

## Statement of Financial Condition

December 31, 2016

### ASSETS

Loans	32,478,380.34
Cash	367,450.93
Investments	39,966,718.15
Fixed Assets	3,071,827.50
Other Assets	1,168,875.00
<b>Total Assets</b>	<b>77,053,251.92</b>

### LIABILITIES, SHARES & EQUITY

Payables Miscellaneous	614,464.99
Dividends & Interest Payable	9,016.13
Total Member Deposits	70,303,370.93
Regular Reserves	1,234,019.11
Other Capital Accounts	4,892,380.76
<b>Total Liabilities &amp; Equity</b>	<b>77,053,251.92</b>

## Statement of Income & Expenses

December 31, 2016

### INCOME

Income From Loans	1,434,911.77
Investment Income	500,583.28
CUSO Investment	79,727.68
Fees And Charges	1,059,312.23
Miscellaneous Operating	61,783.70
<b>Total Gross Income</b>	<b>3,136,318.66</b>

### EXPENSES

Compensation	1,031,677.42
Employee Benefits	240,476.71
Travel & Conference	14,968.29
Association Dues	15,776.84
Office Occupancy	181,409.42
Office Operations	785,001.36
Education & Promotion	91,267.73
Loan Servicing	183,077.48
Shared Branch	67,829.34
Professional Services	144,202.22
Members Insurance	3,166.78
Supervision & Exam Fee	13,455.32
Interest On Borrow Funds	413.29
Annual Meeting	3,300.77
Miscellaneous Operating	5,195.35
<b>Total Operating Expenses</b>	<b>2,781,218.32</b>

Dividends	107,448.00
Provision For Loan Loss	161,000.00
Gain (Loss) In Assets Dis.	(3.00)

**Net Gain / Loss 86,649.34**



### North Houston Location

24909 Kuykendahl  
Tomball, TX 77375

### Southwest Houston Location

9700 Richmond, Suite 150  
Houston, TX 77042

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# Building Relationships

# 2016

ANNUAL REPORT



## Chairman's Message

As Chairman of the Board of USE Credit Union, I would like to thank you for your continued support of our mission, service, and commitment to members. As members of your volunteer board, we have the responsibility to ensure your Credit Union is operating safely and soundly. We are charged with confirming the institution has a solid financial foundation and I'm proud to say that we've had another successful year, which we owe to our members, employees, and leadership.

Our membership continued to grow in 2016, and we are proud to say that we now serve more than **7,000** members at two USECU locations and hundreds of shared branching locations. We remain committed to our mission to "Encourage members' personal success through exceptional financial services today and tomorrow." We will continue to add new products, services, and technologies to make it easier to do business with us.

As we look forward to 2017, our goal is to build strong relationships with our members. To do that, we will offer robust and affordable products and services, which benefit our members first. Members will save time, money and gain added convenience, by establishing a strong financial relationship with USE Credit Union.

As the Board of Directors, we provide the leadership and governance needed, to ensure USE Credit Union provides the best possible products and services to our members. In this annual report, you will find more information and the financial highlights of 2016. Thank you, members, employees and board members for your continued trust in USE Credit Union.

Clarence Brooks  
Chairman of the Board

## Mission Statement

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

## Management Team

Jessica Gillen CEO/ President	Debbie Gonzalez VP of Operations	Sandy Childers VP of Information Technology	Marina Izvekova VP of Accounting
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## Treasurer's Message

2016 was a financially successful year for USE Credit Union and we are excited about our future! We continue to embrace the Credit Union philosophy of "people helping people" and we do that by providing members affordable financial services and comprehensive financial education, so members can build assets and financial stability.

As your Treasurer, I am officially reporting to you that the fiscal year 2016 ended as of December 31, 2016. Here are some of the financial highlights of 2016:

- **USE Credit Union ended 2016 with assets of \$77,053,251.92.**
- **We had a net income of \$86,649.34.**
- **We funded over \$32 million in loans for members.**
- **USE Credit Union ended with shares of \$70.3 million.**

During 2016, 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 **7.95%**. Overall, your Credit Union is financially strong and well positioned to meet the financial needs of our member-owners for the foreseeable future.

As Treasurer, I want to express appreciation for the confidence members have in the safety and soundness of our credit union.

Charles Konikoff  
Secretary/Treasurer

## 2016 Board of Directors

In 2015, our Bylaws were amended to require eight (8) board members instead of nine (9). 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	Chairman of the Board	Term expires 2018
Michael Foster	Vice Chairman	Term expires 2017
Charles Konikoff	Secretary/Treasurer	Term expires 2019
Ray Biggerstaff	Director	Term expires 2018
Troy Conner	Director	Term expires 2019
Pamela Edwards	Director	Term expires 2017
Michael Larrivee	Director	Term expires 2018
Bernard Middleton	Director	Term expires 2019

## President's Message

Since 1933, we've seen a lot of changes and positive growth at USE Credit Union. But despite the changes throughout the years, one constant remains the same – our commitment to helping our members. To this day, our common purpose of people helping people still exists.

2016 was a successful year. We worked hard to meet members' needs with financial education tools, new services, improvements to internal processes and updates to technology. In 2016, we launched our new EMV VISA Credit Cards, which help to reduce the risk of fraud from counterfeit, lost and stolen cards. We also introduced a new loan application system including electronic signatures, so you don't have to come into the Credit Union to close your loan. Financially, 2016 was another good year for USE Credit Union, as you will see in the financial section of this report.

Our focus in 2017 will be to build strong relationships with our members. To do that, we want to make it easy for you to utilize all of our products and services. We will also focus our efforts to develop an extremely qualified staff, so you will receive the highest level of service, every time you call or come into the Credit Union.

The next several years will be exciting for USE Credit Union, as we are developing new and innovative ways to deepen member engagement, in a fast-paced financial service environment. We want you to be able to bank anywhere, anytime so we will continue to offer new products and services to enhance your life.

We are more than just a Credit Union. We want to help build our communities, build strong relationships with our members and build a strong future. Our goal is to build our culture so that we can support every aspect of our members' lives. We want to be more than just a place where you make your deposits. We want to help you through every stage of life.

I would like to thank our Board of Directors and volunteer committee members for their continued dedication to the Credit Union. I also extend my sincere thanks to our employees for delivering outstanding service to our members, while always focusing on our mission statement to "Encourage member's personal success through exceptional financial services today and tomorrow."

And most importantly, I am grateful that you chose to be a member of USE Credit Union. At the end of the day, we exist because of you. We thank you for your support as we strive to better the Credit Union and remain well situated to meet your needs. We look forward to developing the relationships we've built together and we hope that you will share the Credit Union with your family, friends, and coworkers.

Jessica Gillen  
CEO/President