



**UNITED
TRADES**
FEDERAL CREDIT UNION®

2024 Annual Report



Chairman's Report

As we reflect on 2024, United Trades remained committed to financial stability and enhancing the value we provide to our members. Unlike previous years, interest rates did not move as anticipated, resulting in a slow yet stable financial environment. Despite these conditions, we took strategic steps to give back to our members, strengthen our services, and invest in the future.

A key highlight of the year was our decision to increase dividend rates on regular share accounts, recognizing the loyalty of our members who supported us through the leanest financial years from 2008 to 2012.

Investing in technology and security remained a priority, ensuring seamless and secure banking experiences. We upgraded our online and mobile banking platforms, debit card systems, IT security, and branch security to enhance accessibility and protection for our members. In addition, we conducted research and development on improving member support solutions, ultimately approving the implementation of Glia—a platform designed to enhance phone and chat support with 24/7 AI-powered assistance, text communication, and co-browsing. This exciting service is set to launch in 2025. We also prepared for the rollout of SavvyMoney, a tool designed to help members better manage their credit and financial health.

Throughout the year, our board met monthly to discuss key initiatives and ensure our credit union continues to operate with sound business practices. As we look ahead, we remain committed to providing excellent service, competitive financial products, and a secure banking environment.

Thank you for your trust in United Trades Credit Union. We are honored to serve you and will continue to prioritize your financial well-being in the years to come.

Gregory Croarkin, Chairman



Treasurer's Report

United Trades Credit Union continued to navigate a stable but evolving financial landscape in 2024, maintaining strong asset growth while strategically investing in member benefits. Despite market uncertainties, we remained financially sound and well-positioned for future growth.

Financial Performance Overview

- Total Assets increased by 6.7%, reaching \$57.07 million, driven primarily by an increase in investments and cash on hand.
- Loans to Members saw a 5.6% decline to \$36.51 million, reflecting a cautious lending environment and shifts in member borrowing trends.
- Investments grew by 40.7% to \$13.03 million, balancing loan demand with diversified financial assets.
- Total Income grew by 9% to \$3.27 million, primarily due to a 4.5% increase in interest income on loans and a 70.8% increase in investment income, showcasing the benefits of a more diversified asset strategy.
- Total Expenses rose by 19.3%, reaching \$2.98 million, largely due to a 87% increase in dividends paid to members, reinforcing the credit union's commitment to rewarding members for their continued trust and participation.
- Net Income declined by 42% to \$294,032, reflecting higher dividend payouts and operational investments.

Loan and Share Mix

- **Loan Portfolio Composition:**
 - » First mortgages continue to represent the largest portion of the loan portfolio at 34.55%, followed by automobile loans at 29.66%.
 - » A decline in total loans suggests members may be leveraging alternative financial resources or delaying major purchases.
- **Share Deposits Growth:**
 - » Total shares increased by 6.2% to \$49.85 million, with strong growth in certificate accounts (29.35%) and savings accounts (46.66%), demonstrating a shift toward secure, interest-bearing deposit options.

The credit union remains focused on financial strength, operational efficiency, and enhancing member value. Investments in technology, security, and member service improvements, such as the approval of Glia for enhanced digital support, position United Trades for continued growth. As we move into 2025, our commitment to financial health and exceptional member service remains our top priority.

Thank you for your trust and support in United Trades Credit Union.

Eric Bien, Treasurer



Supervisory Committee Report

The Credit Union Act defines the governance requirements for all federally insured credit unions, including the responsibilities and duties of the Supervisory Committee. Given the increasing complexity of today's financial institutions, our credit union engages professional auditors to ensure the safety, soundness, and accuracy of our operations.

Throughout 2024, an internal auditor conducted quarterly reviews to evaluate the prior quarter's daily operations, ensuring compliance with regulatory and operational best practices. Additionally, an independent outside auditor performed an annual audit to assess the credit union's financial integrity. The National Credit Union Administration (NCUA) also conducted its routine examination, which occurs every 12 to 18 months to ensure regulatory compliance, safety, and soundness. Multiple audits were completed across key regulatory areas, including the Bank Secrecy Act (BSA), Automated Clearing House (ACH), and Information Technology (IT) security. We are pleased to report that our credit union continues to be well run, with no material adjustments required.

In April 2024, leadership within the Supervisory Committee transitioned. Brian Schafer, concluded his tenure as Supervisory Committee Chair, a role he held from April 2019 to April 2024. His contributions to the committee and his prior service as a Board Member have been invaluable in strengthening the oversight and security of our credit union. We extend our sincere appreciation for his dedication and leadership.

Succeeding him as Chair is Alysha Irvin, an experienced professional in the accounting field. Alysha has served on the Supervisory Committee since 2020 and brings a strong financial and regulatory background to her new role. We look forward to her leadership as she continues the committee's mission of ensuring transparency, compliance, and financial integrity for our members.

The Supervisory Committee remains committed to maintaining the highest standards of governance and financial oversight. Thank you for your trust in United Trades Credit Union.

Alysha Irvin, Chair

Brian Schafer, Secretary

Rye McNeil, Board Liaison



Highlights from 2024



Enhanced Security

To ensure members have secure access to their finances, we invested in significant technology and security upgrades across multiple platforms. This includes upgrades to our digital banking and card systems, as well as continued improvements to cybersecurity to safeguard from emerging threats.



Maintained Financial Stability

Despite a slow but stable financial year, United Trades remained financially strong, ending the year with \$57 million in total assets, a 6.7% increase from 2023. This growth was driven by a steady increase in member deposits, investments in technology and security, and sustained loan performance.

Coming in 2025



Enhanced Member Support

Recognizing the need for enhanced member support across various communication channels, we will be launching a new digital engagement platform. Members will gain access to 24/7 AI-powered phone, text and chat support for immediate assistance and co-browsing capabilities that allow us to provide faster, more efficient service across multiple digital platforms.



Powerful Credit Monitoring

In an effort to help members take control of their financial health, we will be introducing a new credit monitoring and financial wellness tool. Members will have free access to their credit score and report, personalized credit insights, and credit monitoring alerts. Equipping them with the knowledge and tools to make informed financial decisions and achieve long-term goals.



Helping our members is at the center of everything we do at United Trades FCU.

Empowering Members to Gain Control of Their Financial Future

Our certified financial coaches got to work this year!



Rewarding Member Loyalty

We increased dividend rates, paying out **87% more** than last year. Repaying members for their trust and continued participation over the years, particularly those who consistently saved with the credit union during financially challenging times.

Strengthening Our Expertise

We prioritized employee development, supporting two employees in Credit Union Management School, one in earning certification as a financial coach, and another in achieving IRA Specialist certification, to better serve our members.

Helping Members Virtually

Our Member Access Center works hard for our members.



14,073
calls



386
emails



51
live chats



571
web forms



Balance Sheets For the Years Ended December 31st, 2023-2024

| | 2023 | 2024 |
|---------------------------------------|---------------------|---------------------|
| Assets | | |
| Loans to Members | \$38,694,659 | \$36,514,667 |
| Cash on Hand | \$3,566,576 | \$5,998,374 |
| Investments | \$9,260,233 | \$13,028,553 |
| Allowance for Loans and Lease Losses | (\$174,390) | (\$169,754) |
| Other Assets | \$2,147,159 | \$1,694,861 |
| Total Assets | \$53,494,237 | \$57,066,701 |
| Liabilities | | |
| Dividends Payable | \$4,035 | \$0 |
| Accounts Payable/Other Liabilities | \$242,300 | \$313,318 |
| Total Liabilities | \$246,335 | \$313,318 |
| Members' Equity | | |
| Shares | \$46,927,679 | \$49,853,446 |
| Undivided Earnings | \$6,320,223 | \$6,899,937 |
| Total Equity | \$53,247,902 | \$56,753,383 |
| Total Liabilities & Equity | \$53,494,237 | \$57,066,701 |

Income Statements For the Years Ended December 31st, 2023-2024

| | 2023 | 2024 |
|---------------------------------|--------------------|--------------------|
| Income | | |
| Interest on Loans | \$2,193,987 | \$2,293,215 |
| Interest on Investments | \$323,971 | \$553,448 |
| Other Income | \$486,827 | \$428,080 |
| Total Income | \$3,004,785 | \$3,274,743 |
| Expenses | | |
| Interest & Dividends to Members | \$459,099 | \$858,075 |
| Operating Expenses | \$2,038,820 | \$2,122,636 |
| Total Expenses | \$2,497,919 | \$2,980,711 |
| Net Income | \$506,866 | \$294,032 |

