

2021 **ANNUAL REPORT**



LOVE WHERE YOU BANK

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PRESIDENT'S REPORT

I'm pleased to report that in 2021, UCCU continued its tradition of steady growth in membership and financial strength.

UCCU now serves over 230,000 members with assets of nearly \$2.5 billion. Our current net worth ratio of over 9% places the credit union in the "well-capitalized" category of credit unions in the nation. Additionally, UCCU experienced positive growth in loans, deposits, assets, and earnings that are all above national averages.

UCCU also received the highest ratings from our independent audits for financial strength, accounting stability, and cyber preparedness. The management team is dedicated to the safety and soundness of the credit union so that members can have the peace of mind knowing their money is safe with UCCU.

2021 marked UCCU's expansion into the Salt Lake valley with the opening of two new branches in Draper and Herriman.

The member experience took center stage in 2021. We redesigned our uccu.com website, making it easier to navigate, and updated the content to help members and visitors find what they need quickly. Along with upgrades to our digital banking solutions, we also improved our online applications experience, streamlining the process of becoming a member or applying for a loan and making it much more user-friendly.



In 2021, UCCU was named one of Utah's Top Workplaces by Energage, an independent research company that surveys thousands of employees across the country. This is UCCU's first time being featured on the Top Workplaces list, coming in at 27th in the Large Companies category. We were both honored and humbled by the recognition, which is a reflection of our positive and engaging corporate culture where employees feel valued and empowered. Employees that are invested in the organization bring their best to serve and help you love where you bank.

As UCCU moves forward with this new year, we do so with gratitude for our voluntary board of directors. I am truly inspired by these men and women, each of whom are successful leaders in their industries and communities. Thank you for your wise leadership, and for the invaluable guidance you provide.

I would also like to thank our valued employees who continue to step-up and face the challenges of these unprecedented times head-on. Thank you for listening to our members, and for helping us to provide the best solutions for the families and individuals who need our assistance.

Finally, I want to reaffirm this credit union's commitment to being a financial institution that our members and communities can trust and "love where they bank."

Bret VanAusdal
President/CEO

BOARD OF DIRECTORS' REPORT



UCCU BOARD OF DIRECTORS

Brent Bingham
Teri Chatterton
Carine Clark

Kim Jackson
Linda Makin
Steve Mann

Michael Orme
Barrett Slade
John Stevenson

After so much uncertainty in 2019 and 2020, it was nice to have some stability return in 2021. That stability carried over to our members as I am pleased to report that UCCU had another strong year.

Assets grew 12.6% in 2021 to \$2.46B as members continued to bring savings to UCCU. Loans grew 35.2% to \$1.81B as members took advantage



of UCCU's low loan rates. And delinquency and charge-off ratios dropped to an ultralow of 0.17% and 0.12%, respectively, as members remained financially conservative as the pandemic abated. Much of UCCU's financial strength is directly attributable to our amazing members who themselves live sound financial principles. There likely isn't a better membership base anywhere in the world.

UCCU's strength doesn't come only from its members, but also from its employees and management team. Their passion to be a trusted financial partner, to always have our members' best financial interests in mind, and to be there when our members really need us, drives what they do each day and makes UCCU a stronger financial institution. I thank them for their hard work to make UCCU among the best credit unions in the country.

The year 2021 marked the advent of new branches in Salt Lake County with both the Draper and Herriman branches opening in the early part of the year. We are excited to

bring UCCU's great rates, fantastic products, and exceptional customer service to the wonderful people of Salt Lake County and look forward to establishing new relationships there. We anticipate our tagline "Love Where You Bank" to resonate with those in Salt Lake County like it has with those in other counties we serve.

Additionally, a new branch in Vineyard was announced with an anticipated opening in 2022. These new branches will allow us to better serve both current and future members.

As we begin 2022, it appears the world may have a new set of uncertainties for all of us to navigate. With headlines emphasizing supply shortages and a war in the Ukraine, there will certainly be new twists and turns. However, I'm confident that with the strength of our members and the dedication of employees and management, UCCU will remain financially strong and ready to help members reach their financial goals.

John Stevenson
Chair, Board of Directors 2021-2022

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is appointed by the Board of Directors to assist in their oversight of the accounting and financial reporting processes of Utah Community Credit Union (UCCU), and the audit of its financial statements.

As such, our responsibilities to UCCU members include:

- Appointing the independent public accounting firm and monitoring the professional services of the Internal Audit Department.
- Monitoring the integrity of the financial statements, the systems of finance and accounting, and the regulatory compliance controls.
- Evaluating UCCU policies/procedures to ensure quality services provided to its members.
- Protecting the assets of UCCU from internal and external fraud or illegal acts.
- Reviewing credit union operations by evaluating internal accounting and management controls and evaluating the performance of UCCU's management.
- Cooperating with and assisting federal regulatory agencies.

The committee retains the services of the independent accounting firm of Moss Adams LLP, who recently

concluded its comprehensive year-end audit(s) of UCCU's financial statements and issued an unqualified opinion in their Report of Independent Auditors and Financial Statements for the year ended December 31, 2021. Additionally, Moss Adams provided the Board and UCCU management with favorable information comparative to other credit unions, and provided best business practices, observations, and recommendations to assist and inform management in their respective duties.

In addition to the annual Moss Adams LLP audit, we work closely with a number of UCCU employees who report to the committee each month regarding their individual areas of responsibility. These employees include Steven V. Sorenson, Director of Internal Audit; Todd Kilmer, Senior Auditor; Travis Clegg, AVP Risk Management/ Compliance; and Joseph Andersen, Information Security Officer.

Even though 2021 brought many challenges with it due to COVID-19, UCCU remains financially sound and continues to provide excellent service to its members. As we begin returning to "normal," be assured that credit union management and staff continue to strictly follow Federal and State guidelines to ensure the safety of its members, employees, and volunteers.

The Supervisory Committee is here to serve UCCU's members in any way



SUPERVISORY COMMITTEE

Kathleen Sanders
Chair

Todd Allen
Vice Chair

Ryan Lindstrom
Internal Audit

Kelly McDonald
External Audit / IT

Lori Glenn
Member Services

that we can. Please contact us with any questions or concerns you may have. We are accessible at uccu.com/About, and we will follow up on all correspondence.

Kathleen Sanders
Chair, Supervisory Committee 2022

STATEMENT OF FINANCIAL CONDITION

BALANCE SHEET AS OF 12/31/21

ASSETS	2021
Total Loans, net	\$1,794,098,275
Cash and Cash Equivalents	\$340,787,686
Investments	\$211,387,444
Accrued Interest	\$3,902,457
Property & Equipment	\$52,421,287
Insurance Deposit NCUSIF	\$17,475,900
Other Assets	\$33,331,315
TOTAL ASSETS	\$2,453,404,364
LIABILITIES & EQUITY	2021
LIABILITIES	
Members' Shares and Certificates	\$2,188,583,584
Accrued Expenses and Other Liabilities	\$33,491,424
TOTAL LIABILITIES	\$2,222,075,008
MEMBERS' EQUITY	
Regulatory and Other Reserves	\$231,329,356
TOTAL LIABILITIES AND EQUITY	\$2,453,404,364

Audited Financial Statements

STATEMENT OF INCOME

INCOME AS OF 12/31/21

INCOME	2021
Loan Interest	\$57,004,454
Investment and Other Interest Income	\$3,201,840
Non-Interest income	\$40,099,232
TOTAL INCOME	\$100,305,526

EXPENSES	2021
Dividend and Other Interest Expense	\$6,262,471
Provisions for Loan Loss	-\$903,076
Operating Expense	\$66,803,538
TOTAL EXPENSE	\$72,162,933

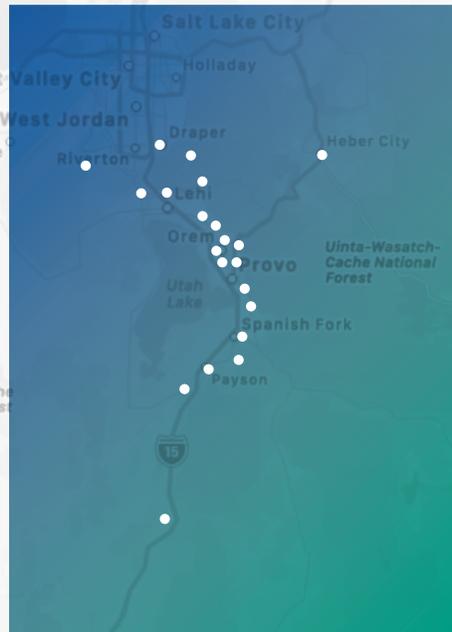
NET INCOME	\$28,142,593
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Audited Financial Statements

BRANCH LOCATIONS

For the most recent branch updates, visit uccu.com.

- AMERICAN FORK**
- DRAPER**
- HERRIMAN**
- HEBER**
- HIGHLAND**
- LEHI FINANCIAL CENTER**
- NEPHI**
- OREM NORTH**
- OREM SOUTH**
- PAYSON**
- PLEASANT GROVE**
- PROVO EAST BAY**
- PROVO HEADQUARTERS**
- PROVO FREEDOM BLVD.**
- SALEM**
- SANTAQUIN**
- SARATOGA SPRINGS**
- SPANISH FORK**
- SPRINGVILLE**
- UTAH VALLEY UNIVERSITY**



THANK YOU

CONTACT INFORMATION

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