

ASSETS

	2016	2015
Cash and cash equivalents	\$ 40,315,872	\$ 42,535,146
Investment securities - available for sale	171,249,237	177,257,252
Time deposits with other financial institutions	6,960,000	8,553,000
Loans to members - net allowance for loan losses	465,488,917	393,065,305
Premises and equipment - net allowance for loan losses	25,981,789	25,640,837
Accrued interest receivable	2,509,559	2,218,287
FHLB stock	1,237,300	1,057,400
Corporate Capital	930,700	930,700
Investment in CUSOs	1,929,704	2,299,010
NCUSIF deposit	6,088,659	5,601,789
Other assets	6,617,841	4,893,288
TOTAL ASSETS	\$729,309,578	\$664,052,014

LIABILITIES AND MEMBERS' EQUITY

	2016	2015
LIABILITIES		
Members' share and savings accounts	\$ 654,491,865	\$ 596,681,841
Accrued and other liabilities	9,270,918	6,421,027
TOTAL LIABILITIES	\$663,762,783	\$603,102,868
MEMBERS' EQUITY		
Regular Reserve	5,567,068	5,567,068
Equity acquired in merger	4,415,593	4,415,593
Undivided earnings	56,176,145	50,421,791
Accumulated other comprehensive income	-612,011	544,694
TOTAL MEMBERS' EQUITY	\$ 65,546,795	\$ 60,949,146
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 729,309,578	\$ 664,052,014

INTEREST INCOME

	2016	2015
Loans	\$ 20,056,038	\$ 17,766,447
Investment Securities	2,314,624	1,936,519
TOTAL INTEREST INCOME	\$22,370,662	\$19,702,966

INTEREST EXPENSE

	2016	2015
Members' shares and savings accounts	\$ 679,669	\$ 673,885
Borrowed funds	4,583	10,637
TOTAL INTEREST EXPENSE	684,252	684,522
Net interest income	21,686,410	19,018,444
Provision for loan losses	2,175,244	2,114,779
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	\$19,511,166	\$16,903,665

NON-INTEREST INCOME

	2016	2015
Service charges and other fees	\$ 8,646,975	\$ 7,360,679
Bargain purchase gain	-	1,195,422
Other	1,422,486	1,570,461
TOTAL NON-INTEREST INCOME	\$10,089,461	\$10,126,562

NON-INTEREST EXPENSE

	2016	2015
Salaries and employee benefits	\$ 10,560,265	\$ 9,707,147
Occupancy	2,959,330	2,664,011
Operations	7,462,760	6,037,801
Other	2,863,918	2,677,723
TOTAL NON-INTEREST EXPENSE	\$23,846,273	\$21,086,682
NET INTEREST INCOME AFTER PROVISION FOR LOSSES	\$5,754,354	\$5,943,545

UNIVERSITY OF MICHIGAN
CREDIT UNION

2016
ANNUAL REPORT

2016 ANNUAL REPORT

Our purpose at the University of Michigan Credit Union (UMCU) is to aMAIZE our members, the community and our team by working together for our shared success. The goals UMCU set as an organization placed the bar high for 2016, but we rose to the occasion and made it a year of endless accomplishments.

"UMCU experienced phenomenal growth and success this year. We are thinking outside the box for new ways to go above and beyond serving our members and the surrounding communities. 2016 was an aMAIZEing year for us. We are looking forward to continuing this zeal and momentum into 2017."
—Tiffany Ford, CEO

BOARD OF DIRECTORS

Paul Kirsch.....Chair
Jeff Frumkin.....Vice Chair
Frank Cianciola.....Secretary
Karen Parker.....Treasurer
Earl Bell.....Director
Victoria Bennett.....Director
Susan McClanahan.....Director
James Middlemas.....Director
Shawn Pollack.....Director
Brian Fitzgerald.....Associate Directors

FINANCIAL HIGHLIGHTS

In 2016, we ended the year with 80,460 member-owners. This represents a net growth of 6,502 members since the end of 2015, an increase of 8.79%.

We completed the year with an increase of 9.83% in total assets to \$729,309,578 with a return on assets of 0.83%. There was an increase in deposits to \$654,491,865, which is a growth of 9.69%. At year-end, total net loans were at \$465,488,917, an increase of 18.42% from the previous year.

UMCU HIGHLIGHTS

YOUTH ENGAGEMENT

UMCU was the sole sponsor of the UMCU Ballkids program with U-M Athletics for the second year in a row.

"I just would like to say thank you for selecting my son, Jalen, as a ball kid at last night's Michigan game. I'm fighting back tears! You and the staff at U of M put on an amazing program for the parents and kids. My son said he felt like a star. His face was glowing all night long. Thanks so much for making a kid feel so special."
— Charles Boyce, Ballkid Parent

STUDENT INVOLVEMENT EVENTS

- UMCU sponsored and participated in the Dance Marathon at the U-M (DMUM) for the 16th year.
- For the first time, UMCU participated in The Eagle Palooza and EMU's Fajita Fest. These are two EMU events with the highest student participation.
- During Fall Rush, we sponsored three UMCU Truck Extravaganzas for students on U-M and EMU campuses.
- UMCU sponsored an Ice Cream Day on the campuses of U-M Flint and Dearborn.
- UMCU participated in U-M Dearborn's Dive into Involvement event.

GRAND OPENINGS



- UMCU joined the Domino's Farm community with the opening a new virtual branch in June.
- Our newly renovated Pierpont Commons branch on U-M's North Campus reopened its doors in October.

NEW LOGO REVEAL

This fall we introduced the new UMCU and EMUCU logo to the world! The star graphic represents the word "aMAIZEment", capturing our high energy in serving our members, each other, and the community. The concept for the graphic was inspired by the elegant and fascinating shine of a star, a bright burst effect that is inspiring! Learn more about our new logo at www.umcubrandidentity.org.

GO BLUE WITH UMCU

UMCU was thrilled to announce a new partnership with the Michigan Athletics Ticket Office this year. Members were able to cheer on the Wolverines live and in-person with exclusive UMCU discounts to select Men's and Women's Basketball and Men's Ice Hockey games all season long!



COMMUNITY

The UMCU endowed the new UMCU Arts Adventures program with a \$1.5 million gift to the University Musical Society (UMS) and the University of Michigan Museum of Arts (UMMA). This program provides community members and U-M students and faculty with extraordinary access to art. UMCU members also can enjoy the musical arts with an exclusive discount on UMS tickets.

CHARITY EVENTS

- For the Southeast Michigan American Heart Association, team UMCU sponsored and participated in the 5K Heart Run/Walk and Heart Ball. UMCU members donated more than \$2,000 towards this worthy cause.
- UMCU partnered with the Metro West Chapter of Credit Unions to assist the Habitat for Humanity Detroit with their Blight Reduction Initiative.
- UMCU was a sponsor for the Alex Powell Great Race – an annual event for MSU and U-M, honoring a former MSU student who died of a rare form of cancer in 2011.
- UMCU sponsored and participated in the U-M Women's Softball Academy for the American Cancer Society.
- UMCU members and team members raised more than \$10,000 for C.S. Mott Children's Hospital during our Toys for Mott event.
- With the help of 14 local businesses, UMCU donated \$5,000 to Food Gatherers as a result of our "Shop Local Give Local" campaign. According to Food Gatherers, this money will provide approximately 15,000 meals to the hungry in our community.



FINANCIAL EDUCATION

- Our workshops are available to every age group: Financial Empowerment (adults), Financial Major League (teens), Financial Minor League (middle school), Financial Little League (7-10 year olds).
- UMCU's program was expanded to include ongoing education workshops for youth throughout the year.