



**ANNUAL
SUMMARY**

2019

**UCU.MAINE.EDU
800.696.8628**

PRESIDENT'S MESSAGE

Looking back on 2019, UCU experienced a year of change, and perhaps the most significant change was that of our leadership as this marks my first annual message to our members. Many things remained consistent though, including the growth and financial strength of the credit union. Our balance sheet continued to grow throughout the year, experiencing a solid 8% growth overall, ending with total assets over \$330 million. Cumulative net income ended with the highest results as a percentage of assets in more than 10 years. As a member-owned financial cooperative, strength in our statement of financial condition and income statement gives us the ability to provide our members with enhanced products and services coupled with great rates on deposits and loans.

The loan portfolio grew at a rate of 8% overall, led by real estate, automobile and member business lending. Member deposit balances also experienced growth increasing 4% with most of the increase realized in member share accounts, Kasasa Cash checking, and certificates. Members' equity grew by more than 12% to end the year over \$31 million, representing a safe and sound financial institution.

In addition to the continued strong financial results, we are also focused on products and services. For example, our call center is now available to assist members 24/7 including holidays and weekends, and UCU Wealth Management is available to provide for our member's financial planning needs. Member Business Services also expanded to meet the needs of small businesses throughout Maine. Additionally, UCU kept the dividend rates on our Kasasa Cash checking and Saver accounts unchanged at above market rates which they have remained at for some time, along with the continued offering of the Kasasa Cash Back checking. We are pleased to be able to offer these and other great products and services to our membership.

In conclusion, 2019 was a very strong year for UCU and we could not have achieved these successes without the guidance of our Board of Directors and our employees' hard work, dedication and continued service to our members. UCU has once again been named a Best Places to Work in Maine in 2019 and that speaks well to our values as an organization. Finally, I would like to thank our members for their continued membership and support of our great credit union.

Respectfully submitted,

Renee Ouellette

Renee Ouellette, CPA

President / CEO

FINANCIAL CONDITION

As of December 31, 2019 and 2018 (in \$1,000s)

	2019	2018	
ASSETS	Assets		
	Cash and cash equivalents	\$ 3,918	\$ 4,704
	Investments	49,315	42,467
	Loans receivable, net	261,883	241,284
	Property and equipment, net of accumulated depreciation	7,504	9,279
	NCUSIF deposit	2,476	2,411
	Investment to fund deferred compensation plans	3,001	2,911
	Other assets	2,546	2,396
	\$330,643	\$305,452	
LIABILITIES & MEMBERS' EQUITY	Member deposits		
	Shares	\$ 109,231	\$ 105,691
	Share drafts	40,959	39,380
	Kasasa Cash	53,592	51,129
	Money markets	9,497	11,548
	Share certificates	30,875	26,154
	Clubs and all other deposits	13,680	13,723
		257,834	247,625
	Borrowed funds	38,300	27,000
	Accrued expenses and other liabilities	3,432	3,626
	299,566	278,251	
Members' equity			
Regular reserves	14,635	13,917	
Undivided earnings	16,037	13,887	
Net unrealized appreciation on securities available for sale	405	(603)	
	31,077	27,201	
	\$330,643	\$305,452	

INCOME

For the years ended December 31, 2019 and 2018 (in \$1,000s)

	2019	2018	
INTEREST INCOME	Interest income		
	Interest on loans receivable	\$ 12,782	\$ 11,910
	Interest on investments	1,275	1,005
		14,057	12,915
	Interest expense		
	Dividends	1,260	1,117
	Interest on borrowed funds	663	530
		1,923	1,647
	Net interest income	12,134	11,268
	Provision for loan losses	534	992
	11,600	10,276	
NON-INTEREST INCOME	Non-interest income		
	Other operating income and fees	4,800	4,816
		4,800	4,816
	Non-interest expense		
	Compensation and benefits	6,459	6,331
	Travel and conferences	149	125
	Office occupancy	1,012	1,082
	Operations	4,462	4,294
	Advertising	560	562
	Loan Servicing	429	465
	Professional Fees	382	352
	Miscellaneous	120	116
		13,573	13,327
	Net income from operations	2,827	1,765
Non-operating gain (loss)	41	(836)	
	\$ 2,868	\$ 929	

These 2019 Consolidated Statements are unaudited.

UCU LEADERSHIP & REPRESENTATIVES

BOARD OF DIRECTORS

Gerald W. Hayman, Jr	Chairperson
Ency A. Whitehill	Vice Chairperson
Hugh A. Morrison	Secretary
Carolyn L. Cheney	Director
Richard H. Borgman	Director
Betsy J. Uhuad	Director
Peter R. Reid	Director

ADVISOR TO THE BOARD

Jon Henderson	Advisor
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EXECUTIVE MANAGEMENT

Renee D. Ouellette, CPA	President / CEO
Debra A. White-Rideout	Executive Vice President
April D. Gleason	Vice President of Lending
Eileen M. Byram	Vice President of Risk Management
Bob Williams, CPA	Vice President of Finance & Technology

AUDIT COMMITTEE

Betsy J. Uhuad	Chairperson
Gerald W. Hayman, Jr	Member
Jon Henderson	Member
Stephen Jurich	Member

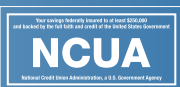
ELECTIONS COMMITTEE

Quinn A. Paradis	Chairperson
Jeffrey Aceto	Member
Irvine Marsters	Member

MISSION STATEMENT

Prepare, Progress, Achieve...

To actively advance the financial well-being of our members in every stage of their lives.



NMLS ID
407658

53rd ANNUAL MEETING

Wednesday, February 26th, 2020
5:15 PM
Buchanan Alumni House
Orono, Maine

MEETING AGENDA

Roll Call
Reading of previous minutes
Report of the Chairperson
Report of the President
Report of the Audit Committee
Unfinished business
New business
Report of the Elections Committee
Meeting adjournment