



BEYOND
WHAT YOU
Expected

Friendly

Trustworthy

Reliable

U₁ 2018 Annual Report



Dear Valued Member-Owners,

Universal 1 Credit Union continues to assist our members with their current and future financial needs to help make their dreams a reality. Working together we make your credit union stronger and even more service-focused! Our focus on our members, communities, and employees all contribute to how U1 strives to fulfill *Beyond What You Expected* service. We are proud of the accomplishments of the past year and share our 2018 performance with you in this annual report. U1 continues to be a viable and healthy financial cooperative. Some 2018 highlights of our engagement with our members and communities include:

- Member appreciation days
- Special Dayton Dragons events
- Focus groups and surveys
- Anniversary celebrations
- Member/Community shred day
- Scholarship sponsorship
- Service projects

U1 believes in being committed to our community. We are proud to support numerous local organizations, sponsor the arts, and play an active role in our local communities.

Universal 1 continues to serve your financial needs HERE – in our offices, THERE – shared branching, or EVERYWHERE – through technology. U1 delivers *Beyond What You Expected* service through our core values of *Trustworthy, Reliable, and Friendly*.

We have enjoyed assisting members in achieving their fantastic future, faster. Thank you for your loyal support and dedication! We are honored with the opportunity to continue making a difference in the lives of our community and members.

Sincerely,

Board of Directors

FINANCIAL REPORT

The Board of Directors ensures the Credit Union conducts its operations and activities in a safe and sound manner.

The Board of Directors retains the services of RSM US LLP, to audit the annual financial statements. The financial statements for the year ended September 30, 2018, and audit opinion thereon are available for review at Universal 1 Credit Union, Inc. Corporate Headquarters.

"The relationship our staff builds
with you helps them think of you first."

Universal 1 Credit Union, Inc.

Balance Sheets

September 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	\$ 17,089,414	\$ 31,423,542
Deposits in corporate credit union	8,910,211	6,910,211
Investments - available-for-sale	29,601,409	29,575,227
Loans, net	343,797,352	332,928,672
Accrued interest receivable	887,830	821,778
Property and equipment, net	8,914,903	9,095,875
Federal Home Loan Bank stock, at cost	570,400	570,400
Other assets	5,957,285	6,355,884
NCUSIF deposit	3,692,099	3,675,571
Total assets	\$ 419,420,903	\$ 421,357,160
Liabilities and Members' Equity		
Members' shares	\$ 381,039,129	\$ 383,103,370
Accrued expenses and other liabilities	3,747,290	4,017,210
Total liabilities	384,786,419	387,120,580
Members' equity:		
Retained earnings - partially restricted	34,830,188	34,273,275
Accumulated other comprehensive loss	(195,704)	(36,695)
Total members' equity	34,634,484	34,236,580
Total liabilities and members' equity	\$ 419,420,903	\$ 421,357,160

Universal 1 Credit Union, Inc.

Statements of Income

Years Ended September 30, 2018 and 2017

	2018	2017
Interest income:		
Loans	\$ 14,573,421	\$ 14,410,707
Investments and cash equivalents	1,006,854	749,802
Total interest income	15,580,275	15,160,509
Dividends on members' shares	3,181,551	3,015,119
Net interest income	12,398,724	12,145,390
Provision for loan losses	2,435,000	2,110,000
Net interest income after provision for loan losses	9,963,724	10,035,390
Noninterest income:		
Share draft service charges and fee income	2,693,932	2,680,276
Credit, check card and other interchange income	2,633,252	2,330,908
Gain on sale of investment securities	2,263	12,964
Other	173,364	(46,604)
Total noninterest income, net	5,502,811	4,977,544
Operating expense:		
Compensation and employee benefits	7,839,395	7,483,406
Office operations	2,172,247	2,165,320
Occupancy and maintenance	1,369,961	1,393,869
Education and promotion	417,768	389,514
Loan servicing	910,849	801,705
Outside services	1,874,506	1,749,966
Other	324,896	243,399
Total operating expense	14,909,622	14,227,179
Net income	\$ 556,913	\$ 785,755

"It is our commitment to you to provide an experience that is Beyond what you Expected."

Universal 1 Credit Union, Inc.

Statements of Comprehensive Income
Years Ended September 30, 2018 and 2017

	2018	2017
Net income	<u>\$ 556,913</u>	<u>\$ 785,755</u>
Other comprehensive loss:		
Unrealized loss on investments classified as available-for-sale	(242,175)	(156,807)
Reclassification adjustment for net realized gains on investments included in net income	(2,263)	(12,964)
Net actuarial gain on postretirement liability	85,429	19,860
Total other comprehensive loss	<u>(159,009)</u>	<u>(149,911)</u>
 Comprehensive income	 <u><u>\$ 397,904</u></u>	 <u><u>\$ 635,844</u></u>

Universal 1 Credit Union, Inc.

**Statements of Members' Equity
Years Ended September 30, 2018 and 2017**

	Retained Earnings - Partially Restricted	Accumulated Other Comprehensive (Loss) Income	Total Members' Equity
Balance, September 30, 2016	\$ 33,487,520	\$ 113,216	\$ 33,600,736
Net income	785,755	-	785,755
Other comprehensive loss	-	(149,911)	(149,911)
Balance, September 30, 2017	34,273,275	(36,695)	34,236,580
Net income	556,913	-	556,913
Other comprehensive loss	-	(159,009)	(159,009)
Balance, September 30, 2018	\$ 34,830,188	\$ (195,704)	\$ 34,634,484

"We will always serve and assist you
in your pursuit of financial success."



BOARD OF DIRECTORS AND EXECUTIVE TEAM

Thomas J. Hickey
Chairman of the Board

Joseph B. Woeste
Secretary of the Board

Robert E. Angel
Director

Rosemary D. Domansky
Director

Jeffrey W. Gammell
Director

Michael P. Thonnerieux
Director

Loren A. Rush
President/CEO

Shannon R. Maloney
EVP MIS/Corporate Services

Jessica O. Jones
SVP Finance/Treasurer

Alice M. Hensley
SVP Member Services

LOCATIONS

Austin Park
9900 Springboro Pk.
Miamisburg, OH 45342
937.435.7268

Dayton - Corporate
One River Park Dr.
Dayton, OH 45409
937.225.6800

Sidney
2835 Michigan St.
Sidney, OH 45365
937.498.2320

Beavercreek
2450 Esquire Dr.
Beavercreek, OH 45434
937.431.3100

Huber Heights
2933 Harshman Rd.
Dayton, OH 45424
937.235.0303

Sugarcreek
6270 Wilmington Pk.
Dayton, OH 45459
937.848.6050

Centerville
6147 Far Hills Ave.
Dayton, OH 45459
937.610.0320

Kettering
3343 E. Stroop Rd.
Kettering, OH 45440
937.567.8980

Vandalia
718 S. Dixie Dr.
Vandalia, OH 45377
937.898.3915

Chillicothe
1080 N. Bridge St.
Chillicothe, OH 45601
740.775.4321

Miami Valley Hospital
One Wyoming St.
Dayton, OH 45402
937.208.2745