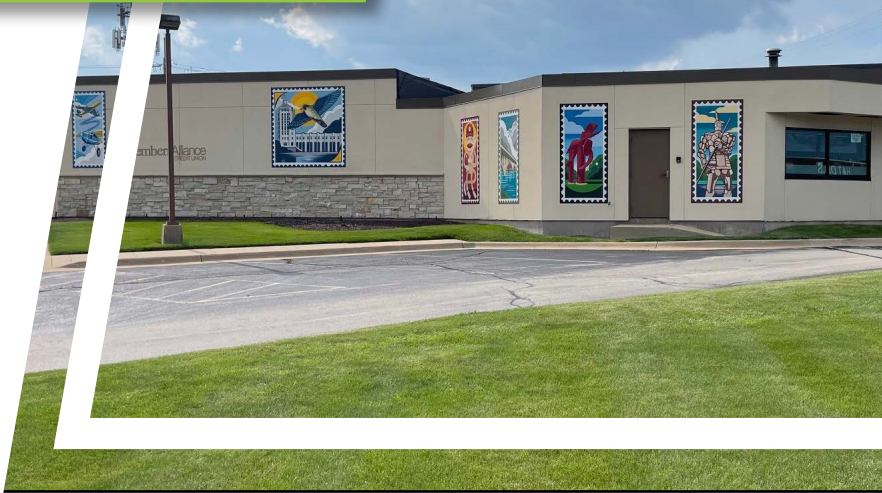


MembersAlliance
CREDIT UNION

You can *rely* on us!

2024 ANNUAL REPORT



2024 Impact Report



\$2,039,420 PAID in dividends to MACU members



5439 MEMBERS using our online banking credit scoring tool saw noticeable credit score improvement over the last 6 months



1060 Members helped behind the wheel



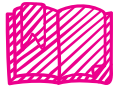
PAID **\$94,449** cash back and **\$22,933** in ATM fees returned to MyCashback Checking accountholders



1159 HOURS spent in the community



1163 PARTICIPANTS in **42** FINANCIAL EDUCATION classes, for both adults and teens



940 educational WORKBOOKS provided to area schools



19 Certified Financial Counselors on staff



\$75,949 in community support to 44 local organizations



399 HELPED with their home loan needs



Hosted **TWO** blood drives collecting **30** units that will save **90** lives.



members won **\$4,625** just for saving their own \$\$\$



\$4,173,157 in overall direct financial benefit by choosing MACU vs. area banks.

Chairman's Report

The Credit Union's assets at the end of 2024 were essentially the same as at the beginning of the year, reflecting the Board's intent to manage asset growth and continue to improve our financial metrics. Net income was above-budget. Careful attention to prevailing interest rates allowed the Credit Union to maintain a solid loan portfolio and to continue paying competitive dividends on share accounts and share certificates during the year.



A 2023 year-end audit by CliftonLarsonAllen (CLA) at the beginning of 2024 resulted in a clean opinion and concluded that the Credit Union's financial statements fairly present its financial condition. The 2024 year-end audit activities are currently underway. Similar positive results are expected.

As part of a years-long plan, the Credit Union opened a new branch in Roscoe at the beginning of 2024. Operations from the Rockton Walmart in-store branch were folded into the new branch as we continued to accommodate changes in member transaction patterns. With stand-alone branch buildings at Alpine and Harrison, Olde Creek and Perryville, and now in Roscoe, along with a branch inside the Walmart on West Riverside Boulevard and our always-available online site, the Credit Union is able to provide the service that our members need and expect.

During the second half of 2024, the Board worked with Callahan & Associates, a recognized resource and leader in the credit union industry, to assess the Credit Union's strengths and weaknesses and to begin developing future business plans. Those activities, along with information on financial performance, infrastructure improvements, member service enhancements, community involvement, and staff development are regularly reviewed as part of the Board's monthly meetings.

This past September, Chris Anderson resigned from the Board to pursue other activities. We wish him the best in those endeavors.

President Cheryl Sio completed 40 years as the executive leader of the Credit Union in 2024. Her contributions to the organization, dedication to its members, concern for its employees, and commitment to the Rockford community over the years are unmatched.

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

President's Report



As I look back over my years with the credit union and reminisce about the people I've worked with, served, and connected with, I realize my memories are rarely about what we have accomplished, but rather what we have shared, believed in, and strived for. The people are what make the Sundstrand/MembersAlliance Credit Union Story remarkable. I am blessed to have been part of that story.

If you are wondering where this is coming from, this will be my last annual report. I will be retiring at the end of September. While it's hard for me to imagine what that will look like for me, it's a good time to start another chapter and give someone else the privilege of leading MembersAlliance into the future. I am proud to have been part of an organization that is ethical, financially sound, member focused, and committed to having an impact in our community.

For fun, I reviewed the Annual Report from my first year working at the credit union (1975). We ended that year at \$8.5M in assets and 5,930 members. We had a staff of five. There was a deposit limit of \$40K and the loan limit was \$12.5K. In Howard White's board chairman's report, the closing paragraph begins with *We have great plans for the future. Only time, thought and energy are required to carry them out.* I believe he would love to be here today to see how his hopes for Sundstrand/MembersAlliance Credit Union played out.

Our board is committed to staying the course and to remain local, purpose driven, and independent. The board and leadership team at MembersAlliance truly believe we can continue to meet the banking needs of our members, and contribute to the economic success of our community. They continue to support our efforts to remain focused on personal service, long-term sustainability, technological advancement, and doing well by doing good.

We have had many long term, dedicated board members during my time here. Our chairman, Greg Hopkins has been actively involved and supporting the credit union for thirty nine years, serving as chairman for the past ten years. I truly appreciate Greg's leadership, his attention to detail, his desire to allow every board member a voice, his quiet, humble persona, his willingness to allow me to vent at times, and his commitment to the sustainability of MACU.

I have been blessed to work alongside an executive team that believes MACU is making a difference in peoples' lives every day. They have certainly made a difference in mine. I truly believe they will lead the credit union boldly and independently into the future. They are amazing individuals and I look forward to the next chapters of our credit union story.

Our team of employees and the extraordinary service they provide set a high standard and exemplify our We Care philosophy. Our member facing staff consistently works with members to help make the complex world of banking less confusing, reliable, and enjoyable. Our operations staff members who work behind the scenes in quality control, information systems, facilities, accounting, loan processing, financial care, electronic payments, training, product development, community engagement, marketing, and branch coordination are exceptional in their efforts to ensure the safety, soundness, reputation, and mission and purpose fulfillment of the credit union. I am always proud of our staff and what they achieve by working together with purpose.

Finally, to our members past and present, who have trusted MACU to be your financial partner, thank you for the role you have played in the credit union's story and my personal story as well. My time here is marked with so many memories, life experiences, personal growth, gratitude, and blessings. You have all made a powerful impact on my life. Thank you for your continued trust in us and your commitment to cooperative local banking.

Cheryl A. Sio
Cheryl A. Sio, President

Investment Securities

December 31, 2024

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

	WEIGHTED AVERAGE YIELD	CARRYING VALUE	ESTIMATED MARKET VALUE
U.S. AGENCY SECURITIES	1.3%	\$23,637,615	\$23,637,615

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	\$1,222,385	\$23,637,615
MTG-BKD SEC	\$0	0	0	\$0
TOTAL DEBT SEC	\$24,860,000	\$0	\$1,222,385	\$23,637,615

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
U.S. GOV'T & FED'L AGENCY SECURITIES		
DUE IN ONE YEAR OR LESS	\$7,800,000	\$7,725,738
DUE AFTER ONE YEAR < FIVE YEARS	14,060,000	13,376,535
DUE AFTER FIVE YEARS < TEN YEARS	3,000,000	2,535,343
DUE AFTER TEN YEARS		
TOTAL U.S. SECURITIES	\$24,860,000	\$23,637,615
MORTGAGE-BACKED SECURITIES	0	0
TOTAL DEBT SECURITIES	\$24,860,000	\$23,637,615

Proceeds from sales of investments in debt securities (incl. mortgage-backed securities) during 2024 were \$0. These proceeds included gross gains of \$0 & gross losses of \$0.

Comparative Statements

ASSETS & LIABILITIES

ASSETS	2024	2023
LOANS:		
LOANS TO MEMBERS	82,220,484	85,804,645
REAL ESTATE - 1ST MORTGAGE	61,707,804	58,056,996
REAL ESTATE - HOME EQUITY	12,255,447	6,946,166
VISA LOANS	14,057,099	13,908,487
PARTICIPATION LOANS	9,498,850	10,047,933
TOTAL LOANS	179,739,683	174,764,227
ALLOWANCE FOR CREDIT LOSS	(1,796,052)	(2,017,570)
NET LOANS	177,943,631	172,746,657
CASH	9,623,834	15,943,183
INVESTMENTS:		
CDs @ FINANCIAL INSTITUTIONS	54,411,508	57,777,172
CORPORATE CU CAPITAL	304,204	304,204
FEDERAL AGENCY SECURITIES	23,637,615	22,981,568
FHLB CAPITAL STOCK	266,300	266,300
NET INVESTMENTS	78,619,627	81,329,244
FIXED ASSETS:		
LAND	1,226,557	1,226,557
BUILDING & IMPROVEMENTS (NET)	2,944,545	1,297,665
EDP & EQUIPMENT (NET)	161,039	104,842
CONSTRUCTION IN PROGRESS	0	1,781,659
TOTAL FIXED ASSETS (NET)	4,332,141	4,410,723
OTHER ASSETS:		
PREPAID EXPENSES	512,367	488,597
ACCRUED INTEREST ON LOANS & INVEST	717,318	612,347
ASI SHARE INSURANCE DEPOSIT	3,365,089	3,247,827
MISC ASSET ACCTS	6,698,126	5,675,523
TOTAL ASSETS	281,812,134	284,454,101
LIABILITIES		
ACCOUNTS PAYABLE	2,273,910	4,299,249
DIVIDENDS PAYABLE	427,656	724,199
ACCRUED EXPENSES	1,331,494	1,170,262
TOTAL LIABILITIES	4,033,060	6,193,710
EQUITY		
SHARE ACCOUNTS:		
REGULAR SHARES	136,877,046	124,437,154
CLUB SHARES	220,509	256,984
SHARE DRAFTS	59,566,166	57,865,537
MONEY MARKET SHARES	26,484,505	24,971,495
SHARE, IRA & HSA CERTIFICATES	30,499,708	50,597,614
TOTAL SHARES	253,647,935	258,128,784
RESERVES:		
REGULAR RESERVE	3,535,732	3,535,732
INVESTMENT VALUATION RESERVE	(1,222,385)	(1,878,432)
UNDIVIDED EARNINGS	21,817,791	18,474,307
TOTAL RESERVES	24,131,139	20,131,606
TOTAL EQUITY	277,779,073	278,260,391
TOTAL LIABILITIES & EQUITY	281,812,133	284,454,101

INCOME AND EXPENSE:

	2024	2023
INCOME:		
INTEREST ON LOANS	\$8,551,672	\$7,243,649
INTEREST ON INVESTMENTS	4,604,685	1,691,098
FEES	1,413,008	1,394,545
MISC OPERATING INCOME	2,330,124	2,338,521
TOTAL GROSS INCOME	\$16,899,488	\$12,667,813
EXPENSES:		
EMP SALARIES, BENEFITS, TAXES, etc.	\$6,089,528	\$5,359,838
OFFICE OCCUPANCY	773,167	752,966
OFFICE OPERATIONS	1,153,783	1,038,214
MARKETING & BUSINESS DEVELOPMENT	333,328	314,493
SERVICE & PRODUCT EXPENSES	1,972,580	1,699,245
COMMUNITY ENGAGEMENT & NFP SUPPORT	68,676	59,909
OTHER EXPENSES	723,224	724,585
TOTAL OPERATING EXPENSES	\$11,114,286	\$9,949,250
PROVISION FOR CREDIT LOSS EXPENSE	\$198,722	\$196,789
DIVIDEND EXPENSE	\$2,039,420	\$1,437,510
NON-OPERATING EXPENSE	\$653,577	\$25,255
NET INCOME	\$2,893,484	\$1,059,009

STATEMENT of REGULAR RESERVE, ALLOWANCE for CREDIT LOSS and UNDIVIDED EARNINGS

	REGULAR RESERVE	ALLOWANCE for CREDIT LOSS	UNDIVIDED EARNINGS
BALANCE @ 1/1/2024	\$3,535,732	\$2,017,570	\$18,474,308
NET INCOME DISTRIBUTION			2,893,484
LOANS CHARGED OFF		(824,751)	
RECOVERIES		404,511	
PROVISION FOR LN LOSSES		198,721	
12/31/2024	\$3,535,732	\$1,796,052 *	\$21,367,792

VARIOUS BENCHMARK COMPARISONS

	2024	2023	2022
NUMBER OF MEMBERS	21,499	21,256	19,763
NUMBER OF LOANS (Excluding Participations)	13,088	12,338	12,011
AVERAGE SHARE BALANCE	\$11,798	\$12,144	\$12,634
AVERAGE LOAN BALANCE	\$13,007	\$13,350	\$13,285
% NET CHARGED OFF/ AVERAGE LOANS	0.23%	0.19%	0.15%

Support in our community

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. It was our privilege to partner with these organizations in 2024:

AFP National Philanthropy Day
Alpine Kiwanis Brat Days
Anderson Japanese Gardens
Banzai Financial Educational Curriculum
BBB/MACU Community Shred Day
Carpenter's Place*
CASA Advocates Club
Community Foundation of Northern Illinois
East High School BAMIT Academy
Elev815 Scholarships
Easter Seals Academy
Festival of Lights
Founders' Commission - Diamonds
Golden Apple
Grinzio Family*
INCubator program at Hononegah HS
Jack Baumann Memorial Foundation*
Jefferson High School BAMIT Academy
K-Cancer*
Live 4 Lali*
Liam Foundation*
Marshmellow's Hope*
Midway Village - All Hallow's Eve
Music on the Mall - Edgebrook
Nikolas Ritschel Foundation (Nik's Wish)*
Noah's Ark Fundraiser*
Pregnancy Care Center of Rockford*
RAMP - river run
Remedies Renewing Lives
Rockford Area Convention & Visitors Bureau
Rockford Network of Professional Women Book Sponsor
Rockford Park District - All Aglow/Food Truck Tuesdays
Rockford University
Rock House Kids
Rock River Valley Blood Center
Rockton Main Street Trick or Treat/River Market
Shelter Care Ministries
Stateline Youth for Christ
Tinker Swiss Cottage
United Way of Rock River Valley
Veteran's Drop-In Center
Vets Roll
Winnebago/Boone County Foster Care Alliance*
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; Alpine Kiwanis; 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 \$5,870 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!

2024 Community Partners:

Anderson Garden
 Dee Dee's Cafe
 Great Harvest Bread Co.
 Meg's Daily Grind
 Rockford Roasting Co
 Wired Cafe



Year in photos



2024 Leadership

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

86th Annual Meeting

March 20, 2025 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

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.

