



 **Community 1st CU**  
Together is Better

**ANNUAL MEETING**  
January 23, 2023

2023 Annual Report  
This credit union is federally insured by the NCUA.





Community 1<sup>st</sup> Credit Union  
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## 2022 Year in Review: A Letter from the President / CEO

**2022 was another year of growth and continued strategies to stay connected to our members and communities.** We started the year with 20 locations, \$630 million in loans, and 64,000 members. Thanks to our strong and empowered team, we have continued to grow and are now at \$704 million in loans, 66,000 members and 21 locations. This growth would not be possible without you, our loyal members.

**We pride ourselves in staying connected to our communities.** In 2022, our C1st Foundation financially supported many local non-profit organizations in our communities. \$5,000 was given to Mahaska Future View, for the Edmondson Playground Project in Oskaloosa. Another \$5,000 went to both Cedar Valley Habitat for Humanity to help serve more qualified homeowners through critical home repairs and Sleep in Heavenly Peace to build and deliver twin-size beds to kids sleeping on the floor or in other uncomfortable situations. In addition, \$100,000 was pledged to the Indian Hills Community College Foundation for campus facility renovations and construction. All of these projects were made possible by grants from the C1st Credit Union Impact Giving Fund of Greater Cedar Rapids Community Foundation.

**We are a strong and empowered team at C1st.** Community 1st Credit Union received its seventh straight Des Moines Register "Top Workplace" award. The newspaper recognized over 100 Iowa companies and organizations for the 2022 honor in September. The employer honor is based on results of an employee feedback survey. We are proud to hold on to this honor for 7 years.

**We continue to expand and invest in facilities.** In May, we held a groundbreaking ceremony to commemorate the beginning of construction of our newest branch in Shenandoah, Iowa. The new 3,800 square-foot facility will be located at 700 S. Freemont St and will open in spring 2023. The building project is located on 3.65 acres and will include 5 offices, a conference room with seating up to 10, as well as a spacious lobby, multiple drive-thru lanes, and a drive-up ATM. This is an exciting opportunity for us to grow and expand value to our members.

**At C1st, we are people helping people and rooted in our communities,** which is why we developed and launched a first-time homebuyers down payment assistance program designed specifically for low-income and underserved individuals. The community development program is an excellent opportunity to help those who otherwise might not be able to purchase a home or get the home they've been dreaming of. Since its creation, we've awarded more than \$1.5 million to over 300 first-time homebuyers.

**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 over 85 years!

Sincerely,  
Greg Hanshaw  
President & Chief Executive Officer



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## A Letter from the C1st Board Chairman

Dear Fellow C1st Members,

As I reflect on the activities of Community 1st in 2022, I keep coming back to the word *accomplishment*. That is not to say that we have reached our goals as a credit union or board of directors, but that much has been accomplished! The following are some highlights in my mind.

We started the year out with the exciting news of our expansion to Shenandoah, a community that needed the financial choice C1st brings to the community. We don't take the decision to expand lightly, as the senior leadership rigorously researches new opportunities so we know we will be a great partner in that community. We look for that branch to be open in the spring and the board appreciates all the extra work that comes with opening a new branch from CEO Greg Hanshaw's leadership team.

The Community 1st Credit Union Foundation continues to make a difference in the communities we serve after getting started just a couple years ago. Your board of directors is committed to keeping this foundation actively funded and will continue to use it to improve the communities our members call home. On that same note, we are very proud to continue offering our college scholarship program. In 2022, we awarded \$48,000 to our deserving young members to further their education.

I feel it is also important to recognize our CEO, Greg Hanshaw, for being elected to the Iowa Credit Union League board of directors. Greg is well known in the Credit Union industry, and to have one of our own in this role is quite an honor. Greg will have a larger role in advocating for the Credit Union difference, and we all thank him for his continued commitment to the CU movement.

I'm also very proud of the fact that after a couple years off because of the pandemic, the Community 1st Volunteer Day returned! We had more than 200 employees travel to Osceola, where they volunteered at local organizations that needed our help. Thank you to all who participated in this day and in years past. This truly shows that we live by our core values!

Another honor for our C1st team was that for the 7th year in a row, we were been named a top 10 workplace in Iowa by the Des Moines Register. The directors know the importance of a happy, challenged, and empowered team and we appreciate your dedication to all of our members!

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 2022, we grew loans by \$75 million or 11.9%, and reached \$704 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.

John Mayberry  
Credit Committee Chairman



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## A Letter from the Audit Committee Chairman

The Audit Committee is the members' representative in monitoring the operations of Community 1st Credit Union and determining if being soundly managed.

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

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

The Audit Committee's role is to:

- Ensure the performance of an annual overall financial audit and verification of members' accounts
- Confirm that adequate internal controls are in place to provide for the safety of member assets
- Review all internal audits
- Confirm that management promptly mitigates any issues as they arise

Petersen & Associates continues to conduct the external annual audit of Community 1st 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 the credit union.

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

Respectfully Submitted,

Anne Leathers  
Audit Committee Chair



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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**  
**12/31/22**

	<u>ACTUAL</u> <u>12/31/2022</u>	<u>ACTUAL</u> <u>12/31/2021</u>
<b>ASSETS</b>		
Loans	704,350,880.66	629,459,147.15
Allowance for Loan Loss	(6,687,424.31)	(6,116,341.10)
Other Receivables	51,622.24	26,871.20
Cash in Bank	10,438,874.33	9,585,124.31
NCB	142,014,317.30	266,379,244.46
Investments	41,097,438.88	54,860,938.48
Prepaid Expenses	1,002,392.12	901,863.87
Loans Available for Sale	337,000.00	2,503,771.64
Fixed Assets	24,918,493.31	23,974,687.34
Leases	809,544.18	0.00
Accrued Income	3,902,010.57	2,895,319.65
Other Assets	16,626,491.54	15,826,785.19
<b>TOTAL ASSETS</b>	<u><b>938,861,640.82</b></u>	<u><b>1,000,297,412.19</b></u>
<b>LIABILITIES</b>		
Borrowed Funds	5,500,000.00	7,500,000.00
Accounts Payable	4,776,303.65	5,012,002.87
Other Liabilities	3,429,627.32	3,613,425.91
Payrolls	0.00	0.00
Accrued Dividends	0.00	0.00
Accrued Taxes	689,481.94	643,276.23
Accrued Expenses	559,292.52	478,531.77
Shares	759,991,366.71	769,612,264.86
Certificates	80,204,536.53	136,218,901.14
<b>TOTAL LIABILITIES</b>	<u><b>855,150,608.67</b></u>	<u><b>923,078,402.78</b></u>
<b>EQUITY</b>		
Equity	74,122,207.73	70,650,415.37
Net Income	9,588,824.42	6,568,594.04
<b>TOTAL EQUITY</b>	<u><b>83,711,032.15</b></u>	<u><b>77,219,009.41</b></u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>938,861,640.82</b></u>	<u><b>1,000,297,412.19</b></u>

This Credit Union is federally insured by the National Credit Union Administration.

**Community 1st Credit Union**  
**Statement of Income**  
**12/31/22**

	<u>YTD</u> <u>12/31/22</u>	<u>YTD</u> <u>12/31/21</u>
<b>INCOME</b>		
Loan Income	32,504,931.14	30,510,781.97
Investment Income	3,832,211.34	601,331.09
Fees/ Charge Income	10,346,185.73	10,343,064.96
Miscellaneous Operating Income	1,869,774.29	2,002,915.84
<b>TOTAL INCOME</b>	<b><u>48,553,102.50</u></b>	<b><u>43,458,093.86</u></b>
<b>EXPENSES</b>		
Employee Compensation	14,445,903.65	13,061,053.92
Employee Benefits	4,219,256.38	4,160,355.66
Education & Travel	481,331.78	351,187.88
Association Dues	115,614.66	91,845.91
Office Occupancy	2,409,286.60	2,141,304.88
Furniture & Equipment Maintenance	1,688,786.12	1,531,597.61
Stationary & Supplies	1,123,868.30	977,109.07
Insurance	208,527.51	218,262.60
Depreciation	1,964,807.14	1,645,534.58
Miscellaneous Expense	1,466.82	6,896.30
Promotion	2,369,676.80	2,158,668.00
Loan Service Expense	866,816.13	1,041,476.61
Supervision/ Exam Fees	155,710.02	159,941.78
Outside Services	2,474,873.67	3,042,195.74
Provision Expense	1,641,555.00	1,299,425.00
Cash Over/ Short	330.79	1,067.54
Interest Expense	154,876.38	191,887.01
Interest Lease	10,744.55	0.00
Miscellaneous Operating Expense	322,013.93	222,922.92
Dividend Expense	4,217,429.96	4,828,349.87
Gain / loss on sale of assets	(6,402.11)	(306,183.06)
<b>TOTAL EXPENSE</b>	<b><u>38,866,474.08</u></b>	<b><u>36,824,899.82</u></b>
Extraordinary Expense	<u>97,804.00</u>	<u>64,600.00</u>
<b>NET INCOME</b>	<b><u>9,588,824.42</u></b>	<b><u>6,568,594.04</u></b>





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## ANNUAL MEETING MINUTES C1st Corporate Center January 24th, 2022 at 6:00 PM

Members of Community 1st Credit Union held their 85th 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, Jason Eubanks, D. David Boyer, and Sandra Wirfs.

Chairman, Tim Elliott, called the meeting to order at 6:07 PM. Quorum was reached with 40 people in attendance in person and virtually. Minutes of the last annual meeting were reviewed. A motion to approve minutes was made by Dave Boyer, second motion by Edith Cabrera-Tello.

Tim Elliott introduced the C1st Board Members and the board members who serve on the Credit Committee and Audit Committee. C1st staff members whom were present at HQ introduced themselves along with job titles. Tim bid farewell to Edith and presented her with a plaque honoring her 6 years of dedicated service to the C1st Board.

**Old Business:** President and CEO Greg Hanshaw welcomed our staff and member who were attending virtually, via Zoom. Greg reviewed highlights from 2021. Sandra Wirfs, our new board member, was asked to come up front to introduce herself. Greg shared the credit union's excitement to have her serve on our board.

**New Business:** D. David Boyer, Tim Elliott and Sandra Wirfs will serve a 3 year term. The 2023 Annual Meeting date was set to Monday, January 23, 2023.

### 2022 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	Sandra Wirfs
Rex W. Stewart	

A motion was made by Kristina Kremer, second motion by April Cutler to adjourn meeting. M/C Adjourned at 6:29 PM.

Tim Elliot, Chairman

Bianca Myers, 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:** 301 Maple St.  
**Washington:** 303 S. 2<sup>nd</sup> Ave.  
**866.360.5370 · c1stcu.com**



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## 2023 Board of Directors Candidates

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



### **Rex Stewart**

A member since 1969 and is retired from John Deere Ottumwa Works. Currently, he farms and resides in Drakesville, IA with his wife, Elizabeth. Rex has served on the board since 1986 and is excited to be a part of the continued strength and growth of the credit union.



### **Anne Leathers**

A long-time IHCC accountant. Anne has served as a member of the C1st Audit committee for 20 years. She and her husband, Scott have a grain and cattle operation near Ollie, IA. Anne was appointed to the C1st Board in August 2016.



### **Jason Eubanks**

An Engineering Team Leader at John Deere. Jason has a B.S. & M.S. from ISU in Agricultural Engineering. Jason has been a C1st member for 20 years and lives outside of Hedrick with wife Becky and kids (Sarah, Renae, and Henry). Jason has served on the C1st Board for twelve years.