

MOVING FORWARD
... TOGETHER



Annual Report 2020

Board Chairman's Report

As we prepare this Annual Report, we have passed the one-year anniversary of a pandemic marked by stark contrasts. The year 2020 brought devastating heartache, revolutionary disruptions and personal hardships -- but also stories of unprecedented cooperation, heroism and unbelievable resilience.

When safety concerns shortened hours and even closed District locations, your Credit Union staff responded with flexibility, strength and sensitivity. Please join us in expressing gratitude for their ongoing dedication to both the specific needs and overall financial well-being of our members.

While neither the health or economic crisis is over, the year ahead now holds unique possibilities for how we recover, restructure and reclaim our cherished pastimes and long-term goals.

As your Credit Union we are committed to supporting your new reality, whether that means enhancing financial products, embracing a changing work-life balance, or harnessing the power of new technology to improve phone systems and

secure document signatures. We are in the process of upgrading our website for a faster, more user-friendly digital experience.

With your continued trust, we know that the MWRD Employees' Credit Union will not only endure -- as it has for over 65 years -- but that it will continue to positively impact the future of those who use it for daily transactions, affordable lending and competitive deposits.

We are here to protect and promote a positive financial journey for each of our members, and we could not do that without your advocacy, referrals and support.

We want to thank you, our members, for your understanding during the past year. Your continued confidence in our mission of lifting each other up through challenges and triumphs makes it possible for us to move forward... together.

We are always here for you.

Kari K. Steele
Chairman



Credit Review Committee Report

MWRD Employees' Credit Union continues to offer low interest, low cost financing to our member-owners. The Credit Union's primary source of income — over 65% — is the interest earned on members' loans. Along with income from investments, it is used to pay Credit Union operating costs and member dividends.

The Credit Review Committee is dedicated to its responsibilities. As a Committee we:

- review loan applications for approval
- recommend changes in lending and collection policies to the Board of Directors
- appoint loan officer(s) to expedite prompt loan processing
- work with the Board of Directors to offer new or improved loan programs
- monitor loan losses, and
- aggressively pursue monies owed.

On December 31, 2020 the Credit Union held **\$17,237,489** in loans. With little to no delinquency, this helps virtually every member of the Credit Union. For 2021 we are poised to offer competitive lending options for your home, auto and personal loans; please check with us first, so we can help you secure the best rate and keep your payments affordable.

The Credit Review Committee promotes lending programs to grow our institution and help members access the comforts they've earned. Our secure online process simplifies the application process. Your Credit Union's lending options nearly always cost less than those of for-profit institutions. As always, we ask you to share your credit union experience with your co-workers.

Anthony Balich, Chairman
Glenn Miller

Supervisory Committee Report

The Supervisory Committee oversees the financial management of the Credit Union. The Committee meets regularly to review monthly financial statements and reports, to analyze financial trends, to monitor the Credit Union's overall performance, and to act as the human resource department for the Credit Union.

A major task of the Supervisory Committee is to see that thorough internal audits of the Credit Union are performed. The Committee has engaged Selden Fox, Ltd, Certified Public Accountants, to conduct annual and quarterly audits. This is designed to ensure that:

1. Financial reports accurately reflect the operations of the Credit Union and are prepared in a timely fashion.
2. The Credit Union's internal controls are reviewed and effectively maintained, and the Credit Union, its members, management and employees are adequately protected.
3. Elected officials and employees perform their responsibilities in a proper manner.

As always, we welcome suggestions from our member-owners. Please submit comments about Credit Union operations and management directly to this Committee at the main office address, or through the "Contact Us" form on our website.

Nathaniel Thomas Jr., Chairman
Jacqueline Torres
Brian Deitz

Treasurer's Report

It is the responsibility of the Treasurer of the MWRD Employees' Credit Union to ensure that the Board of Directors is presented with a true and accurate picture of the Credit Union's financial position. The Treasurer oversees the accounting functions to maintain an adherence to generally accepted accounting principles; and reviews and presents to the Board of Directors a variety of financial reports including a statement of condition, an income and expense report, and an investment report.

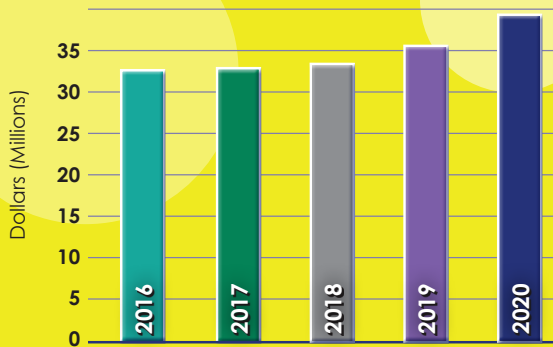
Your Credit Union finished 2020 with a net worth ratio of **12.93%**, well above the 7% net worth ratio that federal and state regulators consider very well capitalized. We continue to be an extremely strong and sound financial institution. You can save and borrow here with confidence, and invite others to join our financial cooperative.

As always, MWRD Employees' Credit Union's solid financial position is due to the loyalty of our member-owners. Thanks also to the dedication of our Sponsor, the Metropolitan Water Reclamation District of Greater Chicago, and the prudent direction from our Board. Our staff strives every day to improve products, services and security.

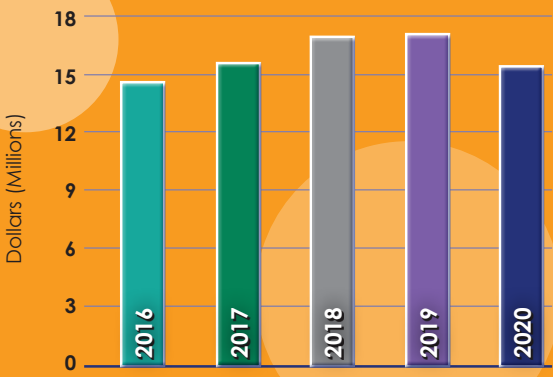
You are cordially invited to review the 2020 financial and statistical data that follows.

Beverly Sanders, Treasurer

ASSET GROWTH



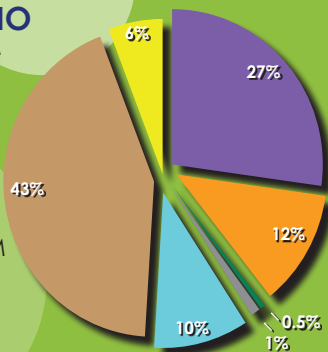
MEMBER LOANS



LOAN PORTFOLIO

Breakdown by Type

- VEHICLE
- UNSECURED
- SHARE SECURED
- SPECIAL PROGRAM
- HOME EQUITY
- FIRST MORTGAGES
- VISA



Statement of Financial Condition

ASSETS (We Own)	12/31/20	12/31/19
Loans to Members	17,237,489	18,272,312
Less Allowance for Loan Losses	<u>(114,527)</u>	<u>(122,906)</u>
Net Loans	17,122,962	18,149,406
Cash and Cash Equivalents	7,076,438	3,564,156
Investments	14,607,081	13,387,289
NCUSIF Deposit	305,019	280,169
Other Assets	<u>232,101</u>	<u>261,046</u>
Total Assets	39,343,601	35,642,066

LIABILITIES SAVINGS & EQUITY (We Owe)

Shares of Members	33,898,549	30,506,807
Regular Reserves	846,907	846,907
Undivided Earnings	4,240,829	4,121,881
Other Liabilities and Equity	<u>357,316</u>	<u>166,471</u>
Total Liabilities and Equity	39,343,601	35,642,066

Statement of Income & Expenses

Operating Income (We Received)

Interest on Loans	945,363	949,174
Income from Investments	294,652	311,763
Other Income	88,555	77,192
Total Income	1,328,570	1,338,129

EXPENSES (We Distributed)

Dividends on Member Shares	111,633	102,892
Compensation and Benefits	603,050	559,482
Office Operations	273,397	394,023
Loan Servicing	45,503	77,370
Member Insurance		-
Other	<u>132,401</u>	<u>8,177</u>
Total Expenses	1,165,984	1,141,944

NET INCOME **162,586** **196,185**

OTHER EXPENSES

Allowance for Loan Losses	<u>43,634</u>	<u>37,863</u>
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NET INCOME **118,952** **158,322**

Mission Statement

To be our members' primary financial institution of choice by providing competitive financial services in a secure environment and meeting their changing needs while maintaining our financial stability.

Credit Union President/CEO

Linda S. Geers

Financial Analyst

Martin Mitchell

Lending Department

Glenda J. Lahori

E-Services

Jewell Hobbs

Member Service Department

John Van Keulen

Joanne M. Shinnick

2020 Board of Directors

Kari K. Steele, Chairman

Beverly Sanders, Treasurer

Anthony Balich, Credit Committee Chairman

Nathaniel Thomas, Jr., Supervisory Committee Chairman

Glenn Miller, Credit Committee

Brian Deitz, Supervisory Committee

Jacqueline Torres, Supervisory Committee

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