



# BEYOND WHAT YOU Expected

Friendly

Trustworthy

Reliable

**U<sub>1</sub> 2019 Annual Report**



**Dear Valued Member-Owners,**

As a financial cooperative, members, volunteers and staff *are* the *People Helping People!* Working together we make your credit union stronger and even more service-driven! Our focus on our members, communities, and employees all contributes to how U1 strives to fulfill *Beyond What You Expected* service. We are proud of the accomplishments of the past year and share our 2019 performance with you in this annual report. U1 continues to be a viable and healthy financial cooperative and we are privileged to assist our members with their current and future financial needs to help make their dreams a reality. Some 2019 highlights of our engagement with our members and communities include:

- Member appreciation days
- Special Dayton Dragons events
- Member surveys
- Financial Advisor seminars and “Lunch & Learns”
- Member/Community shred day
- Scholarship sponsorships
- 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.

U1 delivers *Beyond What You Expected* service through our core values of *Trustworthy, Reliable, and Friendly*. Our continued member commitment is to only recommend the best products, services and financial education. This empowers you to make the right decisions for you, your family or business. We're here to help and guide – face-to-face, by phone, email or online chat!

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. We have enjoyed assisting members in achieving their fantastic financial future, faster.

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, 2019, and audit opinion thereon are available for review at Universal 1 Credit Union, Inc. Corporate Headquarters.

FRIENDLY

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

Universal 1 Credit Union, Inc.

**Balance Sheets**  
September 30, 2019 and 2018

	2019	2018
<b>Assets</b>		
Cash and cash equivalents	\$ 50,030,967	\$ 17,089,414
Deposits in corporate credit union	6,910,211	8,910,211
Investments - available-for-sale	28,450,611	29,601,409
Loans, net	317,831,537	343,797,352
Accrued interest receivable	857,708	887,830
Property and equipment, net	8,519,569	8,914,903
Federal Home Loan Bank stock, at cost	667,900	570,400
Other assets	4,899,123	5,957,285
NCUSIF deposit	3,671,164	3,692,099
<b>Total assets</b>	<b>\$ 421,838,790</b>	<b>\$ 419,420,903</b>
<b>Liabilities and Members' Equity</b>		
Members' shares	\$ 381,620,626	\$ 381,039,129
Accrued expenses and other liabilities	3,398,454	3,747,290
<b>Total liabilities</b>	<b>385,019,080</b>	<b>384,786,419</b>
Members' equity:		
Retained earnings - partially restricted	36,565,352	34,830,188
Accumulated other comprehensive income (loss)	254,358	(195,704)
<b>Total members' equity</b>	<b>36,819,710</b>	<b>34,634,484</b>
<b>Total liabilities and members' equity</b>	<b>\$ 421,838,790</b>	<b>\$ 419,420,903</b>

See notes to financial statements.

Universal 1 Credit Union, Inc.

**Statements of Income**  
Years Ended September 30, 2019 and 2018

	2019	2018
Interest income:		
Loans	\$ 15,115,914	\$ 14,573,421
Investments and cash equivalents	1,368,341	1,006,854
<b>Total interest income</b>	<b>16,484,255</b>	<b>15,580,275</b>
Dividends on members' shares	3,540,474	3,181,551
<b>Net interest income</b>	<b>12,943,781</b>	<b>12,398,724</b>
Provision for loan losses	1,720,000	2,435,000
<b>Net interest income after provision for loan losses</b>	<b>11,223,781</b>	<b>9,963,724</b>
Noninterest income:		
Share draft service charges and fee income	2,689,663	2,693,932
Credit, check card and other interchange income	2,305,218	2,633,252
Gain on sale of investment securities	550	2,263
Other	75,927	173,364
<b>Total noninterest income, net</b>	<b>5,071,358</b>	<b>5,502,811</b>
Operating expense:		
Compensation and employee benefits	7,569,932	7,839,395
Office operations	2,258,212	2,172,247
Occupancy and maintenance	1,358,377	1,369,961
Education and promotion	389,101	417,768
Loan servicing	643,012	910,849
Outside services	1,945,194	1,874,506
Other	396,147	324,896
<b>Total operating expense</b>	<b>14,559,975</b>	<b>14,909,622</b>
<b>Net income</b>	<b>\$ 1,735,164</b>	<b>\$ 556,913</b>

See notes to financial statements.

**TRUSTWORTHY**

"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, 2019 and 2018

	2019	2018
Net income	<u>\$ 1,735,164</u>	<u>\$ 556,913</u>
Other comprehensive income (loss):		
Unrealized gain (loss) on investments classified as available-for-sale	501,458	(242,175)
Reclassification adjustment for net realized gains on investments included in net income	(550)	(2,263)
Net actuarial (loss) gain on postretirement liability	<u>(50,846)</u>	<u>85,429</u>
<b>Total other comprehensive income (loss)</b>	<u>450,062</u>	<u>(159,009)</u>
<b>Comprehensive income</b>	<u><b>\$ 2,185,226</b></u>	<u><b>\$ 397,904</b></u>

See notes to financial statements.

Universal 1 Credit Union, Inc.

Statements of Members' Equity  
Years Ended September 30, 2019 and 2018

	Retained Earnings - Partially Restricted	Accumulated Other Comprehensive (Loss) Income	Total Members' Equity
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	<u>34,830,188</u>	<u>(195,704)</u>	<u>34,634,484</u>
Net income	1,735,164	-	1,735,164
Other comprehensive income	-	450,062	450,062
<b>Balance, September 30, 2019</b>	<u><b>\$ 36,565,352</b></u>	<u><b>\$ 254,358</b></u>	<u><b>\$ 36,819,710</b></u>

See notes to financial statements.

RELIABLE

"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

**Robert E. Angel**  
Secretary of the Board

**Nancy J. Stapp**  
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

**Thomas D. Keyes**  
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

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

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

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

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