

# UNIVERSITY OF MICHIGAN CREDIT UNION

Consolidated Statement of Financial Condition (audited)	2015	2014
<b>ASSETS</b>		
Cash and cash equivalents	\$ 42,535,146	\$ 39,290,425
Investment securities - available for sale	177,257,252	162,975,650
Time deposits with other financial institutions	8,553,000	—
Loans to members - net allowance for loan losses	393,065,305	336,382,732
Premises and equipment - net	25,640,837	18,175,152
Accrued interest receivable	2,218,287	1,886,573
FHLB stock	1,057,400	1,180,600
Corporate capital	930,700	719,486
Investment in CUSOs	2,299,010	1,847,542
NCUSIF deposit	5,601,789	4,941,944
Other assets	4,893,288	3,875,964
<b>TOTAL ASSETS</b>	<b>\$ 664,052,014</b>	<b>\$ 571,276,071</b>

<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>LIABILITIES</b>		
Members' shares and savings accounts	\$ 596,681,841	\$ 511,948,809
Accrued and other liabilities	6,421,027	5,428,521
<b>TOTAL LIABILITIES</b>	<b>\$ 603,102,868</b>	<b>\$ 517,377,330</b>
<b>MEMBERS' EQUITY</b>		
Regular reserve	\$ 5,567,068	\$ 5,567,068
Equity acquired in merger	4,415,593	1,727,037
Undivided earnings	50,421,791	44,478,246
Accumulated other comprehensive income	544,694	2,126,390
<b>TOTAL MEMBERS' EQUITY</b>	<b>\$ 60,949,146</b>	<b>\$ 53,898,741</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 664,052,014</b>	<b>\$ 571,276,071</b>

Consolidated Statement of Income and Expense (audited)	2015	2014
<b>INTEREST INCOME</b>		
Loans	\$ 17,766,447	\$ 16,460,178
Investment securities	1,936,519	1,564,923
<b>TOTAL INTEREST INCOME</b>	<b>\$ 19,702,966</b>	<b>\$ 18,025,101</b>
<b>INTEREST EXPENSE</b>		
Members' shares and savings accounts	\$ 673,885	\$ 790,535
Borrowed funds	10,637	360
<b>TOTAL INTEREST EXPENSE</b>	<b>\$ 684,522</b>	<b>\$ 790,895</b>
Net interest income	\$ 19,018,444	\$ 17,234,206
Provision for loan losses	2,114,779	4,519,047
<b>NET INTEREST INCOME AFTER PROVISION FOR LOSSES</b>	<b>\$ 16,903,665</b>	<b>\$ 12,715,159</b>
<b>NON-INTEREST INCOME</b>		
Service charges and other fees	\$ 7,360,679	\$ 6,239,499
Bargain purchase gain	1,195,422	—
Other	1,570,461	2,082,444
<b>TOTAL NON-INTEREST INCOME</b>	<b>\$ 10,126,562</b>	<b>\$ 8,321,943</b>
<b>NON-INTEREST EXPENSE</b>		
Salaries and employee benefits	\$ 9,707,147	\$ 8,576,137
Occupancy	2,664,011	2,507,844
Operations	6,037,801	5,428,176
Other	2,677,723	2,455,987
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>\$ 21,086,682</b>	<b>\$ 18,968,144</b>
<b>NET INCOME</b>	<b>\$ 5,943,545</b>	<b>\$ 2,068,958</b>

# UM CREDIT UNION

# 2015 ANNUAL REPORT

# 2015 ANNUAL REPORT

Our purpose at the University of Michigan Credit Union is to aMAIZE our members, the community, and our team by working together for our shared success. In 2015, UMCU met and rose well above the goals we set for ourselves as an organization.

*"We have a tremendous amount of momentum happening at the University of Michigan Credit Union and we are using it to serve the University of Michigan, Eastern Michigan University, and the Ann Arbor and Ypsilanti communities. 2015 was an aMAIZEing year of exciting growth and accomplishments. We are looking forward to many more in 2016." – Tiffany Ford, CEO*

This year, success was ours and we are so thrilled to be able to celebrate it with our loyal members and team members who helped us reach these heights as the only locally based credit union in Ann Arbor.

## UMCU HIGHLIGHTS:

### ▷ NATIONAL AWARD WINNERS

- UMCU was voted **Best Bank / Credit Union in Ann Arbor** by *The Michigan Daily* readers.
- COO, **Candy Keene** was presented with the **CUNA OpSS Council Best in Show Excellence Award**.
- VP of Human Resources and Talent Management, **Julie Wigley** was honored with the **CUNA Human Resources/Team Development Strategic Leadership Excellence Award**.
- VP of Internal Audit and Compliance, **Tom Kuslikis** was named **Trailblazer 40 Below** by *CU Times*.
- Graphic Designer, **Marian Perez** earned the **"2015 CREDIT UNION ROCK STAR"** award presented by *Credit Union Magazine*.

### ▷ GRAND OPENINGS

- UMCU expanded services by merging with the Family Community Credit Union (FCCU) in the Flint area.
- We built and opened our new South State Street branch to the Ann Arbor community.
- UMCU opened virtual branches at U-M Flint and Washtenaw Community College.



### ▷ YOUTH ENGAGEMENT

- UMCU was the sole sponsor of the 2015 Ballkids program with the U-M Athletics.

*"Last night when my son went to bed, he said, 'That was so awesome! It was like a dream!'"*

*"Thank you and the UM Credit Union for giving Izzy the opportunity to be the ball kid. It was an amazing experience and one she will never forget."*

*"My kids absolutely LOVED being ball kids and every part of the night!"*

- Quotes from Ballkid parents

### ▷ STUDENT INVOLVEMENT EVENTS

- UMCU sponsored the Dance Marathon at the U-M (DMUM) for the 15th year.
- Team UMCU sponsored TEDxUofM and UMS Dig In for the shows: *Nufonia Must Fall* and Jazz at Lincoln Center Orchestra with Wynton Marsalis.

### ▷ COMMUNITY EVENTS

- For the United Way Day of Action, UMCU volunteered at Perry Early, WISD Learning Center, and Glacier Hills Senior Living Community.
- Team UMCU and students of the Dance Marathon at U-M got together for a MAIZE Mob in the Diag.
- UMCU sponsored and participated in the Ypsilanti Color Run.
- We partnered with the Metro West Chapter of Credit to assist the Habitat for Humanity Detroit with their Blight Reduction Initiative.

### ▷ CHARITY EVENTS

- UMCU teamed up with the U-M Cardiovascular Center to raise money for the Southeast Michigan American Heart Association's 5K Heart Run/Walk.
- Team UMCU sponsored and participated in the U-M Women's Softball Academy, Trail to Victors, and the American Cancer Society Relay for Life.
- UMCU raised over \$6,000 for C.S. Mott Children's Hospital during our Toys for Mott event.

### ▷ FINANCIAL EDUCATION

- UMCU provided financial education to more than 1,500 students, faculty, and staff from the Ann Arbor, Ypsilanti, and Dearborn communities in 2015.
- Our Financial Literacy program was awarded second place in the Michigan Credit Union League's DesJardin Award for Financial Literacy.

## FINANCIAL HIGHLIGHTS:

In 2015, we ended the year with 73,958 member-owners. This represents a net growth of 10,109 members since the end of 2014, an increase of 15.83%.

We completed the year with net income of \$5,943,545 and a strong net worth of 9.09%. Total assets increased by 16.24% to \$664,052,014 with a return on assets of 0.96%. There was an increase in deposits to \$596,681,842, which is an increase of 16.55%. UMCU also had a very successful year in generating new loans. At year-end, total loans were at \$396,305,390, which is an increase of 16.74% from the previous year.

### BOARD OF DIRECTORS:

Paul Kirsch, Chair  
Jeff Frumkin, Vice Chair  
Karen Parker, Treasurer

Frank Cianciola, Secretary  
Earle Bell, Director  
Victoria Bennett, Director

Fred Mayer, Director  
James Middlemas, Director  
Rodger Wolf, Director

### ASSOCIATE BOARD OF DIRECTORS:

Susan McClanahan  
Shawn Pollack  
Brian Fitzgerald

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[UMCU.ORG](http://UMCU.ORG)