



*Financial Solutions For Life*

The Path  
Forward



# 2019 ANNUAL REPORT

Federally Insured by NCUA

## Report to the Membership

2019 was a busy year for Market USA, as we offered a number of new and enhanced products and services for our valued members. In addition, the Credit Union continued our longstanding financial education efforts and remained an active contributor to the wider communities we serve. As we now work to successfully deal with new challenges due to COVID-19, we are inspired and motivated by our membership each and every day. We want to thank our members who are essential workers and give special recognition to our members in the grocery industry for their work in keeping our communities nourished and fed. Our path forward in 2020 will be on the same path that has served us well since 1953: offering “Financial Solutions for Life” that are in the best financial interest of each and every member.

### Making Banking Better

Market USA is always on the lookout for ways to enhance products and services, and 2019 was no exception. Some highlights:

- Reissued all debit cards to provide chip-enabled cards, offering greater security.
- Introduced the time- and money-saving Carvana Auto Buying Service.
- Implemented convenient online balance transfers for our Visa® credit cards.
- Launched tap-and-go Apple Pay and Samsung Pay for Visa credit cards. Both were previously available for our debit cards.
- Promoted smart savings strategies with two high-yield certificate special offers: a Tax Time Certificate Special and a fall special offer.
- Increased our efforts to reach out to members with our first Member Focus Group.
- Encouraged use of secure and convenient e-Statements with an e-Statements Sweepstakes featuring a \$500 prize.

### Serving the Community

Market USA actively reaches out to the communities we serve, and in which we work and live. In 2019, that meant a variety of new and continuing initiatives, including:

- Our third annual One Warm Coat Drive for Sarah’s House, a homeless shelter in Fort Meade, resulted in a donation of 25 coats thanks to the generosity of members and staff. An additional monetary donation on behalf of the Credit Union was made.
- We again offered a number of free Personal Finance Seminars, held in our Laurel Branch, Sarah’s House and at various affiliated employee groups.
- Sponsored our first Red Cross Blood Drive.
- Hosted a Back to School event at our Mauldin Branch and provided free welcome packs with essential school supplies.

## Supervisory Committee Report

The Supervisory Committee, appointed by the Board of Directors, is charged with the responsibility of overseeing Market USA’s management and financial records to ensure the institution’s financial condition is fairly presented. The Supervisory Committee also works to strengthen the financial internal controls and to protect the assets of the Credit Union.

An integral part of ensuring the fair presentation of financial condition is the execution of the annual independent audit. In 2019, we appointed the firm of CliftonLarsonAllen LLP to fulfill that responsibility. We are pleased to report their audit resulted in an unmodified opinion.

In addition, an exam is conducted on a regular basis by the National Credit Union Administration (NCUA). This governmental body provides oversight for all US federally chartered credit unions. As a well-managed and well-capitalized credit union, our exam cycle has changed from once every 12 months to once every 18 months. Our next exam will be in mid to late 2020.

- Participated in several Greater Mauldin Chamber of Commerce events.
- Continued participation in the Adopt-a-Road program on the busy street fronting our Laurel Headquarters building.
- Offered Senior Safeguard, a free resource to educate members on how to spot and stop financial fraud.

### A Great Place to Work

Market USA is not only a great place to bank; in 2019 we were certified as a Great Place to Work following an independent analysis through an in-depth employee survey. Great Place to Work recognizes leading organizations in the U.S. and more than 60 countries.

### The Path Forward

Plans for 2020 feature convenient and money-saving products and services, including:

- Enhancements to our Online Banking & Mobile App to include the option to easily transfer funds to and from external accounts.
- Establish over the phone, member-selected PIN and activation for newly issued debit cards (completed in March 2020).
- Branch remodel and installation of a convenient deposit-taking ATM at our Hyattsville Branch (formerly known as the Landover branch).
- Implementation of the Federal Home Loan Bank Affordable Housing Program offering \$5,000 grants for first-time homebuyers.
- Instant issue for credit and debit plastic cards.
- Implementation of a new phone system which will provide a call back option rather than waiting on hold during busy times.

Our primary concerns during the COVID-19 situation are the health and safety of members and staff, as well as offering solutions for members experiencing financial hardship.

Through the diligent efforts of our volunteer Board of Directors, volunteer Supervisory Committee, management and staff, we are well prepared for the challenges that 2020 may bring. At Market USA we have been and will continue to implement and test our business continuity plans. Please rest assured that we are fully prepared to continue operations in the event of an issue, and your money is completely safe. Our reserves are very high, and as always, your savings are federally insured up to \$250,000 by NCUA, a government agency. We thank everyone behind the scenes for their hard work, and we thank members for your loyalty. Remember, we are here for you – in the challenges of 2020 and a lifetime ahead.

### Board of Directors & Management Team

The Supervisory Committee attends all Credit Union Board meetings and participates regularly in the Credit Union Oversight Committee meetings. They report monthly on their activities which include: reviewing and monitoring the Credit Unions internal controls and their effectiveness; ensuring that updated policies and procedures are presented and approved; and making recommendations to the Board for improvements to the internal controls, policies, and procedures.

Our goal, through these activities, is to provide the Credit Union membership with independent assurance that the Credit Union Board and staff are meeting their fiduciary responsibilities.

#### Jodie Sullivan

Supervisory Committee Chairperson



## STATEMENTS OF FINANCIAL CONDITION

Balances As Of December 31

ASSETS	2019	2018
Unsecured Loans	9,624,647	9,879,790
Mortgage/Home Equity Loans	14,490,387	14,555,311
New and Used Vehicle Loans	53,634,281	53,801,611
All Other Loans	5,298,384	5,852,216
<b>TOTAL LOANS</b>	<b>\$84,047,699</b>	<b>\$84,088,928</b>
Allowance for Loan Losses	(1,837,218)	(1,508,540)
<b>NET LOANS TO MEMBERS</b>	<b>\$81,210,481</b>	<b>\$82,580,388</b>
Cash & Investments	26,241,331	31,224,739
Accrued Interest Receivable	288,132	284,511
Land & Building	2,897,801	3,021,774
Other Fixed Assets	461,329	433,438
Other Assets	3,225,912	2,596,751
<b>TOTAL ASSETS</b>	<b>\$114,324,986</b>	<b>\$120,141,601</b>

### LIABILITIES & EQUITY

Accounts Payable/Accrued Expenses	1,115,795	568,103
Members' Accounts	89,771,950	97,356,342
Reserves and Undivided Earnings	23,437,241	22,217,156
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$114,324,986</b>	<b>\$120,141,601</b>

## STATEMENTS OF INCOME

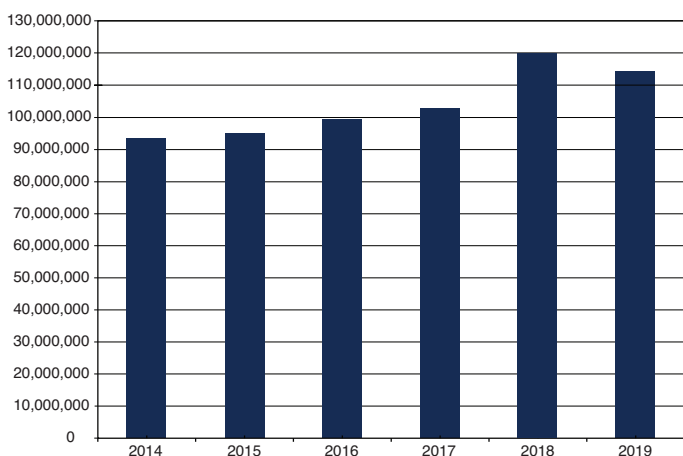
Balances As Of December 31

	2019	2018
Interest on Loans	5,562,768	5,129,734
Interest on Investments	464,813	400,054
Other Income	3,947,099	3,898,434
<b>TOTAL REVENUE</b>	<b>\$9,974,680</b>	<b>9,428,222</b>
Operating Expenses	6,693,903	6,420,833
Provision for Loan Losses	1,629,655	1,371,949
Gain/(Loss) on Disposition of Assets	19,535	0
Dividends Paid to Members	551,058	401,539

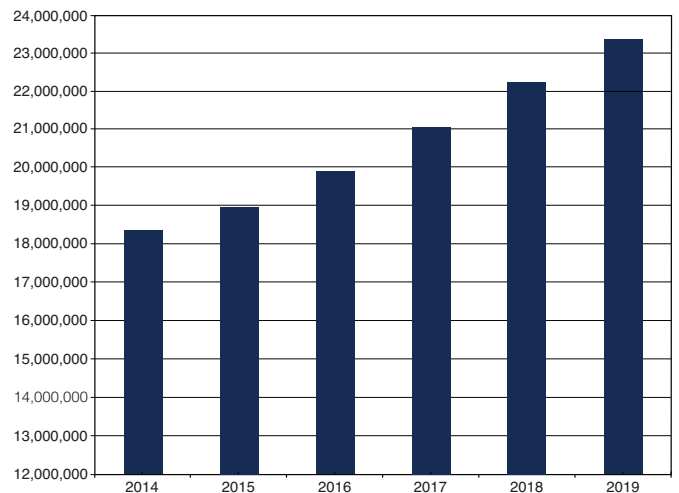
### ADDITIONS TO RESERVES

<b>&amp; UNDIVIDED EARNINGS</b>	<b>\$1,119,599</b>	<b>\$1,233,901</b>
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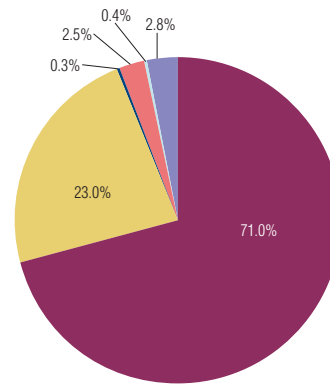
### Total Assets



### Reserves & Undivided Earnings



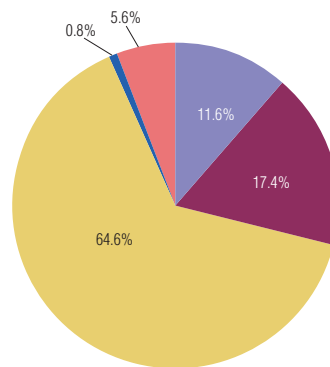
### ASSET COMPOSITION



As of December 31, 2019

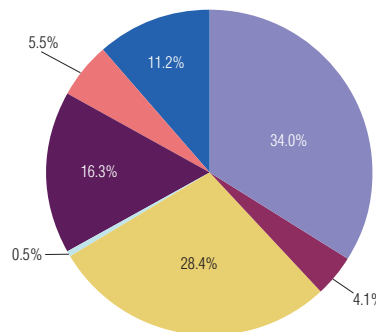
- Net Loans
- Cash & Investments
- Accrued Income Receivable
- Land & Building
- Other Fixed Assets
- Other Assets

### LOAN PORTFOLIO



- Unsecured
- Mortgage/Home Equity
- New & Used Vehicles
- Other Loans
- Loan Participations

### DISTRIBUTION OF 2019 REVENUES



- Personnel
- Office Occupancy
- Office Operations
- Other Expense
- Net Charge-Offs
- Dividend
- Undivided Earnings

# Board of Directors



**Robert Watts**  
Chair



**Robin Anderson**  
Vice Chair



**Chris Caldwell**  
Treasurer



**Becki Havard**  
Secretary



**Gary Boozer**



**Laura Hassan**



**John Latham**



**Dianne Leonard**



**Kitty Lewis**



**Bob Reichard**



**Bill Stubbs**

## Supervisory Committee



**Jodie Sullivan**  
Chair



**Gregory Bibbs**



**Millicent Rice**



**Bill Stubbs**

### Member Service Center

301-586-3400 • 800-914-4268

#### Laurel

8871 Gorman Road, Suite 100  
Laurel, MD 20723

#### Hyattsville

8200 Professional Place, Suite 105  
Hyattsville, MD 20785

#### Mauldin

201 BI-LO Boulevard  
Greenville, SC 29607

[marketusafcu.com](http://marketusafcu.com)



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