

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

2021 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
Robert Lancaster	Vice Chairman
David Thompson	Treasurer & Secretary
Clare (Tom) Taylor Jr.	Director
Doug Todd	Director
Gary Schenk	Director
Grant Murschel	Director
Jennifer Bush	Director
Kevin Brott	Director

SUPERVISORY COMMITTEE

Joseph Kreuzsch	Chairperson
Greg Crawford	Secretary
Andrew Koehlinger	Committee Member

CEO & SENIOR LEADERSHIP TEAM

Carrie Iafrate	President & CEO
Anna Marie Zielinski	Executive Vice President
Amy Garver	Chief Operations Officer
Marcie Long	Chief Strategy Officer
Tamara McGovern	Chief Financial Officer
Bethany Dutcher	Vice President of Marketing
Kelly Kammer	Vice President of Risk Management
Pamela Ayers	Vice President of Lending
Reid Lundeen	Assistant Vice President of Lending

MESSAGE FROM THE CHAIRMAN

Robert G. Cooper | Chairman, Board of Directors

When I wrote to you last year I shared that in 2021 we would be keeping our focus on what's happening in our communities. With a new strategic plan that centered on the member experience, we would be continuing to elevate how we're serving you. I'm happy to report we've done that and your response has us thriving.

As we continued to navigate the impacts of the pandemic together, you trusted us to serve you. We processed tens of millions of dollars in stimulus payments, child tax credits, and PPP business loans. You're now used to online appointment scheduling and digital document signing; a way we can serve you when and where you are. In fact, through our Member XP surveys, you voted us Best of the Best Loan Experience! The coveted Best of the Best awarded is given each year to credit unions that have consistently provided exceptional member service, as reported by their own members.

We have had a high expectation on our team this year. That they be a source of confidence for members in this time of uncertainty and change. That they adapt and respond to new membership needs. For them to be acknowledged and recognized by the membership as "Best of the Best" is the highest level of honor they could receive. Thank you for recognizing them. We are very proud!

We are also proud to have celebrated our 85th birthday this year. In the spirit of "People Helping People," our team committed 85 random acts of kindness in our local communities on our birthday. This is in addition to all of the volunteer hours and dollars we give through our Community Difference Project. Did you know that the credit union was created when the Teachers' Club of Midland County invested \$50 towards the start of our cooperative? This is why education and teachers hold a special place in our hearts. This year we awarded \$10,000 in student scholarships and gifted many teachers \$500 VISA cards to get their classrooms started.

To enhance your knowledge and personal interaction with your finances, we invested in online and mobile banking enhancements. Thousands of you are utilizing new financial tools and SaavvyMoney credit reporting. As your certainty grows, and our simplification, you've been interacting with our loan officers in droves. Beyond the \$6.8 million in Whatever Loans we served you with, the second half of last year has our lending back to pre-pandemic levels. The team has plenty to lend and love interacting with you.

To ensure our credit union remains thriving, the Board worked with our CEO, Eric Brubaker, as he announced his retirement. Eric's leadership, vision, and care for our members and employees has helped us to achieve great success. We had the pleasure of announcing that Carrie Iafate, Executive Vice President, took the lead as President and CEO on January 1, 2022. Carrie has been with the credit union for nearly 20 years, working side-by-side with Eric, focusing on growth strategies, mergers, and ensuring financial stability and security of the organization and you, our members. We are proud of Carrie and confident that she is the right choice for such an important role in our organization.

In 2022 we are committed to a strategic plan that has vibrancy. Bold steps and themes that will enhance our communities and member and employees' lives. Our team comes to the credit union every day with a united mission: encouraging a better tomorrow. This has rung true since 1936 and will continue to be our driving force.



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. In December of 2021, we kicked off our celebrations for our 10 year anniversary of the Community Difference Project!

We are proud to share with you some of the statistics from the 2021 Members First Credit Union Community Difference Project including volunteer hours, monetary donations, sponsorships, and organizations impacted in Michigan. Although it was a hard year for our communities, our team still was hard at work focusing on how to help those in need.

\$70,000+ donated in 2021	400+ staff volunteer hours in 2021	45+ organizations staff volunteered with in 2021	100+ organizations we donated to in 2021
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WHAT DID THESE DONATIONS SUPPORT?

Education, Economic Development, and Community Involvement

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2021 & 2020

	2021	2020
Assets	Unaudited	
Consumer Loans	\$ 232,556,684	\$ 212,511,209
Real Estate Loans	145,646,771	125,570,436
Business Loans	<u>40,936,176</u>	<u>35,895,361</u>
Total Loans To Members	419,139,631	373,977,006
Allowance For Loan Loss	<u>(2,853,155)</u>	<u>(3,674,236)</u>
Net Loans To Members	416,286,476	370,302,770
Cash & Cash Equivalents	89,124,652	94,856,343
US Govt. Agencies	171,001,706	117,957,421
Alloya Corporate Credit Union	654,066	370,851
Bank & Credit Union CDs	500,000	5,715,000
Other Investments	<u>28,243,075</u>	<u>37,526,541</u>
Total Cash & Investments	289,523,499	256,426,157
Land & Building Net	12,240,865	12,501,540
Other Fixed Assets	1,595,396	1,822,574
All Other Assets	<u>17,235,168</u>	<u>16,073,660</u>
Total Other Assets	31,071,429	30,397,774
Total Assets	<u>\$736,881,404</u>	<u>\$657,126,701</u>
Liabilities		
Accounts Payable & Other Accrued Expenses	<u>8,843,321</u>	<u>6,145,369</u>
Total Liabilities	<u>8,843,321</u>	<u>6,145,369</u>
Equity		
Share Savings	166,451,166	136,953,549
Share Drafts	135,802,891	114,045,312
High Yield Savings	41,074,952	35,117,825
Super High Yield Savings	216,122,756	184,459,010
IRA Accounts	24,815,930	24,908,553
Certificates Of Deposit	<u>74,058,710</u>	<u>87,724,090</u>
Total Member Shares	658,326,405	583,208,340
Reserves	3,196,853	3,196,853
Undivided Earnings	61,797,907	58,700,114
Unrealized Gain/(Loss)	(1,240,600)	2,808,233
YTD Earnings	<u>5,987,518</u>	<u>3,067,793</u>
Total Member Capital	69,711,678	67,772,993
Total Shares & Equity	<u>728,038,083</u>	<u>650,981,332</u>
Total Liabilities & Equity	<u>\$736,881,404</u>	<u>\$657,126,701</u>

STATEMENT OF INCOME AND EXPENSES

For the Years ended December 31, 2021 & 2020

	2021	2020
	Unaudited	
Interest Income		
Interest - Consumer Loans	\$ 14,420,704	\$ 15,916,372
Interest - Real Estate Loans	5,298,894	5,005,283
Interest - Business Loans	<u>1,726,137</u>	<u>1,679,108</u>
Total Income From Loans	21,445,735	22,600,763
Income From Investments	<u>2,829,848</u>	<u>3,076,681</u>
Total Interest Income	<u>24,275,583</u>	<u>25,677,444</u>
Interest Expense		
Dividends - Regular Shares	95,382	131,113
Dividends - Share Drafts	35,245	45,613
Dividends - High Yield Savings	46,595	68,307
Dividends - Super High Yield Savings	385,821	615,769
Dividends - IRA Accounts	292,872	336,873
Dividends - Certificates	1,083,419	2,237,683
Interest on Borrowed Funds	-	<u>201,034</u>
Total Interest Expense	<u>1,939,334</u>	<u>3,636,392</u>
Net Interest Income	22,336,249	22,041,052
Loan Loss Provision	<u>395,744</u>	<u>3,284,586</u>
Net After Loss Provision	21,940,505	18,756,466
Operating Expenses		
Salaries & Benefits	16,506,381	15,432,741
Training, Travel & Conference	403,957	449,367
Association Dues	39,157	30,445
Office Occupancy & Operations	9,434,410	9,128,983
Education & Promotion	1,004,539	841,206
Loan Servicing Expense	1,816,334	1,562,421
Professional/Outside	424,639	446,341
Misc Operating Expense	<u>287,569</u>	<u>120,941</u>
Total Operating Expense	<u>29,916,986</u>	<u>28,032,445</u>
Other Operating Income	<u>13,552,797</u>	<u>12,106,666</u>
Net Before Non Operating Exp/Inc	<u>5,576,316</u>	<u>2,830,687</u>
Non Operating Expense/Income	411,202	237,106
Net Income	<u>\$5,987,518</u>	<u>\$3,067,793</u>

Statistics

	2021	2020
Members	59,714	58,688
Loans	46,018	47,816
Loans Closed	15,762	13,569
Loans Closed Dollars	\$173,699,224	\$161,780,144
Delinquent Loans	208	318
Delinquent Dollars	\$1,704,769	\$1,851,324

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



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