

MEMBERS SAVING ENTHUSIASTIC
POSITIVE FINANCE FUN EXPERTISE
BUSINESS LEARNING TEAMWORK SOLUTION
INTEGRITY INVEST TRUSTWORTHY
DATA CARING LOCAL GROWTH
PROJECTS LOAN COMMUNITY TOMORROW

2019 ANNUAL REPORT



MEMBERS FIRST
CREDIT UNION

The mission of Members First Credit Union is to encourage a better tomorrow.



TRUSTWORTHY

- We deliver excellence through knowledge.
- We can be depended upon to do the right thing.
- We believe in exceeding expectations.



CARING

- We are committed to encouragement and the power of positivity.
- We respect all people, without judgment.
- We give the best of ourselves when we join together.



ENTHUSIASTIC

- We are hardworking, passionate people.
- We encourage maximizing happiness and fun.
- We thrive by finding new ways to help.

BOARD OF DIRECTORS

Robert Cooper	Chairman
Kevin Brott	Vice Chairman
George Yost	Secretary
Robert Lancaster	Treasurer
Clare (Tom) Taylor Jr.	Director
Dave Thompson	Director
Doug Todd	Director
Elizabeth Christiansen	Director
Gary P. Schenk	Director

SUPERVISORY COMMITTEE

Don Boyer	Chairman
Joseph Kreuzsch	Secretary
Grant Murschel	Committee Member
Greg Crawford	Committee Member

CEO & SENIOR MANAGEMENT TEAM

Eric Brubaker	President/CEO
Anna Marie Zielinski	Executive Vice President
Carrie Iafrate	Executive Vice President
Amy Garver	Vice President of Member Services
Chuck Otto	Vice President of Finance
Kelly Kammer	Vice President of Risk Management
Pamela Ayers	Vice President of Lending
Trish Ross	Vice President of Marketing

PRESIDENT'S STRATEGIC IMPACT AWARD RECIPIENTS

Rachel Finney	Laura Bailey	Dallas Gerow	Melissa Syring
Sam Gatehouse	Carol Boot	Ann Kwast	Wendy Laurenz
Jennifer Ivey	Mitzie Brimmer	Amanda Ludlum	
Mortgage Team	Sarah Degg	Jason Sieggreen	

MESSAGE FROM THE CHAIRMAN

Robert G. Cooper | Chairman, Board of Directors

2019 Highlights

Credit Union Trust, a new limited-purpose bank and credit union service organization, launched in May, 2019. Members First Credit Union is one of seven prominent Michigan-based credit union owners of the bank. Being an owner allows us to provide a range of wealth management services for you, including trust services, while remaining in the credit union family. We look forward to working with you and local professionals to meet your trust and wealth management needs.

Last year we welcomed over 2,100 new members to the Members First family. Today, our 232 team members support over 58,400 members. Our continued focus is to provide a culture where team members can reach their potential by being trustworthy, caring, and enthusiastic in their interactions with members.

Encouraging a Better Tomorrow in 2020

We want to make it convenient and easy for you to do your banking with us. We are making improvements to allow you to have more control over your credit and debit cards. You will be able to turn your cards on and off, set spending limits, get usage alerts, and decline in-store or online transactions based upon your settings. We are also improving our online/virtual real estate process to make it easier for you to get a mortgage. In these examples, our goal is always to improve your experience with us by making it more convenient and more efficient.

Serving and strengthening our communities is a vital component of our mission, and is more important than ever. We do so primarily through our Community Difference Project which was created to impact peoples' lives via staff volunteerism, performing good deeds, or providing support for people in need. We work closely with the United Way and many other charitable organizations throughout Michigan. Our team members love volunteering and interacting with members. Thank you for allowing us to help build stronger communities.

As always, on behalf of our Board of Directors, our Supervisory Committee, and our employees; we thank you for your trust and loyalty. We truly appreciate you giving us the opportunity to Encourage a Better Tomorrow for you and for our communities.



Members First Credit Union created the Community Difference Project to impact peoples' lives in positive ways. Whether it's to volunteer, perform a good deed, or provide support to people in need, we're here to encourage a better tomorrow for everyone in our community.

We are proud to share with you some of the statistics from the 2019 Members First Credit Union Community Difference Project including volunteer hours, monetary donations, sponsorships, and organizations impacted in Michigan.

\$150,000+ donated in 2019	1,191 staff volunteer hours in 2019	122 organizations staff volunteered with in 2019	191 organizations we donated to in 2019
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COUNTIES IMPACTED BY VOLUNTEERING IN 2019:

Allegan, Bay, Clare, Evart, Gladwin, Grand Rapids, Gratiot, Harrison, Isabella, Kent, Midland, Mt. Pleasant, Osceola, Ottawa, Saginaw

WHAT DID THESE DONATIONS SUPPORT?

Education, Economic Development, and Community Involvement

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2019 & 2018

	2019	2018
	Unaudited	
Assets		
Consumer Loans	\$ 225,679,049	\$ 209,827,983
Real Estate Loans	95,718,671	87,594,738
Business Loans	<u>35,453,369</u>	<u>32,256,803</u>
Total Loans To Members	356,851,089	329,679,524
Allowance For Loan Loss	<u>(3,366,094)</u>	<u>(3,423,485)</u>
Net Loans To Members	353,484,995	326,256,039
Cash & Cash Equivalents	29,954,790	19,227,043
US Govt. Agencies	90,227,868	64,604,556
Alloya Corporate Credit Union	1,859,646	2,603,216
Bank & Credit Union CDs	19,217,000	40,995,000
Other Investments	<u>11,379,495</u>	<u>5,557,714</u>
Total Cash & Investments	152,638,799	133,007,529
Land & Building Net	12,796,342	12,873,436
Other Fixed Assets	2,509,640	3,161,486
All Other Assets	<u>14,211,073</u>	<u>13,432,249</u>
Total Other Assets	29,517,055	29,467,171
Total Assets	<u>\$535,640,849</u>	<u>\$488,730,739</u>
Liabilities		
Accounts Payable &		
Other Accrued Expenses	<u>4,710,344</u>	<u>14,152,925</u>
Total Liabilities	<u>4,710,344</u>	<u>14,152,925</u>
Equity		
Share Savings	93,985,106	92,743,975
Share Drafts	78,129,004	75,404,034
High Yield Savings	28,322,275	27,163,130
Super High Yield Savings	145,065,298	139,264,658
IRA Accounts	24,134,567	21,734,504
Certificates Of Deposit	<u>98,862,050</u>	<u>61,873,777</u>
Total Member Shares	468,498,300	418,184,078
Reserves	3,196,853	3,196,853
Undivided Earnings	54,626,978	50,104,267
Unrealized Gain/(Loss)	535,238	(1,430,094)
YTD Earnings	<u>4,073,136</u>	<u>4,522,710</u>
Total Member Capital	62,432,205	56,393,736
Total Shares & Equity	<u>530,930,505</u>	<u>474,577,814</u>
Total Liabilities & Equity	<u>\$535,640,849</u>	<u>\$488,730,739</u>

STATEMENT OF INCOME AND EXPENSES

For the Years ended December 31, 2019 & 2018

	2019	2018
	Unaudited	
Interest Income		
Interest - Consumer Loans	\$ 16,092,454	\$ 14,363,594
Interest - Real Estate Loans	4,744,949	4,375,305
Interest - Business Loans	<u>1,645,769</u>	<u>1,622,703</u>
Total Income From Loans	22,483,172	20,361,602
Income From Investments	<u>2,969,608</u>	<u>2,756,881</u>
Total Interest Income	<u>25,452,780</u>	<u>23,118,483</u>
Interest Expense		
Dividends - Regular Shares	142,237	139,180
Dividends - Share Drafts	60,369	52,727
Dividends - High Yield Savings	126,365	89,312
Dividends - Super High Yield Savings	1,006,613	614,221
Dividends - IRA Accounts	324,791	223,878
Dividends - Certificates	<u>1,927,119</u>	<u>890,199</u>
Total Dividends	<u>3,587,494</u>	<u>2,009,517</u>
Interest On Borrowed Funds	<u>69,442</u>	<u>30,385</u>
Total Interest Expense	<u>3,656,936</u>	<u>2,039,902</u>
Net Interest Income	21,795,844	21,078,581
Loan Loss Provision	<u>3,081,166</u>	<u>3,361,519</u>
Net After Loss Provision	18,714,678	17,717,062
Operating Expenses		
Salaries & Benefits	14,507,197	13,563,398
Training, Travel & Conference	809,434	837,973
Association Dues	31,834	27,603
Office Occupancy & Operations	8,816,449	8,425,631
Education & Promotion	946,976	1,131,887
Loan Servicing Expense	1,672,209	1,543,267
Professional/Outside	446,780	358,440
Misc Operating Expense	<u>118,050</u>	<u>38,688</u>
Total Operating Expense	<u>27,348,929</u>	<u>25,926,887</u>
Other Operating Income	<u>12,600,704</u>	<u>12,345,750</u>
Net Before Non Operating Exp/Inc	<u>3,966,453</u>	<u>4,135,925</u>
Non Operating Expense/Income	106,204	386,785
Net Income	<u>\$4,072,657</u>	<u>\$4,522,710</u>

Statistics

	2019	2018
Members	58,458	66,235
Loans	55,450	51,410
Loans Closed	21,039	21,869
Loans Closed Dollars	\$171,611,690	\$162,069,405
Delinquent Loans	819	637
Delinquent Dollars	\$3,530,797	\$2,576,516

2019 ACCOMPLISHMENTS



Online Membership Opening



Recipient of a CUNA Diamond Award



24/7 Contact Center and Live Chat through Online Banking



Consistent branch hours for all locations



Credit Union Trust Services



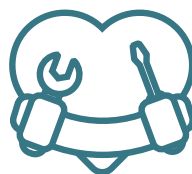
Hosted three Family Day events in Michigan



CUAC members crashed the GAC



Awarded \$10,000 in scholarships to local students



Our team volunteered over 1100 hours



Held our 21st Annual Golf Outing for the scholarship fund

LOOKING TO 2020



Offering Apple Pay and Google Pay to members



Redesign of our website



Automated email communication and marketing



New Jenison Branch location



Full lineup of educational events



April 2019 - Mt. Pleasant staff celebrate Earth Day with their community garden



May 2019 - Midland staff had a great day volunteering at Midland Blooms



May 2019 - Grand Rapids staff helping at Discovery Days Learning Center



December 2019 - Ewart staff went out in the community to perform random acts of kindness



July 2019 - Staff worked our MFCU Booth at the Eat Great Food Festival in Midland



July 2019 - Mt. Pleasant staff dropped off their food donations our team had collected



December 2019 - Grand Rapids staff worked the MFCU Booth at the Grandville Fall Expo



December 2019 - Staff from Midland were able to drop off proceeds from an Adopt-An-Organization drive

BRANCH LOCATIONS

Main Office
Wackerly Branch
600 W Wackerly St
Midland, MI 48640

Broadway Branch
4976 E Broadway Rd
Mt. Pleasant, MI 48858

Ann St Branch
150 Ann St NW
Grand Rapids, MI 49505

Dartmouth Branch
400 Dartmouth Dr
Midland, MI 48640

Harrison Branch
3641 N Clare Ave
Harrison, MI 48625

Kentwood Branch
4429 Breton Rd SE
Grand Rapids, MI 49508

Clare Branch
650 W 5th St
Clare, MI 48617

Gladwin Branch
1291 W Cedar Ave
Gladwin, MI 48624

Jenison Branch
195 Chicago Dr.
Jenison, MI 49428

Blue Grass Branch
4490 E Blue Grass Rd
Mt. Pleasant, MI 48858

Ewart Branch
201 E 7th St
Ewart, MI 49631



SERVING ALL OF MICHIGAN

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