

## REPORT OF THE CHAIRMAN

2015 was another great year for U.S. Employees Credit Union (USECU). The Board and Management are proud to make a difference for our members through the products and services we offer and the way we deliver them. There is a fundamental difference in how we operate. As a not-for-profit financial cooperative, we return our profits to our members through lower loan rates, higher deposit rates and ongoing investments in technology to provide security and convenience. As a cooperative, the more products and services our members use, the more value we can return every year.

Our continued success in creating outstanding member experiences stems from our talented staff. They are the heart and soul of our organization. Our members have told us it's different here because of our employees. We're so proud of the work they do each day.

Our Board of Directors is focused on strategic planning for the future of USECU. With an increasingly competitive landscape, it is essential the Board and Management are aligned; this is pertinent for our members.

We have exciting things planned for 2016, including continuing to expand our security features, additional enhancements to Mobile and Internet Banking, more educational opportunities, a redesigned website and Home Banking site! In addition, our new Visa Debit Cards will feature a fresh design and enhanced EMV (Europay, MasterCard, and Visa) security. We've come a long way since 1953 and we continue to look for ways to upgrade our technology and to stay abreast of evolving trends.

The year ahead is looking bright! Together, we can make 2016 the best year yet.

Respectfully,

*Paul E. Durbak*

Paul E. Durbak  
Chairman, USECU Board of Directors



## REPORT OF THE PRESIDENT/TREASURER

I have the pleasure of announcing that 2015 was a successful year for U.S. Employees Credit Union and its membership. In addition to our solid financial performance, we continued to provide our membership with value-added, low cost, convenient products and services, as well as some of the best rates in the country.

Some key financial highlights for 2015 include:

- Operationally, USECU generated net income in the amount of \$153,077
- Total assets grew to an all-time high of \$82,390,681
- Member Deposits totaled \$71,708,388 at year-end
- USECU disbursed a total of \$13,472,648 in new loans and advances

USECU's objective is to operate a financially stable institution that serves our members' best interests. To meet this objective, we strictly adhere to the policies approved by the Board of Directors, as well as the rules and regulations of the Illinois Department of Financial and Professional Regulation and the National Credit Union Administration.

Management fulfills its responsibilities with a commitment to the highest standards of quality, ethics and professionalism. We pledge to operate USECU in the best interest of the membership, and to maintain USECU's tradition of safety, soundness and service.

I would like to thank the Staff, Management, and the Directors of USECU, for their hard work and dedication. I would also like to thank you, the USECU Members, for your support.

Respectfully,

*Eric W. Stiegel*

Eric W. Stiegel  
President/Treasurer

## REPORT OF THE MEMBERSHIP COMMITTEE

I am pleased to provide USECU's 2015 Membership Committee Report. The year ended with:

- 8,723 Share Accounts
  - with an average Share balance of \$2,328
- 4,972 Share Draft Accounts,
  - with an average balance of \$2,637
- 1,286 Preferred Share Accounts,
  - with an average balance of \$20,763

We are dedicated to delivering an exceptional member experience while providing our members with a wide array of products. We continue to reevaluate services in order to offer our members technologically advanced channels. Thank you for your continued support.

Respectfully Submitted,

*Lisa M. Kimbrough*

Lisa M. Kimbrough  
Membership Committee

## REPORT OF THE CREDIT MANAGER

I am pleased to report that USECU issued \$13,472,648 in new loans in 2015. New and used vehicle loans totaled \$3,823,162.

USECU processes and approves loans using board-approved guidelines and policies. The Loan Manager and Loan Analyst are responsible for approving loans within established guidelines and for reviewing changes and ensuring compliance.

The Collection Specialist stands ready to provide assistance to USECU members who struggle with financial issues.

It is our goal to offer our members the best loan products available at the lowest rates possible. USECU's Managed Credit Program allows us to provide services to a greater number of members. We strive to find better ways to service our members' needs; therefore, we are constantly looking for new products that exceed our members' expectations.

Respectfully Submitted,

*Stephanie Cole*

Stephanie Cole  
Credit Manager

## REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee members for 2015 were Stephen Slamar (Chairman), John Kuck, and Shirley Roberts.

The role of the Supervisory Committee is to monitor appropriate areas of U.S. Employees Credit Union's operations and to ensure that USECU complies with all of the bylaws, statutes and board policies. This is accomplished by overseeing audits by two certified public accounting firms, acting as a liaison between the auditors and the credit union's management, and carrying out other responsibilities charged to the committee by federal and state regulations.

The committee retained the services of Desmond & Ahern, Ltd. to perform the annual audit in December of 2015. The auditors presented their report of USECU's financial condition to the committee. The report expressed USECU's conformity with generally accepted accounting principles. A letter from the auditors is included in this report.

In addition to the annual audit, the committee also contracted with Selden Fox, Ltd. to conduct quarterly internal audits in 2015. The internal audits have been completed and indicate that the internal controls in place at USECU appear to be sufficient.

I thank the members of the Supervisory Committee for their dedication and hard work in monitoring your interest in USECU in 2015.

Respectfully Submitted,

*Stephen F. Slamar*

Stephen F. Slamar  
Chairman, Supervisory Committee

## CONDENSED STATEMENT OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2015 & 2014

ASSETS	2015	2014
CASH INVESTMENTS	\$ 4,988,188	\$ 2,377,330
INVESTMENTS H-T-M AMORTIZED COST	\$ 53,927,743	\$ 53,050,744
LOANS TO MEMBERS (NET OF RESERVE)	\$ 21,026,704	\$ 20,943,529
NCUSIF DEPOSIT	\$ 694,749	\$ 686,979
PROPERTY AND EQUIPMENT, NET OF A/D	\$ 201,042	\$ 242,662
PREPAID EXPENSE AND OTHER ASSETS	\$ 1,552,255	\$ 1,854,305
<b>TOTAL ASSETS</b>	<b>\$ 82,390,681</b>	<b>\$ 79,155,549</b>
MEMBERS' SHARES	\$ 71,708,388	\$ 68,747,000
ACCRUED EXPENSES AND OTHER LIAB.	\$ 426,245	\$ 305,578
TOTAL LIABILITIES	\$ 72,134,633	\$ 69,052,578
MEMBER'S EQUITY	\$ 10,256,048	\$ 10,102,971
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 82,390,681</b>	<b>\$ 79,155,549</b>
<b>GROSS CAPITAL TO ASSET RATIO</b>	<b>12.88%</b>	<b>13.27%</b>

## CONDENSED STATEMENT OF INCOME

AS OF DECEMBER 31, 2015 & 2014

	2015	2014
INTEREST INCOME	\$ 2,033,025	\$ 1,846,307
INTEREST EXPENSE	\$ 99,175	\$ 103,822
NET INTEREST INCOME	\$ 1,933,850	\$ 1,742,485
PROVISION FOR LOAN LOSSES (PLL)	\$ 62,972	\$ 36,720
NET INTEREST INCOME AFTER PLL	\$ 1,870,878	\$ 1,705,765
NON-INTEREST INCOME	\$ 1,962,261	\$ 2,099,802
NON-INTEREST OPERATIONAL EXPENSE	\$ 3,680,062	\$ 3,622,643
NET INCOME	\$ 153,077	\$ 182,924

## INDEPENDENT AUDITOR'S REPORT ON CONDENSED FINANCIAL STATEMENTS

To the U.S. Employees Credit Union Board of Directors,

We have audited the statement of financial condition of U.S. Employees Credit Union as of December 31, 2015 and 2014, and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Credit Union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of U.S. Employees Credit Union as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

DESMOND & AHERN, LTD., CERTIFIED PUBLIC ACCOUNTANTS  
March 2016  
Chicago, IL

## 2015 BOARD & COMMITTEE MEMBERS

### Board of Directors

Therese Anderson (Associate)  
Charlie Davis Jr  
Paul Durbak  
John Kuck  
Candida Miranda  
Shirley Roberts  
Stephen Slamar  
Eric Stiegel

### Investment/ALM Committee

Frank Nicholson  
Nilda Padin  
Eric Stiegel

### Executive Committee

Charlie Davis Jr  
Paul Durbak  
Eric Stiegel

### Supervisory Committee

John Kuck  
Shirley Roberts  
Stephen Slamar

### Membership Committee

Linda Jackson  
Lisa Kimbrough  
Nilda Padin

### Legislative Representative

Eric Stiegel

### Chapter Delegate

Nilda Padin

## STAFF

Chrocki Clark	John Morin	Frank Nicholson
Stephanie Cole	Cynthia Harris	Nilda Padin
Christine Combs	Tammy Hassan	Aida Rivera
Myra Cortez	Linda Jackson	Leslie Rivera
Gwendolyn Cossom	Dyamonde Kimbrough	Iris Sanoguet
Vanessa Cruz	Lisa Kimbrough	David Scasny
Mae Fizer	Valerie Lubben	Eric Stiegel
Charles Frayer	Martha Luna	
Stephanie Frayer	Melissa Miranda	
Yadira Gomez	June Moore	

## BRANCHES

### MAIN OFFICE

230 S. Dearborn Street  
Suite 2962  
Chicago, IL 60604  
PH: (312) 922-5310  
Fax: (312) 922-8609  
Monday – Friday  
8:00 am – 5:00 pm

### HINES BRANCH

5<sup>th</sup> Ave & Roosevelt Rd  
Bldg 1, Room C124  
Hines, IL 60141  
Fax: (708) 344-0042  
Mon, Tues, Wed & Fri  
7:00 am – 4:00 pm

### CUSTOM HOUSE BRANCH

610 S. Canal Street  
Suite 240  
Chicago, IL 60607  
Fax: (312) 922-5126  
Monday – Friday  
8:00 am – 5:00 pm



myusecu.org  
(312) 922-5310



2015 ANNUAL REPORT