

2020

ANNUAL REPORT

HERE FOR YOU
**TODAY &
TOMORROW**



Mission Statement

Encourage members' personal success through exceptional financial services today and tomorrow.

President's Message

This past year was an unprecedented year for USE Credit Union. The credit union and our members faced the coronavirus pandemic and economic fallout from so many businesses and schools shutting down. Throughout this year, we made our members our biggest priority. We focused on helping every member in a difficult situation every time. We appreciate our loyal members who seek us first when they have a financial need. As your credit union, our goal is to provide the very best financial products and services at the most affordable cost.

Although 2020 was riddled with the pandemic, we were able to offer our members financial support through COVID-19 Loan Deferments, member auto refinances, and personal loan assistance. We worked individually with every member who needed our assistance. We funded \$34 million in member loans providing affordable financing options for autos, personal loans, and credit cards. We are also proud to be your depository institution of choice. By the end of 2020, our deposits grew to over \$79 million.

As we begin 2021, we will continue work with members affected by the pandemic and winter storm. We are working to strengthen and secure our infrastructure, improve your member experiences, and offer the products and services you need today and tomorrow. Your volunteer Board of Directors, Management and the staff of USE Credit Union thank you for your continued support. We look forward to serving your financial needs in the future and providing you with exceptional member experiences, products, and services.

I want to thank our Board of Directors and volunteer committee members for their dedication to the credit union. I also extend my whole-hearted thanks to our employees for living our values and delivering on our mission statement. Most of all, I would like to thank you – our members – for your business and trust. Please let me know what we can do to better serve you and your family.

Jessica Gillen
CEO/President

Treasurer's Message

2020 was a financially successful year for USE Credit Union. We continue to embrace the Credit Union philosophy of “people helping people” by providing members affordable financial services and comprehensive financial education, so you can build assets and financial stability.

As your Treasurer, I am officially reporting to you that the fiscal year 2020 ended as of December 31, 2020. Here are some of the financial highlights:

- USE Credit Union ended 2020 with assets of \$86,562,909.69.
- We had a net income of \$194,686.03.
- We funded over \$34 million in loans for members.
- USECU ended with shares of \$79.3 million.

During 2020, our Credit Union engaged Doeren Mayhew CPA and Advisors for our annual audit and received a positive review. Credit Union regulators define a well-capitalized Credit Union as having at least 7% of its assets in reserve. USE Credit Union finished the year at a very healthy 7.8%. Overall, your Credit Union is financially strong and well positioned to meet the financial needs of our member-owners for the foreseeable future.

We are committed to you, our member-owners, and to our mission to “Encourage members’ personal success through exceptional financial services today and tomorrow.” Thank you for putting your trust in USE Credit Union.

Charles Konikoff
Secretary/Treasurer

Management Team

Jessica Gillen
CEO/President

Debbie Gonzalez
VP of Operations

Marina Izvekova
VP of Accounting

Chairman's Message

USE Credit Union continues to be here for you today and tomorrow. We strive to be an organization you can rely on during uncertain times. Every member of USE Credit Union plays a key role in the success of our credit union. Together, we are building an organization that is making a difference for each other and our communities.

As members of your volunteer board, we are responsible for ensuring your Credit Union is operating safely and soundly. We are tasked with verifying that USE has a solid financial foundation and I'm proud to say that we've had another successful year. We attribute that success to our members, employees, and leadership team. We serve more than 7,000 members at two Houston locations and hundreds of shared branching locations. We remain committed to our mission statement to “Encourage members’ personal success through exceptional financial services today and tomorrow.”

We will continue to be here for you. We always want to offer affordable and useful services, which benefit our members, so that you can save time, money, and gain convenience. As we look forward to 2021, we want to continue to build strong relationships with every member. USE Credit Union is a place you can count on today and in the future for your saving, checking, and lending needs.

USE Credit Union is not just a financial institution, and you're not just a number. As a member-owner you can be proud of what you are doing for yourself, your fellow members, and your community. On behalf of the Board of Directors and our entire team, thank you! We are grateful for the opportunity to serve you and are excited about our future together.

Clarence Brooks
Chairman of the Board

Statement of Financial Condition

December 31, 2020

ASSETS

Loans	34,329,215.65
Cash	402,645.29
Investments	47,684,097.18
Fixed Assets	2,969,904.68
Other Assets	1,177,046.89
TOTAL ASSETS	86,562,909.69

LIABILITIES, SHARES & EQUITY

Payables Miscellaneous	471,305.39
Dividends & Interest Payable	14,872.18
Total Member Deposits	79,318,332.96
Regular Reserves	1,234,019.11
Other Capital Accounts	5,524,380.05
TOTAL LIABILITIES & EQUITY	86,562,909.69

Income Statement

December 31, 2019

INCOME

Income From Loans	1,557,649.54
Investment Income	696,599.50
Cuso Investment	(51,640.04)
MHL Funding Interest	11,383.58
Fees & Charges	727,721.32
Miscellaneous Operating	309,273.87
TOTAL GROSS INCOME	3,250,987.77

EXPENSES

Compensation	1,000,230.63
Employee Benefits	227,667.05
Travel & Conference	4,488.49
Association Dues	16,075.15
Office Occupancy	196,997.03
Office Operations	827,140.10
Education & Promotion	32,644.91
Loan Servicing	166,966.53
Shared Branch	56,332.82
Professional Services	160,971.68
Supervision & Exam Fee	15,842.00
Interest On Borrowed Funds	11.07
Annual Meeting	3,529.53
Miscellaneous Operating	3,837.61
TOTAL OPERATING EXP	2,712,734.60

Dividends	208,584.89
Provision For Loan Loss	134,165.41
Gain (Loss) On Disposition Of Assets	(816.84)
NET GAIN / LOSS	194,686.03

2020 Board of Directors

Each volunteer board member is elected to a three-year term and is responsible for setting policies, participating in the development of the strategic plan, reviewing and approving the annual budget.

Clarence Brooks TERM EXPIRES 2021
Chairman of the Board

Michael Foster TERM EXPIRES 2023
Vice Chairman

Charles Konikoff TERM EXPIRES 2022
Secretary/Treasurer

Gerald Bunn TERM EXPIRES 2021
Director

Troy Conner TERM EXPIRES 2022
Director

Pamela Edwards TERM EXPIRES 2023
Director

Michael Mason TERM EXPIRES 2021
Director

Bernard Middleton TERM EXPIRES 2022
Director

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