



UNIVERSITY OF VIRGINIA
COMMUNITY
CREDIT UNION

RISING TOGETHER

Annual Report 2021

TO OUR MEMBER-OWNERS

Throughout the COVID-19 pandemic, UVA Community Credit Union has learned to adapt as we've supported our members through changing financial conditions and hardships. **One thing we've learned is not to be discouraged by the length of the journey,** but to appreciate the knowledge we've gained along the way.

We walked step by step with members who needed our help by providing financial solutions to lower and reduce the cost of debt, and low-cost loans to buy new cars and homes. Our Business Services team also remained in constant communication and provided untiring support to local businesses that received Paycheck Protection Program assistance, while this Small Business Administration program came to a close.

We also worked on a new lending platform that will roll out in 2022. **This new platform simplifies our loan application process** so members can obtain lending decisions and loan funding faster. It also makes our application process quicker and easier when people seek Credit Union vehicle financing at auto dealers. In addition, we worked behind the scenes to bring our new Interactive Teller Machines (ITMs) online at a variety of locations. An ITM is like an ATM but it can perform additional types of transactions and offers the convenience of a teller without the teller line. ITMs also offer onscreen virtual assistance, during select hours, with our Member Service Representatives.

We had another year of record scholarship applications. Eighteen high school seniors were each awarded a \$1,500 scholarship. For the 2021-2022 school year, we are offering additional scholarships for graduating high school seniors across our entire Field of Membership, including our newly expanded areas (see page 5 for details).

In addition to participating in our annual holiday events like the Warrenton Christmas Parade and Charlottesville's Grand Illumination, both of which returned to in-person formats in 2021, we were grateful to support CulpeperFest, the Thursday Night Concert Series, United Way Day of Caring, the Thomas Jefferson Planning District Commission's affordable housing conference, and many other community programs.

Our philanthropic Pay It Forward initiative continued for a second year. In the spirit of giving during the holiday season, the Credit Union's employees were grouped into 31 teams and allocated funds to be distributed to local charities and organizations in our Field of Membership. **We are excited to announce that more than \$10,000 was donated through this employee-driven outreach activity.**

In 2021, we were honored to have been bestowed with a *Daily Progress* Readers' Choice Award for the 16th consecutive year as "Best Bank/Credit Union." Through the years we have also been recognized in the "Best Mortgage Company," and "Best Wealth Manager" categories, and we were grateful to win in those categories again in 2021. We also received recognition by *Fauquier Times*, *Best of C-ville*, and *Rural Virginian*. We appreciate your vote of confidence in UVA Community Credit Union!

All of us at the Credit Union take pride in our service to you. From our dedicated employees to our volunteer Board of Directors and Supervisory Committee, we are unwavering in our commitment to you. **We continue to be genuinely grateful to all of our members and thank you** for the opportunity to be here for you, no matter where your journey takes you.

Jeffrey C. Moscicki
Chairman of the Board

Alison DeTuncq
President/CEO



Jeffrey C. Moscicki

Alison DeTuncq

SUPERVISORY REPORT

The UVA Community Credit Union Board of Directors appoints a Supervisory Committee to protect the interests of the Credit Union's members. The committee is charged with reviewing Credit Union operations, conducting an annual audit, evaluating and upgrading internal control procedures, and safeguarding member assets.

The Supervisory Committee adheres to the mandates of the Federal Credit Union Act and complies with all National Credit Union Administration (NCUA) rules and regulations. The Credit Union prepares reports quarterly for the State Corporation Commission and NCUA.

This year, the Supervisory Committee commissioned the accounting firm of Crowe LLP of Washington, D.C., to conduct the annual audit. It was performed in accordance with generally accepted auditing standards followed in the United States and included tests of the accounting records and systems. Crowe LLP issued an unmodified opinion that the Credit Union's December 31, 2021, consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Credit Union and its subsidiaries.

The UVA Community Credit Union Supervisory Committee extends its sincere appreciation to the board, management, and staff of the Credit Union and to the accounting firm of Crowe LLP for their cooperation and service during the audit.



Ralph W. Traylor
Chairman, Supervisory Committee



RANKED
TOP 7%

OF ALL U.S.
CREDIT UNIONS BY
ASSET SIZE



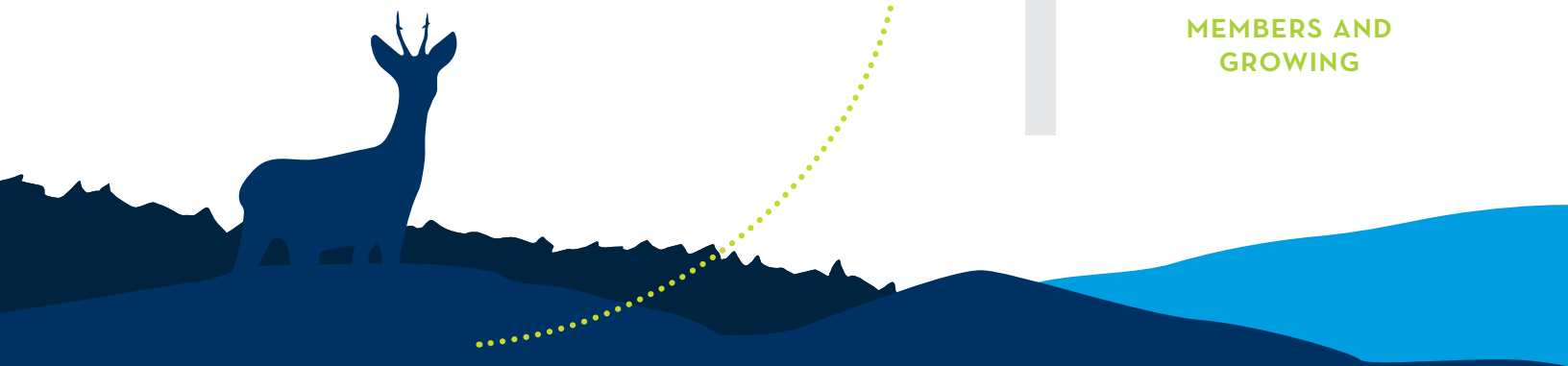
SERVING THE
COMMUNITY SINCE

1954



OVER
73,000

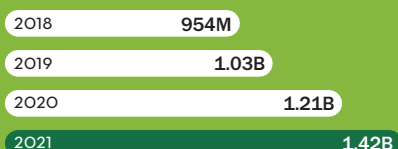
MEMBERS AND
GROWING



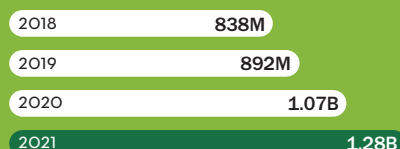
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$219,528,976	\$117,345,515
Interest-bearing deposits	992,000	1,242,000
Available-for-sale investments	418,964,687	423,042,745
Held-to-maturity investments (fair value 2021 – \$30,577,989; 2020 – \$0)	30,545,232	–
Loans held for sale	2,610,568	2,084,588
Loans to members, net of allowance for loan losses	670,749,406	603,238,954
Accrued interest receivable	2,826,013	3,046,829
Property and equipment	27,434,887	18,930,430
Prepaid and other assets	30,618,740	32,272,942
National Credit Union Share Insurance Fund deposit	10,980,161	9,416,555
Total assets	\$1,415,250,670	\$1,210,620,558
Liabilities and Members' Equity		
Liabilities:		
Members' shares and savings accounts	\$1,281,351,339	\$1,073,358,336
Accrued expenses and other liabilities	13,851,270	12,776,609
Total liabilities	1,295,202,609	1,086,134,945
Members' equity:		
Regular reserve	3,817,707	3,817,707
Undivided earnings	118,066,433	109,952,914
Equity acquired in business combination	494,996	494,996
Accumulated other comprehensive income	(2,331,075)	10,219,996
Total members' equity	120,048,061	124,485,613
Total liabilities and members' equity	\$1,415,250,670	\$1,210,620,558



TOTAL ASSETS \$

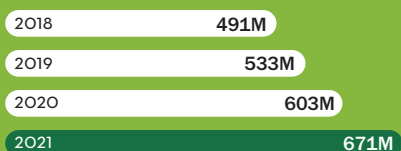


TOTAL SHARES \$

CONSOLIDATED STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Interest income		
Loans to members	\$24,035,213	\$24,284,417
Investments	7,685,154	8,010,802
Total interest income	31,720,367	32,295,219
Interest expense		
Members' shares and savings accounts	2,404,149	3,447,854
Borrowed funds	-	179,267
Total interest expense	2,404,149	3,627,121
Net interest income	29,316,218	28,668,098
Provision for loan losses	(238,197)	874,321
Net interest income after provision for loan losses	29,554,415	27,793,777
Non-interest income		
Fees and charges	5,661,562	5,167,720
Interchange income	5,519,410	4,594,020
Gain on sale of mortgage loans	2,790,529	1,579,675
Gain on sale of investments	173,005	617,912
Other operating income	1,103,344	967,570
Other non-operating income	490,968	-
Total non-interest income	15,738,818	12,926,897
Non-interest expenses		
Compensation and benefits	22,428,292	21,608,848
Office operations	6,059,132	5,580,245
Card services	2,750,215	2,699,980
Office occupancy	2,489,342	2,374,607
Other	3,452,733	3,740,413
Total non-interest expenses	37,179,714	36,004,093
Net income	\$8,113,519	\$4,716,581



NET LOANS TO MEMBERS \$



NET WORTH RATIO %

2021 HIGHLIGHTS



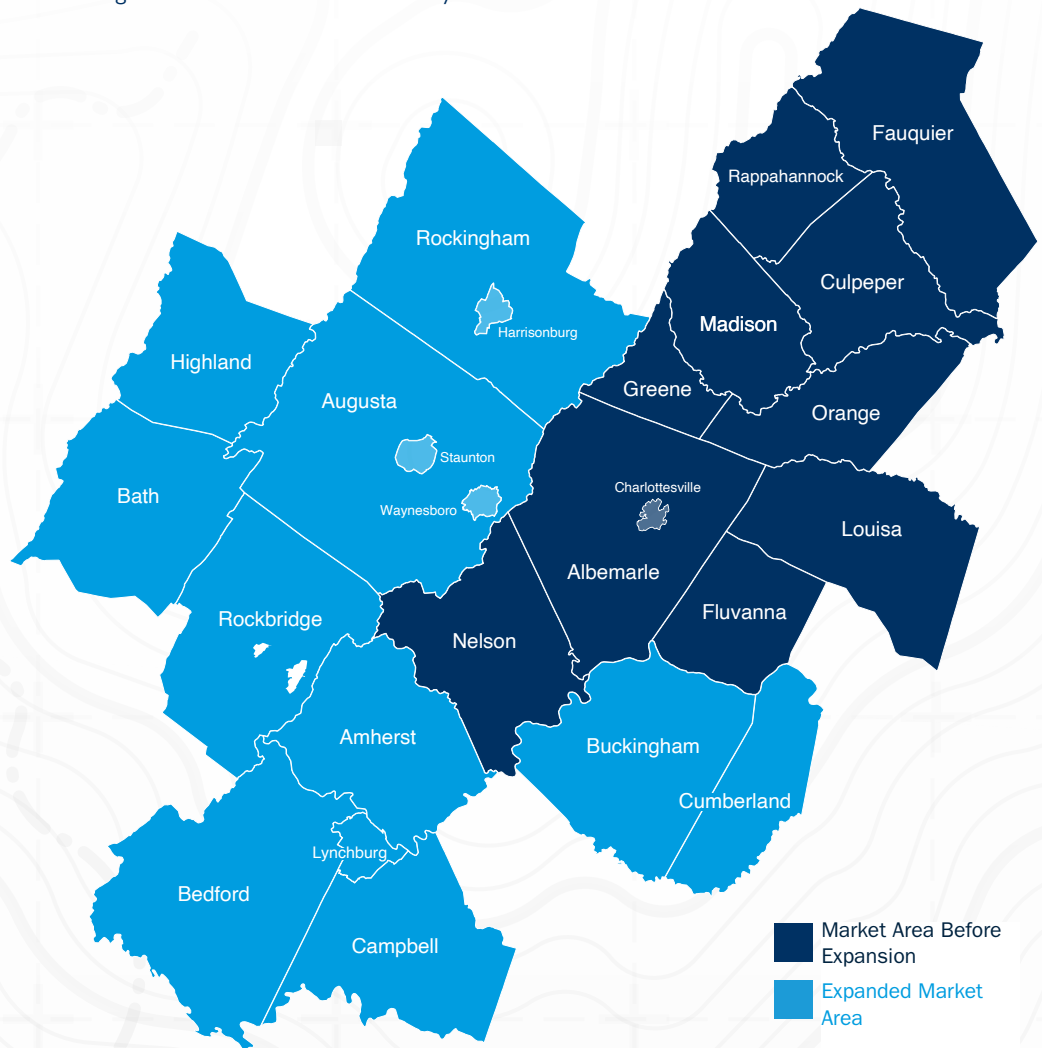
President/CEO Announces Her Retirement

In 2021, President/CEO **Alison DeTuncq** announced her retirement following three decades of dedicated service to UVA Community Credit Union. DeTuncq is respected and admired by leaders in the Credit Union industry and local civic organizations for her steadfast leadership and service.

“Alison’s dedication and passion of the credit union movement has moved our Credit Union forward,” said Credit Union Board Chairman Jeffrey C. Moscicki. “She created a culture driven by our core values of member service, integrity, collaborative teamwork, and the belief that building strong community partnerships will improve the financial well-being of our members. On behalf of the Board of Directors, I want to thank Alison for her steadfast leadership in the transformation of our Credit Union.”

Expanding Our Membership Area

In April 2021, our Credit Union received approval from the State Corporation Commission/Bureau of Financial Institutions to more than double our Charter (also known as our Field of Membership). As a result, membership is now open to individuals who live, work, or attend school in, and to any business located in, Virginia’s Central Piedmont and Valley area.





New Headquarters Coming Soon!

To accommodate our growing Credit Union, in 2021 we successfully negotiated the **purchase of a new corporate headquarters in Charlottesville**. This new facility will provide the necessary space for our back office operations. We are moving forward with plans for design and construction beginning in 2022. We are excited about the possibilities of the new location and the impact a consolidated corporate headquarters will have on our culture and people.

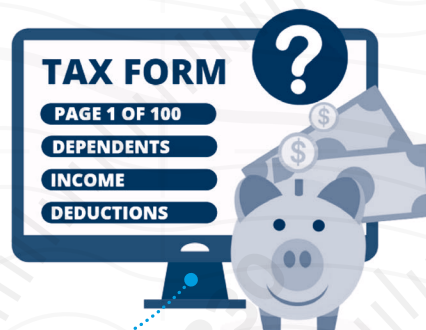
Tax Sites

We are thrilled that our relationships with our community partners have remained resolute throughout the pandemic. In 2021, working with the Cville Tax Aid Coalition, our IRS-certified employees prepared a total of 828 tax returns (compared to 540 in 2020). This generated an economic stimulus of over \$1.6 million dollars (total refunds and waived tax preparation fees) for our community. While other volunteer programs shut down due to the pandemic, we were able to minimize health risks and remain in service by offering drop-off appointments. This was a tremendous undertaking by our tax preparation volunteer team, and we thank them for their dedication and hard work!



Dedicated Hoos Fans!

For all you UVA fans, last year you might have seen us in the stands too. Our Credit Union was the Season Sponsor of UVA baseball and women's basketball, and the Game Day Sponsor of the football season opener as the official credit union of Virginia Athletics. Be sure to follow us on Facebook and Instagram for your chance to win game tickets. And if you really want to make a winning play, you can put our Cavman debit card in your wallet to show your Hoos' spirit!



Financial Education

Improving financial literacy and protecting our members from financial fraud continues to be an important goal of the Credit Union. Key areas of educational services include mortgages and home buying, budgeting and credit, senior scams, and online cyber security. Our programs continued to be delivered predominantly online as a result of the pandemic. Educational content was presented through webinars, email, and social media channels. We did, however, see an immediate demand for our in-person services as businesses and schools resumed in-person activities. **We are especially proud of our student sessions** including Intro to Banking, Credit Basics, and our Real Life Challenge budget simulation game.



BOARD OF DIRECTORS



JEFFREY C. MOSCICKI
CHAIRMAN



PAMELA W. HIGGINS
VICE CHAIRMAN



KENNETH M. EADES
TREASURER



ROB WALKER FREER
SECRETARY



LYNNE RICHMAN BELL
DIRECTOR



LISA P. HEUCHERT
DIRECTOR



J. BARRY JONES
DIRECTOR



MICHAEL A. MALLORY
DIRECTOR



BENJAMIN H.
MCCARTNEY
DIRECTOR



MARIE C. MELTON
DIRECTOR



ROBERT J. NEIL
DIRECTOR

SUPERVISORY COMMITTEE



RALPH W. TRAYLOR
CHAIRMAN



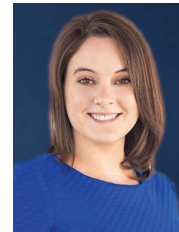
DAVID M. JONES



DOROTHY C. KELLY



CYNTHIA R. MURRAY



COURTNEY J. SHEARER

EXECUTIVE LEADERSHIP

Alison DeTuncq
President/CEO

Peter Holman
Chief Financial Officer

Joseph Raichel
Chief Lending Officer



UNIVERSITY OF VIRGINIA
COMMUNITY
CREDIT UNION

uvacreditunion.org
434-964-2001



INSURED BY NCUA

Mortgage services provided by Member Options, LLC (licensed by the Virginia State Corporation Commission, VA License #MC-5520), NMLS #194038 (nmlsconsumeraccess.org), a wholly-owned subsidiary of UVA Community Credit Union.

OFFICIAL CREDIT UNION OF VIRGINIA ATHLETICS