

CHAIRMAN'S REPORT

2020 was the 66th year of operation for Service 1st Credit Union and brought many challenges, both personally and professionally. We suffered the loss of our President, Mike Bailey in March after a lengthy illness and his presence is greatly missed. Then everyone across the globe had to learn to navigate a new world with COVID-19. We closed our lobby for a short time to mitigate the health risk for employees and members. We began opening the lobby by appointment only to serve you better, while minimizing the risk of exposure.

2020 was marked by a pandemic driven economic recession in the U.S. Service 1st, like institutions everywhere, has been challenged with an influx of deposits in a low earnings environment. Your credit union, through our traditional conservative management and risk avoidance remains strong. Service 1st has a small percentage of our loans secured by real estate, and again we have encountered no mortgage defaults or losses in 2020. In 2014 we began purchasing new and used vehicle loan participations, and in 2016 we began offering fixed rate mortgage loans to try and increase our lending and profitability levels. Our policies of not allowing any uninsured investments within our investment portfolio have continued. We continued throughout 2020 to strive to provide the membership with the continued level of service in spite of the partial closing.

During 2020 we continued to use Catalyst Corporate for our processing and our service to our members was never interrupted.

The 2020 annual audits performed by the independent accountant found only minor discrepancies which were quickly corrected. Their report showed our credit union to be in compliance with all rules and regulations and financially sound.

In 2020 we worked to maintain profits through our product types, striving to increase our loan volumes, and limiting our deposit rates. As we begin 2021, despite the challenges we know will continue to face in this economy, we will endeavor to provide a stable environment for all your financial needs.

I would particularly like to thank our President, Sherri Houston, Vice-President, Dianna Turner and the staff for their support over the years.

Finally, I would once again like to thank all of you, the loyal members, whose support and patronage is essential to our Credit Union.