial service and advice. Membership is open to anyone who lives or works in our 28-county charter area of Iowa, Illinois and Wisconsin. If you're already a member, please tell your family and friends about the many benefits of Dupaco membership. We're excited to help more people improve their financial position in 2013.



Joe Hearn *President & CEO*



What's the Difference?

	Credit Union	Bank
Organization	Not-for-profit cooperative	For-profit corporation
Primary objective	Meet member/owner needs	Maximize profit
Ownership	All members who are, by definition, users of services	Stockholders who may or may not be customers or users
Directors	Volunteers	Paid directors
Decision-making	Member controlled; one vote per member (each member/owner has the same power)	Only stockholders vote; one vote per share of stock (more stock means more voting power)
Distribution of net income	Dividends issued to members and used for capital development, additional locations, equipment, etc. to benefit members	Dividends issued to stockholders only
Community links	Owners/leaders reside or have an interest in the community	Owners/leaders may live anywhere in the world; headquarters could be anywhere in the U.S.
Rates/products	Offer better overall rates and lower fees due to the nature of the organization and its dividend distribution	Rates and fees may not be favorable because of for-profit status
Generation of capital	Generated only through income stream	Generated through income stream and/or issuance of stock
Who benefits	Members/owners	Stockholders
Taxes	Yes. Property, sales, employer-related, monies and credits tax on reserves in Iowa	Yes. Property, sales, employer-related and income
Deposit insurance	NCUA	FDIC

BOARD OF DIRECTORS

Jeff Gonner

Chair of the Board
Chief Financial Officer, Medical Associates, Dubuque, Iowa



Ron Mussehl

Vice Chair
Owner, Ron's BP Convenience Stores, Dubuque, Iowa



Keith Langan

Secretary
Consulting Agent, Dupaco Insurance Services, Dubuque, Iowa



J. Stephen Chapman

Treasurer
Vice President & Chief Operating Officer, Auxiant, Madison, Wisconsin, and Cedar Rapids, Iowa



Richard J. Burgmeier

Director
Retired, CyCare Systems, Inc., Dubuque, Iowa



Denise Dolan CCUV*

Director
County Auditor, Dubuque County, Dubuque, Iowa



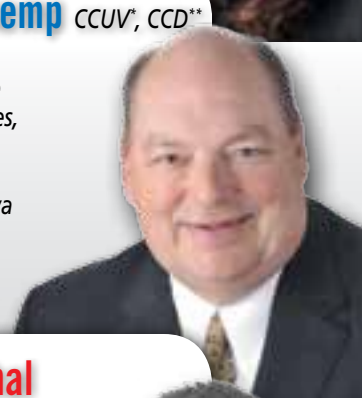
Renee Poppe

Director
Senior Director, Medline Industries, Dubuque, Iowa



Randy Skemp CCUV*, CCD**

Director
Executive Vice President, Sales, CartêGraph Systems, Inc., Dubuque, Iowa



Bob Wethal

Director
Director of Critical Care and Cardiovascular Services, Mercy Medical Center, Dubuque, Iowa



* Certified Credit Union Volunteer
** Certified Credit Union Director

Dupaco

Dupaco Community Credit Union is a full-service financial cooperative headquartered in Dubuque, Iowa, USA. It serves residents of northeast Iowa, southwest Wisconsin and northwest Illinois. It has more than \$1.06 billion in assets and 67,000 members.

Contact Information:
3999 Pennsylvania Ave.
P.O. Box 179
Dubuque, IA 52004-0179
(563) 557-7600 / 800-373-7600
www.dupaco.com

Board Leadership Recognized

DUBUQUE, Iowa—Dupaco Community Credit Union recognized those individuals who maintained leadership roles on its board of directors during 2012.

Since their election or appointment at the 63rd Annual Meeting in February 2012, these volunteer directors contributed significant time and expertise to the benefit of the credit union and its members.

Jeff Gonner served as board chair during 2012. Other officers

who volunteered during the year were Ron Mussehl, vice chair; Keith Langan, secretary; and Steve Chapman, treasurer.

Standing committees were chaired by Dick Burgmeier: Credit Union Service Organization (CUSO), Investment/ Asset Liability Management (ALM); Denise Dolan: Audit; Keith Langan: Delinquent Loan; Renee Poppe: Marketing and Services; Ron Mussehl: Business

Lending; and Randy Skemp: Credit, Nomination, Personnel.

Our Vision:

To be our members' lifetime financial home.

Our Mission:

To improve our members' financial position and build valued relationships by delivering personalized financial advice, products and services.



Dupaco Board Members Denise Dolan (left) and Dick Burgmeier confer before the start of the Annual Meeting at the Peosta (Iowa) Community Centre on Feb. 12, 2012. (D. Klavitter/Dupaco photo)

Members Are Footloose and Fancy Free

BY LEXIE HEMESATH

CEDAR RAPIDS, Iowa—Dupaco members are increasingly footloose and fancy free thanks to the many ways available across the country to access their money—including Shine Mobile Banking and more than 5,000 shared branch locations.

It's all part of Dupaco's Totally Free Checking account.

"Members love Dupaco's free checking combined with shared branching because they have easy access to their funds anytime without it costing extra money like it does at some places," says Tami Rechtenbach, Dupaco vice president of member services.

Shared branching gives Dupacos members access to face-to-face service at participating credit unions across the nation at no cost. Additional access is gained through the Dupaco MoneyCard. It gives members fee-free transactions within the Privileged Status network of more than 3,447 ATMs spanning the country.

Organizing money has never been easier. Dupaco's Shine Online Banking features budget-building and -tracking tools, custom account alerts by e-mail or text, online document storage area, and more.

Whether one prefers doing business face-to-face, in the privacy of their own home or on the go via Dupaco's mobile app, Dupaco offers a way for every member's lifestyle.

To open an account, visit any Dupaco location, open an account online at www.dupaco.com; call (563) 557-7600 / 800-373-7600, ext. 206; or email service@dupaco.com.

"We'll do the work and help you switch your account," says Rechtenbach.



Tami Rechtenbach



Totally Free Dupaco Checking Account

dupaco.com/checking



John Arling (left) and George Frye were among the more than 500 Dupaco members who participated in their credit union's governance proceedings during the Annual Membership Meeting, held at the Peosta (Iowa) Community Centre on Feb. 12, 2012. (D. Klavitter/Dupaco photo)

SCENE IN: 2012

Dupaco Improves Members' Financial Lives Through Coaching

BY EMILY KITTLE

DUBUQUE, Iowa—Anyone can sell you a product. But not everyone can teach you how to help yourself. Dupaco approaches financial services with a teach-a-person-to-fish mentality. It is a holistic way of service, a mission, really, to improve the financial lives of its members—and non-members, too.

Today more than ever, members are coming to Dupaco to do more than just get a loan or open a deposit account, said Matthew Dodds, Dupacos chief operating officer.

“Members want the convenience of doing business with a provider who can help them get organized, someone they trust, someone who can give them advice, direction and support,” Dodds said. “They are looking to simplify the complex world of financial products and services.”

By listening to its members, Dupaco delivers an array of services that helps members realize sustainable financial lifestyles.

Whether it’s a free seminar about how to protect your identity or a college financial-planning presentation, Dupaco is in the financial-education business.

Money lessons occur outside of the traditional classroom setting, too.

Through free Dupaco Money Makeovers, for instance, participants have the opportunity to review their total financial picture and “make over” their finances to cut costs and build savings. The service means something different for every person. But Money Makeovers typically address the participant’s budget, loans, savings, investments and insurance.

Members also have free Credit History Lessons at their disposal. Dupaco coaches its borrowers on how they can drive up their credit scores to save money on interest and insurance—all in the name of promoting thrift and improving members’ overall financial well-being.

Today’s on-the-go members have access to virtual lessons, too. Dupaco regularly posts financial advice on its blog, Facebook page and website, which also is home to budget worksheets, calculators and other valuable resources.

“Members know they can get a product anywhere they want, any time they want,” Dodds said. “Members know that at Dupaco, they are getting more than just that product. They are getting a trusted confidant who is looking out for their best interests.”

dupaco.com/makeover



During the second of three Opportunity Passport classes on April 9, Dupaco Community Credit Union's Deb Schroeder explains the components of a credit score and how it can affect a person's ability to obtain credit, insurance and even employment. Eight young people participated in April's Opportunity Passport session, which is an initiative of the Community Foundation of Greater Dubuque, in partnership with Four Oaks and Dupaco Community Credit Union. The classes were taught at Dupaco Community Credit Union's Hillcrest branch in Dubuque, Iowa. (D. Klavitter/Dupaco photo)



Dupaco's Brad Kemp provides a free Credit History Lesson on April 24 to a Dubuque resident at the Multicultural Family Center Dubuque as part of Dupaco's participation in MoneySmart Week. MoneySmart Week is a Dubuque and Cedar Rapids, Iowa, community-wide endeavor to promote personal financial education. "It's Dupaco's mission to improve our members' financial position, so we're committed to this cause during MoneySmart Week—and the other 51 weeks of the year," says Kemp. (L. Hemesath/Dupaco photo)

MANAGEMENT TEAM

Joe Hearn

President & Chief Executive Officer



Leo Costello

Senior Vice President, Business Development



Jeann Digman

Vice President, Mortgage Lending



Matthew Dodds

Chief Operating Officer



Steve Ervolino

Senior Vice President, Information Services & Technical Support



Danielle Gratton

Chief Financial Officer



David Klavitter

Senior Vice President, Marketing & Public Relations



John Koppes

Senior Vice President, Business Lending



Gregg Liddle

Executive Vice President, Risk Management



Nancy TeKippe

Senior Vice President, Service Delivery



STAFF

Announcements of 2012

Matthew Dodds

Promoted to chief operating officer, located at our Dubuque, Iowa, branch at 3999 Pennsylvania Ave., Matt previously was senior vice president of consumer lending.



John Heavens

Promoted to consumer and real estate loan consultant located at our Cedar Rapids, Iowa, branch at 3131 Williams Blvd SW.



Alexia Hemesath

Hired as marketing associate located at our Asbury, Iowa branch.



Rebecca Nauman

Promoted to lending consultant located at our Dubuque, Iowa, branch at 3299 Hillcrest Rd.



Katie Palmer

Promoted to loan and business development consultant located at our Manchester, Iowa, branch at 1200 W. Main St.



Jill Rothenberger

Promoted to lending consultant supervisor for the consumer loan department located at the Dubuque Hillcrest branch.



Leigh Ann Reisner

Promoted to mortgage lending consultant located at our Asbury, Iowa branch.



Kelly Ruegnitz

Hired as branch manager of the Manchester, Iowa, branch located at 1200 W. Main St.



Pete Weber

Hired as vice president of business lending located at our Dubuque, Iowa branch at 3299 Hillcrest Rd. Weber previously worked in Dupaco business lending from 2003-2006.



Tammy Wood

Promoted to operations assistant located at our Dubuque, IA branch at 3999 Pennsylvania Ave.



Rising On Our Laurels

REPORT FROM THE PRESIDENT & CEO – JOE HEARN

Having worked alongside long-time Dupaco Chief Executive Bob Hoefer for more than 26 years, I observed how he meticulously assembled and developed a talented group of people to lead your credit union. When Bob retired as Dupaco CEO nearly one year ago, your Dupaco Board of Directors enlisted that management team to build upon Bob's rock-solid organizational foundation.

Your management team and I remain humble about carrying forward Dupaco's truly incredible legacy of service to its members and communities. For that, we all can be proud. But, at every opportunity, I tell employees and members that we never will rest on our laurels. In fact, we use them to rise to the next level.

I'm happy to report Dupaco did just that during 2012.

In record numbers, Dupaco put more money to work locally by providing your friends and neighbors low-cost loans for cars, homes, education, funding for small businesses and more.

Dupaco Outperforms National Lending Trends

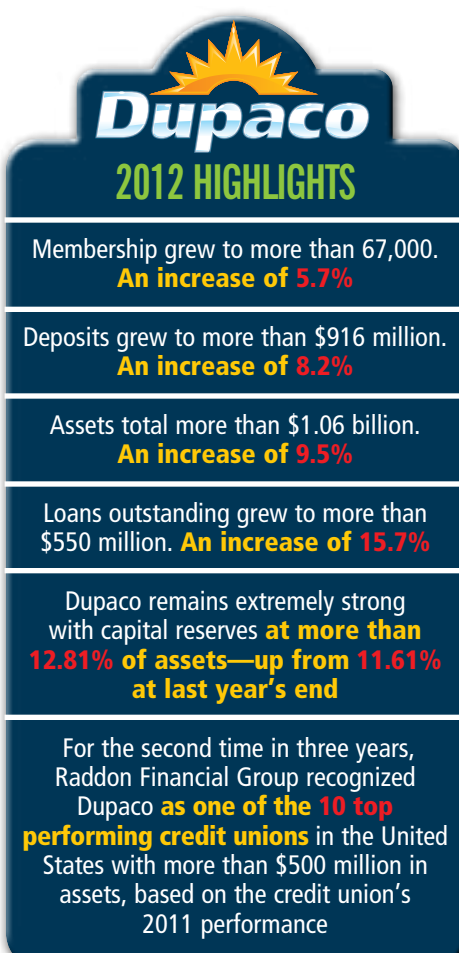
It was an exceptional year in our three areas of lending—consumer, business and real estate. In total, loan balances grew 15.72%, substantially above our loan-growth goal of 10%. By comparison, most U.S. credit union loan growth in 2012 was estimated to be at 3.9%, according to the Credit Union National Association.

In particular, Dupaco's real estate department closed a record number of loans, which were sold into the secondary market at historically low rates, thus saving our members millions in interest charges over the life of their loans.

This is a testament to our lending staff, who listen and look during each interaction to uncover every money-saving opportunity for our members. But we're not finished yet.

Thanks to our above-market savings rates, our deposit balances continue to grow—8.21% for the year. This means Dupaco still has plenty of money to lend. Please tell your friends and neighbors that your credit union is ready to put this money to good use in our local economy, improving communities and growing with working families.

Meanwhile, we continue to focus on streamlining internal processes in every corner of the operation. As a result, our operating efficiency ratio has improved during each of the past three years, according to Raddon Financial Group, which uses the criterion when evaluating top performing credit unions.



Dupaco Grows Stronger

Dupaco's already solid financial strength increased even more during 2012.

Our net-worth ratio climbed to 12.81% at year's end—up from 11.61% in 2011. By comparison, our peer credit union group's net-worth ratio was 10.22%, based on September 2012 data from the National Credit Union Administration. Dupaco's strength again earned it a 5-Star Superior rating from the independent ratings firm BauerFinancial.

In the year ahead, your board will ensure Dupaco continues to maintain its financial strength by actively managing risk, improving efficiency and making the strategic investments necessary for the long-term vitality of your credit union.

Dupaco Staff Has the Passion

While Dupaco has grown into a major player in the local financial-services industry, we understand members continue to expect us to deliver service in a highly professional and personable

fashion. To achieve this, your credit union's employees are challenged to take it upon ourselves to continually elevate our personal knowledge and skills.

We understand that in order to deliver on the brand promise of Dupaco, simply taking orders is not enough. Great service at Dupaco is about looking beyond member requests and attempting to go deeper by making connections that can have a greater impact on their financial lives. These connections must happen at every point we touch members—in person, on the phone, via email and through emerging technologies.

Ultimately, the more successfully we connect with our members, the larger the organization will become as members build savings, finance their dreams and tell others we are a great place to do business. At its highest level, our size and continued growth are a direct result of our successful one-on-one interactions with members.

Thanks for Your Participation

Your management team remains devoted to moving in the right direction. However, we understand three key ingredients ultimately determine Dupaco's success. It's your board's insightful vision and commitment to the appropriate tools to get the job done. It's our staff's passion for enhancing their knowledge and zest for making a genuine difference for our members. But, most importantly, it's your loyalty and involvement in Dupaco. Thanks to all of you, together, we will rise on our laurels.

Onward and upward!

Joe Hearn
President and CEO



Retiring Dupaco President/CEO Bob Hoefer (left) presents the organizational keys to incoming Dupaco President/CEO Joe Hearn during the 63rd Annual Membership Meeting at the Peosta (Iowa) Community Centre on Feb. 12, 2012. (D. Klavitter/Dupaco photo)

Audits Again Verify Clean Bill of Health

DUBUQUE, Iowa—In 2012 Dupaco Community Credit Union again received clean bills of financial health from an independent auditor, as well as state and federal examiners.

The accounting firm of McGladrey & Pullen, LLP in January 2013 performed the independent Certified Public Accountant (CPA) audit of the credit union's 2012 financial statements, as well as its compliance with federal regulations and management practices.

The State of Iowa Division of Credit Unions and the National Credit Union Administration (NCUA) reviewed Dupaco's financial statements, security standards and adherence to regulations, policies and procedures.

"A clean bill of financial health provides independent confirmation that Dupaco's financial statements are presented in conformity with generally accepted accounting principles and in conformity with the requirements of the law—a hallmark of a well-managed organization," said Danielle Gratton, Dupaco's chief financial officer.

According to Gratton, Dupaco's previous clean reports can be attributed to the diligent work throughout the year

of the Audit Committee. Dupaco board members Denise Dolan, Dick Burgmeier, and Renee Poppe serve on the committee. Dolan serves as chair.

"Through a regular series of ongoing checks and balances, it is their role to ensure that the highest degree of integrity is maintained in operations, and that the credit union is performing in accordance with all policies and procedures," she said.

On a regular basis, they oversee and ensure cash drawers are counted, loan files are audited, share withdrawals are verified and member-statement mailings are monitored. Their work assisted in the auditing firm's verification of internal controls, accounting records and other factors—all of which have an effect on the safety and security of the credit union.

Danielle Gratton



Thanks a Billion

REPORT FROM THE CHAIR OF THE BOARD – JEFFREY GONNER

On behalf of your board of directors, thanks for your interest in your credit union's 2012 activities and results. As a financial cooperative owned and democratically controlled by you, Dupaco is guided to make decisions in the best interests of its members/owners. This report reflects the positive results of your credit union's unique structure.

I've been honored to serve as your chairman during the past year, which included the anticipated transition as a result of long-time CEO Robert W. (Bob) Hoefer's retirement. I'm pleased to report that the long-planned event went smoothly, as expected, and a solid management team continues to lead your credit union.

Thanks a Billion

Every credit union started out of a cigar box in someone's desk drawer—including Dupaco's start with 10 employees of the Dubuque Packing Company in 1948. Sixty-four years and 67,000 members later, Dupaco crossed the \$1-billion asset threshold in 2012. This truly is a remarkable accomplishment for a credit union headquartered in Dubuque, Iowa. Dupaco now ranks as the 188th largest of the 7,031 credit unions nationwide.

While this milestone is a testament to your credit union's unwavering financial strength, it ultimately signifies the thousands of connections we have with our members every day. These links are intrinsic to Dupaco's mission of improving each member's financial situation. Members measure Dupaco by the difference we make in their individual lives and communities.

In that spirit, Dupaco performed thousands of free Dupaco Money Makeovers and Credit History Lessons during 2012. These detailed reviews helped improve financial sustainability for many members—and non-members, too.

Again a Top U.S. Credit Union

Member improvement is Dupaco's hallmark, but we also continue to look for ways to be more efficient, effective and impactful.

For the third time in four years, Raddon Financial Group, an independent national credit union research firm, recognized Dupaco as one of the 10 top performing credit unions in the United States with more than \$500 million in assets, based on the credit union's 2011 performance.

As a member-owned financial cooperative, these cost savings are returned to you in the form of higher rates on savings and lower rates on loans. This recognition confirms that value proposition and member service strategies are moving in the right direction.

Honoring Bob Hoefer's Service

Upon Bob Hoefer's retirement as CEO and volunteer director, the board conferred upon Bob the distinguished title of "Honorary Board Member with Distinction," for masterfully balancing his role as president/CEO and his elected status as a volunteer board member. This title is the pinnacle of honors bestowed upon a Dupaco volunteer director.

Furthermore, in tribute to Bob's ability to balance countless and significant decisions in his role as president/CEO and his elected status as a board member, the Dupaco board dedicated the *Robert W. Hoefer Boardroom* located at our headquarters on Pennsylvania Avenue in Dubuque, Iowa.

The board remains truly impressed by Bob's professional leadership and volunteer service to the members of this credit union. Thank you, Bob.

One Good Robert Deserves Another

To fill Bob Hoefer's unexpired board term, in July your board of directors appointed Robert J. (Bob) Wethal, director of critical care and cardiovascular services for Mercy Medical Center in Dubuque, to the board.

In the spirit of continuity, the board is confident in Bob's foremost commitment to member service and community involvement. Moving forward, his fresh perspective and diverse experiences will be a significant addition to the Dupaco board's focus on the vitality of the credit union and the evolving financial needs of its membership.

Welcome, Bob, and thanks for your willingness to serve.

Board, Staff and Members

In closing, I thank my fellow board members for their volunteer service and commitment to the Dupaco mission. They spend many hours each month focusing on credit union reports, meetings and other functions.

I also thank the Dupaco staff for their unwavering passion for doing what's right for our members. They truly are difference-makers.

Dupaco had a phenomenal year. What spearheaded it? Simply put—you and your desire to tell others of your credit union's ability to improve each member's financial position. Thanks for your faith, trust and support of the financial home you own.



Jeffrey Gonner
Chair of the Board

STATEMENTS OF FINANCIAL CONDITION

DECEMBER 31, 2012 AND 2011

Assets	2012	2011
Loans to members*, net of allowance for loan losses (2012—\$7,446,000; 2011—\$6,407,000)	\$543,260,296	\$469,496,906
Cash	3,898,421	4,110,997
Interest-bearing deposits in financial institutions	51,653,583	30,751,371
Investments		
Securities available-for-sale	405,011,549	408,674,230
Accrued interest receivable	3,326,354	3,304,319
Property and equipment, at depreciated cost	19,751,052	20,598,409
Other assets		
Deposit—Federal Share Insurance Fund (NCUSIF)	8,386,743	7,730,127
Other	32,562,522	30,370,342
Total assets	\$1,067,850,520	\$975,036,701
Liabilities and members' equity	2012	2011
Liabilities		
Savings accounts	\$603,027,248	\$557,640,863
Share draft accounts	107,368,804	90,064,416
Term share certificates	206,070,857	199,284,710
Notes payable	10,000,000	10,000,000
Accrued expenses and other liabilities	4,625,981	4,847,752
Total liabilities	\$931,092,890	\$861,837,741
Members' equity		
Appropriated reserves	\$42,000,584	\$38,822,980
Undivided earnings	80,444,046	62,565,980
Unrealized gain (loss) on securities available-for-sale	14,313,000	11,810,000
Total members' equity	\$136,757,630	\$113,198,960
Total liabilities and members' equity	\$1,067,850,520	\$975,036,701

*Includes 1,158 business loans totaling \$194,336,383 for 2012 and 1,127 business loans totaling \$152,698,689 for 2011.

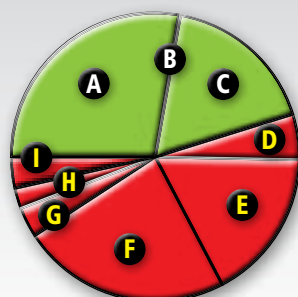
STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012*	2011
Interest income		
Loans	\$29,336,557	\$27,385,893
Investments	13,453,003	15,197,502
Total interest income	42,789,560	42,583,395
Interest and dividend expense	10,519,407	12,089,453
Net interest income	32,270,153	30,493,942
Provision for loan losses	2,599,502	2,508,328
Net interest income after provision for loan losses	29,670,651	27,985,614
Other income	19,850,242	16,326,484
Operating expenses	27,668,482	25,201,269
NCUSIF Deposit Insurance Expense	796,741	1,932,532
Net income	\$21,055,670	\$17,178,297
Transfer to appropriated reserves	3,177,604	2,440,218
Allocated to undivided earnings	\$17,878,066	\$14,738,079

*Unaudited

HOW THE INCOME DOLLARS ARE SPENT



MEMBER BENEFITS*

- A Dividends paid to members **16.4%**
- B Life savings insurance premiums **0.2%**
- C Reserves **33.6%**

*50¢ of every \$1.00 earned went towards member benefits during 2012—up from 49¢ in 2011.

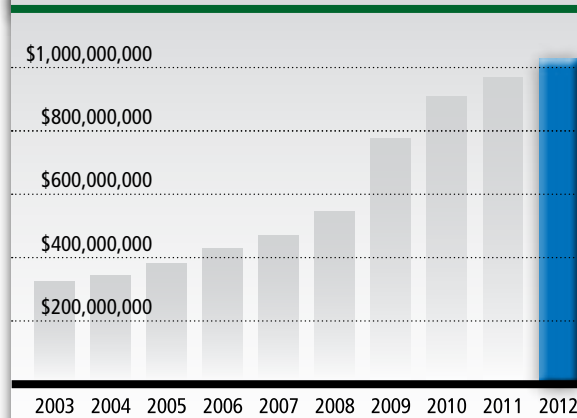
EXPENSES

- D Loan losses **4.2%**
- E Operating expenses **17.3%**
- F Salaries and benefits **23.2%**
- G Occupancy **3.4%**
- H Interest **0.4%**
- I NCUSIF Insurance Premium **1.3%**

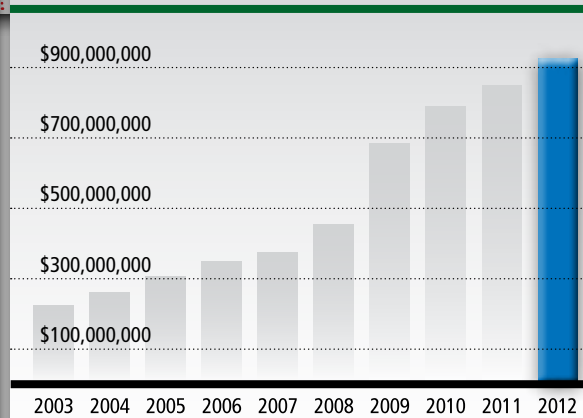
OTHER STATISTICS

Equity/Asset Ratio: 12.81%			Membership: 67,413		
	% Increase	\$ Increase		% Increase	\$ Increase
Assets	9.52%	\$92,813,819	Loans	15.72%	\$74,802,390
Deposits	8.20%	\$69,476,920	Membership	5.71%	—

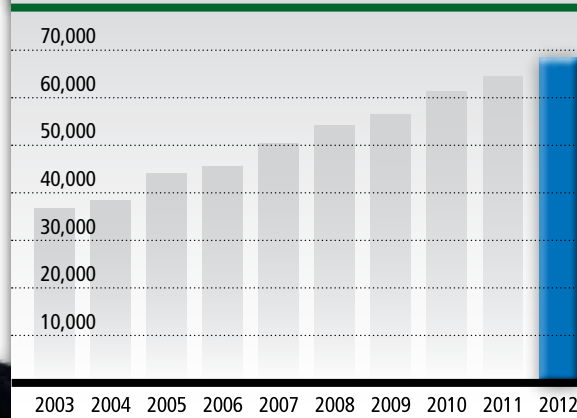
ASSETS*



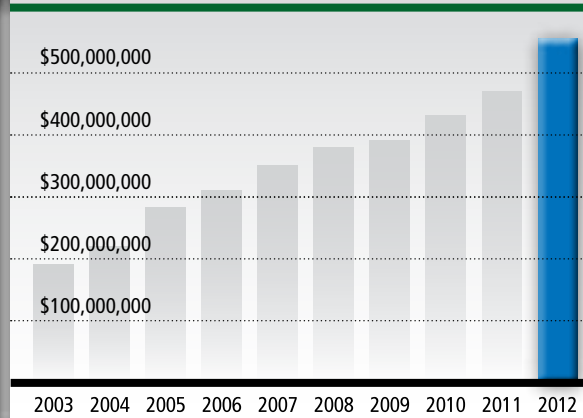
DEPOSITS*



MEMBERS*



LOANS*



* Through December 2012. Your savings federally insured to at least \$250,000 by the National Credit Union Administration (NCUA), a U.S. Government Agency, backed by the full faith and credit of the United States Government.



Empowered Members Save with Dupaco Insurance Services

BY EMILY KITTLE

DYERSVILLE, Iowa—A Dubuque-area couple was simply looking to save some money on their rapidly rising insurance premiums. What they found, though, was something even more valuable.

The couple shopped around and asked their credit union's member-owned insurance agency, Dupaco Insurance Services, to review their auto and homeowner coverage.

Dave Keil, an insurance producer at Dupaco's Dyersville branch, quoted an offer they couldn't refuse. Even with better coverage that included the addition of an umbrella policy, the couple was able to save \$845 in annual

premiums by switching to Dupaco Insurance Services.

But beyond the savings, Keil walked them through the insurance contract, providing the couple something they had not previously experienced: A clearer understanding of their insurance coverage.

"You can either be a salesman or you can be a teacher when you're dealing with insurance. I would prefer to be a teacher," Keil said. "At least I know that when somebody walks away from our office, they might

dupaco.com/insure

Representing Dupaco Insurance Services are (from left) Keith Langan, Brad Langan, Mark Kremer, Pam Baal, Melody Stokes and David Keil.

understand things a little bit better. And if they do, they're going to be better off."

The empowered couple later asked Keil to handle their business insurance, too.

Dupaco Insurance Services offers a complete line of insurance options for home, auto, boat, recreational vehicles, jewelry and more. Dupaco also provides all commercial lines, including bonding.

Launched in 2006, the independent insurance agency serves some 7,000

customers. The majority are Dupaco members.

And membership has its perks. Dupaco is able to leverage credit union membership to take advantage of additional discounts on products. Each year, members save a couple hundred thousand dollars combined in insurance premiums by doing business with their member-owned insurance agency, according to Keith Langan, a consultant for Dupaco Insurance Services.

"Members know that they own it, and they flood through the doors to get access to us," Langan said. "As an independent agent, we have the versatility to choose from many different companies with many different choices."

To receive a free, no-obligation insurance quote, call the Dupaco Insurance Services team at 800-373-7600, ext. 210, or e-mail insurance@dupaco.com.

Dupaco Insurance Services is licensed in the states of Iowa, Illinois, Wisconsin, Minnesota, and Missouri.



New Clients Tap Dupaco's Investment Team

BY LEXIE HEMESATH

DUBUQUE, Iowa—The search for savings alternatives last year drove more than 750 new clients to the door of Dupaco Financial Services (DFS), a wholly-owned subsidiary of Dupaco Community Credit Union.

Launched in 1997, DFS works with a full-service national securities brokerage firm to make top-of-the-line investment and

insurance information and opportunities available to members. Right here at home.

"In 2012, Members mainly sought the potential for higher returns or a product that could produce a higher monthly income," said DFS representative Mike Schroeder. "It's a trend that began about four years ago."

Schroeder said DFS also assisted many members with 401(k) and pension rollovers.

As a result, DFS assets under management grew more than 26% in 2012.

He expects to see a similar trend in 2013 as interest rates are forecast to remain steady.

For a free, no-obligation consultation, contact DFS at 800-373-7600, ext. 2305.



Securities offered through LPL Financial, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. The investment products sold through LPL Financial are not insured Dupaco Community Credit Union deposits and are not NCUA insured. These products are not obligations of the Dupaco Community Credit Union and are not endorsed, recommended or guaranteed by Dupaco Community Credit Union or any government agency. The value of investment may fluctuate, the return on the investment is not guaranteed, and loss of principal is possible.

dupaco.com/invest

Representing Dupaco Financial Services are (L to R) Dan Smith, CFP®; Michael Schroeder; Suzan Martin-Hallahan, CFP®; Michael Poppen and Dan Pence.



First Community Trust Helps Secure Member's Golden Years

BY EMILY M. KITTLE

DUBUQUE, Iowa—On the brink of retirement, Jerry Richard saw stretched before him acres upon acres of lush fairways and greens. Finally, he'd have ample time to golf.

But about a week, and several disappointing rounds, into retirement, Richard realized golf might not be his thing.

"I thought playing golf every day would be a delight, but that got to be a bore," said Richard, who retired in 2002 after nearly 40 years with Mercy Medical Center.

While Richard's time on the golf course might have been a letdown, at least he has peace of mind knowing that his golden years are secure.

Richard is a longtime member of Dupaco Community Credit Union and a client of First Community Trust. When he retired, he moved all his retirement assets to the Dubuque-based investment management company.

Dupaco partners with First Community Trust to bring members a full line of trust, investment, estate planning, retirement and wealth management services.

Since Richard began working with Dale Repass, chief executive officer of First Community Trust, he hasn't looked back. In fact, he has given Repass "full liberty" to make investment decisions on his behalf.

"Dale is so approachable, professional and knowledgeable about his world that he works in. I have never doubted his integrity," Richard said. "He's done very, very well."

Richard appreciates working with an investment management company that's local, something he previously did not experience.

"It's much more comfortable. Before, when I was in a conversation, I was talking to an unknown face," he said. "Now, Dale and I meet face-to-face at the table a minimum of twice a year. And he's just a phone call away. He always has an answer to put my mind at ease about something."



FIRST COMMUNITY TRUST

While golfing didn't pan out for Richard, he happily spends three days a week working as a courtesy driver for Richardson Motors. And he enjoys spending more time with those he's most passionate about—his six children and 16 grandchildren.

For an investment or estate-planning consultation, contact Repass at 563-557-7600/ 800-373-7600, ext. 2264.

dupaco.com/trust

Dale Repass



Dupaco partnered with the Cedar Rapids Freedom Festival on July 4 to provide free Ferris wheel rides. (C. Bromberg/Dupaco photo)

SCENE IN: 2012

Dupaco Savings Program Helps Couple Realize Homeownership

BY EMILY KITTLE
DUBUQUE, Iowa—A carpenter by trade, Scott VanNatta builds houses for people all the time. But until this past October, he never had one to call his own. With the help of a Dupaco savings program, VanNatta and his partner, Rachel Stecklein, became the proud first-time homeowners of a cozy house on Dubuque's Kaufmann Avenue.

"It's pretty awesome to be able to come home to my own place," VanNatta said. "I'm actually working toward something now, and I'm going to own this place someday."

In Dupaco's Individual Development Account (IDA) program, the savings of a participant are matched by a dollar-for-dollar grant from the Iowa Credit Union Foundation (ICUF). When additional funding is available, as was the case in this situation, the savings are matched two-to-one.

Since 2010, the Dupaco IDA program has coached eight individuals to save \$15,000 of their own money and ultimately receive \$31,000 in matching funds. This cumulative \$46,000

was used as down payments for homes, education tuition and access to work. Dupaco opens the savings account and provides the financial coaching required by the program to help ensure the participant's goals are met.

Saving money from every paycheck, Stecklein and VanNatta eventually accrued \$2,000, with another \$4,000 matched by the ICUF. About 1½ years after enrolling in the IDA program, the young couple used the money to make a down payment on their first home. "Without some type

of help, we wouldn't have been able to move for awhile," said Stecklein, who recently became employed as a social worker at The Finley Hospital.

While Stecklein has been a diligent saver for many years, VanNatta was living paycheck to paycheck before they got serious about buying a home. They both credit the Dupaco IDA program for teaching them valuable life lessons about their finances.

Stecklein says it afforded her the opportunity to learn more about her credit score and all of the costs that come with homeownership. For VanNatta's part, the program caused him to re-evaluate his spending habits. Instead of eating out every day, he now packs a lunch to take to work. He's also more conscious about conserving gas by taking care of multiple errands during one trip.

"It might not seem like a lot of money at one time, but if you do that for a whole year, think about how much you are saving," he said. "Dupaco is great to work with. They've played a

big part in everything," said VanNatta, who predicts the credit union will continue to play an important role in their long-term goals and dreams. The couple hopes to someday start a family in their new home. In the meantime, they will continue saving what they can to improve their house—new roof, siding, windows, maybe even a walk-in closet for Stecklein.

Participants must meet income guidelines and be residents of, or purchase assets in, the State of Iowa to qualify for an IDA account. The savings and matching funds are then used by the individual to purchase a specific asset such as a home, starting or expanding a small business, paying for education or job training, or purchasing a vehicle to get to work.

Credit union members interested in more information on an IDA may contact Dupaco's Member Services Department at service@dupaco.com or (563) 557-7600 / 800-373-7600, ext. 206.



During their mortgage closing at the Dupaco branch in Asbury, Iowa, on Oct. 22, Rachel Stecklein (from left) and Scott VanNatta discuss additional savings ideas with Dupaco's Paula Ervolino, who coached Stecklein and VanNatta throughout their savings process. The couple's home purchase was made possible through their systematic saving of \$2,000 into an Individual Development Account (IDA), 18 months of financial coaching, and a mortgage loan—all through Dupaco Community Credit Union. The Iowa Credit Union Foundation provided a \$2-for-\$1 matching grant. (D. Klavitter/Dupaco photo)

dupaco.com/save

Dupaco is a Thrifty Refuge from Predatory Lenders

BY DUPACO TIMES STAFF
CEDAR RAPIDS, Iowa—Dupaco is a thrifty refuge from predatory payday lenders, who often lock people into an unending cycle of high-cost debt.

Dupaco helps members in a short-term pinch with small personal loans, and coaches them towards the goal of financial independence. That's because we're a not-for-profit cooperative, where people are worth more than money. Your credit union made more than 7,000 of these small, short-term loans in 2012.

DUPACO LOW-DOLLAR LOAN STATISTICS

January 1 to December 31, 2012*

LOANS LESS THAN \$2,500

Number of Loans Made: **5,587**
Average Loan Balance: **\$1,124**
Average Interest Rate: **11.37%^{APR}**
Loan Fees Charged: **\$0**
Repayment Terms: **Flexible**

LOANS LESS THAN \$500

Number of Loans Made: **1,561**
Average Loan Balance: **\$382**
Average Interest Rate: **10.94%^{APR}**
Loan Fees Charged: **\$0**
Repayment Terms: **Flexible**

*Does not include credit card advances.

Comparison of Dupaco Low-Dollar Loan to a Loan from a Typical Payday Lender

	Dupaco	Typical Payday Lender
Loan Amount	\$100	\$100
Loan Fee	\$0	\$16.50
Average Interest Rate	12.44% APR	430.17% APR
Repayment Term	1 month	2 weeks
Actual Cost of Credit	\$1.02	\$16.50

Payday lenders may argue that the APR is misleading because loans are often paid back within two weeks. But, if the borrower is unable to repay the loan in full, the cost of the loan escalates. At this point the loan is "rolled over" into a new loan. If this continues, the original payday loan becomes expensive and starts a cycle of debt. By setting up loans with easier repayment terms, Dupaco can help individuals stop the borrowing cycle.

In addition to small, short-term personal loans, Dupaco offers free financial advice and coaching to members and nonmembers in our communities. These services include free Dupaco Money Makeovers, free Credit History Lessons, and Individual Development Accounts.

Dupaco Helps More Members with Record Number of Home Loans

BY EMILY KITTLE
ASBURY, Iowa—Despite the continuing challenges facing the real estate market, Dupaco posted another banner year in home loans.

Reaping the rewards of all-time low mortgage rates, a record number of members turned to their credit union's mortgage center in 2012 to either purchase a home or refinance their mortgage.

Dupaco closed on 1,871 loans, shattering a previous record set in 2009, according to Jeann Digman, Dupaco's vice president of mortgage lending.

"It's the most mortgages we've ever closed," Digman said. "Usually over the holiday season, sales decrease, but this year it didn't slow down. It's a buyer's market, and they're pursuing it whether it's snowing out or if they just had Christmas."

Digman said the record numbers are being driven by historic low interest rates and organic membership growth.

"We service all our loans locally. Some of them are sold on secondary market, but they still deal with Dupaco directly with questions," she said.

The credit union offers a suite of services—from investment planning to money makeovers to credit cards—making the mortgage experience a personalized, one-stop financial services shop.

It's not too late to take the homeownership or refinancing plunge. Interest rates are projected to remain low for at least another year, according to Digman.

"Many people aren't aware of what interest rate they're paying on their mortgage loan. Some are still at eight percent," Digman said. "They need to be reviewing that."

Each homeowner's situation is unique. Dupaco's real estate department can help members review the numbers to determine whether refinancing and its resultant closing fees is appropriate for them.

"Even if they're only planning to stay in their home short-term, it still might be beneficial to refinance," Digman said.

To schedule an appointment with Dupaco's real estate department, call 563-557-7600 / 800-373-7600, ext. 204.

Representing Dupaco are Jeann Digman, Chris Hearden and Krystal Frederick.

dupaco.com/homes



LENDING INITIATIVES

DUBUQUE, Iowa—In the cooperative spirit of giving back to its members, Dupaco continues to offer rate-discount programs, convenient access to loan processing and a variety of payment options.

Cooperative Loan Giveback Program: A bonus discount of up to 0.45% APR* off credit union loan rates is available to members who apply for a new consumer loan.* Additionally, Dupaco does not charge loan-processing fees.

Instant Online Loans: Numerous online services, including instant 24-hour online loan approval** for all consumer, auto, VISA® and even home equity loans, have proven to be beneficial to members.

Pick-A-Payment Auto Loans: Allow members to decide the monthly payment amount and what time of month the payment will be due.

*The Cooperative Loan Giveback amount is based on credit union account relationships and is subject to credit qualification on loan amounts of \$5,000 or more.

**Approval subject to credit qualification. Response times may vary. In some instances, members may be asked to contact the credit union before a decision is made on their request.

LOAN ACTIVITY

	2012	2011
Total Outstanding Loans	\$550,706,296	\$475,903,906
Outstanding Loans as % of Member Savings	60%	56%
Total Loans Disbursed	\$583,500,000	\$440,300,000
Real Estate Loans Disbursed	Exceeded \$240 million	Exceeded \$191 million
Consumer Loans Disbursed	Exceeded \$196.5 million	Exceeded \$186.3 million
Business Loans Disbursed	Exceeded \$147 million	Exceeded \$63 million
Loan Delinquencies as % of Loans Outstanding	1.70%	1.56%
Net Loss from Charge-offs and Member Bankruptcies	\$1,627,059	\$1,409,396
Delinquencies and Losses (compared to national averages)	In line with national averages	In line with national averages
Loan Applications Reviewed	35,765	32,711
Loan Applications Approved	24,220	22,965
% Approved	68%	70%

BRANCH GUIDE

Hillcrest

3299 Hillcrest Rd. • P.O. Box 179
Dubuque, IA 52004-0179
Phone: (563) 557-7600
Toll Free: 800-373-7600
Branch Extension: 70
Fax: (563) 584-2241



Nancy TeKippe

Pennsylvania

3999 Pennsylvania Ave.
Dubuque, IA 52002-2273
Phone: (563) 557-7600
Toll Free: 800-373-7600
Branch Extension: 791
Fax: (563) 690-0069



R.J. Montes

Sycamore

1465 Sycamore St.
Dubuque, IA 52001-4966
Phone: (563) 557-7600
Toll Free: 800-373-7600
Branch Extension: 76
Fax: (563) 557-7763



Jim Klostermann

Key West

2245 Flint Hill Dr.
Dubuque, IA 52003-8090
Phone: (563) 557-7600
Toll Free: 800-373-7600
Branch Extension: 71
Fax: (563) 584-2003



Kevin Weber

Asbury

5865 Saratoga Rd.
Asbury, IA 52002-2504
Phone: (563) 557-7600
Toll Free: 800-373-7600
Branch Extension: 75
Fax: (563) 557-6223



Dawn Kress

Hy-Vee Branch

400 S. Locust St.
Dubuque, IA 52003
Phone: (563) 557-7600
Toll Free: 800-373-7600
Branch Extension: 790
Fax: (563) 690-1110



Leslie Biver

Dyersville

807 Ninth St. SE
Dyersville, IA 52040-2325
Phone: (563) 875-2795
Toll Free: 800-373-7600
Branch Extension: 74
Fax: (563) 875-2796



Steve Boeckenstedt

Williams Blvd.

3131 Williams Blvd. SW
Cedar Rapids, IA 52404
Phone: (319) 366-8231
Toll Free: 800-373-7600
Branch Extension: 78
Fax: (319) 364-0507



Joe Bisenius

1st Avenue

110 35th St. Drive SE
Cedar Rapids, IA 52403
Phone: (319) 366-8231
Toll Free: 800-373-7600
Branch Extension: 792
Fax: (319) 247-9630



Aaron Plein

Manchester

1200 W. Main St.
Manchester, IA 52057
Phone: (563) 927-6187
Toll Free: 800-373-7600
Branch Extension: 77
Fax: (563) 927-6307



Kelly Ruegnitz

Galena

11375 Oldenburg Ln.
Galena, IL 61036-6125
Phone: (815) 777-1800
Toll Free: 800-373-7600
Branch Extension: 72
Fax: (815) 777-1919



Vicky Vondran

Platteville

1100 E. Business Hwy. 151
Platteville, WI 53818
Phone: (608) 348-4499
Toll Free: 800-373-7600
Branch Extension: 73
Fax: (608) 348-9505



Jo Roling



Kelly Heysinger and Gina Blean (from left), co-owners of Unified Therapy Services in Dubuque, Iowa, provided a tour of their business to Iowa Governor Terry Branstad on Feb. 10, 2012. Unified Therapy Services is a pediatric-focused outpatient therapy clinic launched in 2006, and has grown to 26 employees with the help of Dupaco's business lending team. "I'm happy to see Iowa businesses grow, prosper and create jobs with help from the Small Business Administration and Dupaco," said Branstad during his tour of the clinic. Dupaco representatives also participated in the event. (D. Klavitter/Dupaco photo)

More Small Businesses Turn to Dupaco

BY DUPACO TIMES STAFF

DUBUQUE, Iowa—Small businesses with capital needs turned in earnest to Dupaco during 2012, as the credit union grew its business loan portfolio to more than \$194 million—an increase of nearly \$42 million.

"We're seeing more people in our markets ready and willing to start or expand a business," said Dupaco Business Lending Senior Vice President John Koppes. "Our community is not slowing down, and neither are we."

Koppes said to help service the growing number of new member businesses the credit union added Pete Weber, a fourth full-time business loan officer, to the team in 2012.

Dupaco also introduced a business-analysis checking package and ACH-origination services last year to meet the high transactional needs of certain businesses.

To learn more about Dupaco's business services, or for a no-cost, no-obligation analysis, contact the Business Services Department at 800-373-7600, ext. 203.

dupaco.com/business

Representing Dupaco Business Services are (L to R) John Koppes, Andy Katrichis, Pete Weber and Rick Dusil.



Employee Benefits Expand Through Dupaco

BY SHERRY LEESER

ASBURY, Iowa—In 2012, Dupaco's Business Partner Program assisted more businesses with enhancing employee benefit packages, without costing any additional expense, by offering financial education and credit union benefits to employees in the workplace.

"This no-cost employee benefit assists not only the employee, but also helps the business lower absenteeism, improve on-the-job time utilization and improve employee morale," said Dupaco Senior Vice President of Business Development Leo Costello.

Employees in the Business Partner Program have an opportunity to improve

their financial well-being through many free services: Credit History Lessons, budget counseling, financial planning, investment services, systematic savings, money-saving loan-repayment options and more. Training is customized, conducted on-site and available 24/7.

The Business Partner Program benefits include: no costs, fees, minimums or quotas; a flexible program; money-saving and user-friendly payroll services; net check or payroll deduction and direct deposit.

Businesses of all sizes are eligible to join Dupaco's free Business Partner Program. To learn more, contact Deb Schroeder at 800-373-7600, ext. 2750, or debs@dupaco.com.

Representing Dupaco's Business Partner Program are (L to R) Leo Costello, Deb Schroeder, Nancy Laugesen, Melissa King and Tim Costello.



Kathy Kilburg (left), of Epworth, Iowa, talks with Deb Schroeder, Melissa King and Nancy Laugesen, all from Dupaco, during the Oct. 19 Salute to Women event at the Grand River Center in Dubuque, Iowa. While at the annual event, the three Dupaco representatives handed out bottles of hydrating "Riches Brew" and talked to attendees about how to pay less interest and save more money. (Jessica Reilly/Telegraph Herald photo. Used with permission.)

Retired CEO, Board Member Hoefer Honored

BY DUPACO TIMES STAFF

DUBUQUE, Iowa—In honor of Robert W. (Bob) Hoefer's retirement as Dupaco president/CEO in 2012, the Dupaco Board of Directors announced the formation of the Dupaco R.W. Hoefer Foundation.

In addition, the board conferred upon Hoefer the distinguished title of "Honorary Board Member with Distinction" for "masterfully balancing his role as president and CEO, and his elected status as a member of the credit unions' volunteer board of directors."

The foundation is designed to carry on the Bob Hoefer tradition of providing personal financial assistance and coaching to help hard-working and financially prudent Dupaco members recover from unforeseen life events and to increase opportunity through education.

With a focus on personal pride and dignity, the foundation aims to transform sudden and unexpected economic hardships into financially

sustainable outcomes for individuals and families.

Bob and his wife, Marilyn, were instrumental in helping get the Dupaco R.W. Hoefer Foundation off to a fast start through a substantial personal contribution.

Grants are available for a multitude of purposes and will be primarily needs-based as determined by the foundation board of directors. The Dupaco R.W. Hoefer Foundation Board of Directors approves charitable grants twice a year—in June and December.

Hoefer retired as CEO in February 2012 and retired from the Dupaco board in July 2012. During his more than 47 years of service to the credit union, Hoefer helped grow Dupaco into a \$1-billion asset and a top-performing U.S. credit union. He currently serves as a strategic consultant to the board.

Hoefer's new title, "Honorary Board Member with Distinction," is the pinnacle of honors bestowed upon a

volunteer director by Dupaco members. It recognizes "outstanding contributions to the credit union and its mission to improve each member's financial position through valued relationships and personalized financial advice, products, and service."

In tribute to Hoefer's "ability to balance countless and significant decisions in his dual roles," the Board also dedicated the Robert W. Hoefer Board Room at the credit union's headquarters on Pennsylvania Avenue in Dubuque.



dupaco.com/foundation

NOTES

Bearing Interest

Mary Cook-Kmucha

Mary Cook-Kmucha, who joined Dupaco in 1995 and worked in many facets of the real estate department, retired. Starting with 241 closed Dupaco mortgage loans in 1995 to more than 1,900 in 2012, Mary touched more than 16,150 closed mortgages during her Dupaco career.



Leo Costello

Senior Vice President of Business Development Leo Costello achieved the designation of Certified Chief Executive (CCE) from the Credit Union Executives Society's CEO Institute.



Danielle Gratton

Chief Financial Officer Danielle Gratton was named a 2012 Rising Star by the Tri-State Business Times magazine.



Joe Hearn

Named Dupaco president & CEO. Elected to a three-year term on the board of directors of the Credit Union Executives Society (CUES), a national credit union executive training and development organization.



David Klavitter

The national credit union think-and-do tank, Filene Research Institute selected Senior Vice President of Marketing & Public Relations David Klavitter to join the institute's prestigious i3 program (Ideas, Innovation, Implementation).



Betty Loeffelholz

Betty Loeffelholz, of the Platteville, Wisconsin, branch, retired. Betty joined Dupaco as part of the June 2007 merger with Platteville's Rountree Credit Union, where she served as president and CEO. Including her service at Dupaco, Betty's credit union career spanned 34 years.



Renee Poppe

Board member Renee Poppe received the Women's Leadership Network's Women of Achievement Award for Organizational Impact.



Bob Wethal

Robert J. Wethal, director of critical care and cardiovascular services for Mercy Medical Center in Dubuque, was appointed to the Dupaco Board of Directors upon the retirement of Robert W. Hoefer.



SCENE IN: 2012

During an Oct. 26 meeting in Cedar Rapids, Dupaco member Jim Shore (pictured left to right), Dupaco CEO Joe Hearn and Iowa First District Congressman Bruce Braley discuss how credit unions benefit their members. Braley consistently sides with credit unions on the important financial services issues that come before the United States Congress. Braley was re-elected on Nov. 6. Dupaco continuously takes a non-partisan review of federal and state legislation and local lawmakers that help credit unions, like Dupaco, better serve their members. (D. Klavitter/Dupaco photo)

eNotifiers: For When Your Money Moves

BY JENNIFER HANNIFORD

DUBUQUE, Iowa—Searching "financial literacy" generates results in the nine-million range, using one popular search engine. The term reflects a person's knowledge of managing money and the impact of their financial decisions. And, evidently, there's no shortage of internet resources to assist you in this endeavor.

Many people know what they should be doing—or not doing—with their

money, and by definition are financially literate. But the lack of practical, easy-to-use tools can result in less than diligent money management habits.

Enter Dupaco eNotifiers. Launched in 2011, these electronic account notifications help members stay up to date on their accounts. Deployed via text or e-mail, they can include information such as balances, transactions, summaries of account activity, log-in alerts and more.

Through Shine Online Banking, Dupaco members can activate standard eNotifiers and create customized alerts.

"eNotifiers tell members exactly what they need to know, like when their payroll deposit hits their account or their checking balance is low," said Steve Ervolino, Dupaco's senior vice president, information technology. "The best part is getting the information without having to log in to Shine."

eNotifiers are organized into the following categories:

- eView:** a bird's-eye view of your account activity (withdrawals, deposits, transfers) and balances, delivered daily or weekly via e-mail. eView is a neat, at-a-glance account summary that's perfect for members who may not have the time to log in to Shine every day.
- eFlares:** a signal that you may need to take action, such as making a transfer to a low-balance account. eFlares are triggered by balances on any account except VISA®.
- eAlerts for VISA:** real-time messages triggered the moment your Dupaco VISA credit card number has been used. Extremely timely, these eAlerts are ideal for helping you detect potentially fraudulent transactions on your card.
- eReceipts:** a record of transactions such as deposits, withdrawals and transfers of all accounts except VISA.
- eFlags:** non-urgent messages, like eStatement postings, available by text and e-mail.

Steve Ervolino



Employee Milestones

The following employees reached career milestones at Dupaco in 2012:



20-Year Employees:

Julie Laugesen, Deb Schroeder, Diane Sloman, Sherri Vogt

15-Year Employee:

Jennifer Breitbach, Dan Smith

10-Year Employees:

Jamie Blake, Judy Folken, Stacey Hirsch, Lisa Mescher, Dawn Muir, John Swanson, Diane VanNatta

5-Year Employees:

Kenny Davis, Joe Ervolino, Krystal Frederick, Alisha Freisinger, Julie Gansen, Cindy Hilkin, Chelsey Kephart, Tara Klossner, Jill Knepper,

Sarah Kramer, Brad Langan, Abbi LaPage, Suzan Martin-Hallahan, Dan Pence, Aaron Plein, Mike Poppen, Leigh Ann Reisner, Cathy Simmons, Krista Weber

Community Is Our Middle Name:

JANUARY

- Hosted a discount ski day for Dupaco members at Chestnut Mountain Resort, in Galena.
- Partnered with First Community Trust to sponsor a free seminar for Dupaco members: "Estate Planning: An Overview of Wills, Trusts, and More" in Dubuque.



The Dupaco Dollar Dog participates in a mascot soccer game on ice during first intermission at the CR RoughRiders hockey game in Cedar Rapids, Iowa, on Jan. 20. (J. Hanniford/Dupaco photo)

- Announced eNotifiers, VISA® eAlerts, and a mobile banking app to help members stay current on account activity and better protect members from fraud.

FEBRUARY

- Hosted a skate party for DoPack members and their families at Skate Country, in Asbury.



Young Dupaco members Olivia and Joshua meet a bull rider at the Five Flags Arena in Dubuque, Iowa on Feb. 8. Dupaco offered its' members the opportunity to attend the championship bull riding event at a discounted rate. (J. Hanniford/Dupaco photo)

- Dupaco Board of Directors unveiled the Dupaco R.W. Hoefer Foundation, a 501(c)(3) organization, designed to carry on the Bob Hoefer tradition of providing personal financial assistance and coaching to help hard-working and financially prudent Dupaco members.
- Conducted 63rd Annual Meeting of Dupaco membership, with more than 500 members in attendance, on Feb. 12, at the Peosta Community Centre in Peosta. As part of the business meeting, Bob Hoefer gave his final President's Report as Dupaco's

chief executive officer, after serving more than 47 years of service to the credit union. Chief Operating Officer Joe Hearn was promoted to CEO at the conclusion of the Annual Meeting.

- Jeff Gonner, Ron Mussehl and Randy Skemp elected to three-year Board of Directors' terms.

- Offered members reduced ticket prices for Dupaco Night during the United States Hockey League game between the Dubuque Fighting Saints and the Cedar Rapids Rough Riders held at the Cedar Rapids Ice Arena in Cedar Rapids.
- Conducted "Breakfast Bites" educational seminars regarding identify theft protection.

Seminars were held in: Platteville in partnership with the Platteville Police Dept. Sergeant Terry Terpstra and Officer Rick Lawrence; Galena. In partnership with Galena Police Chief of Police Jerry Westemeier and Detective Lori



Dupaco employees join in the annual Dyersville, Iowa St. Patrick's Day on March 17.

Huntington; and in Dyersville in partnership with the Dyersville Police Department.

MARCH

- Awarded five Diamond Awards by Credit Union National Association (CUNA), three of which were judged to be "Categories Best." Diamond Awards recognize excellence in marketing creativity in the credit union industry.
- Partnered in BestFest 2012 in Dubuque by serving as a collection site for official voting ballots and as a ticket outlet. BestFest is the leading fundraiser of Hospice of Dubuque, designed to identify best-in-area businesses.
- Helped coordinate Everyday Heroes of the Tri-States in Dubuque, an American Red Cross event, a unique program designed to publically recognize area citizens who display acts of heroism.
- Introduced personalized Dupaco VISA credit card and Dupaco debit card (MoneyCard), allowing members to personalize their credit cards with an image of their choice.
- Conducted "Breakfast Bites" educational seminars regarding the continuum of changes as mature adults age and progress from an active lifestyle and independent living. Seminars were held throughout the year in: Dubuque; Platteville; Galena; Cedar Rapids; and Dyersville.

APRIL

- Provided free Credit History Lessons to Dubuque residents at the Multicultural Family Center Dubuque as part of Dupaco's participation in MoneySmart Week, a Dubuque and Cedar Rapids, community-wide endeavor to promote personal financial education. Dupaco provides Credit History Lessons year-round to members free of charge.



Young Dupaco members enjoy ice cream at the credit union's Asbury, Iowa, branch. The treat was part of Dupaco's Member Appreciation Day on July 27. (L. Hemesath/Dupaco photo)

- Participated in the the inaugural, four day, Julien Dubuque International Film



During a March 14 visit to the Iowa State Capitol, Dupaco Senior Vice President David Klavitter (left) and Iowa State Senator Tod Bowman discuss credit union issues that will result in better products and services to members. (E. Caropreso/Iowa Credit Union League photo)

Festival in downtown Dubuque which featured filmmakers from around the world. As part of sponsorship, Dupaco members received discounted admission.

- Offered members reduced ticket prices for Dupaco Night during the United States Hockey



Dupaco's Lynn Schmitt (left) on April 9 and Kinzy Rateliff review a checking account. Eight young people participated in April's Opportunity Passport session, an initiative of the Community Foundation of Greater Dubuque, in partnership with Four Oaks and Dupaco. (D. Klavitter/Dupaco photo)

League game between the Cedar Rapids RoughRiders and the Dubuque Fighting Saints held at the Mystique Ice Center, in Dubuque.

- Promoted community and thrift by featuring Community-Wide Garage Sales in the communities of Dubuque, Manchester and Platteville. As part of the endeavor, participants could list and search garage-sale listings at no charge.

- Received a clean Certified Public Accountant (CPA) audit opinion.
- Offered members advance discount tickets to roller derby at Five Flags Center, in Dubuque.

MAY

- Promoted bike safety to children during the 15th Annual Finley Bike Rodeo, sponsored by Dupaco, in Dubuque.
- Sponsored the Boy Scouts Annual Pancake Breakfast in Dubuque, serving as an official ticket outlet.
- Participated in the American Red Cross 5th Annual Big B*A*S*H event at the Eastern Iowa Airport in Cedar Rapids.

- Awarded five high school students with Dupaco College Scholarships, recognizing them for their scholastic standing, extracurricular activities, personal essays and financial need.
- Recognized five area students in grades 3-7 with the Green

SAVE • BORROW •

A Chronology

At Dupaco, one of our guiding principles is to maintain a high level of social responsibility, community involvement and good corporate citizenship. In support of this, Dupaco is proud to share these 2012 events.



Ella Krause joins Dollar Dog at the Dupaco Halloween Benefit Movie in Dubuque, Iowa. All ticket proceeds were donated to HEART (Housing Education and Rehabilitation Training), a program of the Four Mounds Foundation. (J. Hanniford/Dupaco photo)

- Supported the Freedom Festival in a Cedar Rapids, selling discounted Freedom Festival 2012 buttons at our Cedar Rapids locations which include a free ride on the Dupaco Ferris wheel at the Festival.
- Sponsored Music in the Garden, a free event held on Sundays at the Dubuque Arboretum & Botanical Gardens in Dubuque.

JULY

- Coordinated Dupaco Race Night at Hawkeye Downs, supplying free tickets to members at Dupaco’s Cedar Rapids branch on Williams Blvd.



Dupaco’s Jenna Lucas, (from left), Alisha Freisinger, Samantha Heins and Brittany Muntz were among the employees who supported the Julien Dubuque International Film Festival’s celebratory Block Party in the Millwork District on Aug. 9, Dubuque, Iowa (D. Klavitter/Dupaco photo)

AUGUST

- Partnered with First Community Trust to sponsor a free seminar for Dupaco members about “Estate Planning: An Overview of Wills, Trusts, and More” in Dubuque.
- Participated in the annual Fireman’s Parade in Key West.
- Offered Family Fun Days for Dupaco members at Chestnut Mountain Resort, in Galena.
- Launched the “Shift into Thrift” Video Challenge, sponsored by Dupaco and Mediacom®, which encouraged the public to share their tips on staying thrifty for a 30-second video. The grand-prize winner, Tyler Breitbach, received an Apple® iPad™, and his video was broadcast by Mediacom.
- Dupaco Assistant Vice President of Business Development Melissa King featured in the August edition of Her magazine, published by the Telegraph Herald in Dubuque. Melissa shared expert tips on the importance of good money management.

launched an effort to provide clean winter garments to Tri-State-area children in need.

OCTOBER

- Partnered with First Community Trust to sponsor a free seminar for Dupaco members, “Understanding Retirement Options Before and After you Retire,” in Dubuque.
- Served cookies and coffee to members at all Dupaco branch locations in recognition of International Credit Union Day, celebrated by credit unions around the world.
- Through a partnership with College Access Network, conducted a free seminar for college-bound students and their families regarding available resources to help cover the costs of a college education.
- Partnered with RoughRiders in Cedar Rapids to offer members discount tickets to RoughRiders hockey games throughout the entire season.
- Implemented free on-site healthcare assessments for Dupaco staff.

- Conducted “Breakfast Bites” educational seminars regarding pre-planning a funeral. Seminars were held in Dubuque and Platteville. In 2013, this seminar will be held in Galena, Dyersville and Cedar Rapids.



Employee Ashley Oldaker and her cousin make Holiday cards for area nursing homes during a Holiday card workshop on December 8 at Dupaco’s Asbury, Iowa branch. (L. Hemesath/Dupaco photo)

JUNE

- Offered member discounted tickets at branch locations to the Jackson County Pro Rodeo in Bellevue.
- Sponsored the 16th annual Music in the Park festival in Asbury, a free family event



Dupaco Assistant Vice President of Business Development Melissa King was featured in the August edition of Her magazine, published by the Telegraph Herald in Dubuque. Melissa shared expert tips on the importance of good money management.



Dupaco employees and their families join in the annual Halloween Parade in Asbury, Iowa on Oct. 26. (S. Leaser/Dupaco photo)

NOVEMBER

- Collected properly fitted new shoes for Cedar Rapids-area kids during Dupaco’s annual partnership with Mediacom Television.
- Partnered with Five Flags in Dubuque to offer member discount tickets to Sesame Street Live® performances.

DECEMBER

- Employees donated to a fund to make the holidays brighter for 15 struggling families and 41 children.
- Employees and their families went Christmas Caroling and deliver holiday cards to nursing home residents in Dubuque.



Members of the Colt Cadets perform a snare-drum routine at the Hillcrest branch in Dubuque on June 27. The performance was part of a promotional video produced for the annual Colts Drum & Bugle Corps’ “Music on the March,” of which Dupaco is a partner. (L. Hemesath/Dupaco photo)

- with a variety of music, entertainment, food, children’s games and family activities.
- Hosted Dupaco member appreciation days at all branches, featuring ice cream sundaes and specials.
 - Sponsored exclusive performance of “Cinderella” at the Bell Tower Theater in Dubuque for Dupaco members and their families.
 - Launched Dupaco Sundays at Derby Grange Recreation Center in Dubuque, allowing Dupaco members to enjoy half-priced mini golf every Sunday in July.



Dupaco members attend a Breakfast Bites session in Dubuque, Iowa. (L. Hemesath/Dupaco photo)

SEPTEMBER

- As part of their 22nd annual Coats for Kids program, Dupaco and Cumulus radio again

- Teamed up with Bloomsbury Farm in Atkins, IA to offer DoPack members FREE admission to the Farm with the purchase of an adult ticket.



Tad was doing everything he could to keep up with the bills, but it wasn't enough and he needed help. Knowing that the student loan landscape can be confusing to recent grads, we called Fed Loans together to see what options he may have. As it turned out, Tad was eligible for a payment deferral based on his income, which will allow him to get caught up on payments. As long as he stays on course, he'll be smooth sailing towards a better credit score. And a higher credit score means he'll net better savings on insurance, and rates on loans he may need down the road!

When reviewing his expenses, we uncovered maxed-out credit cards that were driving his credit score down. Randy also had two, low-balance auto loans. He was paying \$710 per month on all these debts. We consolidated those debts into a single loan to pay off his two car loans and all three credit cards. This knocked his payment down to \$600—and kept the loan term under 36 months. By taking the time to educate him about credit and what factors into his score, we met his goal of increasing his credit capacity, which has boosted his score!

When the Expectants came in for their appointment, they provided me their budget worksheet, which outlined their debt and also \$1,300 in “disposable” income each month. Their motivation for coming in was to move all their loan and savings accounts over to one place – Dupaco – to make money matters more simple. So what happened next was a major bonus for them. Because of Dupaco’s lean rates, we were able to cut the rates on all three of the loans they were bringing over, and shorten the term on each! They walked in expecting easier money management, and walked out exuberant!

I first reviewed their credit report. The couple was paying a high interest rate on their mortgage balance, which was with another financial institution. They also had a home equity line balance with an even higher rate, also with a different lender. Their total monthly payments were \$1,424. Together, we decided to refinance their mortgage into a Dupaco Mini-Mortgage at a more favorable rate and the equity loan into considerably lower-rate Dupaco home equity line of credit. Dupaco will save Earl and his wife \$280 each month in payments and \$9,400 in interest. Coupled with biweekly payments, the couple will also pay off their home 12 months sooner! This \$4,000 auto loan inquiry just might allow Earl and his wife to retire a bit earlier and save money at the same time.

**Dunaco Money Makeover stories based on actual member experiences. Outcomes will vary for individual circumstances.*



A Dupaco Money Makeover looks at your total financial picture to identify opportunities to painlessly "make over" your finances to cut costs and build savings. The second best review is a Debt Checkup. A Dupaco representative will contact you if we find possible ways to save you money. All entries will be entered into a drawing for a chance to win an **Apple® iPad2™**.

Name	Address	City	State	ZIP
Phone	Email	The information collected on this form will NOT be shared with entities outside of Dupaco Community Credit Union.		
HOME LOANS				
Mortgage Lender:	Interest Rate:	Balance: \$	Years Left to Pay Off:	
Mortgage Lender:	Interest Rate:	Balance: \$	Years Left to Pay Off:	
CREDIT CARD BALANCES				
Type of Card:	Interest Rate:	Balance: \$		
Type of Card:	Interest Rate:	Balance: \$		
Type of Card:	Interest Rate:	Balance: \$		
CAR AND OTHER PERSONAL LOANS				
Lender:	Interest Rate:	Balance: \$	Years Left to Pay Off:	
Lender:	Interest Rate:	Balance: \$	Years Left to Pay Off:	
Lender:	Interest Rate:	Balance: \$	Years Left to Pay Off:	
Lender:	Interest Rate:	Balance: \$	Years Left to Pay Off:	

Fill out the form completely
as possible. Return the form
to any Dupaco branch
OR mail in an envelope to:

Dupaco Community Credit Union
ATTN: Debt Checkup
P.O. Box 170
Dubuque, IA 52004-0179

RULES: No purchase necessary to enter or win. Answers may be submitted via the official online entry form, via email to marketing@dupaco.com, or mailed to Dupaco Community Credit Union, Attn: Debt Happens, P.O. Box 179, Dubuque, IA 52004-0179. All entries will be entered into a random drawing to win one 16 GB iPad2. Contest ends March 31, 2013. A purchase will not increase your odds of winning. Must be 18 years or older to participate. Dupaco employees, board members and their immediate family members are not eligible to win. Entries must be received by 5:30 p.m. CT on March 31, 2013. All entries become the property of Dupaco and none will be returned. By participating in contest, winner agrees to have their name, and/or likeness used for promotional purposes. Winners will be notified by phone within one week of the entry deadline. Prizes must be picked up at a branch of Dupaco Community Credit Union during normal business hours. All prizes not claimed within 30 days will be forfeited. Contest rules, drawing dates, deadlines and procedures are subject to change without notice as may be deemed necessary or appropriate by Dupaco Community Credit Union in its sole discretion.