



Financial Solutions For Life

A blurred photograph of a group of people in a meeting or office setting, centered within a dark hexagonal frame. The frame is surrounded by thick red and dark blue geometric shapes that resemble stylized lines or paths.

**TECHNOLOGY
LEADING
PROGRESS**

2018 ANNUAL REPORT

Federally Insured by NCUA

Report to the Membership

Smart technology leading to improved member service heads the list of Market USA's accomplishments in 2018. Members are enjoying faster and easier ways of managing their money, thanks to a number of state-of-the-art technology upgrades made during the year. In fact, members' positive response to the new technologies, as well as our other offerings, is shown by growth in all major categories of our 2018 financial report. We believe that fundamentally, the Credit Union's growth and financial gains are the result of our commitment to serve each member's financial needs – through high-tech convenience, great rates and personal service. Because Market USA is not-for-profit and member-owned, we always say: When you succeed, we succeed.

Smart Technology = Great Service

Highlights of our technology focus in 2018 are the new state-of-the-art Online Banking and Mobile App. The user-friendly new services feature the convenience of seeing all your accounts, including joint accounts, in one place; easy transfer of funds to other members; a fast Quick Balance in the Mobile App without logging in; ability to send money to anyone, anywhere, with integrated PayPal; quick biometric sign-in to the Mobile App; and the ability to easily send confidential messages to the Credit Union via secure messages in both the App and Online Banking.

Additional tech upgrades include:

- Greater security and convenience with EMV chips for our Visa® check cards
- Tap-and-pay convenience with Samsung and Google Pay for Visa check card holders (joining Apple Pay, offered since 2017)
- Easier communication with the Credit Union via text (for non-confidential matters)
- More user-friendly ATM transactions with envelope-free deposits at our Laurel Branch ATM
- Fast loan payments via Quick Pay: Members can pay loans on our website with their bank card for a nominal fee

Contributions to Our Communities

As in past years, Market USA in 2018 reached out to the membership and surrounding communities with a number of financial education and service projects. Highlights include:

- Donated 71 coats in our 2nd One Warm Coat Drive for Sarah's House, a homeless shelter in Fort Meade, MD
- Sponsored a Financial Education Millionaire's Club for St. Vincent Pallotti High School students in Maryland for a second year
- Offered free Personal Finance Seminars at affiliated organizations, including Giant Food stores, Ahold's Retail Business Services and the YMCA
- Held free Personal Finance Seminars at Sarah's House homeless shelter

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. This year 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, each year an exam is conducted by the National Credit Union Administration (NCUA). The governmental body provides oversight for all US federally chartered credit unions.

- Provided free Identify Theft and Fraud Seminars at our Laurel and Landover branches, open to members and the community
- Continued sponsorship of the Credit Union Cherry Blossom Run benefiting Children's Miracle Network Hospitals
- Sponsored a staff member in the iWomen 9/11 Memorial Stair Climb benefiting families of first responders who gave their lives on 9/11
- Continued sponsorship of a Turkey Trot near our Mauldin, SC branch through the Market USA Cares Foundation, benefiting the Hemophilia of South Carolina
- Participated in the Adopt-a-Road program on the busy street fronting our Laurel headquarters branch

Strong Financial Performance

Market USA's 2018 year-end financial results demonstrate once again that the Credit Union is a strong, stable and growing financial institution. More than ever before, members placed their trust in us for low loan rates, great savings yields and convenient state-of-the-art services. Loans rose 15%, from \$73 million to \$84 million. Deposits also posted gains, partially as a result of our popular high-yield certificate specials: a 10-month term offered in the spring to help grow tax refunds, and a 20-month term offered from summer through end of year for both regular and IRA certificates. Total assets also posted a gain over the previous year (see charts at right for details).

2019: Building on Successes

As we enter our 66th year, your Board and staff pledge to continue our unwavering focus on serving members' financial needs, state-of-the-art convenience and prudent management of resources. Plans for 2019 include:

- Online Banking and Mobile App enhancements including ACH transfers to and from external institutions, free credit scores, debit card controls and enhanced alerts
- Instant issue for check cards
- Phone PIN selection and card activation for check cards
- Contactless credit cards
- FHLB Affordable Housing Program offering \$5,000 grants for first-time home buyers
- Emailed teller line receipts
- ATM at our Landover Branch
- Streamlined Fresh Start Loan application
- Online chat re-introduction

Our sincere gratitude goes to all members for your loyalty, and to our staff and volunteers for your tireless work on behalf of members.

Board of Directors & Management Team

The Supervisory Committee attends all Credit Union Board meetings to ensure that updated policies and procedures are presented and approved. In addition, the Supervisory Committee participates regularly in the Credit Union Oversight Committee meetings.

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	2018	2017
Unsecured Loans	9,879,790	9,396,009
Mortgage/Home Equity Loans	14,555,311	15,859,510
New and Used Vehicle Loans	53,801,611	41,658,464
All Other Loans	5,852,216	6,416,837
TOTAL LOANS	84,088,928	\$73,330,820
Allowance for Loan Losses	(1,508,540)	(1,092,469)
NET LOANS TO MEMBERS	\$82,580,388	\$72,238,351
Cash & Investments	31,224,739	24,087,671
Accrued Interest Receivable	284,511	268,327
Land & Building	3,021,774	3,142,141
Other Fixed Assets	433,438	407,687
Other Assets	2,596,751	3,523,681
TOTAL ASSETS	\$120,141,601	\$103,667,858

LIABILITIES & EQUITY

Accounts Payable/Accrued Expenses	568,103	1,823,300
Members' Accounts	97,356,342	80,830,604
Total Members' Equity	22,217,156	21,013,954
TOTAL LIABILITIES & EQUITY	\$120,141,601	\$103,667,858

STATEMENTS OF INCOME

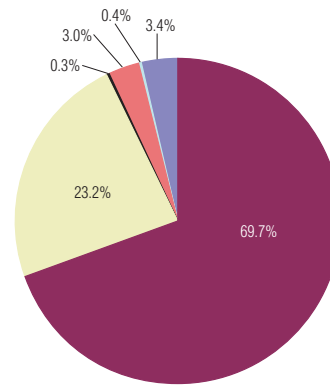
Balances As Of December 31

	2018	2017
Interest on Loans	5,129,734	4,176,547
Interest on Investments	400,054	432,459
Other Income	3,898,434	3,653,641
TOTAL REVENUE	9,428,222	\$8,262,647
Operating Expenses	6,420,833	5,811,768
Provision for Loan Losses	1,371,949	987,168
Gain/(Loss) on Disposition of Assets	0	2,814
Dividends Paid to Members	401,539	296,872

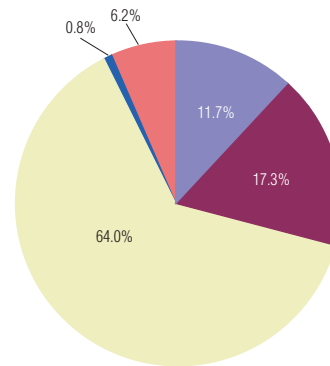
ADDITIONS TO RESERVES

& UNDIVIDED EARNINGS	\$1,233,901	\$1,169,653
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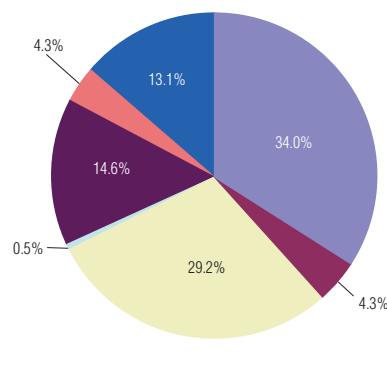
ASSET COMPOSITION



LOAN PORTFOLIO



DISTRIBUTION OF 2018 REVENUES



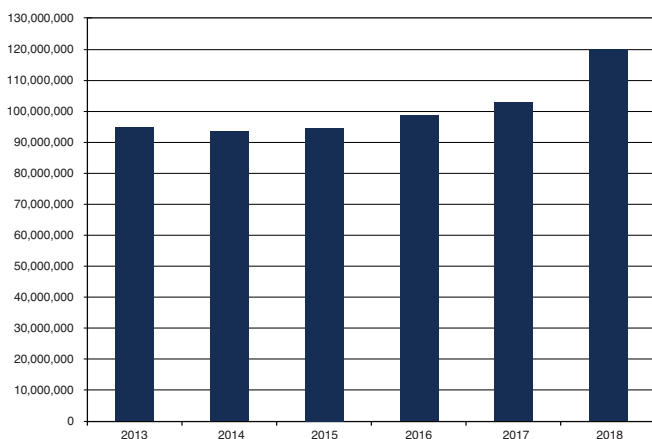
As of December 31, 2018

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

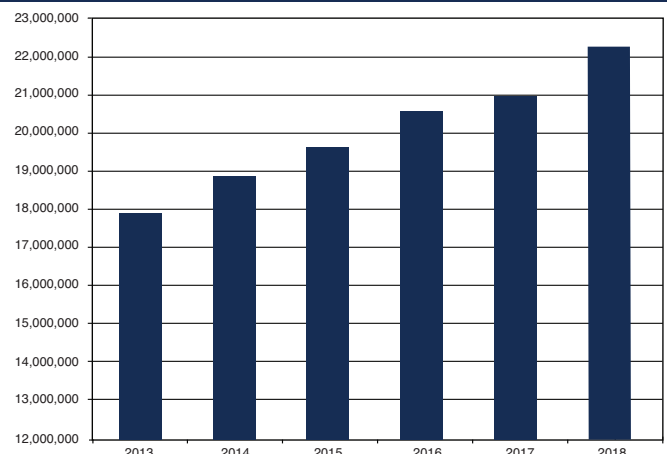
- Unsecured
- Mortgage/Home Equity
- New & Used Vehicles
- Other Loans
- Loan Participations

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

Total Assets



Reserves & Undivided Earnings



Note: The financial statements presented in this annual report are for informational purposes only. Copies of the completed audited financial statements will be made available per member request.



Financial Solutions For Life

Board of Directors



Robert Watts
Chair



Robin Anderson
Vice Chair



Ricky Barnes
Treasurer



Becki Havard
Secretary



Gary Boozer



Chris Caldwell



Laura Hassan



John Latham



Kitty Lewis



Bob Reichard



Bill Stubbs

Supervisory Committee



Jodie Sullivan
Chair



Gregory Bibbs



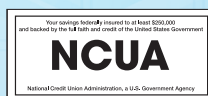
Millicent Rice



Bill Stubbs

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