

2021 Annual Report



The 1st MidAmerica Credit Union team worked together in 2021 on a system conversion that brings the credit union into a new era of member service. Above, team members at the main office in Bethalto, IL pause for a photo while working Under Construction on the new system.

*Improving the Financial
Well-being of Members and
Local Communities Since 1934*

1st MidAmerica
Credit Union

Message from the Chairman

The strength and stability of our credit union has carried us through two years of unprecedented economic uncertainty. Thank you for your membership and loyalty as we navigated the challenges brought on by the pandemic.

I am honored to be serving as the new Board Chair of 1st MidAmerica Credit Union. As a board member since 2006, and member since 1979, it is with pride that I have watched the credit union grow and expand to new communities, serving more people with a mission of improving their financial well-being.

It was a privilege to serve on this board with our late Chairman, Ted Klasner. Ted dedicated 31 years of service to the credit union.

We will miss his kind spirit. The growth of the credit union and continued focus on caring for our members is a testament to his legacy of leadership.

Our credit union remains financially sound. Despite planning for another year of uncertainty, the credit union experienced solid growth. We ended 2021 with a well-capitalized net worth of 11.2% and ROA of 1.18%. Assets grew by 4.14% to \$860 million.

Our membership continued to grow as well, as we continue to serve more community members and help them thrive with the financial resources they need. An additional 5,323 new members joined the credit union in 2021.

As a leader in our community, we are constantly looking to the future. With our community support, financial education, volunteer programs, and ever insistent focus on member service, we are working towards a strong, secure future that elevates the financial well-being of the lives of those in our communities.

On behalf of the Board of Directors, I would like to thank our employees for their dedication to our members, especially as they flexed with the ongoing changes and worked to improve the credit union's systems in 2021.

Thank you for your trust in us and for being a part of a mission that supports our communities.



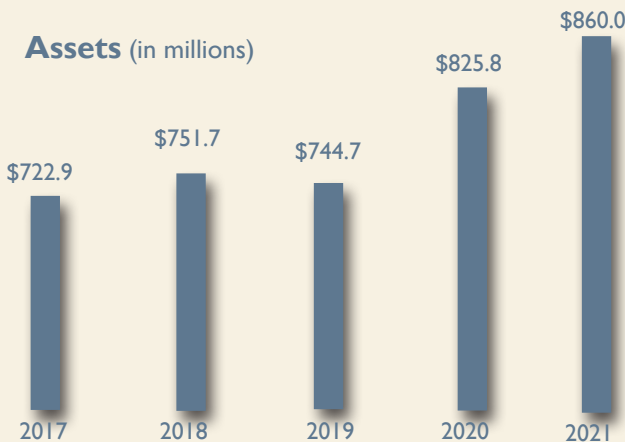
Rose Gibson
Board Chair

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, 2021. There were no discrepancies reported in the accounts verified.

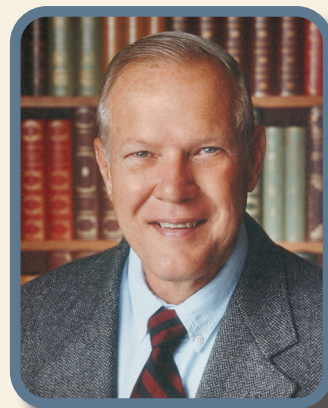
Scheffel Boyle was also contracted to perform periodic, agreed upon procedural audits. The audits verify that credit union transactions are performed in accordance with Board approved policies. All findings are reported directly to the Supervisory Committee. The Supervisory Committee forwards all findings to the Board.



Ted Klasner, our devoted Chairman of the Board, passed away on May 25, 2021. Mr. Klasner was a dedicated servant to the credit union movement. He served on the board for 31 years, and as Chairman since 1995. He was instrumental in our growth. Under his leadership, the credit union grew from \$82 million in assets and 17,219 members to our current size.

Mr. Klasner was always appreciative of the credit union employees, often sharing his gratitude at annual meetings and when visiting the branches. We will remember Ted for his wisdom, kindness, and leadership.

The 1st MidAmerica Credit Union Board issued a Proclamation, recognizing Mr. Klasner's service to the credit union. He was also posthumously awarded a Lifetime Achievement Award from the Illinois Credit Union League.



Ted Klasner
1941 - 2021

Message from the President

It is an honor to recognize how much the work we do matters. Every day, the credit union team is focused on improving the financial well-being of our members and communities. Since 2016, we have tracked the direct impact and savings that members gain by doing business with the credit union. This Savings Tracker program became nationally recognized in 2021, winning an award from the Credit Union National Association. And I am proud to report that our employees helped members add \$9,398,875 back into their budgets in 2021 through loan refinances, opening no-fee accounts, and switching to many of our money-saving services.



Alan Meyer
President & CEO

I am incredibly proud of the work our team did in 2021. Our staff spent more than a year preparing for a full system conversion. With a priority on causing as little disruption to our membership as possible for this transition, our team's diligence and hours of preparation were successful. A conversion of this magnitude is a rare occurrence, but it was a necessary step towards a more nimble and secure future. As we plan for new services and delivery options for our membership, we can move forward with confidence in a system that supports our plans for growth and member service.

We continued to shift with the changes brought by the pandemic and its environmental and economic impacts in 2021. The evolving job market has presented challenges in our communities. The overabundance of Now Hiring signage as you drive through our towns reflects the open gaps across every industry. The credit union has had to adjust operations, as we too have been challenged with filling open positions. My heartfelt thanks goes to our members for your patience and kindness to our teams as we operated through drive-ups and limited lobby access.

Whether you choose to visit our branches or take advantage of one of our many remote services, we remain committed to delivering the level of service to which you are accustomed. We were recognized for the second year in a row as one of America's Best in State Credit Unions by Forbes. The recognition was based upon a survey of US consumers on the following areas: Trust, Branch and Digital Services, Service, and Financial Advice. This award is a direct reflection of the service that our staff provides to our members every day.

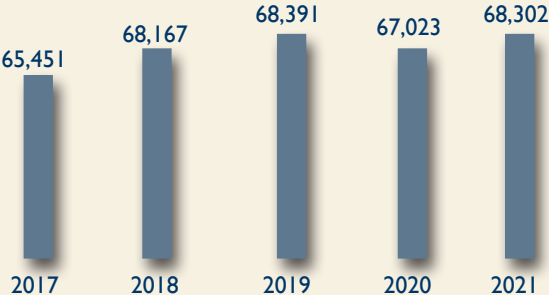
Thank you for your continued trust in 1st MidAmerica Credit Union. We will continue to serve you and work towards a stronger future where all our members will achieve financial well-being.

Membership Report

Membership in 1st MidAmerica Credit Union ended the year at 68,302 members. We added 5,323 members through our branch network and indirect lending program. Thank you for sharing the credit union with your family, friends, and coworkers. Our 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.

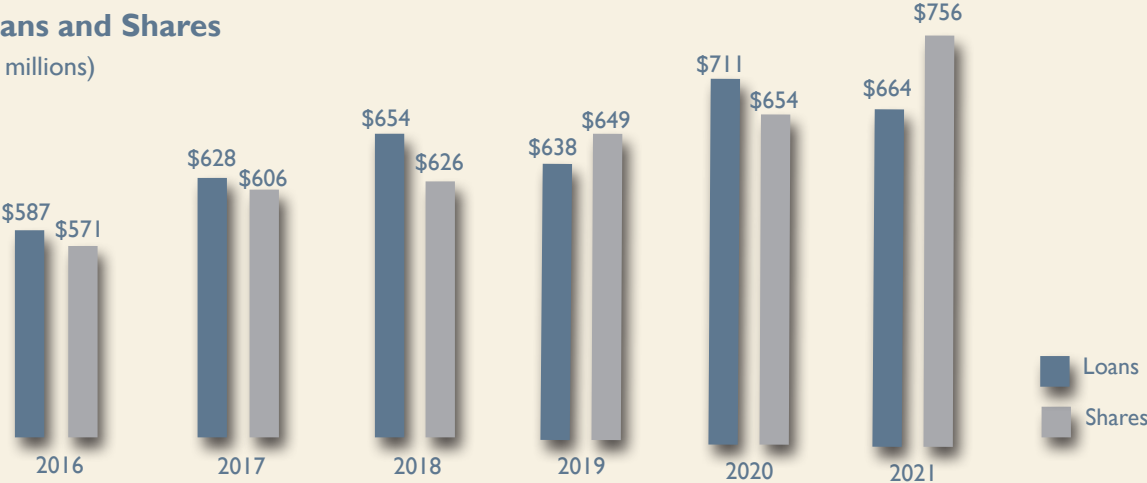
Our mission is to exceed member expectations by focusing on providing members with quality products, exceptional service, and convenient access options. We hope that you continue to recognize our dedication and continue to make referrals so that more local residents can experience the value, convenience,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

Total Members



Loans and Shares

(in millions)



Statement of Financial Condition

	Year Ended December 31	
Assets	2021	2020
Cash and Cash Equivalents	\$ 63,057,139	\$ 85,044,589
Investments	81,460,811	42,559,963
Loans to Members, Net	656,787,618	647,051,631
Accrued Interest Receivable	1,656,402	1,819,537
Land, Property, and Equipment	26,075,422	24,957,121
NCUSIF and Share Insurance Deposits	7,557,839	7,073,734
Other Assets	<u>23,418,488</u>	<u>17,299,834</u>
Total Assets	<u>\$ 860,013,719</u>	<u>\$ 825,806,409</u>
Liabilities and Members' Equity		
Liabilities:		
Member Shares	\$ 755,622,924	\$ 711,672,940
Notes Payable	5,000,000	4,000,000
Accrued Expenses and Other Liabilities	3,092,505	22,871,370
Total Liabilities	\$ 763,715,429	\$ 738,544,310
Members' Equity:		
Reserves	<u>96,298,290</u>	<u>87,262,099</u>
Total Liabilities and Members' Equity	<u>\$ 860,013,719</u>	<u>\$ 825,806,409</u>

Income Statement

Year Ended December 31

	2021	2020
<u>Interest Income</u>		
Interest on Loans	\$ 28,865,501	\$ 31,542,235
Interest on Investments	2,687,758	919,796
Total Interest Income	\$ 31,553,259	\$ 32,462,031
<u>Interest Expense</u>		
Dividends on Members' Shares	\$ 3,782,354	\$ 5,916,317
Interest on Borrowed Funds	122,259	177,607
Total Interest Expense	\$ 3,904,613	\$ 6,093,924
Net Interest Income	\$ 27,648,646	\$ 26,368,107
Provision for Loan Loss	1,090,000	5,145,000
Net Interest Income after Provision for Loan Loss	\$ 26,558,646	\$ 21,223,107
<u>Non-Interest Income</u>		
Service Charges, Fees, and Other Operating Income	\$ 14,041,206	\$ 11,521,497
Unrealized Gain on Investment	57,585	735,247
Net Gain (Loss) on Sale of Assets	24,661	176,071
Total Non-Interest Income	\$ 14,123,452	\$ 12,432,815
<u>Non-Interest Expense</u>		
Operational Expenses	\$ 30,509,733	\$ 30,504,751
Amort FV Core Deposit Intangible	62,845	150,251
Total Non-Interest Expense	\$ 30,572,578	\$ 30,655,002
Net Income	\$ 10,109,520	\$ 3,000,920

Community Impact

We are committed to improving the financial well-being of our members and local residents, and elevating the communities we serve. Here are a few of our 2021 Community Projects.

CU Kind Day

We participated in the Illinois state-wide CU Kind event with 65 other credit unions in October. Our employees collected items for area non-profits. Items for recipients included diapers for Soup N Share in Madison, pet food for Meals on Wheels through Senior Services Plus in Alton, and coats for children at Riverbend Head Start & Family Services.

Teacher Grant Program

Nine teachers received \$250 each for their classrooms in the form of grant money through our partnerships with the Alton, Granite City, and Decatur school districts. Teachers were able to buy new books, technologies, and education enhancements with their grant funds.

CU in the Community

Each year, employees nominate and vote for 12 organizations. Each are assigned a month to receive donations that are collected monthly in a payroll deduction program. Donations total more than \$10,000 annually. See a list of recipients below.

2021 CU in the Community Recipients

Soup N Share • Senior Services Plus • TWIGs • Overnight Warming Centers of Alton
Oasis Women's Shelter • American Cancer Society • Special Olympics • Giving Veterans Hope
Boys and Girls Clubs of Alton and Bethalto • Community Hope Center • Partners for Pets
Riverbend Head Start & Family Services • Madison County Child Advocacy Center



Madison County Child Advocacy Center presented \$24,000 from our Charity Golf Event



Winter coats donated by credit union employees to local children in need

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 2021, and for participating in our focus groups and survey programs. We continually strive to provide expanded services 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 2021, we earned the following recognition for our service and commitment to our members:

Forbes Best in State, Illinois Credit Unions, 2020 and 2021

Best of the Best: Credit Unions, The Telegraph

Louise Herring, Philosophy in Action

1st Place from the Illinois Credit Union League

Honorable Mention from the Credit Union National Association

Dora Maxwell, Community Service Award

2nd Place from the Illinois Credit Union League



Employees celebrating our local high school sports teams



One of five \$1,000 high school scholarships awarded to local students

2021 Savings: \$9,398,875

Our annual Savings Tracker program, through which employees track the amount of money members save just by doing business with the credit union, earned national recognition in 2021 from the Credit Union National Association. 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 872 success stories and added to the growing total throughout the year. Over the past six years, members have saved over \$33,000,000. A few stories, from the hundreds, submitted by our employees:

“I spoke with a member about a special promotion. He stated that he had an astronomically high interest rate on his auto. I took his application, and he was approved at a rate of 2.24% APR. This reduced his monthly payment by \$257, and we were able to take seven months off of the loan term, saving him over \$26,000 over the life of the loan. Not only were we able to save him all that money, but he is also now protected with GAP and a warranty.” - Logan, Wood River, IL

“During a conversation with a member, I referred her for a review on her current insurance rates. Our member was able to save \$313 annually on her auto and home insurance through our partner, CUIA.” - Amy, Bethalto, IL

“I worked with a member to consolidate several debts into one home equity line of credit. He will only have one payment now and saved \$8,472 in interest.” - Cheryl, Independence, MO

Supporting Our Community

Business Services team members ordered boxes of goodies for the holidays from local entrepreneur, Aria Burnside, who owns Aria's Cookies and Confections.



Lending Report

We continued to meet the lending needs of members in 2021, including automobile loans, home equity lines of credit, mortgages, and other consumer loans. We continued to provide low rates and value to our members. Our commitment to low cost borrowing, along with many special promotions, helped to improve the financial well-being of over 11,000 borrowers in 2021. Member business loans continue to be an area of growth where we are able to assist many local business owners. Home loans, including mortgage refinances and new purchases, continued at historically low rates, helping even more members to realize the dream of home ownership. 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 13,022, bringing total balances to \$37,352,525.

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

Over the course of 2021, 11,152 loans were approved and \$281,696,228 in credit was extended to members.

Loan Type	Number of Loans Approved	Total Loans	% of Total Loan Activity
Direct Loans (in branches)	3,899	\$65,556,264	23.3%
Home Equity	220	\$7,611,795	2.7%
Indirect Auto	5,768	\$93,823,019	33.2%
Mortgage	1,049	\$86,070,520	30.7%
Member Business	216	\$28,634,630	10.1%
Total Loans	11,152	\$281,696,228	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

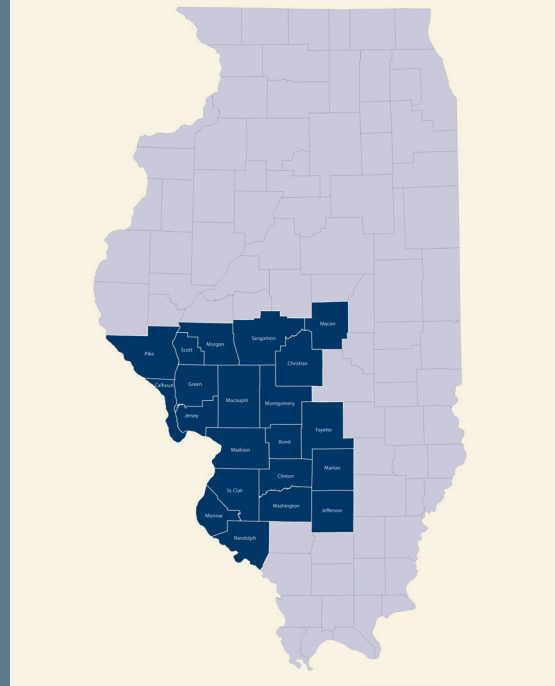
5301 Godfrey Road
Godfrey, IL 62035

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

Rose Gibson - Board Chair

Andy Macias - Vice Chair

Chris Greer - Treasurer

Hank Vize - Secretary

Tim Kallal

Becky Alexander

Bill Meyers

Josh Evans

Lori Artis, Associate Board Member

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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