



# People Helping People

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## Report to The Membership 2021



# Letters From Our Leadership



In another strenuous year brought on by the pandemic, our mission has remained as critical as ever. Quite simply, we are here to help our community members improve their financial lives. This has never been more important as we navigate the continued economic stresses caused by COVID-19.

The support we provide manifests in many ways, but what it boils down to is our people-helping-people philosophy, which extends to the business community. I am proud that we aided 86 local businesses with forgivable PPP loans that in many cases kept their doors open and saved layoffs of hundreds of local employees.

Our compassion for our members has never been more center-stage. In 2021, we waived over 20,600 fees totaling \$257,796 through our unique and proprietary Co-op Points rewards. Through this program, we also empowered members to lower their consumer loan rate or increase their term deposit (CD) rate over 2,000 times, creating opportunities for our members to enjoy better financial outcomes amid a challenging market. Our Buzz Points debit card rewards program, which supports local businesses, provided member discounts totaling \$51,185. Helping members save money, make money, and providing peace of mind remain tenets of our mission.

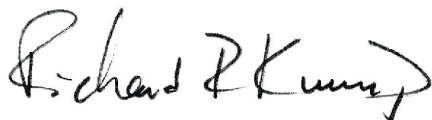
In a wonderful display of our cooperative spirit and paying it forward, our members elected to redeem over \$6,200 of their Buzz Points as donations to local non-profit charities in support of the health of our communities. The Credit Union also contributed nearly \$80,000 to community needs, topped off by our announcement of a \$100,000 ten-year commitment to Community Involved in Sustaining Agriculture (CISA), an organization devoted to building a stronger, more resilient, and more just local food system.

Generosity and financial results aside, the last two years have been difficult in unexpected ways. I will be presiding over my fourth annual meeting this March, and the third during the pandemic. My financial services career did not teach me how to keep employees safe from a devastating virus. It did not teach me how to deal with the fear of working in a retail environment, or how to balance safety versus service. Fortunately, I am blessed with a courageous group of managers and employees, and a very supportive Board of Directors, all of whom truly made a difference.

I am also grateful for an understanding membership, who once again voted us Best Credit Union in the Valley Advocate for the 15th straight year, as well as Best Local Credit Union in the Daily Hampshire Gazette Readers' Choice poll for the 8th year in a row. And they did so in a year that felt defined nationwide by the Great Resignation and faltering service levels across many different industries—solidifying my personal opinion that our staff are in fact a remarkable group of individuals worthy of the title Heroes for all that they do for those we serve.

So, yes, I am very thankful for the community we call UMassFive, and for the hope that springs eternal in this great country, albeit with its many challenges. Rest assured, we will continue doing our part in helping our community and our members fare better, each and every day.

Sincerely,



Richard Kump, President/CEO

## 2021 Board of Directors





Speaking on behalf of the Board of Directors, it is with enthusiasm that I share the success of another year at UMassFive. Our key financial measures show our Credit Union continues to operate as a financially sound and stable institution. In fact, we once again concluded a record-setting year with assets totaling \$631 million at the end of 2021. During this 12-month period, we experienced a 7.64% growth in deposits as well as a 6.02% growth in loans, and with a 4.07% growth in membership, we further expanded our reach—serving more members within our communities.

While numbers help to showcase the Credit Union's financial condition, what they truly portray is how our members put their trust in us to support their best interests and help make a positive difference in their financial lives. This is certainly something we do not take for granted. When a person's financial health is strong, they are set up for a happy and successful life—no matter your definition of success. We recognize the privilege of being in a position to assist all of our members on their financial journey.

It is with this perspective that your Board of Directors envisions, builds, and maintains the Credit Union's strategic goals. The current pillars of our plan center on further developing our member relationships, continuing to be easy to do business with, and expanding our business offerings to make a greater impact on our local marketplace.

In regards to deepening member relationships, I reflect on the sustained effort and countless hours that our staff and Board members have put in over the years to become the full-service financial institution we are today. We know this is an expectation of yours in today's financial landscape, and we take pride in offering you one-stop financial shopping, whether you are looking to save for college, buy your first home, go green, plan for your retirement, or anything in between. Of course, we recognize that simply offering the products and services you need isn't always enough. We understand our members lead busy lives and that we also need to be convenient. With this in mind, we continue to invest in technology—like self-service online appointment scheduling—to offer the most modern experience when you are banking with the Credit Union.

The ideals mentioned above also hold true for the services that we provide to the business owners who have turned to UMassFive for help with managing their finances. Our Commercial Services Division was built from the ground up over the past five years, and we are proud to currently provide commercial banking products for nearly 500 local businesses. As we continue to expand the services we're offering for local business owners, we remain dedicated to broadening our range of business expertise and capabilities. It is paramount that the support we provide to our local businesses also helps to sustain a healthy local economy.

While your Board of Directors sets the direction of the Credit Union, it is our leadership team—headed by President and CEO Rich Kump and our Senior Managers—who is responsible for carrying out these strategic plans. I am grateful for this team's embodiment of our mission, and their remarkable camaraderie during another very challenging year. I am equally as appreciative of our employees who 'walk-the-walk' when it comes to our mantra of being a community you can count on.

From our long-tenured staff to the new additions to our employee team in 2021, our people-helping-people culture remains a strength of the Credit Union—it is something that I believe sets us apart. Our financial cooperative is also owned by our members, which means we all work for you. Thank you for continuing to trust us to do the right thing for you.

Sincerely,

Robert M. Harrison, Board Chair

**Karl Kowitz:** Board Vice Chair, Asset/Liability Management Committee, Executive Committee, Nominating and Corporate Governance Committee | Capital Project Manager in Facilities Management, Smith College

**Ruth Yanka:** Board Secretary, Asset/Liability Management Committee, Credit Risk Management Committee, Executive Committee, Nominating and Corporate Governance Committee | Executive Director, A&F Operations in Administration & Finance, UMass Amherst

**Robert Mishol:** Credit Risk Management Committee Chair, Human Resources Committee Chair | Retired Bursar, UMass Amherst

**Sam Killings:** Asset/Liability Management Committee Chair, Diversity Task Force, Executive Committee, Human Resources Committee, Technology Planning Committee | Retired Internal Auditor & Assistant Controller for Research Accounting, UMass Amherst

**Jacqui Watrous:** Technology Planning Committee Chair, Human Resources Committee, Supervisory Committee • Executive Director, Administrative Systems in Administration & Finance, UMass Amherst

**Amy Proietti:** Asset/Liability Management Committee, Nominating and Corporate Governance Committee, Technology Planning Committee • Coordinator of Financial Aid, Greenfield Community College

**Curt Shumway:** Asset/Liability Management Committee, Credit Risk Management Committee Managing Partner, RLS Properties, Chief Operating Officer, Hampshire Hospitality Group

**Julius Lewis:** Asset/Liability Management Committee, Nominating and Corporate Governance Committee | Independent Financial Consultant, CEO, JDL Financial, Host, Lewis & Morrow Financial Hour



# Our Financial Health Builders

When you think about people helping people, it all starts with our UMassFive employees. We are **so thankful** for what they do for our members and our community every day.

In another year of uncertainty and challenging times brought on by the continued pandemic, our staff once again rose to the challenge of being there to provide support to our members. This support takes shape in many forms: informed financial coaching, community volunteerism, lending an ear during a tough day, and, of course, providing personalized service with the same friendly approach we have always been known for, to name a few.

With this spirit in mind, we chose to recognize and celebrate our staff, particularly our front-line staff, on **International Credit Union Day** this past October. This past year's theme—building financial health for a brighter tomorrow—reflects the way credit unions contribute to a brighter future by working to improve members' financial well-being. It is at the heart of the structure of credit unions. The essence of this commitment is reflected in our bylaws, and it's something we have been doing for over 50 years.

# Our Mission: Making A Positive Difference In Your Financial Life

The employees we celebrate help breathe life into our mission.

We know that when we give a member a loan, we are keeping dollars local and making an investment in the people of our community. Whether it's providing an auto loan to someone who needs new transportation to commute to a new job, or enabling a family to buy their first home—we understand the importance of these life events. At UMassFive, our sole purpose is to be there for our members, helping throughout every stage of life.

It is also important to us that we continue to adapt and provide financing options as members' circumstances change. We are proud to offer loans for practically every occasion, including timely financing to help members reduce debt, take a well-earned vacation, prepare for back-to-school season, ensure the holidays are covered, and more. This past year, we empowered members with 5,478 loans for whatever their current need was, including:



**364**

Mortgages



**2,321**

Auto Loans



**53**

Student Loans



**440**

Solar Loans



**584**

Personal Loans

# Advancing Our Technology

In 2021, we realized that the changes in our membership's behavior brought on by the pandemic were here to stay, and we needed to make some of our temporary changes more permanent to better align with the "new normal."



## Online Appointment Scheduler

One of our biggest improvements this year was the launch of our Online Appointment Scheduler. Through this easy self-service feature on our website, members are now able to select the branch and schedule the time of their appointment, as well as its purpose. Scheduling a branch visit in advance has led to a more positive member experience, with less wait time and more control. During 2021, our members booked over 1,300 appointments online.

## Travel Plan

A new feature in our CardSecure App allows users to let us know where and when they will be traveling, to ensure that their debit card works where and when they need it to.



## eDelivery

As members and staff alike became more comfortable using our remote services, we encouraged our members to receive their notices, account statements, and even our newsletter digitally. eDelivery not only reduces the environmental footprint of our Credit Union, it also allows members to receive communication from us faster than through the mail, with the added ability to create a communications archive at their fingertips.



## New ATMs and Video Tellers

In order to be more accessible to our members, we added a new ATM in Thornes Marketplace in Downtown Northampton and a Video Teller machine at our Worcester branch. Video Tellers are staffed in real-time by actual branch employees who help members complete many of the same transactions they can normally do face-to-face, while remaining socially distant. **This past year, 21,672 member transactions were made through a Video Teller.**



## It's A Money Thing

This past year, we launched our new **"It's a Money Thing"** online library that is filled with great tips and tricks to help make financial topics fun! These short videos and articles include topics such as building a budget, buying a used car, breaking down a credit score, and more!

# Member Giveback

## Co-op Points

**\$257,796**

in Fees Waived

**581**

Term Deposit Rates Raised

**1,512**

Loan Rates Lowered

## Financial Support

### Workshops

UMassFive is committed to financial literacy and educating our members, and we were thrilled to provide a variety of virtual offerings again in 2021.

Hundreds of our members signed up to take advantage of over **30 workshops and 11 seminars** through Zoom last year.

**600+**

Workshop/Seminar Attendees

### GreenPath

GreenPath Financial Coaching is a complimentary service we continue to offer and encourage our members to take advantage of. As a national non-profit, GreenPath has been assisting individuals across the country for nearly 60 years and works to provide the best possible options based on each person's unique financial situation.

Services include:

- Financial Counseling
- Debt Management Services
- Housing Services
- Student Loan Counseling
- Credit Report Views
- Financial Education Tools



# Community Giveback

**\$57,737**

Through Donations & Sponsorships

**+ \$20,553**

Through Fundraising

**\$78,290**

Total Giveback



**\$6,205**

Charity Donations

**\$25,210**

Rewards Redeemed  
At Local Businesses

## Organizations We Supported This Year

Amherst Education Foundation  
Amherst Juneteenth Celebration  
Amherst Survival Center  
Cancer Connection  
Center for New Americans  
Children's Advocacy Center of Hampshire County  
Christina's House  
Community Involved in Sustaining Agriculture  
Credit Union Legislative Action Council  
Dakin Humane Society  
Dress for Success  
Egg Share Greenfield  
Food Bank of Western Massachusetts  
Franklin County Rotary and Kiwanis Clubs  
Friends of the Jones Library  
Gandara Mental Health Center  
Greenfield Community College Foundation

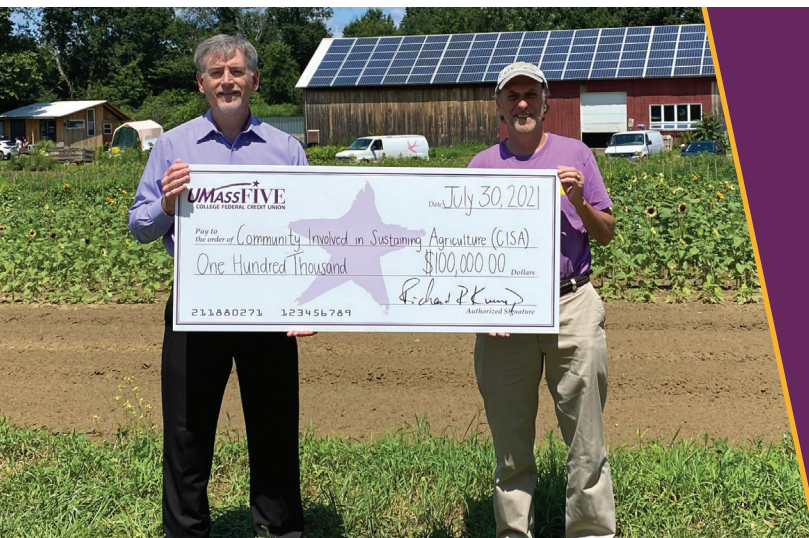
Habitat for Humanity  
Hampshire County Young Professionals  
Juneteenth Movie Night  
Look Memorial Park  
Massachusetts Academy of Ballet Educational  
Training Association  
Massachusetts Coalition for the Homeless  
Mercy Hospital  
Newspapers in Education  
Northampton Community Music Center  
Northampton First Night  
Northampton Survival Center  
Northampton YMCA  
Northwestern District Attorney's Office  
Pioneer Valley Ballet  
Pioneer Valley Habitat for Humanity  
Springfield C3 Policing

Springfield Harambe Festival  
Springfield Boys and Girls Club  
Springfield Technical Community College  
Stephen D. Jones Charity  
Sustainable Business Network of Massachusetts  
UMass Alumni Association  
UMass Amherst AASA Chapter  
UMass Amherst Smart About Money  
UMass Cancer Center  
UMass Medical School APAMSA Chapter  
UMass Museum of Contemporary Art  
Valley Alliance of Worker Co-operatives  
Valley Co-operative Business Association  
Worcester County Food Bank

# A Community You Can Count On

We remained *dedicated* to giving back to our community this past year.

- ★ **Seventy-five percent of our employees** participated in one or more community give-back events.
- ★ We collaborated with WRSI The River multiple times to support the **Book Bus, Source to Sea Cleanup, Monte's March, and Cares 4 Kids**.
- ★ Team UMassFive participated in the UMass Cancer Walk & Run, **raising \$16,403**.
- ★ Our Will Bike 4 Food Team **raised \$4,150** for the Food Bank of Western Massachusetts.
- ★ One lucky high school student received a **\$2000 college scholarship**.
- ★ Our annual personal care drive **donated over 350 lbs of personal care items** to the Amherst and Northampton Survival Centers.
- ★ We participated in the **Festival of the Trees** in Franklin & Hampden Counties, supporting **Big Brothers & Big Sisters**, as well as the **Greenfield Kiwanis Club** and the **Franklin County Rotary Club**.



In the summer, we announced our commitment to donate **\$100,000** to Community Involved in Sustaining Agriculture (CISA) over the next 10 years.

*"CISA is so grateful for our long-term relationship with UMassFive and for their commitment to local farms and food."  
- Phillip Korman, CISA's Executive Director.*



UMass Cancer Walk & Run | Worcester, MA



Dakin Barks and Brews | Easthampton, MA



Festival of The Trees | Springfield, MA



Green River Clean-Up | South Hadley, MA



Will Bike 4 Food | Hatfield, MA



Personal Care Drive | Amherst, MA

Hampshire County  
by providing **nutritious food**  
and other resources in  
an atmosphere of  
**dignity and respect**



# Expanding Our Specialty Teams To Better Serve You



*With nearly 500 local business owners trusting UMassFive for guidance, banking services, and their lending needs, word has certainly spread about our **Commercial Services Division**, and the team has been hard at work.*



In an effort to increase our personal contact with our local businesses, we're thrilled to announce the addition of **Commercial Outreach Specialist Taylor Robbins**, who joined our Commercial Services Division in 2021.

**\$12,099,684**  
Dollars Loaned To Local Businesses

Throughout the year, our CFS\* Financial Advisors continued to provide our members with professional financial planning advice for the future. Whether helping with retirement planning, talking through alternatives to traditional savings accounts, or simply offering a second opinion, our advisors remained accessible as a resource to over 1,500 clients (including 169 new clients), even as the remote environment remained in 2021. Further leveraging the convenience and increased reach through online seminars, we proudly hosted our first ever moderated session in which members submitted questions to all three of our advisors to answer in a round table-style discussion that boasted an engaged audience of 40 people.

# \$199,991,350

Dollars Managed By Our Financial Advisors



Our Financial & Investment Services team also expanded in 2021 to welcome **Sam Einzig, our FIS Assistant.**



*Our CFS Financial Advisors are proud to have earned our community's vote as the **Best Financial Planning Service** for the third year in a row.\*\**

**UMASSFIVE**  
Financial & Investment Services  
*Available through CFS\**



\*Non-deposit investment products and services are offered through CUSO Financial Services, L.P. ("CFS"), a registered broker-dealer (Member FINRA/SIPC) and SEC Registered Investment Advisor. Products offered through CFS: are not NCUA/NCUSIF or otherwise federally insured, are not guarantees or obligations of the Credit Union, and may involve investment risk including possible loss of principal. Investment Representatives are registered through CFS. UMassFive College Federal Credit Union has contracted with CFS to make non-deposit investment products and services available to Credit Union members.

\*\* Reader's Choice award is a community voting poll that is determined by the most votes received and not indicative of a program or individual's performance, nor should it be construed as a recommendation. Inclusion on the Reader's Choice list should not be construed as an endorsement by the Daily Hampshire Gazette or Newspapers of New England.



# A Letter From Our Supervisory Committee

*The Supervisory Committee is charged with protecting UMassFive's members' interests and ensuring that the financial condition of the Credit Union is accurately and fairly presented in the Credit Union's financial statements.*

To meet this responsibility, the Supervisory Committee employs accounting and other qualified firms to perform necessary audits, account verifications, and risk assessments under its supervision. After using the accounting firm of CliftonLarsonAllen (CLA) for several years, the committee sent out a request for proposal in 2021 to selected accounting firms and engaged the accounting firm of Wipfli, Certified Public Accountants, to conduct the Annual Financial Audit for the year ending December 31, 2021, and ongoing internal audit and compliance functions beginning in 2022. As a result of the most recent Annual Financial Audit, UMassFive received an unmodified opinion that our financial statements conform to generally accepted accounting principles.

For several years, the Supervisory Committee has contracted with an outside accounting firm to perform a more comprehensive internal audit program than is possible in-house. This work continued in 2021, with various reports presented throughout the year by CLA to the Supervisory Committee on the findings of their work, much of which centered on regulatory compliance and whether adequate internal controls were in place for various functions and processes. The Committee also engaged GraVoc, a technology consulting firm, to perform certain computer assessments and testing.



**Pictured from left to right:** Ellen C. Rutan (Chair), Retired Comptroller, Mount Holyoke College; Shane Conklin, Associate Vice Chancellor, Facilities and Campus Services, UMass Amherst; Jacqui Watrous, Executive Director, Administrative Systems in Administration and Finance, UMass Amherst; Michael Ford, Chief Financial Officer, Catholic Diocese of Springfield; Stephen Nigro, Controller, Amherst College.

# Statement of Finances

## Statement of Financial Condition (unaudited)

Assets	2021	2020
Cash & Cash Equivalents	\$44,794,944	\$58,768,643
Investments	\$144,302,722	\$117,843,494
Loans to Members, Net of the Allowance for Loan Losses	\$405,214,772	\$385,429,227
Accrued Interest Receivable	\$1,789,820	\$909,282
Property & Equipment	\$6,450,826	\$6,936,236
National Credit Union Share Insurance Fund (NCUSIF) Deposit	\$4,889,987	\$4,793,558
Other Assets	\$23,979,610	\$25,016,134
<b>Total Assets</b>	<b>\$631,422,682</b>	<b>\$599,696,574</b>
<b>Liability &amp; Equity</b>		
Liabilities		
Members' Shares	\$574,623,163	\$543,036,268
Accrued Expenses & Other Liabilities	\$2,687,986	\$3,853,928
Borrowed Funds	0	0
Total Liabilities	\$577,311,149	\$546,890,197
<b>Equity</b>		
Retained Earnings, Substantially Restricted	\$56,237,630	\$52,591,913
Accumulated Other Comprehensive (Loss) Income	(\$2,126,096)	\$214,464
Total Members' Equity	\$54,111,534	\$52,806,377
<b>Total Liabilities &amp; Equity</b>	<b>\$631,422,682</b>	<b>\$599,696,574</b>

## Statement of Income (unaudited)

Interest Income	2021	2020
Interest on Loans to Members	\$15,872,783	\$17,566,253
Interest on Investments & Cash Equivalents	\$1,532,631	\$2,551,462
<b>Total Interest Income</b>	<b>\$17,405,414</b>	<b>\$20,117,715</b>
<b>Interest Expense</b>		
Dividends on Members' Shares	\$1,240,353	\$2,930,637
Interest Expense	0	\$290
<b>Total Interest Expense</b>	<b>\$1,240,353</b>	<b>\$2,930,927</b>
<b>Net Interest Income</b>	<b>\$16,165,061</b>	<b>\$17,186,788</b>
<b>Provision for Loan Losses</b>	<b>\$369,363</b>	<b>\$1,926,227</b>
<b>Net Interest Income after Provision for Loan Losses</b>	<b>\$15,795,698</b>	<b>\$15,260,561</b>
<b>Non-Interest Income</b>	<b>\$6,931,579</b>	<b>\$6,770,337</b>
<b>Net Income before General &amp; Administrative Expenses</b>	<b>\$22,727,277</b>	<b>\$22,030,898</b>
<b>General &amp; Administrative Expenses</b>		
Salaries & Benefits	\$9,705,515	\$9,216,635
Operations	\$9,356,864	\$9,233,592
<b>Total General &amp; Administrative Expenses</b>	<b>\$19,062,378</b>	<b>\$18,450,227</b>
<b>Net Income from Operations</b>	<b>\$3,664,898</b>	<b>\$3,580,671</b>
<b>NCUA Impairment &amp; Premium Assessment</b>	<b>0</b>	<b>0</b>
<b>Net Income after NCUA Impairment &amp; Premium Assessment</b>	<b>\$3,664,898</b>	<b>\$3,580,671</b>



Thank you for voting us **Best Credit Union for fifteen consecutive years** in the Valley Advocate's Best of the Valley Poll, and **eight consecutive years** in the Daily Hampshire Gazette Reader's Choice poll!

Amherst | Hadley | Leeds | Northampton | Springfield | Worcester

