

OUR PURPOSE AT THE UNIVERSITY OF MICHIGAN CREDIT UNION (UMCU) IS TO AMAZE OUR MEMBERS, THE COMMUNITY AND OUR TEAM BY WORKING TOGETHER FOR SHARED SUCCESS.

“2019 was a tremendous year full of growth and achievements. The goals we accomplished are a testament to the successes we’re preparing for in the new decade. We are incredibly grateful for the continued support from our members and surrounding communities, and look forward to helping you achieve success in 2020.”

TIFFANY FORD

UMCU President and Chief Executive Officer

BOARD OF DIRECTORS

Karen Parker	Chairperson
Victoria Bennett	Vice Chairperson
Earl Bell	Secretary
Paul Kirsch	Treasurer
Frank Cianciola	Director
Lukeland Gentiles	Director
Mary Krasny	Director
Shawn Pollack	Director
Jim Middlemas	Director
Benjie Johnson	Associate Director
Quinta Vreede	Associate Director

2019

ASSETS	2019
Cash and cash equivalents	\$97,404,556
Investment securities - Available for sale	\$43,486,865
Time deposits with other financial institutions	\$0
Loans to members - net allowance for loan losses	\$747,806,518
Premises and equipment - net allowance for losses	\$42,554,661
Accrued interest receivable	\$2,605,742
FHLB stock	\$2,376,400
Corporate capital	\$930,700
Investment in CUSOs	\$461,548
NCUSIF deposit	\$7,608,517
Other assets	\$8,065,615
Total assets	\$953,301,122

LIABILITIES	2019
Members' share and savings accounts	\$797,963,936
Borrowed funds	\$52,806,824
Accrued and other liabilities	\$9,735,149
Total liabilities	\$860,505,909

MEMBERS' EQUITY	2019
Regular reserve	\$5,567,068
Equity acquired in merger	\$4,415,593
Undivided earnings	\$82,941,348
Accumulated other comprehensive income	(\$128,797)
Total members' equity	\$92,795,213
Total liabilities and members' equity	\$953,301,122

INTEREST INCOME	2019
Loans	\$35,439,235
Investment securities	\$2,186,788
Total interest income	\$37,626,023

INTEREST EXPENSE	2019
Members' share and savings accounts	\$1,630,189
Borrowed funds	\$1,497,974
Total interest expense	\$3,128,163
Net interest income	\$34,497,860
Provision for loan losses	\$5,844,483
Net interest income after provision for loan losses	\$28,653,377

NONINTEREST INCOME	2019
Service charges and other fees	\$11,652,893
Other	\$1,138,678
Total noninterest income	\$12,791,571

NONINTEREST EXPENSE	2019
Salaries and employee benefits	\$14,577,447
Occupancy	\$3,941,177
Operations	\$9,708,469
Other	\$3,939,995
Total noninterest expense	\$32,167,088
Net income	\$9,277,860



UNIVERSITY OF MICHIGAN CREDIT UNION

ANNUAL REPORT



CHARITY & COMMUNITY INVOLVEMENT

• UMCU Arts Adventures Endowment Program at UMS provided 7,982 free tickets and more than \$9,413 in grants to K-12 students from 101 underserved schools in Ann Arbor, East Detroit, Southfield, Southgate and Ypsilanti. These students would not have been able to visit U-M's campus for a UMS school day performance otherwise.

• With the help of more than 70 local businesses and our members through "Shop Local Give Local," UMCU donated \$5,000 to the Community Action Network. The donation went towards supporting their Youthworks Program which helps under-resourced teens develop employability skills and explore different career paths through a 6-week summer program.

• UMCU was a proud sponsor of the U-M Champs for Mott, a Culinary Gala fundraiser for Michigan Medicine's C.S. Mott Children's Hospital.

• Thanks to our members and team members, UMCU raised more than \$5,000 in toys and gifts for Michigan Medicine in our Toys for Mott program.

• UMCU sponsored and participated in the Dance Marathon at U-M for the 19th year which benefits the pediatric rehabilitation programs at Michigan Medicine.

• To celebrate the grand opening weekend of the U-M Museum of Natural History, UMCU sponsored the Student Opening Event.

• UMCU was a sponsor for the 2019 Santa Run/Walk at the YMCA of Greater Flint.

• For 8 weeks during the summer, UMCU sponsored the Michigan Theater's Summer Classic series.

• EMUCU sponsored Ypsilanti's Neighborhood Theater Group.

• For the third year in-a-row, EMUCU sponsored the Ypsilanti Meals on Wheels annual "Meals on Heels" event.

• EMUCU was proud to sponsor Optimize Eastern – a social innovation community that supports student-led social impact projects.



FINANCIAL EDUCATION

• In 2019, UMCU introduced a Using Technology for Financial Success workshop which highlights useful apps and websites for managing finances.

• UMCU continued to offer both in-person and online workshops to foster accessibility and convenience. Our members have the option to attend a financial education workshop from home, the office, a coffee shop, and more, using any mobile device.

• UMCU presented at the 2019 M-Healthy Champions Conference in November which was attended by more than 400 U-M staff members.

• Our commitment to youth education remains strong as evidenced by UMCU's third year of partnership with the leaders of the Washtenaw County Summer Youth Employment program, administered by Michigan Works!

• Customized credit report assistance gave members the opportunity to meet with UMCU's Financial Education Specialist to access and review their credit reports one-on-one.

• In 2019, UMCU facilitated 189 separate financial wellness events that positively impacted more than 4,900 individuals, including:

o UMCU and EMUCU members

o U-M, EMU and WCC campus community members (students, faculty, staff and alumni)

o Various community members in Ann Arbor, Ypsilanti and Dearborn (public schools, private employers, senior citizen groups)



UMCU HIGHLIGHTS

★ FINANCIAL

At the end of 2019, we had a total of 100,104 member-owners. This represents a net growth of 5,472 members since the end of 2018, an increase of 5.78%.

We completed the year with a net income of \$9,277,860 and a strong net worth of 9.75%. Total assets increased by 5.07% to \$953,301,122 with a return on assets of 1.00%. UMCU was also successful in assisting our members by providing \$751,920,170 in total gross loans, which is an increase of 7.28% from the previous year.

★ AWARDS

- UMCU was recognized as a 2019 Top Workplace by the Detroit Free Press.
- UMCU was named one of the 2019 Best and Brightest Companies to Work For in Metro Detroit and the Nation by the National Association for Business Resources.
- Readers of Current Magazine voted UMCU Best Bank/Credit Union of Washtenaw County.
- UMCU's Financial Wellness program finished first in MCUL's statewide competition and won an honorable mention (based on asset size) in CUNA's national competition for the Alphonse Desjardins Adult Financial Education Award.

★ EXCITING UPDATES AND PARTNERSHIPS

- UMCU's newest branch on Carpenter Road in Ann Arbor was celebrated with a special ribbon cutting ceremony.
- The newly-redesigned website launched in the spring to provide an improved member experience with UMCU.org.
- UMCU became an official corporate partner of the Detroit Lions which provided members with an exclusive discount on tickets to select preseason and in-season games.
- Through a partnership with the University Musical Society (UMS), UMCU became the presenting sponsor of the American Ballet Theatre's production of Swan Lake at the Detroit Opera House on April 16-19, 2020.

