

2023 **ANNUAL REPORT**



LOVE WHERE YOU BANK

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PRESIDENT'S REPORT

I'm pleased to report that in 2023, UCCU continued its tradition of steady growth in membership and financial strength.

The credit union's total assets grew by more than \$200 million over the course of the calendar year, with UCCU experiencing growth in membership, loans, deposits, assets, and earnings all above national averages.

Notably, we achieved this growth while maintaining a Net Worth of 9.84%! This strong capital position places UCCU among the "well-capitalized" category of credit unions in the nation.

UCCU also provided more than \$45 million in savings to our members in 2023.* We're proud of these savings because we know they come from the high yields we provide on products like savings accounts, money market accounts, and savings certificates, as well as the low rates we offer on auto loans, mortgages, home equity loans, credit cards, and more.

After all, as a member-owned financial cooperative, the satisfaction and financial well-being of our members are at the heart of everything we do.

As UCCU moves forward with another year, I express our gratitude for our voluntary board of directors. I am continuously 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'm also truly thankful for our valued employees: "Team UCCU!" Thank you for listening to our members, and for approaching every interaction with empathy and attentiveness. This credit union is dedicated to fostering a genuine "Culture of Care," and I know we couldn't do it without you.

Finally, I want to express my gratitude to the members of UCCU, who trust us with the opportunity to serve them and to be their financial partner.

Bret VanAusdal
President/CEO

UCCU saved our members

\$45 million

last year!



HOME

UCCU: **8.24% APR***
UTAH AVG: 8.62% APR*
AVERAGE YEARLY SAVINGS: **\$1,991**



AUTO

UCCU: **6.74% APR***
UTAH AVG: 7.11% APR*
AVERAGE YEARLY SAVINGS: **\$126**



CREDIT CARDS

UCCU: **12.00% APR***
UTAH AVG: 15.40% APR*
AVERAGE YEARLY SAVINGS: **\$510**



SAVINGS CERTS

UCCU: **5.25% APY***
UTAH AVG: 3.69% APY*
EARN UP TO **42% MORE**

*Information independently certified by Datatrac, in partnership with America's Credit Unions.

BOARD OF DIRECTORS REPORT



UCCU BOARD OF DIRECTORS

Brent Bingham
Teri Shumway
Carine Clark

Kim Jackson
Linda Makin
Steve Mann

Michael Orme
Barrett Slade
John Stevenson

As Stephen Covey said, “If there’s one thing that’s certain in business, it’s uncertainty.” In December 2022, 70 percent of economists polled by Bloomberg predicted a recession in 2023. Yet, in 2023, the Federal Reserve managed rate hikes that effectively slowed inflation but didn’t stall economic

growth. Unemployment was relatively unchanged and consumer spending increased.

From aggressive interest rate hikes to bank failures to the rise of AI, 2023 reinforced the importance of taking advantage of opportunity while maintaining a focus on financial safety and soundness. Nationally, the rapid increase in interest rates impacted rates for mortgages, credit cards, and auto loans. Yet, UCCU continued to lead out in providing members low loan rates and industry-leading higher rates on special savings certificates.

At the core of UCCU’s financial strength is our members who personally adhere to sound financial principles. UCCU’s dedicated employees, management team, and volunteer Board of Directors demonstrate an unwavering commitment to providing outstanding services and products to help members achieve their financial goals and “Love Where You Bank.”

Linda Makin
Chair, Board of Directors 2023-24



In 2023, UCCU’s assets grew by 7.6 percent, deposit growth was a major strength, loan growth slowed but was still strong, and liquidity improved. At year end, total assets were just shy of \$3 billion. UCCU is well-positioned to thrive in an ever-changing and uncertain environment.



7.6% ASSET GROWTH
 TOTAL ASSETS NEARLY \$3 BILLION

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 auditing firms and monitoring the professional services of the Internal Audit Department.
- Monitoring the integrity of the financial statements and systems of finance, accounting, and 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 Supervisory 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, 2023. Moss Adams provided the Board and UCCU management with favorable information comparable to other credit unions, and provided best business practices, observations, and recommendations to assist and inform management in their respective duties.

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

UCCU remains financially sound and continues to provide excellent service to its members. Be assured that credit union management and staff continue to strictly follow best practices and government guidelines to ensure the safety of its members.



SUPERVISORY COMMITTEE

Kelly McDonald
Chair/IT

Ryan Lindstrom
Vice Chair

Lori Glenn
Internal Audit

Kathy Sanders
External Audit

Todd Allen
Member Services

The Supervisory Committee is here to serve UCCU's members in any way that we can. Please contact us with questions or concerns you may have. We are accessible at uccu.com/About, and we will follow up on all correspondence.

Kelly McDonald
Chair, Supervisory Committee 2024

STATEMENT OF FINANCIAL CONDITION

BALANCE SHEET AS OF 12/31/23

ASSETS	2023	2022
Total Loans, net	\$2,477,450,910	\$2,312,551,822
Cash and Cash Equivalents	\$128,229,235	\$58,540,797
Investments	\$235,696,945	\$262,540,492
Accrued Interest	\$8,436,398	\$6,285,982
Property & Equipment	\$54,716,330	\$53,094,333
Insurance Deposit NCUSIF	\$21,238,245	\$19,276,378
Other Assets	\$33,709,761	\$36,876,492
TOTAL ASSETS	\$2,959,477,824	\$2,749,166,296
LIABILITIES & EQUITY		
LIABILITIES		
Members' Shares and Certificates	\$2,604,281,557	\$2,315,241,674
Accrued Expenses and Other Liabilities	\$75,066,149	\$184,668,641
TOTAL LIABILITIES	\$2,679,347,706	\$2,499,910,315
MEMBERS' EQUITY		
Regulatory and Other Reserves	\$280,130,118	\$249,255,981
TOTAL LIABILITIES AND EQUITY	\$2,959,477,824	\$2,749,166,296

STATEMENT OF INCOME

INCOME AS OF 12/31/23

INCOME	2023	2022
Loan Interest	\$114,149,351	\$75,495,941
Investment and Other Interest Income	\$6,538,115	\$5,470,197
Non-Interest income	\$31,708,775	\$23,439,089
TOTAL INCOME	\$152,396,241	\$104,405,227

EXPENSES	2023	2022
Dividend and Other Interest Expense	\$45,972,183	\$9,182,490
Provisions for Loan Loss	\$7,775,353	\$7,020,881
Operating Expense	\$68,927,572	\$67,940,413
TOTAL EXPENSE	\$122,675,108	\$84,143,784

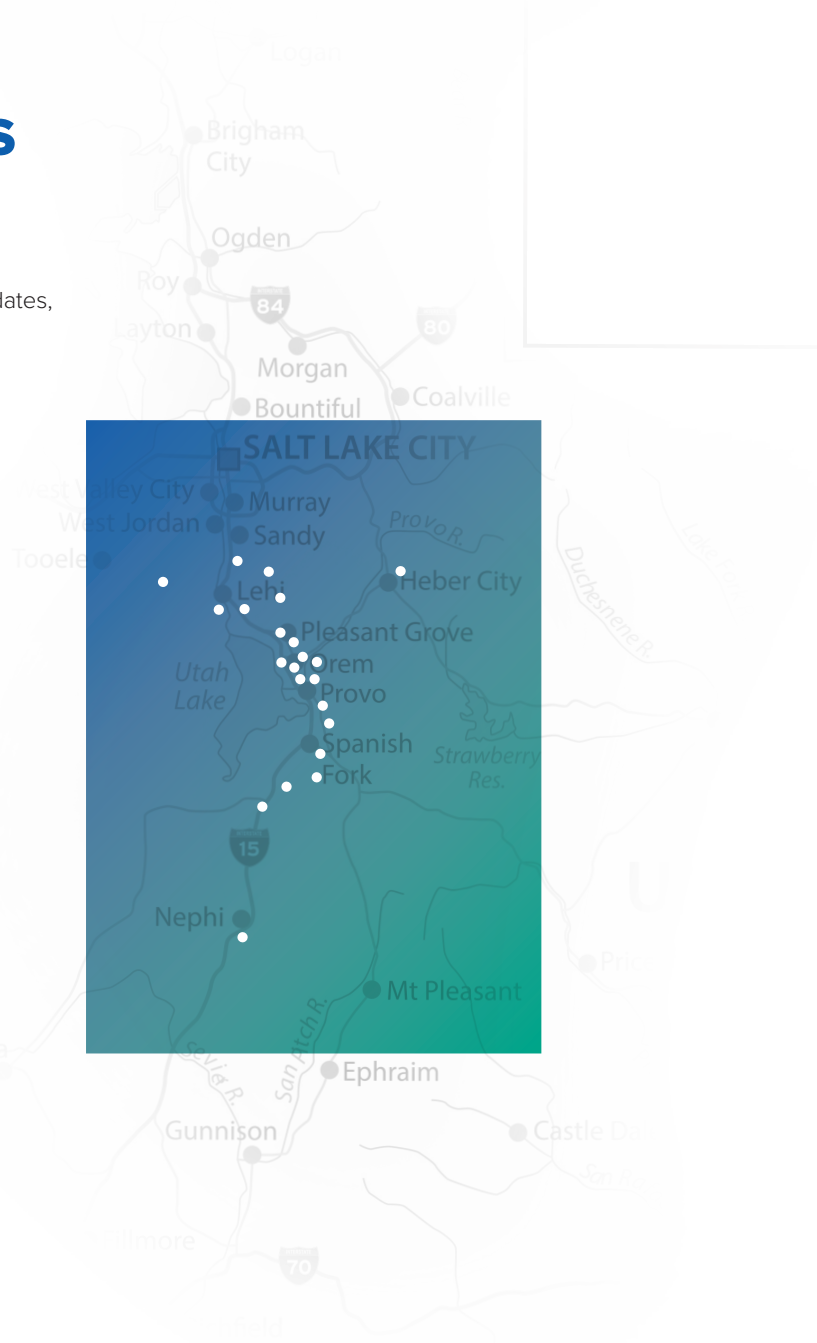
NET INCOME	\$29,721,133	\$20,261,443
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Audited Financial Statements

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**
- VINEYARD**



THANK YOU

CONTACT INFORMATION

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