



# Community 1st CU

Together is Better

**ANNUAL MEETING**

**January 22, 2024**



2024 Annual Report

This credit union is federally insured by the NCUA.



## 2023 Year in Review: A Message from the President / CEO

**2023 was another year of growth and continued strategies to stay connected to our members and communities.** We started the year with \$938 million in assets, \$704 million in loans and 65,500 members. Thanks to our strong and empowered team, we have continued to grow and are now at \$943 million in assets, \$780 million in loans, and 66,400 members. 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 Change Counts, a unique and easy way to save, without even thinking about it. Just enroll in our Change Counts program by logging into C1st Digital Banking. Then, start making purchases with your C1st Visa debit card. We round up the purchase to the next whole dollar amount. Then, we deposit the change into a C1st savings account of your choice. It's that easy to save!

**We're always looking for more ways to enhance our digital banking experience.** In July, C1st launched SavvyMoney's Credit Score & Report, a comprehensive product that is offered via C1st's Digital Banking. SavvyMoney provides credit score analyses, full credit reports, monitoring, and personalized product information – all in one dashboard. You can use it anytime, anywhere and for FREE. You can master your credit standing, with no purchases or credit card required.

**We are...connected to our communities.** In 2023, the C1st Foundation financially supported many local non-profit organizations in our communities. A total of \$152,340 was pledged and given to communities across our footprint. In addition, we gave our local communities over \$125,000 for local non-profit organization sponsorship and donations. We are also very proud to announce our C1st Foundation exceeded the giving of over \$250,000 in grants – directly affecting our local communities and promoting community betterment. 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 eighth straight Des Moines Register "Top Workplace" award. The newspaper recognized 148 Iowa companies and organizations for 2023. The employer honor is based on the results of an employee feedback survey. We are proud to hold this honor for 8 years.

In addition, C1st was named by Forbes' annual list of America's Best-In-Credit Unions as the #1 Credit Union in the state of Iowa. This prestigious award is presented by Forbes and Statista Inc., the leading statistics portal and industry ranking provider. C1st is one of only five Iowa credit unions making the 2023 list. Being recognized by Forbes as the number one credit union in Iowa is a true testament to how our members feel about us every day. The award validates **we are continuing to help improve the lives of our members by helping them achieve financial success.**

**We continue to expand and invest in facilities.** On March 29<sup>th</sup>, we officially opened the new location of the Community 1st Credit Union Shenandoah branch. The new location is located at 700 Fremont Street, across from the Walmart in Shenandoah. C1st partnered with Single Source Architects & Master Builders out of Waterloo who led the entire project to completion partnering with several local sub-contractors. It was an exciting opportunity for C1st to continue to expand value to our members as well as continue to invest in the Shenandoah community. We believe we have the best spot in the town!

**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 C1st Members,

The past year has continued the trend of change in the financial world. We have all felt the challenges of inflation and the historic interest rate hikes from the Federal Reserve in 2023 and we look forward to a period of stability in the banking industry.

2023 was a year of exceptional growth for C1st and that does not happen by accident. The board of directors along with the senior management team strategically worked hard in 2021 and 2022, taking a somewhat conservative approach to be well-positioned in what has been uncertain times. Those years presented us with challenges we normally wouldn't see and because of decisions made, we were able to grow our lending across the board throughout 2023 when other institutions were tightening their lending practices. C1st was able to keep our lending rates very attractive, and we are extremely happy that we exceeded our expectations in the mortgage area, helping even more of our members realize the historic American Dream.

The primary function of your board of directors is to guide the direction of the Credit Union. I'd like to share some of the work your board has done. Along with the senior leadership, we revamped our strategic planning, and all involved felt changes were necessary. The board is committed to spending more time throughout the year thinking strategically so we can feel even more confident about the direction C1st is going in the future. We have also been able to start attending more educational conferences to further our knowledge and keep our Credit Union vibrant. We know the importance of educating ourselves as directors as well as the open dialogue we consistently have with your C1st senior leadership team. As we continue to grow in branches and membership, know that your board of directors is actively looking to improve our internal systems, continuing to put members first in all of our discussions. I'd also like to recognize our newest directors, Sandra Wirfs, who came on board in January 2022, and Nathan Caraway, who came on after the passing of longtime director Rex Stewart. Both have been a great addition to the board, and we look forward to their contributions as they continue to learn the role of being a C1st Director.

On behalf of the board, we thank you for your membership and loyalty to C1st, as without you, there is no C1st! We remain committed to our mission, "We are people helping people, rooted in our communities, empowering our employees to help our members achieve financial success." We are C1st!!

Kind regards,

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 to protect your investment in Community 1st Credit Union. We acknowledge the value and importance of being member-owned. 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 2023, we grew loans by \$74 million or 10.5%, and reached \$778 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 members' needs. 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 before 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 to which the Credit Committee has to adhere 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 tasked with ensuring that Community 1<sup>st</sup> Credit Union is well-managed and financially sound. It is charged with overseeing the Credit Union's compliance with all generally accepted accounting principles and other regulatory requirements.

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

- Are current with all rules and regulations
- Have the appropriate safeguards in place to protect the assets of the membership
- Mitigate any issues as they may arise

Petersen & Associates continues to conduct the external annual audit of Community 1<sup>st</sup> Credit Union. All comments from the membership, CPA firm, State and Federal Auditors are taken into consideration when determining the Credit Union's financial soundness.

The members of the Audit Committee are Anne Leathers, Lowell McClure and Carolyn Walker. We appreciate the opportunity to serve the membership and encourage all members to take advantage of the services that are offered by the Credit Union.

We thank you for your continued confidence in the operations of Community 1<sup>st</sup> Credit Union.

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**  
**12/31/23**

	<u>ACTUAL</u> 12/31/2023	<u>ACTUAL</u> 12/31/2022
<b>ASSETS</b>		
Loans	778,160,449.85	704,350,880.66
Allowance for Loan Loss	(7,355,881.66)	(6,687,424.31)
Other Receivables	69,090.52	51,622.24
Cash in Bank	11,282,542.67	10,438,874.33
NCB	107,477,350.90	142,014,317.30
Investments	33,278,873.56	41,097,438.88
Prepaid Expenses	1,376,870.56	1,002,392.12
Loans Available for Sale	768,850.00	337,000.00
Fixed Assets	25,149,781.69	24,918,493.31
Leases	718,513.40	809,544.18
Accrued Income	4,476,418.35	3,902,010.57
Other Assets	16,287,515.36	16,626,491.54
<b>TOTAL ASSETS</b>	<u><b>971,690,375.20</b></u>	<u><b>938,861,640.82</b></u>
<b>LIABILITIES</b>		
Borrowed Funds	3,500,000.00	5,500,000.00
Accounts Payable	5,452,696.01	4,776,303.65
Other Liabilities	2,938,641.23	3,429,627.32
Payrolls	0.00	0.00
Accrued Dividends	0.00	0.00
Accrued Taxes	747,071.36	689,481.94
Accrued Expenses	622,863.17	559,292.52
Shares	659,589,136.91	759,991,366.71
Certificates	203,190,756.11	80,204,536.53
<b>TOTAL LIABILITIES</b>	<u><b>876,041,164.79</b></u>	<u><b>855,150,608.67</b></u>
<b>EQUITY</b>		
Equity	84,349,379.26	74,122,207.73
Net Income	11,299,831.15	9,588,824.42
<b>TOTAL EQUITY</b>	<u><b>95,649,210.41</b></u>	<u><b>83,711,032.15</b></u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>971,690,375.20</b></u>	<u><b>938,861,640.82</b></u>

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

**Community 1st Credit Union**  
**Statement of Income**  
**12/31/23**

	<u>ACTUAL MTD</u>	<u>ACTUAL YTD</u>	<u>PRIOR YEAR</u>	<u>PRIOR YEAR</u>
	<u>12/31/23</u>	<u>12/31/23</u>	<u>MTD</u>	<u>YTD</u>
	<u>12/31/22</u>	<u>12/31/22</u>	<u>12/31/22</u>	<u>12/31/22</u>
<b>Income</b>				
Loan Income	3,879,857.58	41,230,381.97	3,080,102.41	32,504,931.14
Investment Income	488,491.46	6,011,778.28	574,739.35	3,832,211.34
Fees/ Charge Income	850,076.18	10,436,817.31	815,991.04	10,346,185.73
Miscellaneous Operating Inc.	134,049.30	1,938,748.47	125,559.49	1,869,774.29
<b>TOTAL INCOME</b>	<b><u>5,352,474.52</u></b>	<b><u>59,617,726.03</u></b>	<b><u>4,596,392.29</u></b>	<b><u>48,553,102.50</u></b>
<b>Expenses</b>				
Employee Compensation	1,339,229.17	16,423,964.74	1,275,248.30	14,445,903.65
Employee Benefits	466,189.56	4,919,426.96	340,718.63	4,219,256.38
Education & Travel	35,442.86	530,048.74	34,400.25	481,331.78
Association Dues	22,246.06	126,457.71	15,930.51	115,614.66
Office Occupancy	182,917.53	2,435,582.55	206,911.83	2,409,286.60
Furniture & Equipment Mtc.	226,859.99	2,523,842.99	201,657.23	1,688,786.12
Stationary & Supplies	112,316.59	1,336,584.78	81,787.95	1,123,868.30
Insurance	18,282.30	212,654.94	17,974.77	208,527.51
Depreciation	171,872.58	1,959,488.57	166,311.74	1,964,807.14
Miscellaneous Expense	20.00	324.71	431.94	1,466.82
Promotion	233,012.91	2,892,034.94	205,901.11	2,369,676.80
Loan Service Expense	53,596.01	963,446.62	73,721.14	866,816.13
Supervision/ Exam Fees	12,700.00	175,683.22	16,329.92	155,710.02
Outside Services	194,740.54	2,220,258.98	197,675.88	2,474,873.67
Provision Expense	636,353.00	2,817,064.13	223,458.00	1,641,555.00
Cash Over/ Short	(1,380.14)	4,667.95	(465.53)	330.79
Interest Expense	5,605.98	102,463.35	11,013.61	154,876.38
Interest Lease	1,106.13	12,691.46	810.30	10,744.55
Miscellaneous Operating Exp.	23,659.43	324,979.90	20,580.19	322,013.93
Dividend Expense	948,377.10	8,194,163.31	352,488.76	4,217,429.96
Gain / loss on sale of assets	0.00	29,064.33	0.00	(6,402.11)
<b>TOTAL EXPENSE</b>	<b><u>4,683,147.60</u></b>	<b><u>48,204,894.88</u></b>	<b><u>3,442,886.53</u></b>	<b><u>38,866,474.08</u></b>
Extraordinary Expense	<u>24,600.00</u>	<u>113,000.00</u>	<u>33,870.64</u>	<u>97,804.00</u>
<b>NET INCOME</b>	<b><u><u>644,726.92</u></u></b>	<b><u><u>11,299,831.15</u></u></b>	<b><u><u>1,119,635.12</u></u></b>	<b><u><u>9,588,824.42</u></u></b>





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## ANNUAL MEETING C1st Corporate Center January 23, 2023 at 6:00 PM

Members of Community 1st Credit Union held their 86th Annual Meeting at C1st Corporate Center. Board members present were: John Mayberry, Anne Leathers, Bianca Myers, Courtney Jones, Tim Elliott, Jason Eubanks, and D. David Boyer. Absent board members were: Rex Stewart and Sandra Wirfs.

Chairman, Tim Elliott, called the meeting to order at 6:06 PM. Quorum was reached with 45 people in attendance in person. Tim introduced board members who were present. Minutes of the last annual meeting were reviewed. A motion to approve minutes was made by D. Dave Boyer, a second motion made by Jason Eubanks. Ayes from all.

**Old Business:** President and CEO, Greg Hanshaw, took a moment to thank the C1st Board of Directors for their service along with the individuals who serve on the Audit and Credit Committees. Time was made for each C1st staff and C1st Investment services staff to introduce themselves along with role and location. Hanshaw presented his gratitude to each and every staff member who helped make 2022 a record income year.

**New Business:** Rex Stewart, Anne Leathers, and Jason Eubanks will serve a 3 year term.  
The 2024 Annual Meeting date was set to Monday, January 22, 2024.

### 2023 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	

Tim Elliot requested a motion to ajourn meeting. Motion was made by Kristina Kremer, second motion by April Cutler. M/C Adjourned at 6:28 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:** 700 S. Fremont St.  
**Washington:** 303 S. 2<sup>nd</sup> Ave.  
**866.360.5370 · c1stcu.com**

# ANNUAL MEETING

## 2024 BOARD OF DIRECTORS CANDIDATES

The nominating committee has selected four candidates to fill four vacancies.



**John Mayberry:** A member since 1982 and resides in Bloomfield, IA with his wife Carol. He is retired from John Deere Ottumwa Works where he was employed for over 30 years. John is currently employed at Great Prairie AEA as a delivery driver to the schools in Southeast Iowa. He is also a member of the Davis County Fair Board and Twin State Truck/Tractor Pullers Association.



**Bianca Myers:** Executive Dean, Advancement at Indian Hills Community College, and has been with the college for 18 years. She has a PhD in Educational Leadership from Iowa State University. Bianca and her husband, Chris have a 7-year-old son and live in Ottumwa, IA. Bianca has been a member of the C1st Board since 2018.



**Courtney Jones:** Director of Training and Development at ImpactLife (formerly Mississippi Valley Regional Blood Center). Courtney has a Masters in Health & Human Performance/Exercise Science from Oklahoma State University. She has been a member of the C1st Board since 2018. She and her husband, Austin reside in Ottumwa, IA and have two children. Courtney is a former President of the Ottumwa Noon Lions Club and remains very active in it.



**Nathan Caraway:** A self-employed business owner for over 3 decades. Nathan resides in Marion, IA and enjoys spending his free time volunteering on local boards and committees. He has been a member of C1st since 2012 and was nominated to the C1st Board earlier this year to fill a board vacancy. He is now being appointed to serve the remaining two-year term of that vacancy.