



**Service 1  
Federal Credit Union**

**2024**

**ANNUAL REPORT**

■ **MEMBER DRIVEN**    ■ **COMMUNITY FOCUSED**





## MESSAGE FROM THE **PRESIDENT**



With appreciation of our membership and team, we present our progress report for **2024**

Our business action plan was built around S.M.A.R.T. goals (*specific, measurable, achievable, relevant/realistic, and timely*) set forth by the management team, with our team rallying to support them for the benefit our membership.

Key focus areas included: self-service and automation for member convenience and efficiencies; branch strategy/ business development and member engagement to capitalize on the strengths of each unique market, seek new business opportunities, and zero in on consumer preferences; and team development to equip our staff with the financial industry knowledge and service skills to help guide members through their journeys. The thread weaving it all together? “Livin’ the mission” in service to our communities.

To that end, 2024 featured new and exciting changes, including:

- **ITM project** | enhanced ATMs capable of most standard transactions traditionally performed in-branch, bringing greater speed and convenience to members; select branches
- **Youth Programs Refresh** | rebranded clubs for our minor members, modernizing labels and logos, introducing a new Ranger Club kids mascot (*Olly Owl*), and re-engaging with these groups through messaging and outreach
- **1-Click Loans** | targeted, barrier-free financing offers directly to member qualifiers in a convenient electronic channel
- **Webchat** | increased accessibility to information and member assistance via added functionality on S1FCU website
- **Loan Payment Service** | expanded online loan payment options with core-integrated LoanPay Xpress card payment service
- **Instant Issue Technology** | Increased member accessibility to plastics with modernized Instant Issue card printing machines
- **Capital Improvements** | Gave two home state offices mini-makeovers with paint, décor and furniture improvements

Our team wholeheartedly committed themselves to our Member Driven. Community Focused. mission throughout 2024. Through individual and team efforts, our community connections and partnerships were nurtured to create a bigger impact than the year prior. Together with generous member support, we partnered with local charities to hold food and supply drives, supported continuing education funds through the Calvin J. Peterson Memorial Scholarship, served meals for kids and families in need, spread random acts of kindness, raised funds for cancer research and support services, and more.

In the year ahead we’ll focus on branch efficiencies and offering convenience-led electronic services, deepening member relationships and growing our family of members, and training and supporting our team to guide members with education. We’ll also keep advocating for the “credit union difference” through outreach to lawmakers and informing our communities, all the while keeping a watchful eye on things that prove to impact our industry, like artificial intelligence (AI), Cryptocurrency, fraud sophistication and detection, and more.

Our gratitude to the Service 1 FCU family of members cannot be understated: We’re celebrating an 85-year-long service history as a result of the trust and loyalty of over 20,000 valued individuals—and we look forward to decades more!

Lew Collins | **PRESIDENT** 



# SUPERVISORY COMMITTEE REPORT

Pam Hanophy | **CHAIRPERSON**

The Supervisory Committee is earnest in its responsibility to ensure the ethics of Service 1 Federal Credit Union, as well as its operations and records. We resolutely uphold our purpose to observe operating procedures, verify records, and monitor items such as cash, expenses, and inventory. Additionally, we assist in an independent audit to verify accuracy.

We had a favorable audit in 2024 and are moving toward approved resolution of minor items. It's with enthusiasm that we anticipate another year of growth, success, and living out our service mission in cooperation with the Board of Directors, the CEO, and the entire Service 1 Federal Credit Union team.



## 84<sup>TH</sup> ANNUAL MEETING MINUTES

The eighty-fourth annual meeting of Service 1 Federal Credit Union was called to order at 5:15pm on Thursday, April 18, 2024. This hybrid meeting took place at our main office on Sherman Blvd. with a virtual option for anyone wishing to participate remotely. Tricia Rogers/VP of Marketing welcomed all members and officers.

The following officials were present: Lew Collins, John DeWolf, Joni Shinn, Sue Williams, Gayle Carskadon, Britney May, Anthony Barajas, Pam Hanophy, Dee Barber and Kim Bourdo. A quorum was established with 37 members present.

A motion was made and supported to accept the minutes of the eighty-third annual meeting. Motion carried.

Lew Collins informed those present that the Reports of the Directors, Supervisory Committee and the Financial Report were printed in the program/displayed on the screen. A motion was made and supported to

approve the reports as presented. Motion carried.

There was no old business or new business to discuss.

Since there was no opposition to the incumbent board members, John DeWolf, Sue Williams, David Layman, Britney May and Kim Bourdo were re-elected to the Board of Directors for terms expiring in 2026.

Kim Bourdo/CEO discussed how S1FCU stayed true to the Member Driven, Community Focused mission. Member Driven initiatives from 2023 included: updated website; certificate rates over 5%; branch improvements/remodels at two Muskegon offices; management agreement and office relocation of Muskegon Patternmakers FCU (*a \$3M CU that was merged in 1/1/24*); added an online MAP (*member application process*); and implemented a new phone system to handle calls for all 6 offices from any location!

Community Focused initiatives included: over 660 volunteer hours; over \$35,000 donated to charitable organizations; food drives for local food pantries; Kids' Food Basket partnership; serving as financial champions for the Muskegon Community Foundation's Kickstart to Career Program; and various team members serving on volunteer boards throughout our community.

We had another strong year financially: our assets increased to nearly \$193M, our average share and loan balance both increased; and our dividends/interest paid to members more than doubled to over \$1.5M.

In 2024, we will continue to focus on personalized, innovative ways to meet member needs and give back to the communities we serve.

At 5:35pm a motion was made and supported to adjourn the meeting. Motion was carried.

Joni Shinn | **SECRETARY**

# Livin' the Mission: Member Driven

We're continuously adding convenience through technology and honing service skills to improve the member experience and help guide financial wellness journeys. From building or repairing credit to managing wealth (*savings*) to facilitating auto or home ownership through competitive financing—and more—our purpose remains: improving the lives of members by acting in their best interests. In 2024, member service enrichment initiatives included:



Upgraded ATMs to state-of-the-art ITMs (*Interactive Teller Machines*) at select S1FCU locations



Delivered targeted, hassle-free financing offers thru "1-Click Loan" product



Increased consumer accessibility w/addition of frictionless webchat feature on S1FCU website



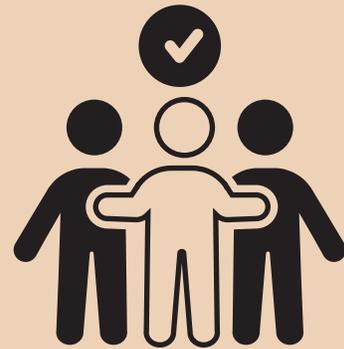
Expanded online loan payment options with core-integrated LoanPay Xpress card payment service



Enhanced member accessibility to plastics with modernized Instant Issue card printing machines



Refreshed the main office with new furniture, paint and décor



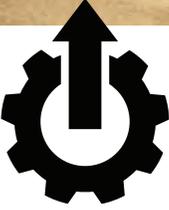
Merged with Muskegon  
Patternmakers FCU, adding

**374**

new members!



# Technology Upgrades



 **ITM**  
*Acronym, noun*

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**Interactive Teller Machine**

ITMs feature full ATM functionality PLUS technology that allows users to perform more advanced transactions or speak to a live video teller at Service 1FCU with the tap of the screen.

**VHS** 

To ensure members continued to experience the most efficient and modern service on-the-go, we upgraded select branch drive-thru lanes with enhanced ATMs called Interactive Teller Machines (ITMs). The investment allowed us to deliver faster, more convenient funds access and management, keeping pace with consumer self-service demands.

## Ways an ITM is superior to an ATM:



Make loan or credit card payments



Transfer funds



Deposit checks and cash—no deposit slip necessary!



Cash a check



Get cash in preferred denominations—down to the nearest \$1!



Request video teller assistance\* for transactions or help with products or services

\*Video tellers available at select Service 1 FCU locations during regular business hours. See branch for additional details.



# UPGRADED, REBRANDED YOUTH ACCOUNTS

We've strengthened our commitment to youth financial guidance with the launch of reimagined youth accounts. The program for children 12 and under, formerly *Astro Kids Club*, was rebranded **Ranger Club** to help young savers embark on exciting financial adventures. This group's money journey is guided by a wise new mascot, **Olly the Owl**, so named by contest entrants during April's youth month.

For our teenage members aged 13-17, *Generation Next Teen Savers Club* has evolved into the **Navigator Club**, empowering them to chart their own financial course. These rebranded accounts reflect our commitment to providing age-appropriate tools and resources to foster lifelong financial literacy.

Youth membership modernization included the strategic decision to switch to the key membership of a share certificate (CD) bonus rate (*replacing quarterly savings bonus as of January 1, 2025*), exciting welcome packages, and a focus on quarterly youth outreach, with future upgrades featuring a birthday recognition revamp and dedicated youth financial education resources!





# Livin' the mission: community focused



*“Thank you for being there and standing up  
for those in need. We appreciate you.”*

Director of Development | EVERY WOMAN'S PLACE 

MEMBER DRIVEN. COMMUNITY FOCUSED.

# Supporting the communities we serve

The Service 1 FCU team supported various community organizations, including KickStart to Career, Kids' Food Basket, Ronald McDonald House, Restoration Life Center, Haven of the Ozarks Animal Shelter, the American Cancer Society, Child Abuse Council of Muskegon County, SafeSeniors of Muskegon, Mission for Area People, East Newton United, and more.



## CREDIT UNION FOOD DRIVE

Thanks to the generosity of members, communities, and staff, Service 1 FCU raised the equivalent of more than \$5,390 (*food and monetary donations*) for the 16th annual food drive to support local food pantries in our service areas:

- ▶ Muskegon Rescue Mission (Muskegon, MI)
- ▶ Restoration Life Center (Neosho, MO)
- ▶ Cassville Pantry (Shell Knob, MO)
- ▶ Feeding the Gulf Coast (Mobile, AL)

Michigan branches also partnered with other area credit unions to raise funds for The Muskegon Rescue Mission food pantry.



McKenzie F., left, Service 1 FCU MSR, turns over main office food drive donations to Muskegon Rescue Mission's Jonathan S.



Julie J., right, of the Shell Knob (MO) branch, presents food drive donation to Cassville Pantry director

# Livin' the mission: Community focused



Stephanie W., left, presents MAP executive director Kristen T., right with scholarship

## JENNIFER VANDERSTELT COMMUNITY SERVICE SCHOLARSHIP

Each year S1FCU employees are offered the opportunity to nominate a charity of their choosing to receive a \$1,000 monetary donation in honor of our late COO, Jennifer VanderStelt, who unfortunately lost her battle with colon cancer in 2015. The 2024 award was presented to Mission for Area People, nominated by MI team member Stephanie Wagenmaker. The goal of Mission for Area People is to provide Muskegon County with resources to meet basic needs, promote dignity and respect, and improve quality of life for those in need.



Jessica Cu. prepares meals for RMDH guests

## RONALD MCDONALD HOUSE

Neosho team members came together at regular intervals throughout the year to prepare and serve meals at their local Ronald McDonald House. The local outlet of the national charity is dedicated to providing a 'home away from home' for families of seriously ill children and ill expectant mothers. All Ronald McDonald House locations provide support free of charge for families, relying on volunteers to execute the mission.



## HAVEN OF THE OZARKS PET SUPPLIES DRIVE

Our Shell Knob office held a drive collecting pet supplies and monetary donations to support The Haven of the Ozarks, a no-kill animal shelter dedicated to helping find "forever" homes for stray/unwanted dogs and cats. With the support of our team and community members, S1FCU collected an impressive amount of pet supplies, as well as more than \$255 in monetary donations!

*The food was such a blessing with our chaotic schedules... Please know our hearts were deeply touched and forever changed after experiencing the generosity and all else the Ronald McDonald House provided.*

The Ybarra Family | GUESTS OF RONALD MCDONALD HOUSE



# BEYOND BANKING

## WE'RE NOT *JUST* ANOTHER CREDIT UNION

Service 1 FCU is comprised of a team of dedicated individuals with a passion for supporting our members and the communities we call home.

Among many efforts in 2024, we were honored to extend a helping hand to a single-parent Neosho member, providing holiday gifts for her three children.



## CALVIN J. PETERSON MEMORIAL SCHOLARSHIP



**Mikenna Weiler** | Muskegon, MI



**Amerasia Miller** | Grand Haven, MI

**Mikenna Weiler**, of Muskegon (MI), top, and **Amerasia Miller**, of Grand Haven (MI), bottom, received Calvin J. Peterson Memorial Scholarship education awards in 2024, helping each pursue her higher education dreams. Chosen by an impartial committee based on academic excellence, community contributions, and defined goals, these students represent the future leaders Service 1 FCU is proud to support.

*Service 1 FCU helped us for Christmas this year and it is such a blessing to our family, we are so thankful. Thank you from our family. The kids are going to be so happy!*

**-Heather M.**  
Neosho, MO





# OUTREACH & ADVOCACY



**Moon Chapter Golf Outing (MI)** | Angela B., Kelly G., Anthony B., Martha B., Joni S., and Caitlin P.



**Michigan GAC Conference** | Jocelyn F., Kim B., Savanna K.



**Muskegon in Focus Certification** | Katelyn F., Community Engagement Coordinator (MI), middle



**In-service Training & Development Day (Juneteenth)** | Michigan team



**Shakin' in the Shell Community Celebration** | Abbie M. (& daughter), Julie J., guest, and Jessica C., of Shell Knob, MO



**FuelMi: Young Professionals Sustaining the Credit Union Movement** | Alyssa J. & Katelyn F. (MI)

**None of us are as smart as ALL of us**  
-Ken Blanchard



**FuelMi Leadership Summit** | Fellow attendee, Katelyn F. & Savanna K. (MI)

# STATEMENT OF FINANCIALS

	2024	2023	2022
<b>ASSETS</b>			
Loans to members (net)	\$ 143,265,325	\$ 139,988,158	\$ 137,457,448
Cash on hand and in banks	\$ 4,078,701	\$ 3,772,451	\$ 3,488,107
Investments	\$ 46,037,777	\$ 42,361,673	\$ 45,580,197
Other assets	\$ 7,461,712	\$ 6,755,018	\$ 4,815,931
<b>TOTAL</b>	<b>\$ 200,843,515</b>	<b>\$ 192,877,300</b>	<b>\$ 191,341,683</b>
<b>LIABILITIES</b>			
Shares	\$ 47,640,545	\$ 50,486,413	\$ 54,124,924
Deposit Accounts	\$ 119,222,589	\$ 111,250,889	\$ 107,064,621
Notes Payable	\$ -	\$ -	\$ 1,573,520
Accumulated reserves	\$ 30,924,862	\$ 28,067,327	\$ 26,372,909
Net earnings this year	\$ 1,942,600	\$ 1,975,866	\$ 1,932,177
Other liabilities	\$ 1,112,919	\$ 1,096,805	\$ 273,532
<b>TOTAL</b>	<b>\$ 200,843,515</b>	<b>\$ 192,877,300</b>	<b>\$ 191,341,683</b>
<b>INCOME</b>			
Interest on loans	\$ 8,432,152	\$ 7,213,118	\$ 6,000,324
Other income	\$ 5,727,861	\$ 5,155,236	\$ 4,474,390
Gain/(Loss) on Sale of Assets	\$ (453)	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 14,159,560</b>	<b>\$ 12,368,354</b>	<b>\$ 10,474,714</b>
<b>DISTRIBUTION OF INCOME</b>			
Total Operating Expense	\$ 9,154,296	\$ 8,298,859	\$ 7,731,152
Non Operating Expense	\$ -	\$ -	\$ -
Dividends and Interest	\$ 2,522,159	\$ 1,568,636	\$ 590,385
Provision for Loan Loss	\$ 540,505	\$ 524,993	\$ 221,000

PLAY ▶

# 2024 BY THE NUMBERS

AVERAGE  
SHARE BALANCE

**\$7,575**

2023 ..... \$7,464  
2022 ..... \$7,406

AMOUNT OF LOANS  
MADE DURING YEAR

**\$50,811,971**

2023 ..... \$48,644,126  
2022 ..... \$65,969,769

# OF INSTALLMENT  
LOANS OUTSTANDING

**10,829**

2023 ..... 10,529  
2022 ..... 10,854

AVERAGE INSTALLMENT  
LOAN BALANCE

**\$12,660**

2023 ..... \$12,720  
2022 ..... \$12,117

AVG CREDIT CARD  
& INSTALLMENT  
LOAN BALANCE

**\$9,834**

2023 ..... \$9,810  
2022 ..... \$9,428

# OF OUTSTANDING  
CREDIT CARDS &  
INSTALLMENT LOANS

**14,587**

2023 ..... 14,295  
2022 ..... 14,586

**22,029**

TOTAL MEMBERSHIPS  
AT YEAR END



# 2024 ANNUAL REPORT



**MAIN OFFICE** | 1075 E. Sherman Blvd. | Muskegon, MI 49444 | **231.739.5068**

**LAKES MALL BRANCH** | 1625 Eastwind Dr. | Muskegon, MI 49444 | **231.799.0517**

**SB BRANCH** | 991 W. Broadway Ave. | Muskegon, MI 49441 | **231.759.2500**

**MOBILE, AL BRANCH** | 2051 S. Broad St. | Mobile, AL 36605 | **251.432.8538**

**NEOSHO, MO BRANCH** | 2975 Gardner-Edgewood Dr. | Neosho, MO 64850 | **417.451.7588**

**SHELL KNOB, MO BRANCH** | 25368 State Highway 39 | Shell Knob, MO 65747 | **844.858.2500**

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**NCUA**

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