



2019 ANNUAL REPORT



MILESTONES

Today: NuVision Credit Union
Now operating in 5 states:
CA, AZ, WY, WA, AK



Growth through partnership with Denali. A Division of NuVision Credit Union, First Cheyenne FCU, Unified People's FCU



New Name: NuVision Federal Credit Union



Became McDonnell Douglas West Federal Credit Union



Began as Douglas Aircraft Employees Credit Union

THROUGH THE YEARS

Nuvision was forged in the fires of adversity. At a time when over 9,000 banks were forced to close, the hardworking people of Douglas Aircraft had a vision for a better future. In 1935, at the height of the Great Depression, these visionaries created a new way to bank.

Back then, our members met face-to-face in the Douglas aircraft facility in Santa Monica. Through World War II, the Stagflation of the 1970s, the 1981 Economic Recession, the 1989 Savings and Loan Crisis, 9/11, the 2008 Financial Crisis, and most recently Covid-19. Our team has always found a way to overcome challenges and come out even stronger.

Eighty-five years later, after countless trials and tribulations, that dream of building a better future has grown far beyond our humble beginnings. Through all these past hardships, we have built a credit union that today has 30 branches in 5 major markets and serves more than 189,000 members.

MEMBER MESSAGE

We are excited to bring Nuvision's unique brand of banking to all of our markets. A brand that is built on a tradition of having conversations with our members, listening to their individual banking needs, and providing customized financial solutions to help them with the life they build.

Our Added Advantage loyalty program is a one-of-a-kind loyalty program that offers substantial savings and financial benefits to our members. It's just one example of how Nuvision is dedicated to recognizing and rewarding members for their business.

More than 11,000 Denali members opted into this program in the first four months of the roll-out.

In California, over 30,000 members enjoyed the benefits of our Added Advantage program, and many participated in our member celebration events throughout the year.

We held numerous events to support the communities we now serve. These



Michael Donohue
Chairman



Roger Ballard
CEO

.....

included Veterans Day lunches in Wyoming and Alaska where many of our team members served lunch to hundreds of veterans, and in Wyoming, a special ceremony was held to honor Purple Heart Veterans.



Summer Added Advantage Winner

2019 GROWTH

**\$2.3
BILLION**

ASSETS GREW TO MORE
THAN \$2.3 BILLION IN 2019

.....

**\$1.9
BILLION**

LOANS GREW TO
MORE THAN \$1.9
BILLION IN 2019

**189
THOUSAND**

MEMBERS

TREASURER'S REPORT



It is my pleasure to present to the membership Nuvision Credit Union's Treasurer's report.

Financial highlights as of December 31, 2019:

- Assets grew to more than \$2.3 billion
- Loans totaled over \$1.9 billion

We will continue finding opportunities to invest resources in the products and services needed by you, our members. In addition, as the economy evolves we will continue to invest in innovative solutions to serve you best while maintaining safety and security.

Our purpose is to create the best banking relationships with our members based on shared values and true collaboration.

SUPERVISORY COMMITTEE REPORT



The Supervisory Committee is pleased to report that Nuvision Credit Union continued to operate in accordance with sound financial principles and applicable laws and regulations in 2019. Federal regulations require supervisory committees to ensure the board of directors and management of credit unions meet required financial reporting objectives, and establish practices and procedures sufficient to safeguard members' assets.

The independent auditor's report, issued by RSM US LLP for the year ending December 31, 2019, confirmed that In 2019, Nuvision Credit Union's financial condition was found to be sound, safe and secure.

The Board of Directors, Management, and all of Nuvision Credit Union team members continue to be committed to providing a better financial future for our members.

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

	12/31/2019	12/31/2018
Assets		
Cash and Cash Equivalents	\$177,806,086	\$95,363,070
Investments:		
Available for sale	137,671,280	163,093,808
Trading.....	22,825,476	19,270,633
Other	11,467,647	14,141,432
Loans, net.....	1,915,878,699	1,902,171,651
Loans held for sale.....	7,883,527	6,007,200
Accrued interest receivable	6,390,754	6,051,800
Premises and equipment, net.....	22,734,021	24,003,629
National Credit Union Share Insurance Fund (NCUSIF) deposit	18,565,686	18,417,940
Goodwill and other intangible assets	10,288,303	12,257,573
Other Assets.....	38,079,917	35,827,272
TOTAL ASSETS	\$2,369,591,396	\$2,296,606,008
Liabilities And Members' Equity		
Liabilities:		
Members' shares.....	\$2,013,331,861	\$1,957,087,562
Borrowed funds.....	52,210,243	63,218,653
Accrued expenses and other liabilities	36,134,699	28,718,936
TOTAL LIABILITIES	\$2,101,676,803	\$2,049,025,151
Commitments and contingencies		
Members' Equity:		
Retained Earnings.....	154,775,779	138,372,706
Equity acquired through mergers	116,226,421	115,306,274
Accumulated other comprehensive loss	(2,837,593)	(5,836,098)
Noncontrolling interest in subsidiary	(250,014)	(262,025)
TOTAL MEMBERS EQUITY.....	267,914,593	247,580,857
TOTAL LIABILITIES & MEMBERS' EQUITY.....	\$2,369,591,396	\$2,296,606,008

CONSOLIDATED STATEMENT OF INCOME

	12/31/2019	12/31/2018
Interest income:		
Loans	\$97,252,449	\$66,669,931
Investments and cash equivalents	7,104,794	4,536,235
Total interest income	104,357,243	71,206,166
Interest expense:		
Members' shares and other deposits	15,339,102	9,974,688
Borrowed funds	1,477,175	714,020
Total interest expense	16,816,277	10,688,708
Net interest income	87,540,966	60,517,458
Provision for loan losses.....	9,441,200	8,400,772
Net interest income after provision for loan losses	78,099,766	52,116,686
Noninterest income:		
Nonsufficient funds fees.....	6,902,710	4,069,153
Interchange income.....	8,838,809	5,250,999
Service charges and other fees	5,688,275	3,552,993
Gain on sale of loans.....	2,550,772	1,368,403
Other.....	10,404,620	5,192,368
Total noninterest income	34,385,186	19,433,916
Noninterest expense:		
Salaries and benefits.....	52,888,338	32,787,282
Operations	37,272,169	33,358,838
Occupancy.....	5,909,361	3,602,714
Total noninterest expense	96,069,868	69,748,834
Net income	\$16,415,084	\$1,801,768
Noncontrolling interest in net loss of subsidiary	(12,011)	21,340
Controlling interest in net income	\$16,403,073	\$1,823,108

SUPPORTING COMMUNITIES



WYOMING: Memorial Day 2019



CALIFORNIA: Veterans Day 2019



ALASKA: Veterans Day 2019



CALIFORNIA

04/25/19
Housing &
Economic Forecast



ALASKA

10/16/19
Economic Outlook



WYOMING

10/18/19
Economic Outlook

NUVISION CARES

Supporting First Responders

As an organization, we continue to pursue and honor those that make a difference in our communities. One of our new initiatives in 2019 was to recognize the heroes in Orange County.

On September 11th, NuVision recognized and honored first responders in Huntington Beach. Our team of volunteers visited police stations, fire stations, and hospitals to share our appreciation and say thanks with special gift cards.

Celebrating Our Members

In 2019, we had the opportunity to celebrate you and thank you for your loyalty to NuVision with a night of fun.

Members gathered at Andrei's, a favorite local restaurant in Orange County, for a private concert featuring world-renowned guitarist Peter White and saxophonist Michael Paulo. Thank you, members!

Supporting Veterans and Active Military

CALIFORNIA. Free gas for over 300 veterans and active military to say thank you for your service!

ALASKA. On November 6th we showed our appreciation for service members in Alaska with free gas cards. Over 100 veterans and active military cheered our team at the East Anchorage Walmart branch.

On Monday, we hosted our first Veterans Day luncheon at the American Veterans Post 2 in Anchorage.

WYOMING. Our team volunteers served local veterans at the American Legion Post 6, which also included a special presentations from the governor.



CALIFORNIA: Meals For Front-line Workers



CALIFORNIA: Member Celebration Event



ALASKA: 2019 Added Advantage Winner



Michael Donohue



Marykay Shelton



Jim Meyer



Robert Geraci



John Cullum



Jon Dunham



Brian Hickey



Ted Humphrey



Jim Le Pere



Luchus Mack



Bill Murray



Steve Vogeding



Matt Woodruff

BOARD OF DIRECTORS

Michael Donohue *Chairman*
 Marykay Shelton *Vice-Chair*
 Jim Meyer *Treasurer*
 Robert Geraci *Secretary*
 John Cullum *Director*
 Jon Dunham *Director*
 Brian Hickey *Director*
 Ted Humphrey *Director*
 Jim Le Pere *Director*
 Luchus Mack *Director*
 Bill Murray *Director*
 Steve Vogeding *Director*
 Matt Woodruff *Director*

SUPERVISORY COMMITTEE

Doug Haigh *Chairman*
 Karen Sudyka
 Holly Williams

EXECUTIVE OFFICERS

Roger Ballard
Chief Executive Officer

Barbara Barry
Chief Experience Officer

Cathy Dominguez
Chief Risk Officer

Brian Hershfield
Chief Financial Officer

Lily Li
Chief Credit Officer

Sanjay Mody
Chief Enterprise Operations Officer

Tamara Ortega
Chief People Officer

2019 AND BEYOND

Our team is honored to have served our 189,000 plus members in 2019 and to have provided them with great service, best-in-class products, and exceptional member experiences.

We believe that our unique brand of banking makes a substantial difference for all of our members. When it comes to their important financial decisions, our members look to us for trustworthy advice, competitive rates, and most importantly, to have meaningful conversations to help them with the life they hope to build.

Over the past 85 years, our credit union has adapted and evolved in a constantly changing world. As our founders navigated changes in the aviation world, so too has our credit union succeeded in the face of today's difficulties. We are constantly evaluating the economic climate and charting a course for long-term sustainability.

Thank you for your membership. We are proud to serve you and our communities for the past 85 years, today, and long into the future.



For The Life You Build

NUVISION

CREDIT UNION

800.444.6327 | NUVISIONFEDERAL.ORG



FEDERALLY
INSURED
BY NCUA