

*tomorrow*  
**TOGETHER**  
2020 ANNUAL REPORT



**Members 1st**  
Credit Union

## CHAIR & CEO REPORT

As we look back, it's easy to see only the challenges of 2020. Yet, with the same resolve we had when we faced past trials, we worked together with incredible flexibility, dedication, and determination. We have never been prouder of our entire team of Members 1st Credit Union leaders and employees as they continue to go above and beyond to help you meet your financial goals and dreams.

2020 was another strong year for us, in spite of the pandemic. The credit union increased its asset size of the previous year by growing an unprecedented 19%. As of December 31, 2020, our net worth ratio was healthy, and our delinquency ratio was less than 25% of peer. Loan growth was at 12.86%, compared to peer growth of 3.71%. These metrics are great indicators of the strength of our membership and the soundness of the credit union's loan portfolio. 2020 saw auto and real estate loans continue expanding. We were also there to lend financial assistance to those in need. 2021 will bring a second ATM and beautiful branch to our Chico members. Members 1st Credit Union ended the year with 22,613 members. Our membership growth was 3.91%, exceeding credit union industry growth of 0.79%.

As the pandemic impacted our lives, our members and volunteers adapted with us as we re-discovered how to best serve you. Members increased use of the mobile app, remote deposit capture, and other electronic means of obtaining service. Volunteers embraced the use of virtual meetings. We were successful in 2020 because we pulled together to make the most of a challenging situation. We are heading into 2021 with great vision for the future.

Now, more than ever, we continue to look forward to #tomorrowtogether.

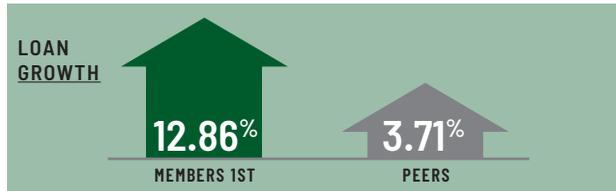
**Ricki Miller, Board Chairman**  
**Teri Davis, President & CEO**

**DELINQUENCY  
RATIO**

**0.16%**

**NET WORTH  
RATIO**

**8.41%**



### ACHIEVEMENTS

Our convenience focus provides the framework of our decision making and priorities. To that end, the following new or improved products were introduced:

- ✓ Introduced Emergency Relief Loans and improved health and safety protocols in response to COVID-19
- ✓ Released \$50 and \$10 denominations in all Members 1st ATMs
- ✓ Partnered with Total Merchant Concepts (TMC) providing merchant services to aid and assist business accounts
- ✓ Added services for foreign wires, checks, and currency exchange
- ✓ Remodeled the Redding Pine branch
- ✓ Redesigned member and credit card statements
- ✓ Redesigned debit and credit cards
- ✓ Debuted Contactless purchases on all Members 1st debit and credit cards
- ✓ Equipped credit cards with Purchase, Return, and Travel Protection

### AWARDS

★ VOTED BEST OF THE NORTH STATE BY REDDING RECORD SEARCHLIGHT READERS FOR THE 5TH YEAR IN A ROW ★

## SUPERVISORY COMMITTEE REPORT

It is the responsibility of the Supervisory Committee to inspect Members 1st Credit Union's records for accuracy, its assets for security, and its procedures for the proper handling and use of funds. To achieve this, we review all operations and records, making sure adequate internal controls are maintained. Our efforts conclude that Members 1st Credit Union continues to be well-managed, safe and strong.

To assist us in fulfilling our obligations, we have retained the services of an independent accounting firm. Its findings confirm that the credit union is financially and operationally sound.

**Kerby Spencer, CPA, Chairman**

### OUR BOARD OF DIRECTORS



Ricki Miller



Chris Cummings



Jim Bogue



Sharon O'Quin



Ken Reed



Jason Montague



Karina Lapp



Riley Breslin

### CANDIDATES

#### BOARD OF DIRECTORS



Ed Niederberger



Aaron Moore



Wendy Zanotelli



Heather Orr

### FUTURE BOARD & COMMITTEE MEMBERS

Since our founding in 1936, Members 1st Credit Union has been operated by a volunteer board and supervisory committee members elected by the local membership.

If you're interested in serving as a Members 1st Credit Union volunteer, please fill out the form to the right, detach the form, and mail it to:

**Members 1st Credit Union**  
P.O. Box 492395  
Redding, CA 96049  
or visit [m1cu.org](http://m1cu.org)

Your name will be added to the nomination list. Nominees will be considered as future volunteer openings occur.

✂

FULL NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ ZIP CODE \_\_\_\_\_

PHONE ( ) \_\_\_\_\_

EMAIL \_\_\_\_\_

✂ SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

## STATEMENT OF BALANCE SHEET

For the years ending December 31,

	2019	2020
<b>ASSETS</b>		
Loans, Net of A.L.L.	\$185,875,168	\$209,537,268
Investments	12,268,878	11,397,921
Cash and Demand Accts.	19,437,543	39,630,737
Fixed Assets, Net	5,883,672	6,186,091
Other Assets	7,119,337	7,586,030
<b>TOTAL ASSETS</b>	<b>\$230,584,598</b>	<b>\$274,338,047</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Notes Payable	0	2,000,000
Accounts Payable	1,243,440	1,602,520
Members' Shares	206,989,975	246,398,048
Equity	22,351,183	24,337,479
<b>TOTAL LIABILITY &amp; EQUITY</b>	<b>\$230,584,598</b>	<b>\$274,338,047</b>

Numbers as per 5300 classification and are unaudited.  
Equity includes unrealized investment gains/losses.

## STATEMENT OF INCOME AND EXPENSES

For the years ending December 31,

	2019	2020
<b>INTEREST INCOME</b>		
Loan Income	\$6,862,960	\$7,848,254
Investment Income	800,389	227,107
Other Income	2,636,238	2,496,672
<b>GROSS INCOME</b>	<b>\$10,299,587</b>	<b>\$10,572,033</b>
<b>COST OF FUNDS</b>		
Cost of Funds	\$745,929	\$617,759
<b>OPERATING EXPENSES</b>		
Salaries & Benefits	\$3,587,644	\$3,997,083
Other Operational Exp.	3,523,977	3,590,286
Non-Operating (Inc.)/Exp.	-20,624	-7,500
Provision for Loan Loss	461,088	434,719
<b>NET INCOME</b>	<b>\$2,001,573</b>	<b>\$1,939,686</b>

### Corporate

P.O. Box 492395, Redding, CA 96049

### Branch Locations

1380 Hilltop Drive, Redding, CA 96003

1260 Pine Street, Redding, CA 96001

5020 Rhonda Road, Ste. H, Anderson, CA 96007

550 Salem Street, Chico, CA 95928

969 East Avenue, Chico, CA 95926 (coming soon)

### Hours of Operation

Monday - Thursday 9 a.m. - 5 p.m.

Friday 9 a.m. - 5:30 p.m.

### Member Service

(530) 222-6060 | (800) 303-3838

### 24 Hour Account Access

[m1cu.org](http://m1cu.org)

