



UM CREDIT  
UNION

ANNUAL  
REPORT

2014

**Consolidated Statement of Income and Expense (audited)****2014****2013****INTEREST INCOME**

Loans Receivable	\$ 16,460,178	\$ 14,584,096
Investment Securities	1,617,569	1,785,229
<b>TOTAL INTEREST INCOME</b>	<b>\$ 18,077,747</b>	<b>\$ 16,369,325</b>

**INTEREST EXPENSE**

Members' Shares and Deposits	\$ 802,767	\$ 874,889
Borrowed Funds	360	2,523
<b>TOTAL INTEREST EXPENSE</b>	<b>\$ 803,127</b>	<b>\$ 877,412</b>

<b>NET INTEREST INCOME</b>	<b>\$ 17,274,620</b>	<b>\$ 15,491,913</b>
Provision for Loan Losses	4,519,047	2,411,155
<b>NET INTEREST INCOME AFTER PROVISION FOR LOSSES</b>	<b>\$ 12,755,573</b>	<b>\$ 13,080,758</b>

**NON-INTEREST INCOME**

Gain (Loss) on Investments	\$ 16,007	\$ 67,444
Gain (Loss) on Sale of Premises and Equipment	312	(87,059)
Fees and Charges	6,084,303	5,557,582
Other	2,168,667	954,605
<b>TOTAL INTEREST INCOME</b>	<b>\$ 8,269,289</b>	<b>\$ 6,492,572</b>

**NON-INTEREST EXPENSE**

Compensation and Benefits	\$ 8,576,138	\$ 7,616,298
Occupancy	1,891,964	1,839,320
Operations	2,424,768	2,078,917
Loan Servicing	963,369	720,340
Professional Services	1,079,549	894,048
NCUSIF Stabilization	0	362,637
Other	4,020,116	3,347,606
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>18,955,904</b>	<b>16,859,165</b>
<b>NET INCOME</b>	<b>\$ 2,068,958</b>	<b>\$ 2,714,165</b>



# UNIVERSITY OF MICHIGAN CREDIT UNION

## Consolidated Statement of Financial Condition (audited)

2014

2013

### ASSETS

Cash and Cash Equivalents	\$ 39,290,425	\$ 38,409,269
Investment Securities		
Securities Available for Sale	162,975,650	146,862,935
Other Investments	4,434,923	4,606,700
Loans Receivable, Net of Allowance for Loan Losses	336,382,732	301,231,941
Accrued Interest Receivable	1,886,573	1,762,887
Premises and Equipment	18,175,150	16,968,030
Prepaid Expenses	645,594	834,570
NCUSIF Deposit	4,941,944	4,532,959
Other Real Estate Owned	115,867	0
Other Assets	2,427,213	3,343,269
<b>TOTAL ASSETS</b>	<b>\$ 571,276,071</b>	<b>\$ 518,552,560</b>

### LIABILITIES AND MEMBERS' EQUITY

Members' Shares and Deposits	\$ 511,948,809	\$ 463,763,710
Accounts Payable and Other Liabilities	3,178,688	3,514,221
Accrued Expenses	2,249,833	1,976,532
Commitments and Contingent Liabilities		
Regular Reverse	5,567,068	5,567,068
Equity Acquired in Merger	1,727,037	153,962
Undivided Earnings	44,478,246	42,406,288
Accumulated Other Comprehensive Income	2,126,390	1,167,779
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 571,276,071</b>	<b>\$ 518,552,560</b>

# 2014 ANNUAL REPORT

At the University of Michigan Credit Union (UMCU), our purpose is to **amAIZE** our members, community, and team by working together for our shared success. That means having a relentless passion for serving you...and in 2014 we took that passion to a whole new level.

## FINANCIAL HIGHLIGHTS

In 2014, we ended the year with 63,849 member-owners. This represents a net growth of 7,790 members since the end of 2013, an increase of 13.89%.

We completed the year with net income of \$2,068,958 and a strong net worth of 9.06%. Total assets increased by 10.17% to \$571,276,071 with a return on assets of 0.38%. There was an increase in deposits to \$511,948,809, which is an increase of 10.39%. UMCU also had a very successful year in generating new loans. At year-end, total loans were at \$339,581,235, which is an increase of 11.72% from the previous year.



# OTHER 2014 HIGHLIGHTS

- To celebrate “Serving U and A2” for 60 years, UMCU gave away \$36,000 in cash prizes to our members. Two lucky UMCU members won the grand prize of \$6,000 each!
- To better serve our members, UMCU added five branded ATM's, located in Rite Aid stores in Ann Arbor (3), Ypsilanti (1), and Brighton (1).
- We expanded our services to serve the U-M Flint Campus.
- We were honored to be voted “Best Bank/Credit Union” by the readers of *Current Magazine*. UMCU has received this award 16 out of the last 17 years.

## FINANCIAL EDUCATION & COMMUNITY INVOLVEMENT

On November 14, 2014, UMCU and the Business Engagement Center at the University of Michigan launched the new Foozel app and coloring book designed for C.S. Mott Children's Hospital. The app and coloring book were inspired by the bronze fossil floor “Ancient Arb I” which UMCU sponsored in 2013. The app and coloring book were both created and developed by U-M students, alumnae and UMCU's graphic designer, who functioned as project manager.

Providing financial education is one way UMCU gives back to our members and the community. In 2014, UMCU provided financial education to more than 2,000 members in the Ann Arbor, Ypsilanti, and Dearborn communities, including students, faculty and staff from the University of Michigan.

UMCU team members engaged students, faculty and staff at several events on campus including the Dance Marathon at U-M, WinterFest, North Campus “Do Something and Play Day,” U-M Dearborn's Cultural Expo, Mock Rock, Trail to the Victors – Big House 5K, U-M Dearborn and Flint student orientations, UMHS Ice Cream Social, U-M Flint Faculty and Staff Picnic, and the Trotter House Ice Cream Social, just to name a few.

UMCU also sponsored and participated in several charitable events such as the U-M Women's Softball Academy, American Heart Association's Heart Walk/Run, Food Gatherer's Grillin, United Way Day of Caring and UMHS Holiday Store.

Our team members are relentless in their desire to give back. In 2014 UMCU team members raised more than \$18,500 for American Heart Association, American Cancer Society, United Way, Food Gatherers, Toys for Tots, and the Washtenaw Intermediate School District. We also held our first clothing drive, with all proceeds benefiting House by the Side of the Road, a local Ann Arbor charity. With the help of our members, we filled more than ten vehicles with clothing and small appliances to donate.

The University of Michigan Credit Union will continue to aMAIZE you by providing the very best financial services and being a strong community partner. On behalf of the Board of Directors and our team members, we thank you for your continued support and membership.

**Tiffany Ford**, *President and CEO*

**Frank Cianciola**, *Board Chair*

## BOARD OF DIRECTORS

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**Paul Kirsch**, *Vice Chair*

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## ASSOCIATE DIRECTORS

**Brian Fitzgerald**

**Susan McClanahan**

**Shawn Pollack**

**Mary Vielhaber**

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