

The Connection

2020 Year In Review: A Letter From The President / CEO

I hope this message finds you all safe and healthy. Thank you for choosing Community 1st Credit Union, your loyal membership is greatly appreciated. 2020 was definitely a challenge in many ways, as so much changed and our lives were rearranged and redefined. As I look back on all our accomplishments, I'm proud to report that even in such challenging times C1st had a successful year. You are the reason we have a solid foundation, allowing us to provide the products and services you expect from us.



Greg Hanshaw
President & CEO

We are here to improve the lives of our members. In 2020, C1st focused on members who experienced financial hardships due to the pandemic or the derecho storm in August. We worked vigorously to fund applications through the Paycheck Protection Program of the Small Business Administration, funding a total of \$12.2 million to help local businesses who experienced a loss of income because of the pandemic. We also provided many other helpful tools, including skip-a-pay loan flexibility, mortgage extensions, and personal loan specials. We know it's imperative to provide competitive and helpful solutions to alleviate financial stress when times are tough.

In June 2020, C1st rolled out a new first-time home buyers assistance program designed specifically for low-income and underserved individuals. The forgivable loans were funded by the Community Development Financial Institutions (CDFI) Fund. It was 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. With this unique program, individuals qualified for up to \$5,000 in forgivable loans toward their down payment.

One of our five brand promises is having the right technology for today and tomorrow. In the spring of 2020, C1st closed their first mortgage loan without the member ever stepping into a branch. This was made possible by remote online notarization – a great tool for digital mortgage closings. Also in the fall of 2020, we upgraded our digital banking system. The new platform offers services such as mobile check deposits, loan payments, text banking, near real-time alerts, pay-a-member (C1st accounts), pay-a-friend (non-C1st accounts), Bill Payer, Apple Watch, and so much more. We hope you are enjoying a seamless experience whether you access your accounts via browser, tablet or mobile device.

We are a strong and empowered team at C1st! In September, the Des Moines Register published The 2020 Iowa Top Workplaces, a list of best places to work in Iowa. I am thrilled to let you know C1st was named to the list for the fifth year in a row. The employer honor is based on results of an employee feedback survey, truly showing we have something special happening here.

We are connected to our communities. Supporting causes close to our heart, such as financial literacy and community betterment, the C1st Foundation was very active in 2020. When the pandemic hit in March, \$15,000 was donated to the Iowa Credit Union Foundation's Emergency Relief Fund, used to assist Iowans in need during the pandemic. In August, we awarded \$4,000 to the Ottumwa Area Arts Council for the Main Street Streetscape Art Project, and \$25,000 to Jefferson County Kids Early Childhood Learning for a new childcare facility in Fairfield. Finally, in November, we awarded \$5,000 to the Mahaska County YMCA for their new building project in Oskaloosa. All of the project awards were made possible by grants from the C1st Credit Union Impact Giving Fund of Greater Cedar Rapids Community Foundation.

We continue to expand and invest in facilities. We were excited to celebrate the groundbreaking for a new branch facility in Osceola, IA. The facility will become our 18th branch. Construction began in September with a planned completion date of July 2021. The building features six offices, a large conference room, a spacious lobby including a children's activity center and three drive-thru lanes – one offering an ATM. We're extremely excited to become an integral part of the Osceola community.

C1st has also taken the first official steps to grow even further into western Iowa. C1st and Nishna Valley Credit Union have agreed to merge and partner together for an exciting future. Nishna Valley CU currently has 4,900 members and approximately \$40 million in assets with branches located in Atlantic and Creston, IA. We anticipate the merger will take place over the next six months.

We are passionate about our members. In spring 2020, we awarded \$42,000 in scholarships to 22 area high school seniors and non-traditional students. C1st has a long tradition of supporting local communities and education through its generous scholarship program.

We began 2020 with \$700 million in assets and 60,000 members, and even in this difficult year have continued to enjoy sustained growth. C1st now sits at over \$800 million in assets and more than 61,000 members. This wouldn't be possible without you, our loyal members. Thank you for continuing to put your trust in Community 1st Credit Union.

Sincerely, Greg Hanshaw, President/CEO

A handwritten signature of Greg Hanshaw in black ink.

Start Saving With The 52-Week Money Challenge

While we recognize the importance of saving money, it can be hard to do when your budget is already stretched thin. Try the 52-Week Money Challenge. There are no complicated rules to remember.

Week 1, you save \$1.00. Week 2, you save \$2.00, and it continues through the year, adding one more dollar to each week's savings goal. By the end of the challenge, you will have saved \$1,378!

Use this easy-to-follow chart to keep track of your deposits each week!



Week	Deposit	Balance	Week	Deposit	Balance	Week	Deposit	Balance
<input type="checkbox"/> 1	\$1	\$1	<input type="checkbox"/> 18	\$18	\$171	<input type="checkbox"/> 35	\$35	\$630
<input type="checkbox"/> 2	\$2	\$3	<input type="checkbox"/> 19	\$19	\$190	<input type="checkbox"/> 36	\$36	\$666
<input type="checkbox"/> 3	\$3	\$6	<input type="checkbox"/> 20	\$20	\$210	<input type="checkbox"/> 37	\$37	\$703
<input type="checkbox"/> 4	\$4	\$10	<input type="checkbox"/> 21	\$21	\$231	<input type="checkbox"/> 38	\$38	\$741
<input type="checkbox"/> 5	\$5	\$15	<input type="checkbox"/> 22	\$22	\$253	<input type="checkbox"/> 39	\$39	\$780
<input type="checkbox"/> 6	\$6	\$21	<input type="checkbox"/> 23	\$23	\$276	<input type="checkbox"/> 40	\$40	\$820
<input type="checkbox"/> 7	\$7	\$28	<input type="checkbox"/> 24	\$24	\$300	<input type="checkbox"/> 41	\$41	\$861
<input type="checkbox"/> 8	\$8	\$36	<input type="checkbox"/> 25	\$25	\$325	<input type="checkbox"/> 42	\$42	\$903
<input type="checkbox"/> 9	\$9	\$45	<input type="checkbox"/> 26	\$26	\$351	<input type="checkbox"/> 43	\$43	\$946
<input type="checkbox"/> 10	\$10	\$55	<input type="checkbox"/> 27	\$27	\$378	<input type="checkbox"/> 44	\$44	\$990
<input type="checkbox"/> 11	\$11	\$66	<input type="checkbox"/> 28	\$28	\$406	<input type="checkbox"/> 45	\$45	\$1,035
<input type="checkbox"/> 12	\$12	\$78	<input type="checkbox"/> 29	\$29	\$435	<input type="checkbox"/> 46	\$46	\$1,081
<input type="checkbox"/> 13	\$13	\$91	<input type="checkbox"/> 30	\$30	\$465	<input type="checkbox"/> 47	\$47	\$1,128
<input type="checkbox"/> 14	\$14	\$105	<input type="checkbox"/> 31	\$31	\$496	<input type="checkbox"/> 48	\$48	\$1,176
<input type="checkbox"/> 15	\$15	\$120	<input type="checkbox"/> 32	\$32	\$528	<input type="checkbox"/> 49	\$49	\$1,225
<input type="checkbox"/> 16	\$16	\$136	<input type="checkbox"/> 33	\$33	\$561	<input type="checkbox"/> 50	\$50	\$1,275
<input type="checkbox"/> 17	\$17	\$153	<input type="checkbox"/> 34	\$34	\$595	<input type="checkbox"/> 51	\$51	\$1,326
Success! <input type="checkbox"/>						52	\$52	\$1,378

Helpful Tips:

- Schedule automatic transfers for each weekly deposit within C1st's Digital Banking.
- Create custom alerts via text or email / calendar reminders every week to notify you of automatic transfers and balances.
- Work backwards and start the program by making the largest deposit first.
- Deposit \$26.50 each week to save \$1,378 at the end of the 52 weeks.

1st-Time Home Buyers Assistance

Calling all first-time home buyers! We're offering assistance. **You may qualify for up to \$5,000 toward your down payment!***

- Quick & Local Processing
- Mortgage Educational Assistance
- First-Time Buyer Programs & Grant Assistance
- Experienced Mortgage Lenders

For more info or to apply online, go to: c1stcu.com/LowDown

*5% down payment assistance program is for single family/primary residences and is available to first-time home buyers with low to moderate household incomes. (If you haven't owned a home in the last three years, you are considered a first-time home buyer.) \$5,000 maximum down payment assistance. Offer runs as long as designated funds are available. Subject to change at any time. Payment example: For a \$100,000 in-house mortgage loan, with a term of 15 years and a 3.906% Annual Percentage Rate (interest rate of 3.750%), the monthly principal and interest payment would be \$727.22. Subject to credit approval and program qualifications. Some restrictions apply.

GET THE

**LOW
DOWN**

WITH C1ST!

First-Time Home Buyers Assistance

Qualify for up to

\$5,000 toward your down payment!*

Scholarship Opportunities

C1st Scholarships

C1st will award \$42,000 in scholarships to area members who wish to continue their education in college or vocational school.

- Four (4) \$1,000 awards will be given to non-traditional or returning college students.
- One (1) \$4,000 award will be given to the most qualified applicant who is the child of a Community 1st Credit Union employee.
- Seventeen (17) awards of \$2,000 each will be given to the remaining, most qualified applicants.



Required Documents

All scholarship applications must be completed online. You must also upload the following documents:

- A current, complete transcript of grades. Grade reports are not accepted. Unofficial or online transcripts must display student name, school name, grades, and credit hours for each course and term in which each course was taken.
- A completed Applicant Appraisal Form.
- Your application is not complete unless all required documents are submitted electronically through Scholarship America.

This program is administered by Scholarship America, the nation's largest designer and manager of scholarships, tuition assistance, and other education support programs for corporations, foundations, associations, and individuals. Awards are granted without regard to race, color, creed, religion, sexual orientation, age, gender, disability, or national origin.

C1st Scholarship Deadline is March 11th, 2021 by 3:00pm CST. Register online at: c1stcu.com/scholarships

Iowa Credit Union Foundation's Warren A. Morrow Scholarship

The Iowa Credit Union Foundation's (ICUF) 2021 Warren A. Morrow Memorial Scholarship application is now open to Iowa credit union members who are high school seniors or post-secondary students.

- **High School Scholarship** – Designated for high school seniors planning to enter college in 2021.
- **Post-High School Scholarship** – Designated for individuals entering or attending an accredited undergraduate, graduate or vocational program in 2021.

Essays must be original work of the applicant and it limited to 500 words:

The COVID-19 pandemic has had a devastating effect on personal health and financial well-being for many in our community. Thousands of Iowans have lost jobs or experienced reduced work hours, highlighting the critical need for access to emergency savings. Please share strategies that encourage or incent savings and how your credit union can assist. Consider sharing personal examples in this essay.

Warren A. Morrow Scholarship Deadline is February 5th, 2021 at 5:00 PM.

Learn more or register online at: iowacreditunionfoundation.org/impact or c1stcu.com/scholarships

Iowa Financial Know-How Challenge: Senior Scholarship

The Iowa Financial Know-How Challenge: Senior Scholarship awards a \$2,000 college scholarship to 30 Iowa high school students each year. All participants experience two online tools to help them understand ways to reduce borrowing to pay for college and receive emailed tips on planning and paying for college.

Iowa Student Loan Scholarship Deadline is February 26, 2021 by 4:00 PM.

Register online at: iowastudentloan.org/scholarships/high-school-senior-scholarship.aspx

C1st Branch Locations

Albia: 1420 S. Clinton St.

Centerville: 999 N. 18th

Grinnell: 205 West St.

Mount Pleasant: 1800 E. Washington St.

Ottumwa Penn: 739 Pennsylvania Ave.

Pella: 500 Main St.

Bloomfield: 301 E. Franklin

Chariton: 1934 Court Ave.

Indianola: 300 S. Jefferson Way

Oskaloosa: 1311 A Ave. West

Ottumwa Richmond: 235 Richmond Ave.

Washington: 303 S. 2nd Ave.

Cedar Rapids: 1030 Sierra Drive NE

Fairfield: 2501 W. Burlington

Knoxville: 1008 W. Bell Ave., Suite 103

Ottumwa Venture: 1940 Venture Dr. (Walmart)

Ottumwa JBS (JBS Employees Only): 600 S. Iowa Ave.

Apply Online: c1stcu.com

Toll Free: 866.360.5370

Email: memberservice@c1stcu.com

TEXT: 641.638.5015

c1stcu.com

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



529 College Savings Plans

Since they were created in the '90s, tax-advantaged 529 savings plans have been among the most popular investment vehicles for families saving for college. Since fees for 529 funds have been declining over the past few years, the plans are even more affordable.



If you're interested in starting a 529 Plan, here are some strategies to help you make the most of it:

Take advantage of tax breaks. As long as you use the money for qualified college expenses, the primary benefit of the 529 Plan is you don't pay taxes on your investment gains. However, some states allow you to deduct or receive a credit for 529 contributions to offset your state income taxes.

Research your state's plan. You can invest in any state-sponsored plan, regardless of where you live. However, if your state offers a tax break, in most cases you're better off staying in that plan as it takes years of high performance to offset the tax savings.

Ensure the plan has the right mix for you. Most 529 Plans offer age-based portfolios managed by a sponsor; these are the easiest choice for parents. But within those plans the asset mix can vary greatly. Make sure that as your child gets closer to college age, the portfolio's risk decreases appropriately.

According to Reviews.com, the top 5 state plans were from Wisconsin, New York, California, Iowa, and Michigan.

Neither the publisher nor the author of this article is a registered investment adviser. Readers should seek independent professional advice before making investment decisions.

Contact our C1st Financial Advisor to learn more about 529 Savings Plans, or schedule a no-cost, no-obligation appointment to discuss your individual needs.



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Located at:
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235 Richmond Ave. Ottumwa, IA 52501



Annual Meeting Reminder

The C1st 2021 Annual Meeting & Board of Directors Election will be held Monday, January 25, 2021 at 6:00 PM. The meeting will be Virtual.

To attend, please register by emailing marketing@c1stcu.com or calling 641.683.6405. We'll send login/dial-in information prior to the meeting. The nominating committee has selected three candidates to fill three 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. He's currently employed at Mid-States Mfg. in Milton, IA. Currently, John is Chairman of the C1st Board of Directors. He is also a member of the Davis County Fair Board and Twin State Truck/Tractor Pullers Association.



Bianca Myers: Director of Marketing & Community Relations of Indian Hills Community College. Bianca recently celebrated her 15th year with the college. She has a PhD in Educational Leadership from Iowa State University. Bianca and her husband, Chris have a 4-year-old son and live in Ottumwa, IA. Bianca has been a member of the C1st Board since 2018.



Courtney Jones: Manager of Donor Services at 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 young children. Courtney is a former President of the Ottumwa Noon Lions Club and remains very active in it.



C1st Recognized As Top Lender For Small Business Administration (SBA) Loans!

C1st was recently recognized by the U.S. Small Business Administration, Iowa Division, as one of the top five financial institutions for loans produced in 2020. Amongst the list of several financial institutions, C1st was the only Credit Union recognized as a top lender in the state of Iowa.

"This recognition with the SBA further validates our lender's commitment to helping our members obtain the support they need for their businesses," said VP of Commercial and Agriculture lending, Brian Dostal. "We are grateful for our relationships and partnerships with our local businesses."

The U.S. Small Business Administration (SBA) makes owning a business a reality for many community members. The SBA is the only go-to resource for small businesses and small business owners to seek support they need to start, grow, or expand their businesses. Each year the Iowa District of the SBA award the top five lenders in nine different categories for total loan production. C1st was recognized as a top financial institution in three of the nine categories, including 2nd place for lending in rural areas.



All C1st locations will be closed Monday, January 18, 2021, in honor of Martin Luther King Jr. Day.