

ANNUAL REPORT

2021

CHAIRMAN'S REPORT

BOARD OF DIRECTORS

JOEL BARNETT

JOSEPH B. BOLEN III

MICHAEL HEAD

CATHY C. MILLER

KARENE STRICKLIN

OFFICERS

CLAUDE MCCANN
CHAIRMAN

JOHN RUSSELL
VICE-CHAIRMAN

MICHAEL PATTERSON
SECRETARY

ROBERT E. GREENE
TREASURER

SUPERVISORY COMMITTEE

SCOTT SWEDENBURG
CHAIRMAN

JASON DANIEL

ADMINISTRATION

S. GLENN BRYAN, PRESIDENT AND CEO

PAULA K. MILLER, SVP AND CHIEF FINANCIAL OFFICER

ROSALIE SMITH, SVP OF ADMINISTRATION

SUMMER CARTER, SVP OF MEMBER EXPERIENCE

Member relationships are our most valuable asset, and they provide a strong foundation for the growth and success we achieve together. The loyalty of our membership, both new and tenured, created momentum that resulted in 2021 being another great year for your credit union. Our commitment to our members and the Greater Birmingham community remained strong and is demonstrated through our financial success and support for our community.

The management team continued to manage operating expense and increase revenue, strengthening the cooperative, and improving the value of services provided to you, our member-owners.

Legacy ended 2021 with record earnings of \$3,018,714, and assets of \$603,793,712, ending the year with a strong capital ratio of 11.64%. The credit union once again received the Desjardin Financial Education award from the League of Southeastern Credit Unions, in recognition of our ongoing efforts to expand financial education in the communities we serve.

The following are notable achievements to this end:

- Legacy Plaza was established for the inaugural season at the home of the UAB Blazers, the all new Protective Stadium.
- Legacy Arena at the BJCC officially opened post remodel in November.
- Sponsorship of the "Growing Up Green & Gold" program and ongoing newly formed partnership with the UAB National Alumni Society.

Your credit union's strength relies on active participation and engagement from all members. Let us be your first choice for your financial solutions, and together we can make our credit union even stronger. We carry the momentum created in 2021 into 2022, and are enthusiastic about what the future holds at Legacy. We are truly inspired by the community we represent and what can be accomplished when we work together to craft financial solutions.

The Board of Directors, the Management Team, and all employees provide you, our members, with service excellence at each interaction. We exist because of you, and we remain committed to your success. We know you have many choices as a consumer, and we are thankful that you choose to be a member of Legacy Community Federal Credit Union.

On behalf of our entire organization, the Board of Directors, Supervisory Committee, and other committee members we are grateful for the opportunity to serve you here at Legacy.

CLAUDE MCCANN

CHAIRMAN

SUPERVISORY COMMITTEE

SCOTT SWEDENBURG

The Supervisory Committee is responsible for ensuring that an annual review is made of all Credit Union records to determine accuracy and compliance with all applicable regulatory requirements. To fulfill this responsibility, the accounting firm of Barfield, Murphy, Shank & Smith was retained to perform the 2021 opinion audit. Examiners from the National Credit Union Administration also reviewed Legacy Community Federal Credit Union.

The Credit Union contracted Credit Union Audit and Compliance Group (CUACG), a Division of Leverage to perform quarterly internal control audits.

The Supervisory Committee is pleased to report that the Credit Union has received favorable results on all audits and examinations. The Committee is satisfied with all aspects of the Credit Union's operations.

TREASURER

ROBERT E. GREENE

The Board of Directors of Legacy Credit Union is committed to providing a convenient source of economical loans while also offering competitive savings rates for our members. To consistently do this, the Credit Union must maintain a strong financial position. Your Board is pleased to report that Legacy's financial results for 2021 continue to indicate a very solid financial base.

During 2021, Credit Union assets experienced robust growth, ending the year at \$603,793,712. Total income for 2021 was a healthy \$20,535,846 that enabled the addition of \$3,018,714 to the Credit Union's capital accounts. We are also pleased that the Credit Union was able to pay out \$1,186,775 in dividends to our members.

This is just a summary of the most significant points in Legacy's financial performance for 2021, and more details are found in the Balance Sheet and Income Statement contained within this Annual Report. However, these numbers do clearly indicate the strength of our financial condition and the level of support that the Credit Union receives from our members. Your Board of Directors fully understands that, regardless of the numbers, the greatest measure of our success is reflected in our ability to continually meet the financial needs of our members.

FINANCIAL

BALANCE SHEET

ASSETS

2021

2020

Net Loans	\$325,884,912	\$342,510,949
Cash	\$63,254,850	\$94,221,064
Investments	\$173,036,547	\$90,505,605
Fixed Assets	\$18,711,509	\$19,266,944
Other Assets	\$22,905,894	\$17,777,207
TOTAL ASSETS	\$603,793,712	\$564,281,769

LIABILITIES AND EQUITY

Accounts Payable	\$3,938,265	\$4,102,883
Share Draft Accounts	\$205,972,966	\$183,244,538
Certificates of Deposit	\$74,823,955	\$104,919,431
Individual Retirement Accounts	\$11,216,507	\$10,247,991
Club Accounts	\$11,640,644	\$9,359,029
Shares	\$232,393,791	\$192,619,372
Reserves	\$63,807,584	\$59,788,526
TOTAL LIABILITIES and EQUITY	\$603,793,712	\$564,281,769

STATISTICAL INFORMATION

Member Accounts	38,664	39,293
Total Deposits	\$536,047,863	\$500,390,360
Number of Loans this Year	315,707	292,679
Amount of Loans this Year	\$119,453,045	\$143,030,119
Number of Loans Since Origin	8,934,732	8,619,025
Amount of Loans Since Origin	\$3,436,592,473	\$3,317,139,429

STATEMENT

INCOME & EXPENSE

INCOME

2021

2020

Interest on Loans	\$11,796,627	\$12,004,576
Income from Investments	\$1,727,686	\$1,994,530
Other Income	\$7,011,533	\$6,702,422
TOTAL INCOME	\$20,535,846	\$20,701,528

EXPENSES

Compensation	\$5,587,603	\$6,758,027
Employee Benefits	\$1,194,198	\$417,896
Office Occupancy Expense	\$1,589,009	\$1,497,728
Office Operations Expense	\$3,273,116	\$2,814,845
Promotional Expense	\$792,000	\$951,000
Loan Servicing Expense	\$133,831	\$176,033
Professional Services	\$2,435,512	\$2,316,709
Member Insurance	0	0
Fed/Sup/Exam Expense	\$114,150	\$130,370
Insurance Premium Expense	0	0
NCUA Corp Stabilization Expense	0	0
Miscellaneous Operating Expense	\$83,384	\$66,764
Provision for Loan Losses	\$452,490	\$685,698
Interest Expense	\$65	\$2
TOTAL OPERATING EXPENSES	\$15,655,358	\$15,815,072
DIVIDEND EXPENSE	\$1,861,775	\$3,241,327
TRANSFER TO RESERVES	\$3,018,714	\$1,645,128

VISION STATEMENT:

WE CRAFT
FINANCIAL
SOLUTIONS

CORE VALUES:

EXCELLENCE
EDUCATION
ENERGY
EMPOWERMENT



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NCUA

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