



Community 1st CU

Together is Better

ANNUAL MEETING

JANUARY 27, 2025



2025 Annual Report

This credit union is federally insured by the NCUA.



Community 1st Credit Union
Together is Better

2024 Year In Review A Message from the President / CEO

In 2024, we experienced another year of growth and strengthened our efforts to stay connected with our members and communities. At the start of the year, we had \$970 million in assets, \$780 million in loans, and served 66,400 members. Thanks to the dedication and strength of our incredible team, we have continued to thrive, reaching \$1 billion in assets, \$900 million in loans, and 70,000 members. This remarkable growth is a testament to your loyalty and support – thank you for making it possible.

We are a strong and empowered team at C1st. For the second year in a row, C1st was named by Forbes' annual list of America's Best-In-State Credit Unions for the state of Iowa. Being recognized by Forbes 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. In addition, C1st was recognized by Newsweek as one of America's Best Regional Banks and Credit Unions 2024, receiving a prestigious five-star rating on a five-star scale.

We are deeply honored to receive these recognitions. It reflects the dedication of our strong and empowered team. Their unwavering commitment is evident as they strive daily to deliver service excellence to our members.

C1st also received its ninth straight Des Moines Register "Top Workplace" award. C1st was 9th on the list of 55 midsized-company employers. This employer honor is based on the results of an employee feedback survey administered by WorkplaceDynamics, LLC, a research firm specializing in organizational health and workplace environment. Being in the top 10 for four consecutive years makes this achievement even more special.

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We continue to expand into new communities. I'm thrilled to share Town and Country Credit Union members officially merged with Community 1st Credit Union December 1st. We are pleased to welcome TCCU members to the Community 1st Credit Union family! Established in 1939, Town & Country proudly served its 3,200 members for 85 years, managing \$36 million in assets with two full-service branches in Avoca and Harlan, Iowa. The merger is a direct outcome of our business strategy, formed several years ago, to grow into western Iowa. C1st now has 23 locations, serving 19 communities.

We are people helping people, helping our members achieve financial success. Earlier this year, we launched the ChargeUp Credit Builder Program to assist members in building or reestablishing their credit. If poor or no credit prevents you from living your best life, we now have an easy solution for you. This program offers products and services tailored to your needs: short-term personal loans, secured credit cards, a payday alternative loan, and most importantly, financial education. Moreover, we recently celebrated six C1st employees who graduated from the Iowa Credit Union Foundation's Financial Coach Training Program. They engaged in extensive learning and simulations to

deepen their understanding of how an individual's relationship with money can impact financial decision-making and potentially lead to hardship. Financial coaches serve as member advocates, guiding members through challenging financial situations. C1st is committed to helping our members achieve financial success.

We are here to improve the lives of our members. In the fall, C1st was awarded a \$625,000 grant from the U.S. Department of Treasury's Community Development Financial Institutions (CDFI) Fund. This significant investment will enable C1st to further its commitment to promoting financial inclusion and supporting the underserved communities throughout Iowa. With the grant, C1st plans to:

- Expand affordable lending programs, including home and business loans
- Increase access to financial literacy programs and coaching services
- Partner with local organizations to boost community development in underserved areas across Iowa.

We continue to offer new and innovative products and services. This summer, we launched a new feature in digital banking. If you like banking with us, our digital referral program will help you "C" the green. We've simplified the process and made referring your friends and family to C1st even easier. Simply log in to digital banking, go to refer-a-friend, select a contact, and send the text. It's \$50 for you and \$50 for them when they open a new C1st checking account, enroll in eStatements, and make 12 Visa debit card purchases within 90 days. Go to c1stcu.com/refer for more details.

We are connected to our communities. The C1st Foundation has financially supported many local non-profit organizations in our communities in 2024, including a \$100,000 grant for the Ottumwa Sportsplex Facility, a \$50,000 grant for the Ottumwa Legacy Soccer Fields project, a \$10,000 grant for the Atlantic Daycare project, and a \$15,000 grant for the American Cancer Society Hope Lodge, which offers a supportive environment for patients in cancer treatment and their caregivers. All of these projects were made possible by grants from the C1st Credit Union Impact Giving Fund of Greater Cedar Rapids Community Foundation. The C1st Scholarship Program also awarded a total of \$50,000 to 24 area students for the 2024-2025 academic school year. In the last decade, C1st has proudly awarded over \$450,000 in scholarships to local student members.

2024 was a great year! Thank you for being a member of Community 1st. Our mission is to provide affordable financial products and services while addressing the needs of underserved communities, and embodying the true credit union difference. At C1st, we are proud to have upheld this philosophy for over 85 years!

Sincerely,

Greg Hanshaw
President & Chief Executive Officer





Community 1st Credit Union
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A Message from the C1st Board Chairman

Dear C1st Members,

As I reflect on 2024 from the board's perspective, stability comes to mind. High inflation has settled to a more traditional level and loan interest rates have followed suit. We do not see interest rates falling to historic lows but do feel rates have stabilized to a healthier level and will continue to slowly drop throughout 2025.

As you know, C1st's primary function is to lend money and help our members achieve financial stability. We have once again exceeded our lending goals because our leadership team made exceptional decisions coming out of the Pandemic. I can not stress enough the importance of our leadership team, we have a very competent and talented group of individuals. I also know the importance of our front-line staff, lenders, and managers who are our biggest cheerleaders and do a fantastic job of educating and providing stability to our members. We reach our goals because of the work each of you does all year long.

C1st has continued to expand our footprint in Southern Iowa with a successful merging of Town and Country Credit Union and welcome them into our C1st family. We will continue to strategically look for ways to serve those communities that would benefit from our products and services.

As we quietly hit a new benchmark, assets of our credit union over 1 billion dollars, the board continues to evaluate its role and responsibility to our members. We strive to be more strategic during our meetings and look to create a process for board succession. If any member would like to consider serving on the board, I encourage you to reach out to anyone at C1st and a current director will certainly reach out to discuss in detail. I'll also mention that if any member would like to discuss any topic of concern, any member of the board will make themselves available.

Speaking for the entire board, we hope you had a great Holiday season and wish you a happy and prosperous new year. We look forward to serving all of our members now and into the future.

Kind regards,

Tim Elliott
Board Chairman



Community 1st Credit Union
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A Letter from the Credit Committee Chairman

The Credit Committee plays a dual role: meeting the needs of our members and safeguarding your investment in Community 1st Credit Union. We deeply value and embrace the significance of being member-owned. Our credit union is built on the collaboration of committees, the Board of Directors, administration, and members, all working together to deliver exceptional services and products. The Board of Directors and credit union committees voluntarily dedicate their time to ensure the success of our member-focused mission.

In 2024, we achieved remarkable growth, increasing loans by \$102 million, a 13% rise, reaching a total of \$880 million in loans! This growth has empowered our members to finance vehicles, homes, small businesses, weddings, college educations, RVs, boats, farming expansions, and various other needs. We've accomplished this by offering competitive and innovative products and services tailored to meet individual members' needs.

The Credit Committee meets quarterly before the regular Board of Directors meeting. It comprises five Board members and three members of management. The committee is responsible for establishing loan policies and procedures, which are then presented to the Board of Directors for approval.

While the ideal loan process might be as simple as meeting with a loan officer and walking out with funds, real-world complexities such as government regulations, credit history, and privacy laws often complicate the process. The Credit Committee works diligently to streamline borrowing while maintaining compliance with necessary regulations.

Another key duty of the Credit Committee is preparing a Loan Summary Review. This report details the approval and denial of loans across various categories, including indirect, consumer, business, agriculture, mortgage, and home equity loans. Additionally, the committee ensures compliance with government-mandated guidelines concerning total assets, net worth, and the volume of loans issued. These regulations are closely monitored by the Iowa Division of Credit Unions, and the committee ensures Community 1st Credit Union operates within these parameters.

We sincerely thank you for entrusting Community 1st Credit Union with your money, trust, and business. Our commitment to serving you aligns with the spirit of the credit union community. By voluntarily dedicating time and effort, the Credit Committee exemplifies the essence of members helping members, reinforcing the strength of our credit union family.

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 1st 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 1st 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 1st Credit Union.

Respectfully Submitted,

Anne Leathers
Audit Committee Chair



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**STATEMENT OF
FINANCIAL CONDITION**

AND

**STATEMENT OF
INCOME AND EXPENSES**

Community 1st Credit Union
Statement of Condition
12/31/2024

	<u>ACTUAL</u> <u>12/31/2024</u>	<u>ACTUAL</u> <u>12/31/2023</u>
ASSETS		
Loans	880,679,769.10	778,160,449.85
Allowance for Loan Loss	(10,797,522.16)	(7,355,881.66)
Other Receivables	19,798.21	69,090.52
Cash in Bank	10,235,447.20	11,282,542.67
NCB	77,716,561.37	107,477,350.90
Investments	28,843,141.06	33,278,873.56
Prepaid Expenses	1,252,484.03	1,376,870.56
Loans Available for Sale	1,666,779.66	768,850.00
Fixed Assets	25,230,215.00	25,149,781.69
Leases	467,790.35	718,513.40
Accrued Income	6,761,405.41	4,476,418.35
Other Assets	16,884,290.69	16,287,515.36
TOTAL ASSETS	<u>1,038,960,159.92</u>	<u>971,690,375.20</u>
LIABILITIES		
Borrowed Funds	0.00	3,500,000.00
Accounts Payable	6,124,477.37	5,452,696.01
Other Liabilities	2,733,404.74	2,938,641.23
Payrolls	0.00	0.00
Accrued Dividends	44.55	0.00
Accrued Taxes	903,758.58	747,071.36
Accrued Expenses	136,858.65	622,863.17
Shares	649,159,344.94	659,589,136.91
Certificates	273,608,741.95	203,190,756.11
TOTAL LIABILITIES	<u>932,666,630.78</u>	<u>876,041,164.79</u>
EQUITY		
Equity	97,587,590.30	84,349,379.26
Net Income	8,705,938.84	11,299,831.15
TOTAL EQUITY	<u>106,293,529.14</u>	<u>95,649,210.41</u>
TOTAL LIABILITIES & EQUITY	<u>1,038,960,159.92</u>	<u>971,690,375.20</u>

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

Community 1st Credit Union
Statement of Income
12/31/24

	<u>ACTUAL YTD</u>	<u>PRIOR YEAR</u>
	12/31/24	YTD 12/31/23
Income		
Loan Income	50,317,823.14	41,230,381.97
Investment Income	5,535,730.56	6,011,778.28
Fees/ Charge Income	10,354,796.89	10,436,817.31
Miscellaneous Operating Income	2,347,443.56	1,938,748.47
TOTAL INCOME	68,555,794.15	59,617,726.03
Expenses		
Employee Compensation	18,151,935.31	16,423,964.74
Employee Benefits	5,789,402.87	4,919,426.96
Education & Travel	611,417.86	530,048.74
Association Dues	122,799.75	126,457.71
Office Occupancy	2,957,786.11	2,435,582.55
Furniture & Equipment Maintenance	2,653,352.49	2,523,842.99
Stationary & Supplies	1,322,195.79	1,336,584.78
Insurance	264,886.34	212,654.94
Depreciation	2,079,153.82	1,959,488.57
Miscellaneous Expense	221.48	324.71
Promotion	3,214,819.74	2,892,034.94
Loan Service Expense	1,117,703.88	963,446.62
Supervision/ Exam Fees	153,430.65	175,683.22
Outside Services	2,679,978.07	2,220,258.98
Provision Expense	4,061,495.87	2,817,064.13
Cash Over/ Short	2,149.47	4,667.95
Interest Expense	108,179.30	102,463.35
Interest Lease	11,057.10	12,691.46
Miscellaneous Operating Expense	312,934.65	324,979.90
Dividend Expense	14,147,354.76	8,194,163.31
Gain / loss on sale of assets	0.00	29,064.33
TOTAL EXPENSE	59,762,255.31	48,204,894.88
Extraordinary Expense	87,600.00	113,000.00
NET INCOME	8,705,938.84	11,299,831.15



Community 1st Credit Union
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ANNUAL MEETING C1st Corporate Center January 22, 2024, at 6:00 PM

Members of Community 1st Credit Union held their 87th Virtual Annual Meeting at C1st Corporate Center. Board members present were: John Mayberry, Anne Leathers, Bianca Myers, Courtney Jones, Tim Elliott, Sandra Wirfs, D. David Boyer, Jason Eubanks, and Nathan Caraway.

Chairman, Tim Elliott, called the meeting to order at 6:21 PM. A quorum was reached with 32 people in attendance. The minutes of the last annual meeting were reviewed. A motion to approve was made by D. David Boyer, second motion by Lowell McClure. Ayes from all.

Old Business: Chairman, Tim Elliott and 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 to introduce themselves along with roles and locations. A moment of silence was held to remember long-time board member Rex Stewart who passed away in 2023.

Hanshaw shared accomplishments achieved in 2023 and presented his gratitude to every staff member who helped make it a record year.

New Business: John Mayberry, Bianca Myers, and Courtney Jones will serve a 3-year term. Nathan Caraway will serve a 2-year term. The 2025 Annual Meeting date was set to Monday, January 27, 2025.

2024 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
Nathan Caraway	

A motion was made by Jaime Thomas and seconded by Jeff Leu to adjourn the meeting. M/C adjourned at 6:50 PM.

Tim Elliott, Chairman

Bianca Myers, Chief Financial Officer



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Community 1st Credit Union Branch Locations



Albia: 1420 S. Clinton St.

Atlantic: 200 Maple St.

Avoca: 102 N. Elm St.

Bloomfield: 301 E. Franklin

Cedar Rapids: 1030 Sierra Dr. NE

Centerville: 999 N. 18th

Chariton: 1934 Court Ave.

Creston: 205 E. Taylor St.

Fairfield: 2501 W. Burlington

Grinnell: 205 West St.

Harlan: 1414 Chatburn Ave.

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. 2nd Ave.

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ANNUAL MEETING

BOARD OF DIRECTORS CANDIDATES - 2025

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



D. David Boyer

A resident of Ottumwa, and retired 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.



Sandra Wirfs

A resident of Ottumwa, and Operations Manager at Iowa Workforce Development. Sandra is a former President and current member of the Ottumwa LULAC 377 and enjoys volunteering in the community. She has been a member of Community 1st since 2015, on the board since 2022, and currently serves on the credit committee.



Tim Elliott

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

