

**2021 ANNUAL REPORT**



# CHAIR'S MESSAGE



*Dear Members,*

We look back on 2021 with appreciation for our credit union, its members, and the team of employees that serves us. What we have accomplished as a cooperative continues to inspire.

2021, like 2020, gave us a chance to learn so much about your needs and how we had to change to continue to be of value to you. Perhaps most importantly we learned about the value of a friendly face you could rely on for help.

Based on what we learned, we made changes so that we could offer greater resources to you as you plan for the future.

We expanded our mortgage lending programs and partnerships with realtors, finance agencies, and secondary market firms to provide you with some of the best home financing programs available. Some can even help you get into a home with as little as 3% down.

Reflecting changes in your banking habits, we saw the need to have a more robust digital offering. We improved our mobile and home banking access so you could get information more quickly. We undertook initiatives to improve our loan offerings so that we could compete more effectively with fin-techs.

We are proud to have answered the call for better education by rolling out the new "Enrich" financial education platform. Now you don't have to go to for-profit sites that sell your information in order to find out your credit score. You can get what you need to make better decisions from your credit union.

Reflecting the concerns over account fraud in today's world, we improved security around your accounts by implementing new debit card fraud controls and alerts that you can manage from your mobile device. Responding to worries around COVID19, we have deployed contactless debit and credit cards as well as various mobile wallets.

We have continued to build on the success of our Investment & Retirement Services Center by partnering with a better broker dealer platform so we can serve your future planning needs faster and with greater breadth of programs.

Underpinning all these developments is the work we have done to build the financial stability of our cooperative. 2021 saw us deliver net income of \$1.38 million, growing our reserves to \$30.9 million. Your support and patronage makes all this progress possible. Thank you.

We have gratitude for our membership, the dedicated volunteers that serve on our board and committees, and for the team and leaders working at the credit union. Their commitment to the membership is evident in the progress we have seen again this year. We look forward with hope to the future.

Thank you again for being a member of our credit union.

Sincerely,

*Ruth Ann Kluin*

Ruth Ann Kluin,  
Chair, Board of Directors



# 2021 BOARD MEMBERS



**RUTH ANN KLUIN**  
Board Chair



**MICHAEL HOU**  
1st Vice Chair



**DEREK MAHONEY**  
2nd Vice Chair



**ANN WEINGARTNER**  
Treasurer



**GILBERT B. HARRIS**  
Secretary



**ROBERT HODGES**  
Board Member



**BOB DOWD**  
Board Member

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## SUPERVISORY COMMITTEE



**IRENE KURC**  
Supervisory Committee Chair



**LEW ACKERMAN**  
Committee Member



**CHRISTINE COARI**  
Committee Member



**RANDALL F. WEIHS**  
Committee Member

# SUPERVISORY COMMITTEE REPORT



*Dear Members,*

The credit union's supervisory committee is appointed by the Board of Directors each year from the membership. Its mission is to provide an independent assessment of the credit union to ensure that the financial statements accurately reflect the financial condition of the credit union.

To that end the committee conducts independent reviews of various internal controls. Additionally it engages an audit of the credit union each year by a Certified Public Accountant.

Our independent auditor, certified public accounting firm The Curchin Group, LLC, in Red Bank, N.J., confirmed the accuracy of our financial position and soundness of our operations as of Sept. 30, 2021.

The Supervisory Committee consists of Chair Irene Kurc; members Lew Ackerman, Christine

Coari, Randy Weihs; and Board Liaison Robert E. Hodges.

The committee along with the entire credit union family mourns the passing of Lew Ackerman. We remain in his debt for his years of service to the credit union and our members.

Thanks to the management team, staff, and members of the Committee for their service to the credit union. Together we will continue to protect the interests of our members, both today and in the years to come.

Sincerely,

*Irene Kurc*

Irene Kurc,  
Supervisory Committee Chair

# PRESIDENT'S MESSAGE



*Dear Members,*

In 2021 United Teletech Financial Federal Credit Union delivered another year of solid financial performance. We have been fortunate and are grateful.

The impact of the pandemic has been one of loss certainly, but also of resilience and hope. Like so many, your credit union continues to look forward with optimism. We are taking actions that will create a better future for our membership and communities.

Thanks to your ongoing support and patronage, the credit union earned \$1.38 million in net income in 2021. Earnings like these enable us to add to our reserves and continue providing subsidized support for the various banking services you and your families use.

The credit union continues to pursue a path of modest and stable growth. In 2021, assets grew by 5.7% to \$328.4 million. Membership growth remained steady with your credit union serving over 24,000 families in our communities.

Lending continues to be the vehicle of hope for so many. From cars to homes, United Teletech is helping you realize your dreams. Our lending portfolio grew by 4.7% as members began to move out of the disruption of the pandemic and focus on the future.

Financial performance was buoyed by various extraordinary opportunities which included taking advantage of Federal Employee Retention Tax Credits as well as receiving a recovery on investments lost during the 2008-09 financial crisis.

Operating expenses grew slightly as we addressed various staffing and physical plant needs. Thanks to our shared services subsidiary we maintain a low-cost structure that will aid us well into the future.

Loans that are delinquent continue to remain high at 5.18%. We continue to work through a portfolio of troubled business loans and various forbearance agreements granted during the pandemic. Trends here are promising. Efforts made in prior years to shore up reserves provide a solid hedge against any possible losses in the portfolio.

Net worth and reserves grew to nearly \$30.9 million or 9.7% of assets. We remain well capitalized. This large pool of reserves will support us as we expand services to the membership in the next months and years.

As we look forward, our vision has been shaped by the lessons of the pandemic and the needs we have seen in the membership. Digital delivery of all our services is a necessity. We are striving to create platforms for lending and other services that are simple to use and competitive with what you would receive from a fin-tech; but with a credit union twist: a knowledgeable and friendly person available when you prefer to talk and not struggle with a chat-bot.

2022 will also see us deploying branch transaction technology that will allow us to supplement the human touch when required by changing external circumstances.

## MESSAGE FROM THE PRESIDENT CONTINUED

2021 was a pivotal year for our membership and the credit union. We felt strength of unity in the cooperative through its support of the membership. We saw the care with which our team helped so many members through the ups and downs of the second year of the pandemic. We felt the inspiration from so many stories of resilience and moving forward. **We are united in hope for the future.**

We remain grateful to our membership; the volunteers that guide us; and the team that serves

so well and from their hearts. Thank you for being a part of this cooperative. Your support and loyalty makes what we do possible for so many.

**Sincerely,**

*Leo R. Ardine*

**Leo R. Ardine**  
President/CEO

## SENIOR LEADERSHIP TEAM

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**LEO R. ARDINE**  
President/CEO



**FRANCIS JAMES**  
EVP of Administration, CFO



**ALAN BAHR**  
VP of Sales and Lending



**HIREN AMIN**  
Director of Software and  
Technology Solutions



**CONNIE CINKO**  
Director of Talent and  
Organizational Development



**JOHN LANZA**  
Controller



## STATEMENT OF FINANCIAL CONDITION

FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

Assets	2021	2020
Loans	\$205,387,982	\$196,162,658
Allowance for Loan Losses	\$(7,432,109)	\$(6,968,376)
Loans Held for Sale		\$354,000
Net Loans	\$197,955,873	\$189,548,282
Cash & Cash Equivalent	\$2,187,655	\$2,394,107
Investments	\$117,284,723	\$109,281,163
Fixed Assets	\$3,067,693	\$2,665,002
Other Assets	\$7,866,603	\$6,724,584
<b>Total Assets</b>	<b>\$328,362,547</b>	<b>\$310,613,138</b>
<b>Liabilities &amp; Members' Shares</b>		
Accrued Dividends	\$23,843	\$33,437
Other Liabilities	\$1,043,613	\$425,577
Total Liabilities	\$1,067,455	\$459,014
Members' Shares	\$303,839,203	\$287,023,726
<b>Total Liabilities &amp; Members' shares</b>	<b>\$304,906,658</b>	<b>\$287,482,739</b>
<b>Members' equity</b>		
Reserves	\$11,964,376	\$11,964,376
Retained earnings	\$11,491,512	\$11,166,022
<b>Total equity</b>	<b>\$23,455,889</b>	<b>\$23,130,398</b>
<b>Total Liabilities, Shares &amp; Equity</b>	<b>\$328,362,547</b>	<b>\$310,613,138</b>

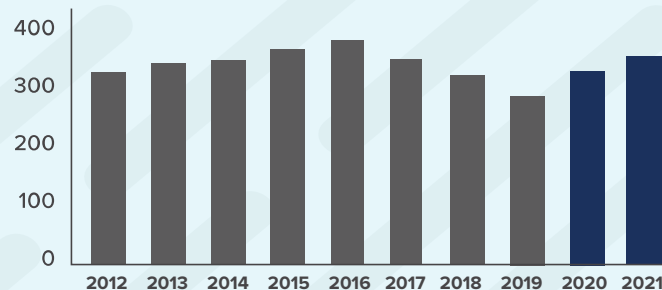
## STATEMENT OF INCOME & EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

Operating Income	2021	2020
Income From Loans	\$7,223,346	\$8,410,333
Income From Investments	\$1,112,953	\$1,017,057
Fees And Charges	\$1,812,543	\$1,835,301
Other Operating Income	\$1,499,802	\$1,077,439
<b>Total Income</b>	<b>\$11,648,644</b>	<b>\$12,340,130</b>
<b>Operating Expenses</b>		
Compensation & Benefits	\$5,687,613	\$4,671,004
Office Operation Expenses	\$6,202,787	\$5,666,282
Federal Operating Fee	\$64,513	\$77,241
<b>Total Operating Expenses</b>	<b>\$11,954,912</b>	<b>\$10,414,528</b>
<b>Non-Operating Income</b>		
Gain/Loss on Disposed Assets*	\$108,756	\$(846)
Other Non-Operating Income (Expense)	\$2,336,200	\$(1,060,490)
<b>Total Non-Operating Income (Expense)</b>	<b>\$2,444,956</b>	<b>\$(1,061,336)</b>
Inc/Loss Before Dividends & Provision	\$2,138,687	\$864,267
Dividends	\$228,854	\$540,796
Provision For Loan Losses	\$529,970	\$725,000
<b>Income before Adjustments</b>	<b>\$1,379,864</b>	<b>\$(401,530)</b>
<b>Net Income/Loss*</b>	<b>\$1,379,864</b>	<b>\$(401,530)</b>

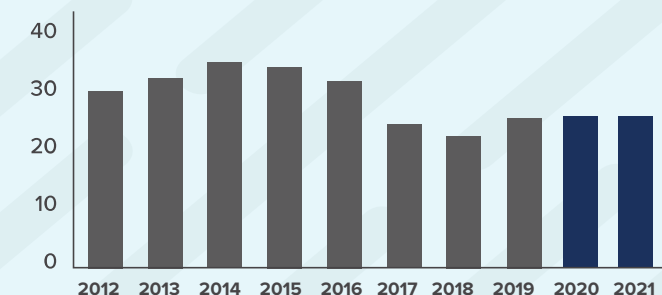
## ASSET GROWTH

In  
Millions



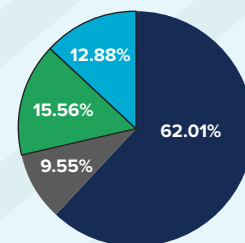
## EQUITY GROWTH

In  
Millions



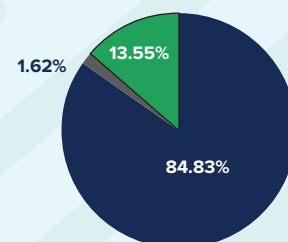
## SOURCES OF INCOME

- Income from Loans
- Income from Investments
- Fee Income
- Other Operating Income



## DISTRIBUTION OF INCOME

- Operating Expenses
- Return to Members
- Reserve





**MARLBORO** 67 US Highway 9 South, Unit #4 • Morganville, NJ 07751

**NORTH BRUNSWICK** The Shops at Commerce Place • 2201 US Highway 1 South, Suite 119-B • North Brunswick, NJ 08902

**NEPTUNE** 3636 Highway 33 • Neptune, NJ 07753 **TINTON FALLS** 205 Hance Avenue • Tinton Falls, NJ 07724

**CAMPUS LOCATIONS:** IFF 600 State Highway 36 • Hazlet, NJ 07730 **AT&T** 200 Laurel Avenue • Middletown, NJ 07748

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