



# ANNUAL REPORT 2023





The Credit Union's assets rose slightly in 2023, continuing to build on the substantial asset growth that occurred in 2020 and 2021. Net income remained strong. Additional increases in prevailing interest and loan rates allowed the Credit Union to pay even higher dividends on share accounts and share certificates during the year.

A 2022 year-end audit by CliftonLarsonAllen (CLA) at the beginning of 2023 resulted in a clean opinion and concluded that the Credit Union's financial statements fairly present its financial condition. The 2023 year-end audit activities are currently underway. Similar positive results are expected.

Since the Credit Union's main office on Alpine Road was opened forty years ago, the Board has sought to provide locations and hours of operation that meet the needs of the membership. That includes building the branch on Olde Creek Road in 2000 and later opening in-store branches in three area Walmarts. Several years ago, we began looking ahead to establishing another permanent branch in a location that would benefit our members and further define our presence in the Rockford metropolitan area. In 2023, we moved forward with that plan and built a new branch at 5110 Rockrose Court, near the intersection of Hononegah Road and Illinois 251, in Roscoe.

Another objective of the Board has been to supplement our natural membership growth through occasional mergers that benefit both institutions. To that end, we added the members and assets of the former SwedishAmerican Federal Credit Union to our organization at the end of October. We believe that this will result in a higher level of member-focused financial services being made available to more people in our area.

Our eight-member Board meets each month to oversee the operation of the Credit Union. This includes focusing on policies, financial performance, risk management, regulatory compliance, employment matters, member services, and our community presence. We hope that this helps you "bank easy, save more, and live well."

On behalf of the Board, I want to thank the membership for continuing to use and support the Credit Union. Thanks also to the Board, Management, and staff of the Credit Union for working to make it a purpose-driven, thriving financial institution that continues to have an impact in our community.

*Gregory C. Hopkins*

**Gregory C. Hopkins**  
Chairman of the Board

## 2023 by the numbers

**\$1,437,510**  
PAID in dividends to MACU members

**HELPED 1309**  
members behind the wheel

**\$3,427,003** in direct financial benefit by choosing MACU vs. area banks

**3666** MEMBERS using our online banking credit scoring tool saw noticeable credit score improvement over the last 6 months

**840** educational WORKBOOKS provided to area schools

**1395** PARTICIPANTS in **51** FINANCIAL EDUCATION classes, for both adults and teens

**17** Certified Financial Counselors on staff, adding 8 in 2023

**1048** HOURS spent in the community

**PAID \$73,864** cash back and **\$17,892** in ATM fees returned to MyCashback Checking accountholders

**HELPED 298** members with their home loan needs

**\$85,040** in community support to 45 local organizations

**SAVE TO WIN** accountholders won **\$4,575** just for saving their own money

Hosted **TWO** blood drives collecting **25** units that will save **75** lives





2023 marked eighty five years for MembersAlliance Credit Union. We are proud to have served this community with the same ethical and purpose-motivated practices that our 1938 founders believed in when they chartered Sundstrand Credit Union. Our first-ever Community Celebration in September helped us celebrate our 85th as well as fulfill our desire to provide the community with a family-friendly, free, fun, and safe event. We were thrilled to partner with a number of local businesses and organizations, helping to make the event a wonderful success; one we hope to make an annual occurrence. As a purpose driven organization, we believe that we are making a positive

impact in the lives of our members, our staff, our local partners, and the community in general, and the Community Celebration is a way to share our vision/purpose with the entire community.

We were privileged to bring our services to the members of SwedishAmerican Federal Credit Union when they joined the MembersAlliance family as of October 31st. I am excited for the opportunity to welcome them to MembersAlliance and provide them with our additional product and service offerings while continuing their commitment to personal, caring service.

In 2023, nine additional staff members completed course work and exams to become Certified Financial Counselors. We now have seventeen staff members able to work and guide members who may be facing challenges in their journey toward financial wellness and prosperity. I am proud of these team members who took the time and effort to take the courses and pass the exams required to achieve this certification. This exhibits our commitment to inspiring financial well-being and have an empowering impact in our community.

Our Employee Enhancement Committee initiated a fundraising effort in 2023 to allow for giving assistance or encouragement to members who may be experiencing unexpected financial or emotional hardships. The gifts are small, but speak volumes when they come from a place where they feel valued and cared for.

Our Board of Directors continues to support our efforts to remain focused on personal service, long-term sustainability, technological advancement, and doing well by doing good. That means that we won't be as profitable as our competitors, but will always be able to continue to serve our community in a meaningful way. Our board members give freely of their time and talent in order to support an organization they believe makes a difference and has a positive impact in our community.

I continue to proudly stand shoulder to shoulder with our executive team. At times, it feels like we are in a battle, considering challenges such as ever-increasing regulations, economic fluctuations, staffing, fraud, technology, and all of the general components of running a business today. At the end of a day, I feel they all believe that the challenges involved in running a financial cooperative are worth the effort and have the do whatever it takes spirit to carry the MACU torch into the future.

As a service driven organization, we are only as strong as our employees. I am so proud of the work they do and continue to be amazed by their commitment to our members and the level of service they provide, embodying the We Care philosophy day in and day out.

Saving the best for the last...our members - Thank you for your continued trust in MembersAlliance as your financial partner. Your membership and use of our products and services make it possible for us to continue to expand and enhance our services and reach more people.

**Cheryl A. Sio, President**

## Investment Securities (unaudited)

December 31, 2023

CARRYING VALUE AND ESTIMATED MARKET VALUE OF INVESTMENT SECURITIES ARE AS FOLLOWS:

	WEIGHTED AVERAGE YIELD	CARRYING VALUE	ESTIMATED MARKET VALUE
U.S. AGENCY SECURITIES	1.2%	\$22,981,568	\$22,981,568

AMORTIZED COST AND ESTIMATED MARKET VALUE OF INVESTMENTS IN DEBT SECURITIES ARE AS FOLLOWS:

	AMORTIZED COST	GROSS UNREALIZED GAINS	GROSS UNREALIZED LOSSES	ESTIMATED MARKET VALUE
US AGENCY SEC	\$24,860,000	\$0	\$1,878,432	\$22,981,568
MTG-BKD SEC	\$0	0	0	\$0
<b>TOTAL DEBT SEC</b>	<b>\$24,860,000</b>	<b>\$0</b>	<b>\$1,878,432</b>	<b>\$22,981,568</b>

THE AMORTIZED COST AND ESTIMATED MARKET VALUE OF DEBT SECURITIES, INCLUDING MORTGAGED-BACKED SECURITIES ARE SHOWN BELOW. EXPECTED MATURITIES WILL DIFFER FROM CONTRACTUAL MATURITIES BECAUSE BORROWERS MAY HAVE THE RIGHT TO CALL OR REPAY OBLIGATIONS, WITH OR WITHOUT CALL PREPAYMENT PENALTIES:

	AMORTIZED COST	ESTIMATED MARKET VALUE
<b>U.S. GOV'T &amp; FED'L AGENCY SECURITIES</b>		
DUE IN ONE YEAR OR LESS	\$0	\$0
DUE AFTER ONE YEAR < FIVE YEARS	21,860,000	20,487,805
DUE AFTER FIVE YEARS < TEN YEARS	3,000,000	2,493,763
DUE AFTER TEN YEARS		
<b>TOTAL U.S. SECURITIES</b>	<b>\$24,860,000</b>	<b>\$22,981,568</b>
<b>MORTGAGE-BACKED SECURITIES</b>	<b>0</b>	<b>0</b>
<b>TOTAL DEBT SECURITIES</b>	<b>\$24,860,000</b>	<b>\$22,981,568</b>

Proceeds from sales of investments in debt securities (incl. mortgage-backed securities) during 2023 were \$0. These proceeds included gross gains of \$0 & gross losses of \$0.

# Comparative Statements (unaudited)

## ASSETS & LIABILITIES

ASSETS	2023	2022
<b>LOANS:</b>		
LOANS TO MEMBERS	85,804,645	80,511,920
REAL ESTATE - 1ST MORTGAGE	58,056,996	61,143,415
REAL ESTATE - HOME EQUITY	6,946,166	5,417,654
VISA LOANS	13,908,487	12,487,261
PARTICIPATION LOANS	10,047,933	10,307,245
<b>TOTAL LOANS</b>	<b>174,764,227</b>	<b>169,867,495</b>
ALLOWANCE FOR CREDIT LOSS	(2,017,570)	(1,431,560)
<b>NET LOANS</b>	<b>172,746,657</b>	<b>168,435,935</b>
<b>CASH</b>	<b>15,943,183</b>	<b>10,531,406</b>
<b>INVESTMENTS:</b>		
CDs @ FINANCIAL INSTITUTIONS	57,777,172	57,866,000
CORPORATE CU & CORP CU SHARES	304,204	300,000
FEDERAL AGENCY SECURITIES	22,981,568	22,169,253
FHLB CAPITAL STOCK	266,300	255,800
<b>NET INVESTMENTS</b>	<b>81,329,244</b>	<b>80,591,053</b>
<b>FIXED ASSETS:</b>		
LAND	1,226,557	1,226,557
BUILDING & IMPROVEMENTS (NET)	1,297,665	1,413,439
EDP & EQUIPMENT (NET)	104,842	182,158
CONSTRUCTION IN PROGRESS	1,781,659	0
<b>TOTAL FIXED ASSETS (NET)</b>	<b>4,410,723</b>	<b>2,822,154</b>
<b>OTHER ASSETS:</b>		
PREPAID EXPENSES	488,597	411,463
ACCRUED INTEREST ON LOANS & INVEST.	612,347	513,980
ASI SHARE INSURANCE DEPOSIT	3,247,827	3,097,448
MISC ASSET ACCTS	5,675,523	5,811,418
<b>TOTAL ASSETS</b>	<b>284,454,101</b>	<b>272,214,858</b>
<b>LIABILITIES</b>		
ACCOUNTS PAYABLE	4,299,249	3,475,323
DIVIDENDS PAYABLE	724,199	145,043
ACCRUED EXPENSES	1,170,262	424,952
<b>TOTAL LIABILITIES</b>	<b>6,193,710</b>	<b>4,045,318</b>
<b>EQUITY</b>		
<b>SHARE ACCOUNTS:</b>		
REGULAR SHARES	124,437,154	137,749,524
CLUB SHARES	256,984	153,184
SHARE DRAFTS	57,865,537	60,900,400
MONEY MARKET SHARES	24,971,495	29,137,376
SHARE, IRA & HSA CERTIFICATES	50,597,614	21,747,312
<b>TOTAL SHARES</b>	<b>258,128,784</b>	<b>249,687,796</b>
<b>RESERVES:</b>		
REGULAR RESERVE	3,535,732	3,535,732
INVESTMENT VALUATION RESERVE	(1,878,432)	(2,690,747)
UNDIVIDED EARNINGS	18,474,307	17,636,758
<b>TOTAL RESERVES</b>	<b>20,131,607</b>	<b>18,481,743</b>
<b>TOTAL EQUITY</b>	<b>278,260,391</b>	<b>268,169,539</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>284,454,101</b>	<b>272,214,857</b>

# Comparative Statements (unaudited)

## INCOME AND EXPENSE:

	2023	2022
<b>INCOME:</b>		
INTEREST ON LOANS	\$7,243,649	\$6,167,218
INTEREST ON INVESTMENTS	1,691,098	1,092,594
FEES	1,394,545	1,491,891
MISC OPERATING INCOME	2,338,521	2,898,929
<b>TOTAL GROSS INCOME</b>	<b>\$12,667,813</b>	<b>11,650,632</b>
<b>EXPENSES:</b>		
EMP SALARIES, BENEFITS, TAXES, etc.	\$5,359,838	\$5,289,725
OFFICE OCCUPANCY	752,966	727,559
OFFICE OPERATIONS	1,038,214	949,699
MARKETING & BUSINESS DEVELOPMENT	314,493	272,734
SERVICE & PRODUCT EXPENSES	1,699,245	1,526,840
COMMUNITY ENGAGEMENT & NFP SUPPORT	59,909	46,957
OTHER EXPENSES	724,585	532,630
<b>TOTAL OPERATING EXPENSES</b>	<b>\$9,949,250</b>	<b>\$9,346,144</b>
PROVISION FOR CREDIT LOSSES EXPENSE	\$196,789	\$115,118
DIVIDEND EXPENSE	\$1,437,510	\$373,184
NON-OPERATING EXPENSE	\$25,255	\$ 96,793
<b>NET INCOME</b>	<b>\$1,059,009</b>	<b>\$1,719,393</b>

## STATEMENT of REGULAR RESERVE, ALLOWANCE for CREDIT LOSS and UNDIVIDED EARNINGS (Unaudited)

	REGULAR RESERVE	ALLOWANCE for CREDIT LOSS	UNDIVIDED EARNINGS
<b>BALANCE @ 1/1/2023</b>	<b>\$3,535,732</b>	<b>\$1,431,560</b>	<b>\$17,636,759</b>
NET INCOME DISTRIBUTION			1,059,009
LOANS CHARGED OFF		(770,440)	
RECOVERIES		412,590	
PROVISION FOR CREDIT LOSSES		196,789	
CECL ADOPTION ENTRY		736,271	(736,271)
SAFCU MERGER ENTRY		10,800	514,812
<b>12/31/2023</b>	<b>\$3,535,732</b>	<b>\$2,017,570</b>	<b>\$18,474,308</b>

## VARIOUS BENCHMARK COMPARISONS

	2023	2022	2021
NUMBER OF MEMBERS	21,256	19,763	19,653
NUMBER OF LOANS (Excluding Participations)	12,338	12,011	12,983
AVERAGE SHARE BALANCE	\$12,144	\$13,061	\$12,705
AVERAGE LOAN BALANCE	\$13,350	\$13,714	\$12,290
% NET CHARGED OFF LOANS	0.19%	0.15%	0.380%



We exist to inspire financial wellness and have an empowering impact in our community. Community involvement, participation and sponsorship of events, supporting and partnering with local organizations all help further our purpose at MembersAlliance. The below list of the organizations were the ones we were privileged to partner with in 2023:

- Adopt an Angel\*
- AFP National Philanthropy Day
- African-American Resource Center at Booker\*
- Alpine Kiwanis Brat Days
- Anderson Japanese Gardens
- Banzai Financial Educational Curriculum
- BBB/MACU Community Shred Day
- Brightening Veteran's Lives
- CARE for Pets\*
- Carpenter's Place
- CASA Advocates Club
- Center for Sight & Hearing
- Christian Life Schools Leadership Development
- Community Foundation of Northern Illinois
- East High School BAMIT Academy
- EIGERlab
- Elev815 Scholarships
- Easter Seals Academy
- Ethnic Heritage Museum
- Founders' Commission - Diamonds
- GiGi's Playhouse - Jeep Freeze
- Hoo Haven\*
- INCubator program at Hononegah HS
- Jefferson High School BAMIT Academy
- Marshmellow's Hope\*
- Midway Village - All Hallow's Eve
- Music on the Mall - Edgebrook
- Nik's Wish
- Pregnancy Care Center of Rockford
- Remedies Renewing Lives
- Rockford Area Convention & Visitors Bureau
- Rockford Art Museum - Greenwich Village Art Fair
- Rockford Park District - Music in the Park/All Aglow
- Rockford Reachout Jail Ministries\*
- Rockford Rescue Mission
- Rock House Kids
- Rockton Main Street Trick or Treat/River Market
- Shelter Care Ministries
- St. Elizabeth's Catholic Community Center\*
- Stateline Youth for Christ - City Life
- Tinker Swiss Cottage
- United Way of Rock River Valley
- Veteran's Drop-In Center\*
- Vets Roll
- Women of Today's Manufacturing

Member of these local business organizations: Rockford Area Chapter of Credit Unions; Rockford Area Chamber of Commerce; Rockford Area Economic Development Council; Belvidere Chamber of Commerce; NorthWest Illinois Alliance of REALTORS; Women's Council of Realtors; Parks Chamber; Rockford Network of Professional Women; Better Business Bureau (accredited w/A+ rating); Alignment Rockford; Elev815.

\*Along with our corporate efforts, our Employee Enhancement Committee (EEC) selects not-for-profits to which employees can donate time, money, or supplies. **The EEC donated a total of \$5,226.95 to these local groups & organizations.**



## Partners in Kind

Our Partners in Kind (PIK) crew continues to promote kindness and encourage others to pass it on, creating a kinder community for all of us!

### 2023 Community Partners:

- Anderson Garden/ Rockford Roasting Co
- Dee Dee's Cafe
- Great Harvest Bread Co.





MembersAlliance Credit Union is governed by a volunteer Board of Directors which is voted on at our annual meeting.

[Board of Directors \(listed in alphabetical order\)](#)

**Chris Anderson**  
**Susan Campbell**  
**Keith Eden**  
**Gregory Hopkins**  
**Mary Maxted**  
**Steve Naff**  
**Cheryl Sio**  
**Michael Youngblood**

[Chairman of the Board](#)

**Gregory Hopkins**

[Officers](#)

**Cheryl Sio**, Chief Executive Officer  
**Lisa Keller**, Chief Operating Officer  
**Kelly Froeliger**, Vice President - Finance  
**Matt Lynch**, Vice President - Branding & Development



# MembersAlliance Credit Union

## 85th Annual Meeting

March 7, 2024 5:30 p.m.

2550 S. Alpine Road  
Rockford, IL 61108

MembersAlliance  
CREDIT UNION

You can rely on us!

Bank Easy. Save More. Live Well. We can Help.

815.226.2260 | [www.membersalliance.org](http://www.membersalliance.org)

### Traditional Branches

2550 S. Alpine Rd.  
Rockford, IL 61108  
815.226.2260

6951 Olde Creek Rd.  
Rockford, IL 61114  
815.484.1160

5110 Rockrose Ct.  
Roscoe, IL 61073  
815.484.1250

### Walmart Branch

3902 W. Riverside Blvd.  
Rockford, IL 61101  
815.484.5350

YOUR SAVINGS INSURED TO \$250,000 PER ACCOUNT

 AMERICAN SHARE INSURANCE  
By members' choice, this institution is not federally insured.



ACCREDITED  
BUSINESS

