

2024 ANNUAL REPORT

Report of The Board of Directors & President

As we reflect on 2024, our focus remains on the power of U+Me. This philosophy is at the core of who we are—guiding our decisions, shaping our service, and driving our commitment to providing meaningful value to our members. We are dedicated to delivering exceptional products, enhancing security, and ensuring every interaction with UMe is a world-class experience.

Over the past year, we made significant strides in advancing security, deepening our community impact, and reinforcing financial stability. We prioritized member protection, enhancing cybersecurity controls, strengthening Business Continuity and Incident Response strategies. Additionally, we implemented an advanced fraud prevention tool designed to safeguard members from evolving threats.

Financially, 2024 presented challenges, with liquidity remaining tight due to heightened competition for deposits. However, by the fourth quarter, deposits began to grow, ending the year at \$294.9 million, a slight increase from \$294.3 million in 2023. While the rising cost of funds placed pressure on earnings, our overall financial strength remained solid, and we continued to be well-capitalized.

UMe's commitment to community is unwavering. Through our UMeHelps Volunteer Program, which requires every staff member to volunteer at least 8 hours per year, our team contributed 462.5 hours to meaningful causes in 2024. We also donated \$20,841 to Burbank schools, \$12,229 to local nonprofits, and awarded \$5,000 in scholarships to Burbank students. Additionally, our members showed incredible generosity by donating \$10,291 to the Burbank Arts & Education Foundation, which UMe matched—bringing the total contribution to \$20,582 in support of local schools.

We were also honored to host community events, including our UMe Movie Nights, Trunk-or-Treat, and Thank-A-Soldier, which brought members and neighbors together for fun, family-friendly experiences. Additionally, we were proud to serve as a Presenting Sponsor for Holiday in the Park, a cherished Magnolia Park tradition that celebrates the local community and businesses. These moments remind us that UMe is more than just a credit union—we are an active, engaged, and proud part of Burbank.

Service excellence remains a cornerstone of UMe, and in 2024, we continued to deliver on our commitment to outstanding member service. Through our mystery shop program, we earned an annual Service Score of 4.88 out of 5—a testament to our team's dedication to exceeding expectations and providing genuine, personal support to our members.

At UMe, we don't just say U+Me—we live it. We are deeply grateful for our Board of Directors and Supervisory Committee, who volunteer their time and expertise to guide our Credit Union, and for our dedicated team, whose enthusiasm and hard work continue to elevate the UMe experience. But most importantly, we are grateful for U—our 17,390 members—because U are the reason we are here.

Thank U for your trust, your loyalty, and for being part of the UMe family.

U matter to **Me** at **UMe**—always!

Edward F. Hill, Chair, Board of Directors

Robert Einstein, CEO & President



Treasurer's Report

UMe is dedicated to maintaining financial strength, safety and stability. These traits are crucial to the success of any credit union, and set the foundation for member trust and growth.

As we navigated through the challenges of a tight liquidity environment and a highly competitive deposit market in 2024, marked by unprecedented spikes in interest rates, credit unions across the board faced weakened earnings, lower net worth ratios, and reduced net interest margins.

Our 2024 Financial Statements demonstrate positive performance with a \$517,812 net income for the year, resulting in a Return-on-Assets of 0.15%. We maintained a well-capitalized position, with reserves exceeding \$27 million—and total assets above \$351 million.

The Credit Union recorded another strong year of loan growth in 2024. Total Loan portfolio expanded by over \$2 million, achieving a 1.68% year-over-year growth. High loan growth occurred in both Real Estate Home Equity and Consumer Loan categories. Loans remained our largest revenue source. Due to the competitive rate market, the Credit Union experienced slight deposit inflows of \$599,958 or 0.20% during the year 2024, with year-end Total Shares at \$295 million.

Overall, we view 2024 as a tough, but successful year for the Credit Union. We are grateful for the ever-growing trust our members place in us. We are committed to prudently managing our financials to ensure sustained positive earnings.

Thank you for your support—we look forward to providing exceptional financial products and services in 2025 and beyond.

Jan Hacker, Treasurer, Board of Directors

Supervisory Committee Report

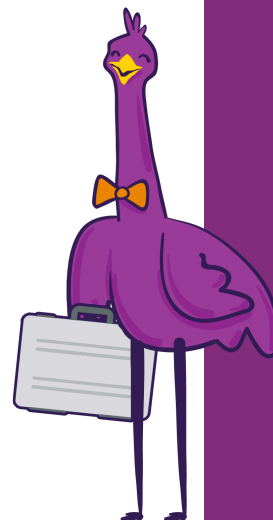
The UMe Supervisory Committee is dedicated to representing our members by ensuring the continued financial strength and stability of UMe Credit Union.

I'm pleased to share that UMe remains financially secure and well-positioned, even as we navigated a year of liquidity challenges.

An independent CPA firm conducted our annual audit, confirming that UMe remains financially strong and well-managed. Likewise, the National Credit Union Administration (NCUA), our federal regulator, reaffirmed UMe's sound financial position in its 2024 examination.

The Supervisory Committee sincerely thanks the Board of Directors, Management Team, and all UMe employees for their unwavering commitment to financial integrity. And to U, our valued members—our deepest gratitude! It's an honor to serve, and we look forward to another incredible year together at **UMe**, where **U** really do matter to **Me** (to all of us)!

Anita Schackmann, Chair, Supervisory Committee



UMe Volunteers

BOARD OF DIRECTORS

Edward F. Hill / Chair

Steven A. Falchini / Vice Chair

David Carletta / Secretary

Jan Hacker / Treasurer

Larry Auzene, Jr. / Director

David Goodlaw / Director

Bonnie Joachim / Director

SUPERVISORY COMMITTEE

Anita Schackmann / Chair

Ken Barnes / Member

Albert Hernandez / Member

Bonnie Joachim / Member

Anna Lee / Member

if it matters to **U**, it matters to **Me**

2024 Statement of Financial Condition

		2024
Assets		
Total Loans		\$ 160,683,524
Vehicle Loans	\$ 25,816,500	
Credit Cards	\$ 8,593,759	
Personal/Signature Loans	\$ 3,228,053	
Real Estate Loans	\$ 116,097,331	
Other Loans	\$ 469,175	
Participation Loans	\$ 6,478,706	
Investments		\$ 173,185,685
Other Assets		\$ 17,622,838
Total Assets		\$ 351,492,047
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Liabilities & Equity		
Total Liabilities		\$ 38,108,467
Total Shares		\$ 294,918,512
Membership Shares	\$ 91,574,399	
Summer Savings	\$ 706,413	
Checking	\$ 48,600,160	
Money Market	\$ 76,757,592	
Certificates	\$ 66,890,068	
IRAs	\$ 5,489,457	
IRA Certificates	\$ 4,900,423	
Reserves		\$ 27,820,404
Unrealized Gain/Loss on Investments		\$ -9,355,336
Total Liabilities & Equity		\$ 351,492,047

2024 Statement of Income and Expense

Income		
Income from Loans	\$ 9,105,129	
Income from Investments	\$ 3,274,373	
Other Income	\$ 2,449,360	
Total Income		\$ 14,828,862
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Expenses		
Operating Expenses	\$ 10,434,744	
Dividend Expenses	\$ 3,876,306	
Total Expenses		\$ 14,311,050
Total Net Income		\$ 517,812



Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency.

umecreditunion.com

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