



**United Methodist  
FEDERAL CREDIT UNION**

*Lighting the way to financial  
stewardship since 1948*



2014 ANNUAL REPORT

# President & Chairman's Message

## POISED FOR GROWTH



**Ramon Noperi**  
President and CEO

This past year was a wonderful one for our credit union. As most of you know, we happily welcomed Hawaii Conference Foundation of the United Church of Christ into our credit union family at the beginning of 2014. It has been a wonderful relationship so far, and we look forward to all it means for our credit union in the future.

2014 was also a great year for us in terms of fiscal condition. We saw many slow but steady increases across the board including an increase in our net income to reserves ratio (up \$37,000), an increase in loans to members (up \$1.06 million), an increase in investments (up almost \$604,000) and an increase in regular shares (up over \$611,000).

We wrapped up the year with \$83,589,260 in total assets. This is all great news for our credit union and shows solid financial growth and stability, which we project will only continue to improve in 2015.

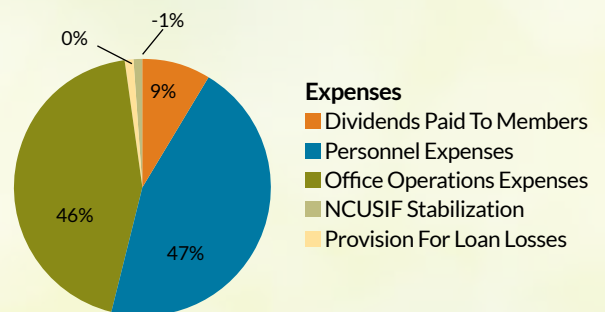
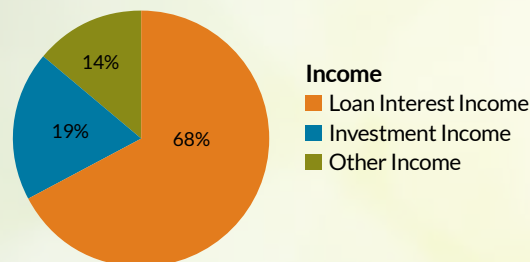
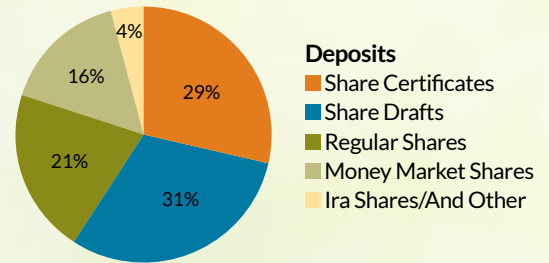
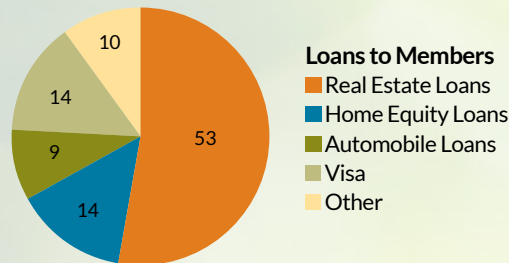
Aside from fiscal improvements, we also celebrated many accomplishments in service including the addition of our new website. The new website is designed to be compatible with your computer, smartphone and tablet, so you always have UMFCU with you on the go. So far, members seem very receptive to this change. Toward the beginning of 2014, we were also able to add Scorecard, a great Visa® rewards program that gives all our members access to name brand rewards.

This past year, the U.S. also saw small but steady improvements. However, as the economy improves, loan rates will likely increase and while that is healthy for the economy, you will save more by borrowing now while loan rates are low. So, if you are looking for a loan soon to make a big purchase, now is the time while rates are still at record low levels.

All in all, we had a great year in 2014 and it's all thanks to our wonderful staff, volunteers and of course, our members. We look forward to many more years of growth, expansion and financial stewardship as we continue to offer the same great loan rates, products and friendly, convenient services you deserve.



**Robert C. "Bob" Meyers**  
Chairman of the Board



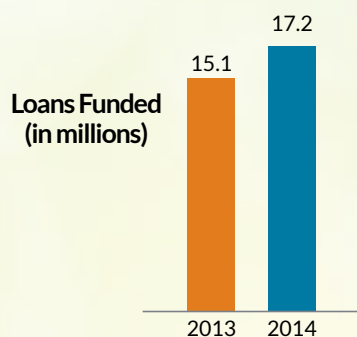
# Summary Financial Statement

## INCOME STATEMENT

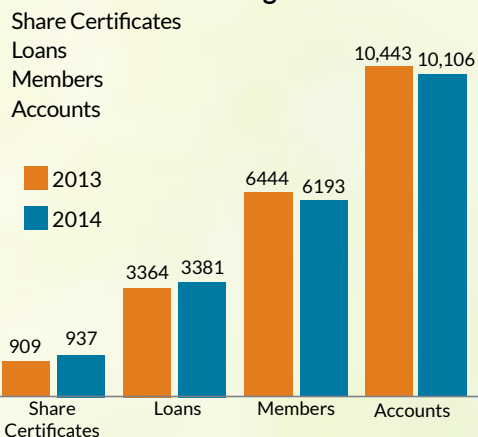
INCOME	2014	2013	Variance	%
Loan Interest Income	\$1,826,438	\$1,830,839	-\$4,401	-0.24
Investment Income	\$504,828	\$534,702	-\$29,874	-5.59
Other Income	\$371,732	\$380,634	-\$8,902	-2.34
<b>TOTAL GROSS INCOME</b>	<b>\$2,702,999</b>	<b>\$2,746,175</b>	<b>-\$43,177</b>	<b>-1.57</b>
<b>EXPENSES</b>				
Dividends Paid to Members	\$196,888	\$243,285	-\$46,397	-19.07
Personnel Expenses	\$1,018,113	\$975,398	\$42,716	4.38
Office Operations Expenses	\$996,731	\$957,409	\$39,322	4.11
Provision for Loan Losses	-\$30,000	\$50,000	-\$80,000	-160.00
NCUSIF Stabilization Charges	\$0	\$36,096	-\$36,096	-100.00
<b>TOTAL EXPENSES</b>	<b>\$2,181,732</b>	<b>\$2,262,187</b>	<b>-\$80,455</b>	<b>-3.56</b>
<b>NET INCOME TO RESERVES</b>	<b>\$521,266</b>	<b>\$483,988</b>	<b>\$37,278</b>	<b>7.70</b>

## BALANCE SHEET

ASSETS	2014	2013	Variance	%
Loans to Members	\$34,688,788	\$33,632,526	\$1,056,262	3.14
Provision for Loan Losses	-\$200,961	-\$364,759	\$163,797	-44.91
Cash	\$4,162,920	\$6,712,485	-\$2,549,565	-37.98
Investments	\$41,975,000	\$41,370,920	\$604,080	1.46
NCUSIF (Federal Insurance)	\$658,127	\$638,702	\$19,424	3.04
FIXED ASSETS	\$1,879,391	\$1,930,440	-\$51,050	-2.64
OTHER ASSETS	\$425,996	\$445,614	-\$19,618	-4.40
<b>TOTAL ASSETS</b>	<b>\$83,589,260</b>	<b>\$84,365,929</b>	<b>-\$776,669</b>	<b>-0.92</b>
<b>LIABILITIES</b>				
Accounts Payable	\$61,135	\$46,153	\$14,982	32.46
Other Liabilities	\$67,863	\$81,852	-\$13,989	-17.09
<b>TOTAL LIABILITIES</b>	<b>\$128,998</b>	<b>\$128,005</b>	<b>\$993</b>	<b>0.78</b>
<b>SHARES (Member Deposits)</b>				
Regular Shares	\$16,304,036	\$15,692,533	\$611,503	3.90
Share Drafts	\$23,508,218	\$23,627,141	-\$118,923	-0.50
Money Market Shares	\$12,023,206	\$12,877,929	-\$854,723	-6.64
Share Certificates	\$22,029,743	\$22,916,329	-\$886,586	-3.87
IRA Shares/Certificates	\$2,961,362	\$3,024,429	-\$63,066	-2.09
Christmas Club Shares	\$46,624	\$33,757	\$12,867	38.12
<b>TOTAL SHARES</b>	<b>\$76,873,189</b>	<b>\$78,172,118</b>	<b>-\$1,298,929</b>	<b>-1.66</b>
<b>EQUITY (RESERVES)</b>				
Reserves	\$1,493,721	\$1,493,721	\$0	0.00
Undivided Earnings	\$5,093,352	\$4,572,086	\$521,266	11.40
<b>TOTAL EQUITY (RESERVES)</b>	<b>\$6,587,073</b>	<b>\$6,065,807</b>	<b>\$521,266</b>	<b>8.59</b>
<b>TOTAL LIABILITIES, SHARES AND EQUITY</b>	<b>\$83,589,260</b>	<b>\$84,365,929</b>	<b>-\$776,669</b>	<b>-0.92</b>



### Number of the following:





# Board of Directors



(pictured left to right): Reverend Mark M. Nakagawa, Vice Chairman of the Board; Reverend Dr. R. Lewis Fry, Director; Reverend Canon Timothy M. Dombek, Director; Reverend David Burgeson, Director, Robert C. “Bob” Meyers, Chairman of the Board; Reverend Michael G. Nickerson, PhD., Secretary; Reverend Robert Maffitt, Treasurer; Reverend Garvin Warden, Director; (not pictured) Don Garner, Director



Your Financial Team

## Supervisory Committee Report



**Rev. Mark Nakagawa**  
Supervisory Committee  
Chairman

**Heather Wilson**  
Supervisory Committee  
Member

**Stephen Johnson**  
Supervisory Committee  
Member

The Supervisory Committee of United Methodist Federal Credit Union performs annual audits on behalf of the credit union members. These audits ensure that the elected officials and management team are adhering to UMFCU’s established policies and procedures. The Supervisory Committee is responsible for offering assurance that the corporate financial records are accurately prepared and that the operations of the credit union are fiscally sound.

After reviewing the internal audit performed by Richards and Associates, CPAs, the Supervisory Committee is pleased to report that the financial standing of UMFCU is strong and secure.

On behalf of the Supervisory Committee, we would like to sincerely thank the staff, management and members at UMFCU. It is a pleasure to serve you. We look forward to a new year as we continue to grow and aid each other in accomplishing our financial goals.

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**(800) 245-0433**  
**www.umfcu.org**

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