

2019 Annual Report



*Financially Empowering Local
Communities Since 1934*

1st MidAmerica
Credit Union

Message from the Chairman

Our credit union surpassed a significant milestone in 2019, celebrating 85 years of serving our members and communities. Over the past 85 years, we have extended credit, encouraged savings, and invested in the well-being of those we serve. And just as we have in the past, we look to the future with our members as they dream and plan for their families.

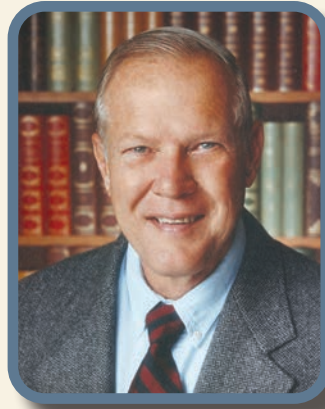
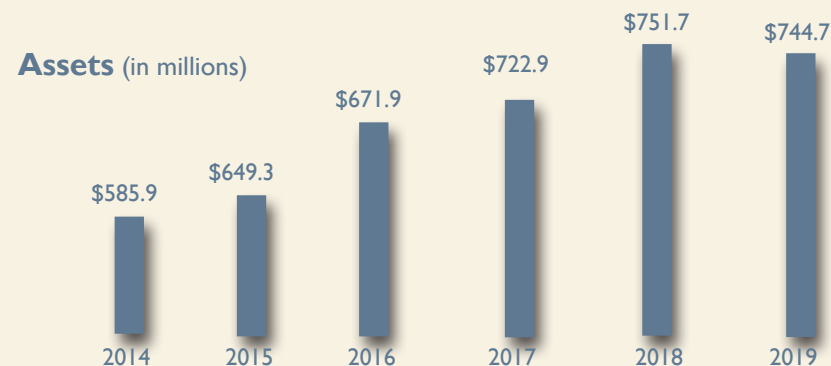
We maintain a stable and secure financial position that allows us to continue our tradition of people helping people. In 2019, we experienced 3.8% share growth and we expanded our footprint.

To better serve our growing membership, we opened a new branch location in Troy, IL. Located at 100 McDonald Dr., the branch offers a full service lobby, along with drive-up access and an ATM.

Through a merger with Antioch MB Federal Credit Union, located in Decatur, we extended our full menu of services, value, and mission to 62 members, continuing the credit union tradition for the members and their families.

We ended 2019 with a strong capital-asset ratio of 11.3% and ROA of .58%, both of which reflect our strong strategic leadership, solid foundation, and dedicated staff. 1st MidAmerica is a trusted and stable financial leader, and that would not be possible without excellent guidance from our Board of Directors, effective management, and the daily efforts of 1st MidAmerica employees.

Thank you for your continued loyalty and membership.



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, 2019. 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.



Ribbon cutting and celebration for our new Troy location.

Message from the President

1st MidAmerica Credit Union continues to be a strong organization that provides financial stability and growth for our members and communities. Through 2019, we continued our mission of exceeding member expectations and investing in our communities.

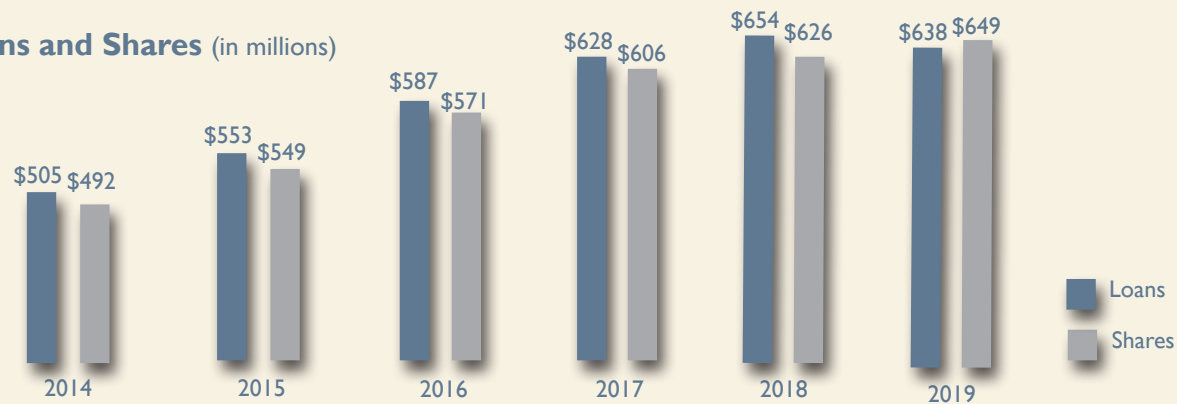
Our annual Savings Tracker program is a true reflection of our commitment to improving our members' financial well-being. Over the course of 2019, we found more than \$3.8 million in savings for members by refinancing loans, offering accounts with lower fees than the competition, and working with partners like the Credit Union Insurance Agency to offer savings on insurance products.

Leveraging our strength in 2019, we responded to our members' needs during difficult times. Disastrous floods impacted our region. In response, we offered disaster relief loans with low rates and short turn around time to members when they needed extra funds. During the federal government shut down, we were able to provide loans to cover missing pay periods for members whose paychecks were delayed. Being able to serve our members in some of their most difficult situations is how we continue our member focused mission.

We also continued our dedication to our local communities throughout the year, contributing more than \$158,000 to organizations that included schools and non-profits, and nearly 4,000 hours of volunteer service were provided by our employees.

Each and every accomplishment through 2019 is credited to the hard work of our volunteer board, employees, and support of our membership. We are proud to remain a truly local financial institution for you, our loyal and supportive membership. Thank you for your continued trust in 1st MidAmerica Credit Union.

Loans and Shares (in millions)



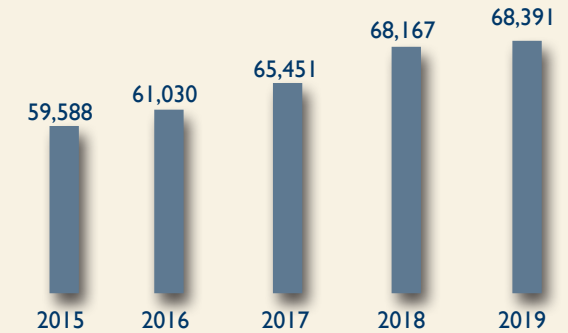
Alan Meyer
President & CEO

Membership Report

Membership in 1st MidAmerica Credit Union grew in 2019 and ended the year at 68,391 members. We added 7,441 members through our branch network and indirect lending program. Of those who joined in the branches, 650 were direct referrals from existing members. Thank you for sharing the credit union with your family, friends, and coworkers.

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



Over the course of 2019, we celebrated our 85 years of history and growth with our members. From cupcakes and gift card drawings in our branches to sharing historical photos and videos through our digital channels, we took time to step back and remember the hard work and dedication of our teams and recognized the long term loyalty of our membership.

1st MidAmerica Credit Union was organized in 1934 under the name of Western Cartridge Employees Credit Union. The original purpose of the credit union was two-fold. First, to promote thrift among its members. And second, to be a source of credit at a reasonable interest rate.

The credit union started with 35 charter members and grew that first year to include 651. The initial deposit of \$59 grew that first year to \$8,689 and loans consisted of \$7,378.



Statement of Financial Condition

	Year Ended December 31	
	2019	2018
Assets		
Cash and Cash Equivalents	\$ 48,847,807	\$ 45,224,941
Investments	14,104,527	12,850,257
Loans to Members, Net	638,506,857	648,993,746
Accrued Interest Receivable	1,858,852	1,939,762
Land, Property, and Equipment	24,372,142	25,305,594
NCUSIF and Share Insurance Deposits	6,419,231	6,103,634
Other Assets	10,574,678	11,285,092
Total Assets	\$ 744,684,094	\$ 751,703,026
Liabilities and Members' Equity		
Liabilities:		
Member Shares	\$ 649,322,318	\$ 625,519,983
Notes Payable	0	37,070,382
Accrued Expenses and Other Liabilities	11,188,842	9,310,956
Total Liabilities	\$ 660,511,160	\$ 671,901,321
Members' Equity:		
Reserves	84,172,934	79,801,705
Total Liabilities and Members' Equity	\$ 744,684,094	\$ 751,703,026

Income Statement

	Year Ended December 31	
	2019	2018
Interest Income		
Interest on Loans	\$ 33,245,040	\$ 31,860,012
Interest on Investments	1,595,779	846,596
Total Interest Income	\$ 34,840,819	\$ 32,706,608
Interest Expense		
Dividends on Members' Shares	\$ 6,498,338	\$ 4,443,364
Interest on Borrowed Funds	140,273	607,567
Total Interest Expense	\$ 6,638,611	\$ 5,050,931
Net Interest Income	\$ 28,202,208	\$ 27,655,677
Provision for Loan Loss	5,066,192	5,620,500
Net Interest Income after Provision for Loan Loss	\$ 23,136,016	\$ 22,035,177
Non-Interest Income		
Service Charges, Fees, and Other Operating Income	\$ 10,804,867	\$ 10,925,196
Unrealized Gain on Investment	860,119	0
Net Gain (Loss) on Sale of Assets	(2,373)	77,684
Total Non-Interest Income	\$ 11,662,613	\$ 11,002,880
Non-Interest Expense		
Operational Expenses	\$ 30,326,234	\$ 29,478,919
Amort FV Core Deposit Intangible	150,251	150,251
Total Non-Interest Expense	\$ 30,476,485	\$ 29,629,170
Net Income	\$ 4,322,144	\$ 3,408,887

1st MidAmerica understands the unique challenges our communities face, and we remain steadfast in our commitment to serving and supporting the communities where our members live and work. Improving the overall health and vitality of our local areas by supporting dozens of organizations, schools, and local programs is done with great pride.

1st MidAmerica is committed to increasing our dedication each year to help those in need through our various financial contributions and through the many hours that our employees volunteer.

\$158,257
in Community
donations and sponsorships
in 2019

3,955
Hours
employee volunteerism
in 2019

2019 Volunteer Events

- Big Brothers Big Sisters Bowling • Bucket Brigade • Edwardsville Veterans Day Parade
- Community Christmas • United Way Campaign • Godfrey Fall Festival
- Bethalto Memorial Day Parade • SIUE Merchant Days • Adopt a Soldier • Taste of Decatur
- Route 66 Festival • Blue Springs Parade • Music in the Park • Christmas Wonderland
- Troy Community Festival • Halloween Parades • Duck Pluckers Ball • Relay for Life

1st MidAmerica continues to focus on financial education, designing programs that empower members to make informed financial decisions and improve their financial well-being.

The credit union was recognized at the state level by the Illinois Credit Union League and at the national level by the Credit Union National Association for the Louise Herring Award, which recognizes the credit union philosophy of people helping people being put into action. Through this program, the credit union helped members become more aware of personal financial security when using technology. The program included cyber security seminars for members, a lunch and learn topic for business partners, and a Techs on Tour day in branches. During the Techs on Tour events, the credit union partnered with a technology vendor to scan members' personal computers for viruses and perform updates.

We presented our Mad City budget simulation in several local high schools in 2019, working with more than 600 students throughout the year. During this popular reality fair, students are assigned incomes and families. Based upon their assignments, they visit various booths to create budgets that include housing, entertainment, transportation, and utilities.

We also continued our seminar series, serving more than 200 members and local residents who attended various topics that included:

- Budgeting
- Retirement Planning
- Quarterly Market Updates

- First Time Homebuyers
- Social Security
- Identity Theft & Cyber Security



Community team supporting the Blue Springs Fall Festival



Decatur team cheers on the local high school football team



Community team members in Bethalto's 150th Anniversary parade



Mad City budget simulation station in local high school

2019 Savings: \$3,802,594

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 four years, members have saved over \$17,000,000. A few stories, from the hundreds, submitted by our employees:

A member came in to discuss options for debt consolidation. He mentioned that he was doing some home improvements and his credit card balance was growing. Deeper conversation revealed extensive credit card debt. With a home equity loan, we were able to consolidate all of his debt, even a credit card with a 29.99% APR, and save him almost \$10,000. - Bethalto, IL

When a couple stopped in to apply for a car loan, we reviewed their credit report and found that they had another car financed at a big bank. In addition to the new car loan, we also refinanced their other car and dropped their rate by half, saving them \$3,657 over the life of the loan. - Granite City, IL

In reviewing a member's credit report when he applied for a signature loan, we identified multiple savings opportunities. He refinanced his car and RV with the credit union, then consolidated his credit cards into a home equity loan. In total, he saved \$16,563 in interest. - Jerseyville, IL

Lending Report

Throughout 2019, 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. 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 13,008, bringing total balances to \$43,813,556.

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

Over the course of 2019, 13,020 loans were approved and \$242,927,400 in credit was extended to members.

Loan Type	Number of Loans Approved	Total Loans	% of Total Loan Activity
Direct Loans (in branches)	4,123	\$54,016,587	22.2%
Home Equity	436	\$17,946,963	7.4%
Indirect Auto	7,764	\$115,452,204	47.5%
Mortgage	635	\$30,745,695	12.7%
Member Business	62	\$24,765,951	10.2%
Total Loans	13,020	\$242,927,400	100%

Supporting Our Schools

We awarded \$2,250 in teacher grants to classrooms and teachers in participating school districts in 2019.



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

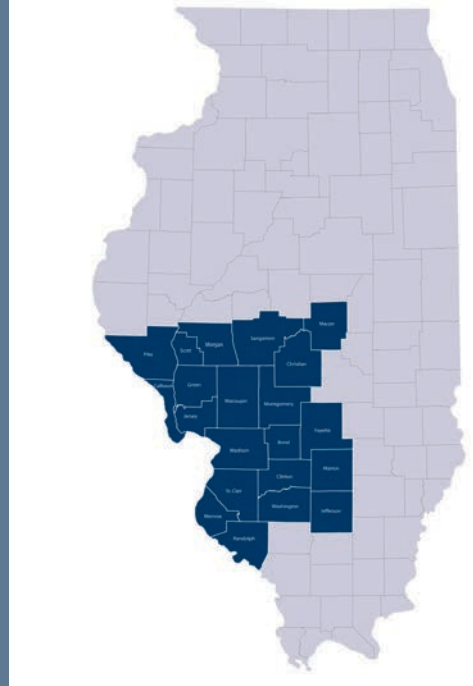
5301 Godfrey Road
Godfrey, IL 62035

19301 E. Valley View Parkway
Independence, MO 64055

300 W. County Road
Jerseyville, IL 62052

100 McDonald Dr.
Troy, IL

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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by NCUA.

