

 **Community 1<sup>st</sup> CU**  
Together is Better

**ANNUAL MEETING**  
January 24, 2022

2022 Annual Report  
This credit union is federally insured by the NCUA.





Community 1<sup>st</sup> Credit Union  
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## 2021 Year In Review: A Letter from The President / CEO

**2021 was a year of growth for C1st.** We started the year with 17 locations, \$845 million in assets, and 58,000 members. Thanks to our strong and empowered team, we have continued to grow and are now at \$985 million in assets, 64,000 members and 20 locations. This growth would not be possible without you, our loyal members.

**We continue to offer new and innovative products and services.** At the beginning of the year, we introduced Trust Services. If you would like to set up a Trust, please reach out to Matthew Vickers, your C1st Financial Advisor. He's ready to help members protect their hard-earned assets, achieve their financial aspirations and ensure their financial legacy endures.

**We strive to have the right technology for today and tomorrow.** In the summer, we launched a few digital banking enhancements, including a feature that allows members to skip a monthly payment on a qualifying loan as long as certain program qualifications are met. We also implemented enhanced digital debit card services. Now you can control your debit card by turning it on/off, setting travel notifications, adjusting ATM limits and more.

**We are always looking for expansion opportunities,** and in 2021 we added three new markets to our footprint. In July, we celebrated the Grand Opening and Ribbon Cutting of our new branch facility in Osceola, Iowa, at the southwest corner of W. McLane (HWY 34) and S. Dearborn. In October, Nishna Valley Credit Union joined the C1st family. This merger added new full-service branches in Creston and Atlantic, IA to the list of C1st locations already available to you. We hope you'll stop in and say hello to our newest team members.

**We are...C1st!** For the sixth year in a row, Community 1<sup>st</sup> Credit Union was named a Top Workplace in Iowa. Ranking 6th out of 47 medium-sized businesses is an additional honor and an all-time high for C1st! The results show we continue to have something truly special happening here. Even in especially challenging times, our employees embraced the opportunity and continued to be a strong and empowered team.

**We are here to improve the lives of our members.** C1st was awarded a \$1.8 million federal grant to support economic recovery. The funding came from the U.S. Department of Treasury through the Treasury's CDFI Rapid Response Program. The funds are being used to help give our members a financial boost by continuing to provide a payday alternative loan program and first time homebuyer down payment assistance program.

**We pride ourselves in staying connected to our communities.** We awarded \$44,000 in scholarships to 22 area high school seniors and returning college students in May. In addition, we gave our local communities over \$125,000 for local non-profit organization sponsorships and donations. We are also very proud to announce our C1st Foundation exceeded the giving of over \$100,000 in grants – directly affecting our local communities and promoting community betterment.

With sincere gratitude, we humbly thank you for being a member of Community 1st. Credit Unions were built on the foundation of 'people-helping-people.' Providing our members access to affordable financial products and services and striving to meet the needs of underserved communities is what the credit union difference is all about. At C1st, we're honored to have been a part of that philosophy for 85 years!

Sincerely,  
Greg Hanshaw



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## A Letter from the C1st Board Chairman

Dear Fellow C1st Members,

As I look back at the past year, one word sums up my first year serving as board chair, gratitude.

I am grateful to my board colleagues for installing me in this role. Their support, experience and dedication continue to inspire me. The board members take responsibility for strategic opportunities, finances and risk seriously by active and open discussions with our leadership team.

I am grateful for our entire workforce. The pandemic seemed to wane, allowing us to return to our offices again. However, this latest strain has reminded us all that we need to continue to be flexible. Through it all, C1st employees believed in our mission, vision and core values. They have consistently delivered exceptional service to the membership.

I am grateful for the members, for without you, so many great things are not possible. We have expanded to new markets, with a new branch in Osceola along with a merger that brought us to Creston and Atlantic. We continue to fund our C1st Foundation, providing our communities options to finance projects. We are dedicated to our youth with our scholarship program, awarding \$48,000.00 to our members in 2021. We have implemented and continued to fund our first time homeowner grants, helping well over 140 members since the program's inception. **Together really is better!**

In closing, despite challenges, Community 1<sup>st</sup> Credit Union experienced a positive 2021. The board of directors strive to be forward thinking and are optimistic for what 2022 will bring.

Thank you,  
Tim Elliott  
C1st Board Chairman

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## A Letter from the Credit Committee Chairman

The Credit Committee has two responsibilities – to serve the needs of our membership and protect your investment in Community 1st Credit Union. We acknowledge the value and importance of being member owned. In fact, our credit union is a combination of committees, Board of Directors, administration and members. The Board of Directors and credit union committees work together for the members, volunteering their time to ensure high quality service and products.

In 2021, we reached \$625 million loans on our books! This has allowed our members to help finance vehicles, homes, small businesses, weddings, college education, RV's, boats, expand farming operations and other needs of the members. We have been able to do this by providing competitive and innovative products and services that allow you, the member, to find a loan or service that is tailored to meet your personal needs.

The Credit Committee meets quarterly prior to the regular board meeting. The committee consists of five members of the Board of Directors, along with three members of management. It is the responsibility of the Credit Committee to determine the loan policies and procedures and bring those items to the Board of Directors.

In a perfect world, getting a loan should be as simple as walking in to see the loan officer, signing your name and walking out with the money. Government regulations, prior credit history and privacy laws make lending far more difficult than that. The Credit Committee continually strives to minimize the complexity of borrowing money.

Another responsibility of the Credit Committee is to compile a Loan Summary Review, which shows how many loans (indirect, consumer, business, agriculture, mortgage, and home equity) were approved and denied. Also, there are governmental guidelines of which the Credit Committee has to adhere to in order to make certain C1st is within the percentage of total assets and net worth along with the number of loans the credit union issues. These guidelines are then subject to scrutiny by the Iowa Division of Credit Unions. The Credit Committee makes certain Community 1st Credit Union is within those guidelines.

Thank you for investing your money, trust, and business in Community 1st Credit Union. We will continue to serve you in the spirit of the credit union community. By voluntarily devoting time and effort to improve the credit union, the Credit Committee is an excellent example of members helping members.

Jason Eubanks  
Credit Committee Chairman

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## A Letter from the Audit Committee Chairman

The Audit Committee continues to maintain its focus on the quality and integrity of the financial statements and the overall adequacy of internal controls and risk management of Community 1<sup>st</sup> Credit Union.

The Committee is primarily responsible for ensuring that the Board of Directors and management of the credit union:

- Meet all financial reporting requirements and
- Establish practices and procedures to safeguard members' assets.

In carrying out these responsibilities, the Committee must determine whether:

- Internal controls are established and effectively maintained to protect the members and the credit union;
- Accounting records and financial reports are prepared promptly and accurately reflect operations;
- Board of Director established relevant plans, policies and control procedures are properly administered; and
- Policies and control procedures are sufficient to safeguard against errors, conflict of interest, self-dealing and fraud.

Petersen & Associates continues to conduct the external annual audit of Community 1<sup>st</sup> Credit Union. The Audit Committee takes into consideration all comments from the CPA firm, State and Federal Auditors, and credit union members/owners to ensure the financial soundness of your credit union.

The members of the Audit Committee meet monthly and are Anne Leathers (Chairman), Lowell McClure, and Carolyn Walker (Secretary).

Respectfully Submitted,

Anne Leathers  
Audit Committee Chairman



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**STATEMENT OF  
FINANCIAL CONDITION**

**AND**

**STATEMENT OF  
INCOME AND EXPENSES**

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**Community 1st Credit Union**  
**Statement of Condition**  
**12/31/21**

	<u>ACTUAL</u> <u>12/31/2021</u>	<u>ACTUAL</u> <u>12/31/2020</u>
<b>ASSETS</b>		
Loans	629,459,147.15	626,917,880.81
Allowance for Loan Loss	(6,116,341.10)	(5,495,776.96)
Other Receivables	26,871.20	58,245.78
Cash in Bank	9,585,124.31	8,743,397.55
NCB	266,379,244.46	171,411,099.30
Investments	54,860,938.48	1,224,100.00
Prepaid Expenses	901,863.87	1,013,031.79
Loans Available for Sale	2,503,771.64	1,942,400.00
Fixed Assets	23,974,687.34	21,945,621.42
Accrued Income	2,895,319.65	3,680,014.88
Other Assets	15,826,785.19	14,161,418.49
<b>TOTAL ASSETS</b>	<u><u>1,000,297,412.19</u></u>	<u><u>845,601,433.06</u></u>
<b>LIABILITIES</b>		
Borrowed Funds	7,500,000.00	9,000,000.00
Accounts Payable	5,012,002.87	4,734,800.22
Other Liabilities	3,613,425.91	2,118,960.29
Payrolls	0.00	0.00
Accrued Dividends	0.00	0.00
Accrued Taxes	643,276.23	600,225.12
Accrued Expenses	478,531.77	366,202.05
Shares	769,612,264.86	590,235,448.76
Certificates	136,218,901.14	170,507,618.36
<b>TOTAL LIABILITIES</b>	<u><u>923,078,402.78</u></u>	<u><u>777,563,254.80</u></u>
<b>EQUITY</b>		
Equity	70,650,415.37	63,955,386.18
Net Income	6,568,594.04	4,082,792.08
<b>TOTAL EQUITY</b>	<u><u>77,219,009.41</u></u>	<u><u>68,038,178.26</u></u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,000,297,412.19</u></u>	<u><u>845,601,433.06</u></u>

**Community 1st Credit Union**  
**Statement of Income**  
**12/31/21**

	<u>YTD</u> 12/31/21	<u>YTD</u> 12/31/20
<b>Income</b>		
Loan Income	30,510,781.97	30,806,251.07
Investment Income	601,331.09	432,903.91
Fees/ Charge Income	10,343,064.96	8,870,408.79
Miscellaneous Operating Income	2,002,915.84	1,945,443.25
<b>TOTAL INCOME</b>	<b>43,458,093.86</b>	<b>42,055,007.02</b>
<b>Expenses</b>		
Employee Compensation	13,061,053.92	11,853,384.38
Employee Benefits	4,160,355.66	3,897,828.26
Education & Travel	351,187.88	238,097.44
Association Dues	91,845.91	88,932.53
Office Occupancy	2,141,304.88	1,998,584.21
Furniture & Equipment Maintenance	1,531,597.61	1,338,211.67
Stationary & Supplies	977,109.07	729,020.26
Insurance	218,262.60	162,159.70
Depreciation	1,645,534.58	2,174,367.46
Miscellaneous Expense	6,896.30	504.87
Promotion	2,158,668.00	2,011,428.25
Loan Service Expense	1,041,476.61	1,002,573.88
Supervision/ Exam Fees	159,941.78	164,425.09
Outside Services	3,042,195.74	2,361,817.00
Provision Expense	1,299,425.00	2,567,570.00
Cash Over/ Short	1,067.54	2,782.87
Interest Expense	191,886.41	263,749.45
Miscellaneous Operating Expense	222,922.92	169,784.31
Dividend Expense	4,828,349.87	6,883,987.11
Gain / loss on sale of assets	(306,183.06)	4,566.20
<b>TOTAL EXPENSE</b>	<b>36,824,899.22</b>	<b>37,913,774.94</b>
Extraordinary Expense	64,600.00	58,440.00
<b>NET INCOME</b>	<b>6,568,594.64</b>	<b>4,082,792.08</b>





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## VIRTUAL ANNUAL MEETING C1st Corporate Center February 1st, 2021 at 6:00 PM

Members of Community 1st Credit Union held their 84th Virtual Annual Meeting at C1st Corporate Center. Board members present were: John Mayberry, Rex Stewart, Anne Leathers, Bianca Myers, Courtney Jones, Tim Elliott, Edith Cabrera-Tello and Jason Eubanks. Absent was D. David Boyer.

Chairman, John Mayberry, called the meeting to order at 6:00 PM. Quorum was reached with 34 people in attendance in person and virtually. Minutes of the last annual meeting were reviewed. A motion to approve was made by Tim Elliott, second motion by Jeff Leu.

John Mayberry introduced the C1st Board Members and then asked for a moment of silence for the former board members who passed away in 2020, Larry Jarvis and Dwain Russell. C1st staff members whom were present at HQ introduced themselves along with job titles.

**Old Business:** President and CEO Greg Hanshaw reviewed highlights from 2020. Plans for Osceola and NVCU merger for 2021 were discussed. John Mayberry announced the election results: Bianca Myers, Courtney Jones, and John Mayberry will serve a 3 year term.

**New Business:** The 2022 Annual Meeting date was set to Monday, January 24, 2022.

**2021 C1st Board of Directors:**

Tim Elliott – Chairman	John Mayberry
Jason Eubanks – Vice Chairman	D. David Boyer
Bianca Myers – Chief Financial Officer	Anne Leathers
Courtney Jones – Secretary	Edith Cabrera-Tello
Rex W. Stewart	

A motion was made by Jeff Leu and seconded by Jason Eubanks to adjourn meeting. M/C Adjourned at 6:20 PM.

John Mayberry, Chairman

D. Dave Boyer, Chief Financial Officer

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## Community 1<sup>st</sup> Credit Union Branch Locations



**Albia:** 1420 S. Clinton St.  
**Atlantic:** 200 Maple St.  
**Bloomfield:** 301 E. Franklin  
**Cedar Rapids:** 1030 Sierra Dr. NE  
**Centerville:** 999 N. 18<sup>th</sup>  
**Chariton:** 1934 Court Ave.  
**Creston:** 205 E. Taylor St.  
**Fairfield:** 2501 W. Burlington  
**Grinnell:** 205 West St.  
**Indianola:** 300 S. Jefferson Way  
**Knoxville:** 1008 W. Bell Ave., Suite 103

**Mount Pleasant:** 1800 E. Washington St.  
**Osceola:** 714 W. McLane St.  
**Oskaloosa:** 1311 A. Ave. West  
**Ottumwa – North:** 739 Pennsylvania Ave.  
**Ottumwa – South:** 235 Richmond Ave.  
**Ottumwa – Venture:** 1940 Venture Dr. (Walmart)  
**Ottumwa – JBS:** 600 S. Iowa Ave. (JBS Employees Only)  
**Pella:** 500 Main St.  
**Shenandoah:** Coming in March 2022  
**Washington:** 303 S. 2<sup>nd</sup> Ave.  
**866.360.5370 · c1stcu.com**



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## 2022 Board of Directors Candidates

**The nominating committee has selected three candidates to fill three vacancies.**



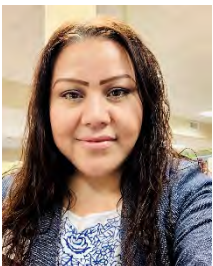
### **D. David Boyer**

A resident of Ottumwa, and Tool & Die maker at John Deere Ottumwa Works. Dave has served on the board since 1995 and is currently a member of the credit & nominating committees and the membership officer.



### **Tim Elliott**

A resident of Washington, and current Owner | Broker at Elliott Realty Group. Tim has served on the board since 2016 and is currently the board chair. He is also a member of the board executive & asset-liability committees.



### **Sandra Wirfs**

A resident of Ottumwa, and Workforce Advisor at Iowa Workforce Development. Sandra has been a member of C1st since 2015 and enjoys volunteering in the community. Currently, she is the Ottumwa LU LAC 377 Vice-President.