

2020 Annual Report



The 1st MidAmerica Mortgage Services team celebrates a record setting year of helping more than 1,300 members finance their homes, wearing their team credit union striped socks.

*Investing in Your Financial
Well-being and Local
Communities Since 1934*

1st MidAmerica
Credit Union

Message from the Chairman

On behalf of everyone at 1st MidAmerica Credit Union, I would like to say thank you to our members. Thank you for placing your trust in us and thank you for being patient as we navigated the many challenges presented in 2020. Your Board of Directors' primary focus is to ensure the financial strength of the credit union, today and into the future.

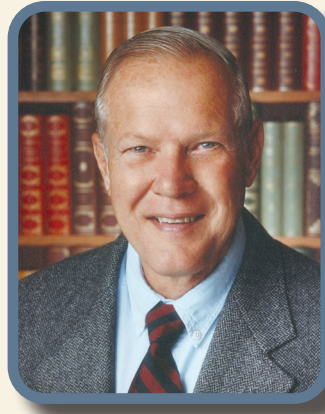
We weathered the impact of the pandemic and economic uncertainty in 2020 because we were, and continue to be, well-capitalized, ending the year with a 10.55% capital-asset ratio. Through 2020 the credit union grew to \$825 million in assets and ended the year with a .38% ROA. Preparing for the unknown has been an important part of our 86-year history. Our continued focus on strength and stability has ensured our ongoing service and growth, even in the most challenging years.

Because of our strength, we were able to assist our members when they needed it most. We worked with members one-on-one to find solutions, by deferring or modifying loan payments, waiving fees, and finding new services. We are proud of the Credit Union's demonstrated commitment to "people helping people."

We continued to support the communities where our members live and work as well. In partnership with the Federal Home Loan Bank of Chicago, we were able to distribute \$35,000 in grant funds to organizations in our communities that continued to help local residents through the pandemic. From food pantries to after school programs to small businesses, people in our communities were helping where they could.

We are grateful to the many front-line heroes that kept essential services available in our communities. As an organization, we adjusted service delivery to ensure the health and safety of our staff while maintaining business continuity with minimal disruption to our members. This is our commitment to members, especially during difficult times.

On behalf of the entire Board of Directors, I thank the management and employees of the credit union for their commitment to service. They supported our members and one another as they adjusted to the many changes in 2020. The Board of Directors will continue to represent all our members, keeping your financial well-being our priority while maintaining the health of the credit union. Thank you again for your confidence and loyalty.



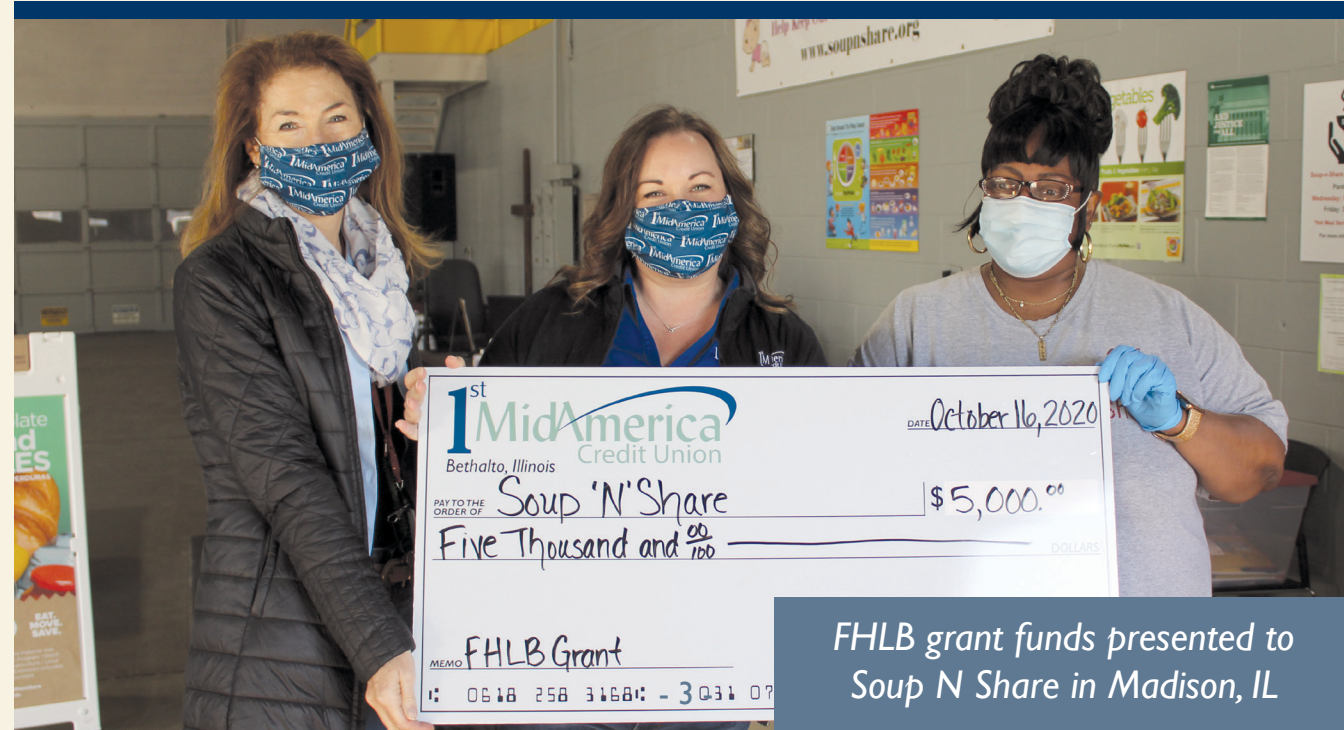
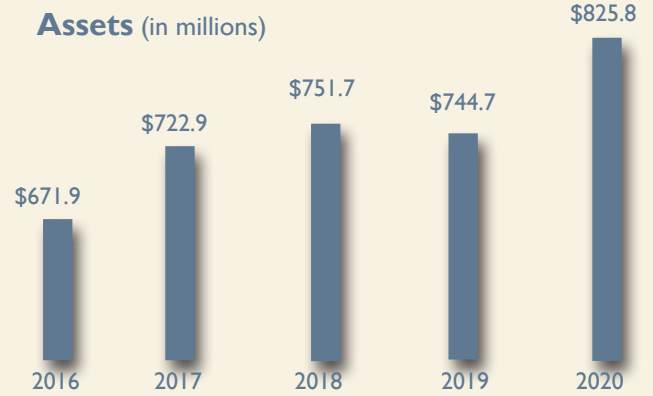
Ted Klasner
Chairman of the Board

Supervisory Report

The Supervisory Committee of 1st MidAmerica Credit Union contracted with Scheffel Boyle to perform verification of member accounts and an external audit as required by the Illinois Department of Financial and Professional Regulation. The Supervisory Committee reviews all results and provides formal reports to the Board of Directors.

As part of the annual examination, two percent of accounts were verified as of September 30, 2020. There were no discrepancies reported in the accounts verified. Scheffel Boyle was also contracted to perform periodic, agreed upon procedural audits.

The audits verify that credit union transactions are performed in accordance with Board approved policies. All findings are reported directly to the Supervisory Committee. The Supervisory Committee forwards all findings to the Board.



FHLB grant funds presented to Soup N Share in Madison, IL

Message from the President

The financial strength of 1st MidAmerica Credit Union was the key to our success as we found ways to assist our members in 2020.

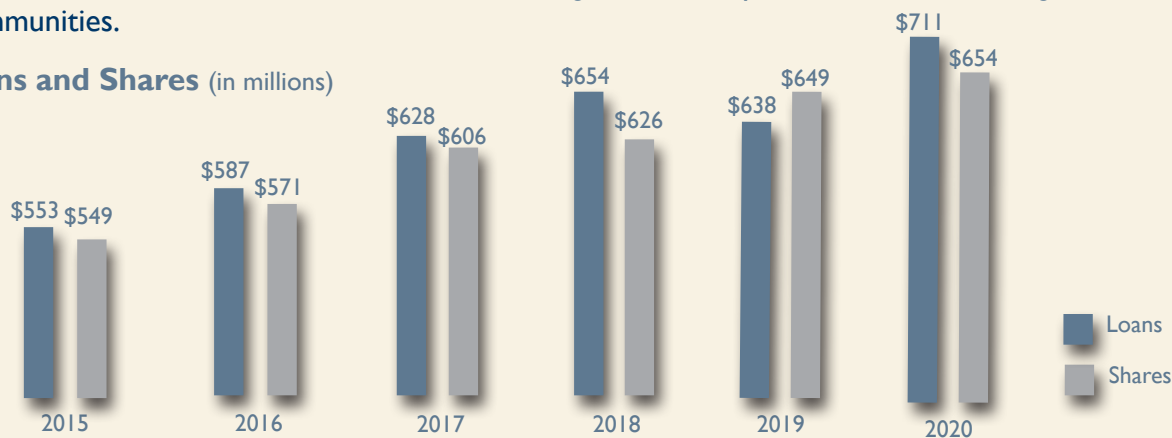
Our team worked with our members to support their financial well-being. Early in the pandemic, we assisted members facing job loss and significant financial changes. Over the course of the year, we also helped members find \$6.4 million in savings by moving their loans and accounts to 1st MidAmerica. We had a record year in mortgage lending with a 150% increase over 2019, with an additional 1,343 members closing a home loan through new purchases or refinances.

We were able to support the government programs that brought relief to our members. We distributed \$3 million in Paycheck Protection Program loans to local businesses, helping them to stay in business and keep more than 200 local people employed. We also distributed millions of dollars in stimulus payments to our members' credit union accounts. Many of our members were able to stabilize their finances and build savings over the past year.

We were able to quickly pivot and invest our resources in developing services that would ensure convenience and safety in 2020. We introduced online account opening, increased the use of DocuSign digital signatures, and launched Go Live, video banking.

Several words come to mind as I look back on 2020: uncertainty, resilience, care, and community. I am proud of the employees of the credit union. They continued to show up, take care of our members, and flex with the many changes in service through the year. Thank you for your continued trust in 1st MidAmerica Credit Union. We look forward to serving each of you as you work towards and accomplish your financial goals. As we look to the future, we will continue our mission of exceeding member expectations and investing in our communities.

Loans and Shares (in millions)



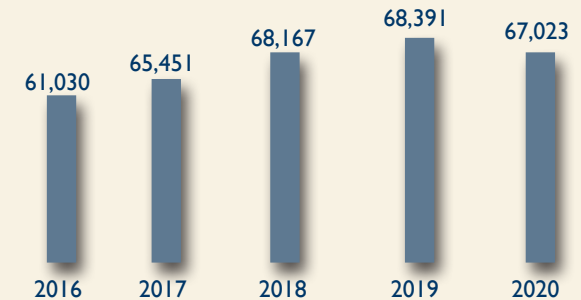
Alan Meyer
President & CEO

Membership Report

Membership in 1st MidAmerica Credit Union ended the year at 67,023 members. We added 5,635 members through our branch network and indirect lending program. Thank you for sharing the credit union with your family, friends, and coworkers. Our new online account opening service allowed new members to join the credit union virtually. This new service created a safe way for more local residents to gain access to our great rates during 2020.

Our mission is to exceed member expectations by focusing on providing members with quality products, exceptional service, and convenient access options. We hope that you continue to recognize our dedication and continue to make referrals so that more local residents can experience the value, convenience, and service provided by 1st MidAmerica Credit Union.

Total Members



Digital Transformation

Go Live was introduced in July 2020 as a way for members to meet with our team face-to-face using video technology. These video calls are available through our website at www.1stmidamerica.org and through our Go Live mobile app, found in the app stores, and in our mobile apps.

Through the portal, members can:

- Open New Accounts
- Apply for Loans
- Add Deposit Services
- Service Accounts
- Share Screens and Documents
- Submit Digital Signatures



Statement of Financial Condition

	Year Ended December 31	
	2020	2019
Assets		
Cash and Cash Equivalents	\$ 85,044,589	\$ 48,847,807
Investments	42,559,963	14,104,527
Loans to Members, Net	647,051,631	638,506,857
Accrued Interest Receivable	1,819,537	1,858,852
Land, Property, and Equipment	24,957,121	24,372,142
NCUSIF and Share Insurance Deposits	7,073,734	6,419,231
Other Assets	17,299,834	10,574,678
Total Assets	\$ 825,806,409	\$ 744,684,094
Liabilities and Members' Equity		
Liabilities:		
Member Shares	\$ 711,672,940	\$ 649,322,318
Notes Payable	0	0
Accrued Expenses and Other Liabilities	26,871,370	11,188,842
Total Liabilities	\$ 738,544,310	\$ 660,511,160
Members' Equity:		
Reserves	87,262,099	84,172,934
Total Liabilities and Members' Equity	\$ 825,806,409	\$ 744,684,094

Income Statement

	Year Ended December 31	
	2020	2019
Interest Income		
Interest on Loans	\$ 31,542,235	\$ 33,245,040
Interest on Investments	919,796	1,595,779
Total Interest Income	\$ 32,462,031	\$ 34,840,819
Interest Expense		
Dividends on Members' Shares	\$ 5,916,317	\$ 6,498,338
Interest on Borrowed Funds	177,607	140,273
Total Interest Expense	\$ 6,093,924	\$ 6,638,611
Net Interest Income	\$ 26,368,107	\$ 28,202,208
Provision for Loan Loss	5,145,000	5,066,192
Net Interest Income after Provision for Loan Loss	\$ 21,223,107	\$ 23,136,016
Non-Interest Income		
Service Charges, Fees, and Other Operating Income	\$ 11,521,497	\$ 10,804,867
Unrealized Gain on Investment	735,247	860,119
Net Gain (Loss) on Sale of Assets	176,071	(2,373)
Total Non-Interest Income	\$ 12,432,815	\$ 11,662,613
Non-Interest Expense		
Operational Expenses	\$ 30,504,751	\$ 30,326,234
Amort FV Core Deposit Intangible	150,251	150,251
Total Non-Interest Expense	\$ 30,655,002	\$ 30,476,485
Net Income	\$ 3,000,920	\$ 4,322,144

Community Impact

We delivered \$35,000 in grant funds to community organizations and businesses in partnership with the Federal Home Loan Bank of Chicago (FHLB). The FHLB made grant money available to their member financial institutions, so that we could help relieve the impact of COVID-19 in our communities.

We jumped at the opportunity to funnel money into our local communities. Discussions with the recipients mirrored the humble and grateful attitudes of the local owners, directors, and volunteers that went on to make the most of the grants.

We watched businesses like Sammi's Sandwiches feed people who lost their jobs and organizations like Senior Services Plus increase their meal deliveries to seniors. Through these grants, we were able to support nonprofits that are helping to feed local residents in need, as well as businesses that chose to use their time and talent to impact our communities. It was through local news stories that the credit union team became aware of the work happening at businesses like Alterations by Barb, making masks for local residents, and Morrison's Irish Pub, who set up a roadside free pantry in town.

FHLB Grant Recipients: \$35,000 Total

- Soup N Share • Senior Services Plus • Alterations by Barb
- Sammi's Sandwiches • TWIGs • Glen Ed Pantry • Community Hope Center
- Morrison's Irish Pub • Operation Blessing • Boys and Girls Club of Alton
- Riverbend Head Start & Family Services • Crisis Food Center • Joe's Pizza
- Salvation Army - Jersey County Extension • Northeast Community Fund

Service Recognition

Our members are at the heart of everything we do at 1st MidAmerica Credit Union, so we get excited when we get recognized for our service efforts. We would like to thank all our members who took the time to tell us about their experiences in 2020. We continually strive to do better and are thankful for the feedback and kudos. We are especially grateful for those that took the time to respond to community surveys and media programs. In 2020 we earned the following recognition for our service and commitment to our members:

- Forbes Best in State, Illinois Credit Unions
- Readers' Choice, Advantage News
- Best of the Best: Credit Unions and Banks, The Telegraph



Kirby Kangaroo Club celebrates at the annual birthday party



Madison County Child Advocacy Center employees at the annual golf outing



Employees celebrating our local high school sports teams



FHLB grant funds presented to Riverbend Head Start & Family Services

2020 Savings: \$6,465,942

1st MidAmerica created a program called Savings Tracker, which employees use to track the amount of money members save just by doing business with the credit union. Whether refinancing an auto loan and saving interest over the course of the loan with a lower rate, transferring a high balance credit card over to a 1st MidAmerica Platinum Visa with a lower rate, or refinancing to a shorter mortgage term, team members logged success stories and added to the growing total throughout the year. Over the past five years, members have saved over \$23,000,000. A few stories, from the hundreds, submitted by our employees:

A couple recently remodeled their home and used their high interest credit cards. They called to discuss debt consolidation options with a representative, who suggested a low interest home equity line of credit. These members saved over \$700 per month in payments. - Godfrey, IL

A member called to inquire about our car loan rates after he had financed his new car through a big national bank. Not only did he move his loan to the credit union and lower his monthly payment by \$45, he also saved \$2,288 in interest over the life of the loan. - Bethalto, IL

A teller noticed several credit card payments on a member's account and suggested looking at a balance transfer to a 1st MidAmerica Platinum Visa. After running the numbers and comparing rates, they found that the member saved \$5,045 in interest by doing the transfer, and consolidated to one low monthly payment that would pay down the debt sooner. - Decatur, IL

Supporting Our Community

Employees rallied to support our local food pantries and delivered a van load to the Community Hope Center.



Lending Report

Throughout 2020, 1st MidAmerica continued to meet the lending needs of members. We extended credit in the form of auto loans, home equity loans, mortgages, and other consumer loans. Members were granted ongoing low rates and realized the value of the financial solutions that we provide, often taking advantage of special offers and loan promotions that boosted member budgets and improved their finances. Member business loans continue to be an area of growth where we are able to assist many local business owners. We closed a record number of home loans for members in 2020 through mortgages refinances and new purchases. In addition to these lending products, the total number of members finding value with our low rate, no annual fee, Platinum Visa Credit Card ended the year at 12,987, bringing total balances to \$43,062,178.

We maintain a well-balanced and financially sound mix within the loan portfolio.

Over the course of 2020, 12,827 loans were approved and \$309,395,076 in credit was extended to members.

Loan Type	Number of Loans Approved	Total Loans	% of Total Loan Activity
Direct Loans (in branches)	4,088	\$60,667,247	19.7%
Home Equity	650	\$12,495,293	4.0%
Indirect Auto	6,518	\$103,278,396	33.4%
Mortgage	1,343	\$96,009,041	31.0%
Member Business	228	\$36,945,099	11.9%
Total Loans	12,827	\$309,395,076	100%

Branch Locations

3553 College Avenue
Alton, IL 62002

731 E. Bethalto Drive
Bethalto, IL 62010

202 E. Ash Avenue
Decatur, IL 62526

419 N. Shamrock
East Alton, IL 62024

1702 Troy Road
Edwardsville, IL 62025

3361 Fehling Road, Suite 7
Granite City, IL 62040

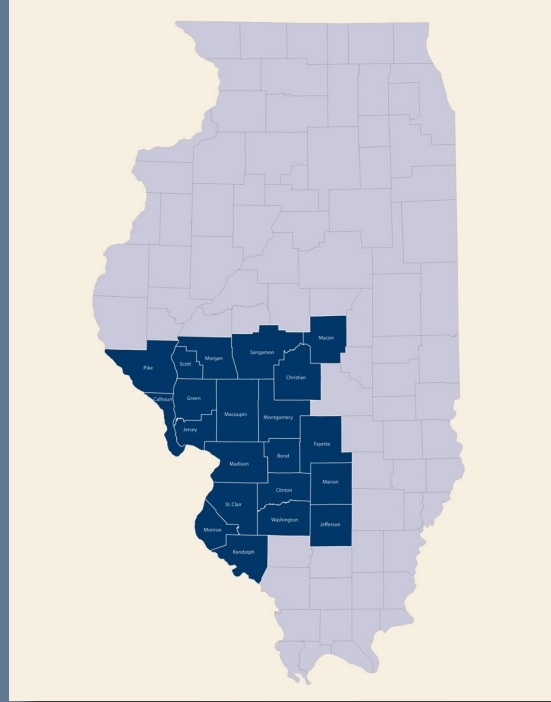
5301 Godfrey Road
Godfrey, IL 62035

19301 E. Valley View Parkway
Independence, MO 64055

300 W. County Road
Jerseyville, IL 62052

100 McDonald Dr.
Troy, IL 62294

1795 E. Edwardsville Road
Wood River, IL 62095



Contact Us

Member Support Center

618-258-3168

800-345-4216

www.1stMidAmerica.org

Our doors are open to anyone who lives or works in the following Illinois counties: Bond, Brown, Calhoun, Cass, Christian, Clinton, Dewitt, Effingham, Fayette, Greene, Jefferson, Jersey, Logan, Macon, Macoupin, Madison, Marion, Menard, Monroe, Montgomery, Morgan, Moultrie, Piatt, Pike, Randolph, Sangamon, Scott, Shelby, St. Clair, Washington; and Jackson County in Missouri.

To serve members who do not live near a 1st MidAmerica branch or are traveling, we are affiliated with the Shared Branching network that allows members to conduct transactions at over 5,000 locations in 50 states. Visit us online to find a branch near you.



1st MidAmerica Credit Union has many convenient ATM locations and provides easy access to cash with surcharge free withdrawals at over 30,000 CO-OP ATMs nationwide. CO-OP surcharge free ATMs are located at all of our branches, CO-OP credit union branches, and select stand alone locations.



Board of Directors

Ted Klasner - Chairman of the Board

Rose Gibson - Vice Chair

Chris Greer - Treasurer

Hank Vize - Secretary

Andy Macias

Tim Kallal

Becky Alexander

Bill Meyers

Josh Evans

Executive Management and Officers

Alan Meyer - President and CEO

Bob Blacklock - Senior Vice President, CFO

Perry Withers - Senior Vice President, CLO

James Cherry - Senior Vice President, CIO

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