

BEYOND
WHAT YOU
Expected

Friendly | Trustworthy | Reliable

U₁ 2014
Annual
Report

Federally Insured by the NCUA



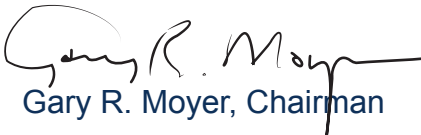
Dear Valued Member-Owners,


For nearly 80 years, Universal 1 Credit Union has consistently upheld its commitment to our members. That commitment includes sharing our 2014 performance with you! U1 continues to be a viable and healthy financial cooperative. Some highlights from 2014 included:

- The opening of a new branch office in Sidney, Ohio located conveniently in a growing retail shopping district. Besides the easier access location, the new site also provides drive-thru lanes and a drive-up ATM. But our Sidney members do enjoy coming into the new branch to visit with our Sidney staff members.
- The successful transition to a new Online and Mobile banking platform. With technology ever evolving, this new solution offers seamless access by PC, tablet, or smart device. Features and services will continue to be added as U1 works to meet the needs of our mobile-centric members.
- Giving back to members through competitive pricing, special offers, and lower fees while giving back to our communities through sponsorships, scholarships, volunteer hours, and charitable donations.

Building on the success of 2014, the New Year is bringing even more. In 2015 we'll be celebrating the opening of a brand new Member Service Center at State Route 741 and Miami Village Drive. Servicing members who live, work and shop south of Dayton, this prime location between Dayton Mall and Austin Landing will be state-of-the-art offering full-service amenities including a drive-thru and drive-up ATM. However, inside you won't be greeted by a machine! We focus at every location on our trustworthy, reliable and friendly staff members taking the time to get to know you to better serve your financial needs.

On behalf of the U1 team and volunteer Board of Directors, we are grateful for your trust and look forward to serving you in 2015!


Gary R. Moyer, Chairman


Loren A. Rush, President/CEO

FINANCIAL REPORT

The Board of Directors ensures the Credit Union conducts its operations and activities in a safe and sound manner.

The Board of Directors retains the services of McGladrey LLP, Certified Public Accountants, to audit the annual financial statements. The financial statements for the year ended September 30, 2014, and audit opinion thereon are available for review at Universal 1 Credit Union, Inc. Corporate Headquarters.

"The relationship our staff builds
with you helps them think of you first."

Universal 1 Credit Union, Inc.

Balance Sheets
September 30, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	\$ 21,204,553	\$ 28,338,894
Deposits in corporate credit union	2,910,211	3,910,211
Investment securities	24,709,236	24,900,607
Loans, net	308,703,496	304,766,328
Accrued interest receivable	1,012,813	1,085,016
Property and equipment, net	8,230,341	7,600,411
Other real estate owned	-	236,750
Federal Home Loan Bank stock, at cost	570,400	570,400
Other assets	4,591,041	4,914,032
NCUSIF deposit	3,374,732	3,466,409
	<u>\$ 375,306,823</u>	<u>\$ 379,789,058</u>
Liabilities and Members' Equity		
Members' shares	\$ 338,985,349	\$ 345,052,370
Accrued expenses and other liabilities	3,222,726	3,475,201
Total liabilities	<u>342,208,075</u>	<u>348,527,571</u>
Members' Equity		
Retained earnings - partially restricted	32,832,504	30,596,502
Accumulated other comprehensive income	266,244	664,985
Total members' equity	<u>33,098,748</u>	<u>31,261,487</u>
Total liabilities and members' equity	<u>\$ 375,306,823</u>	<u>\$ 379,789,058</u>

Universal 1 Credit Union, Inc.

**Statements of Income
Years Ended September 30, 2014 and 2013**

	2014	2013
Interest Income		
Loans	\$ 16,113,897	\$ 16,430,784
Investments and cash equivalents	414,290	411,241
Total interest income	16,528,187	16,842,025
Dividends on members' shares	2,810,862	3,406,296
Net interest income	13,717,325	13,435,729
Provision for loan losses	3,075,000	3,350,000
Net interest income after provision for loan losses	10,642,325	10,085,729
Non-Interest Income (Loss)		
Share draft service charges and fee income	2,478,405	2,565,751
Gain on sale of investment securities	527,081	-
Credit, check card and other interchange income	2,010,707	1,824,528
Other	132,191	(200,204)
Total non-interest income, net	5,148,384	4,190,075
Operating Expense		
Compensation and employee benefits	6,408,427	6,330,539
Office operations	2,126,808	1,991,393
Share insurance	-	277,313
Occupancy and maintenance	1,401,420	1,420,605
Education and promotion	342,153	404,621
Loan servicing	858,660	856,355
Outside services	1,954,381	1,798,033
Other	462,858	333,239
Total operating expense	13,554,707	13,412,098
Net income	\$ 2,236,002	\$ 863,706

"It is our commitment to you to provide an experience that is beyond what you expected."

Universal 1 Credit Union, Inc.

Statements of Comprehensive Income
Years Ended September 30, 2014 and 2013

	2014	2013
Net income	<u>\$ 2,236,002</u>	<u>\$ 863,706</u>
Other Comprehensive Income (Loss)		
Unrealized gain (loss) on investment securities classified as available-for-sale	126,113	(15,391)
Reclassification adjustment for net realized gains on investments included in net income	(527,081)	-
Net actuarial gain on postretirement liability	<u>2,227</u>	<u>85,324</u>
Total other comprehensive (loss) income	<u>(398,741)</u>	<u>69,933</u>
Comprehensive income	<u><u>\$ 1,837,261</u></u>	<u><u>\$ 933,639</u></u>

Universal 1 Credit Union, Inc.

Statements of Members' Equity
Years Ended September 30, 2014 and 2013

	Retained Earnings - Partially Restricted	Accumulated Other Comprehensive Income	Total Members' Equity
Balance, September 30, 2012	\$ 29,732,796	\$ 595,052	\$ 30,327,848
Net income	863,706		863,706
Other comprehensive income	-	69,933	69,933
Balance, September 30, 2013	30,596,502	664,985	31,261,487
Net income	2,236,002		2,236,002
Other comprehensive loss	-	(398,741)	(398,741)
Balance, September 30, 2014	\$ 32,832,504	\$ 266,244	\$ 33,098,748

"We will always serve and assist
you in your pursuit of financial success."



BOARD OF DIRECTORS AND EXECUTIVE TEAM

Gary R. Moyer
Chairman of the Board

Thomas J. Hickey
Secretary of the Board

Robert E. Angel
Director

Rosemary D. Domansky
Director

Philip S. Mals
Director

Joseph B. Woeste
Director

Loren A. Rush
President/CEO

Shannon R. Maloney
EVP MIS/Corporate Services

Ann M. Parrish
Treasurer/EVP Finance

Alice M. Hensley
SVP Member Services

Lisa A. Carbaugh
SVP Administrative Services

LOCATIONS

Austin Park
Miamisburg Twp, OH 45342
Coming 2015

Dayton - Corporate
One River Park Dr.
Dayton, OH 45409
937.225.6800

Miami Valley Hospital
One Wyoming St.
Dayton, OH 45402
937.208.2745

Beavercreek
2450 Esquire Dr.
Beavercreek, OH 45434
937.431.3100

Dayton Mall
2700 Msbg-Cent Rd.
Dayton, OH 45459
937.435.7268

Sidney
2835 Michigan St.
Sidney, OH 45365
937.498.2320

Centerville
6147 Far Hills Ave.
Dayton, OH 45459
937.610.0320

Huber Heights
2933 Harshman Rd.
Dayton, OH 45424
937.235.0303

Sugarcreek
6270 Wilmington Pk.
Dayton, OH 45459
937.848.6050

Chillicothe
1080 N. Bridge St.
Chillicothe, OH 45601
740.775.4321

Kettering
3343 E. Stroop Rd.
Kettering, OH 45440
937.567.8980

Vandalia
718 S. Dixie Dr.
Vandalia, OH 45377
937.898.3915