

REPORT OF THE MANAGER



The role of the CEO is to provide leadership during the best and worst times. 2020 proved to be a challenge for one of the worst times in our country. It affected all of us in one way or another. Our schools, workplaces, personal and family life were all affected. The first challenge that I faced was “how do I protect my staff and continue to serve our members in a safe and efficient manner?”

With input from my board of directors and staff, we came up with a way to keep staff safe and serve our members in a more efficient manner. We integrated online appointments on our website which allowed members to set a designated time to take care of their financial business. We went from lobby and curbside only, to opening our lobby with a greeter at the front door with restrictions to keep members safe and socially distanced. This has worked out well and we plan to continue this streamlined process.

Although the pandemic did not affect our members as dramatically as we first envisioned; many families were impacted and we wanted to make a difference. We were awarded a \$10,000 Financial Assistance Grant through the National Credit Union Administration to assist members with their loan payments and loan extensions. We also offered a Covid-Relief Loan to our members for \$1,000 to assist them with their immediate needs.

As I reflect on 2020, I know beyond a doubt that the credit union motto was put into practice again and again, “People Helping People.” We know that far too many lost their lives in 2020, too many businesses closed, and many people could not find employment to support their families. At HRECU we try to look for the good in every situation no matter what! We remain strong and dedicated to our members and their families and strive to give them products and services that will make their lives easier. We continue to work on improving our member service and giving our members an exceptional experience each time that we are in contact with them, whether on the phone, in-person or electronically. Our members matter and we take pride in knowing that we can guide them to a more secure financial future.

I want to thank my supportive board, staff and committees. I cannot lead the credit union without all of their support and guidance, and I thank our loyal members for choosing HRECU! You are the reason that we get to come to work each day. We are 67 YEARS STRONG thanks to all of you.

Karen F. Orie, CEO

BOARD OF DIRECTORS

Cornelius Chambliss	Chairman
James Warren	1st Vice Chair
Jacqueline Smith-Watson	2nd Vice Chair
Donald O. Sandridge	Treasurer
Gloria Winder	Secretary
Lynda Burke	Director
Anita Holley	Director
Keisha Samuels	Director
Kimberly Sharpe	Director



**Leading You & Your Family
to a Bright Financial Future**



“Large enough to serve you, small enough to know you.”

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**2020
ANNUAL REPORT**

REPORT OF THE BOARD OF DIRECTORS



The Board of Directors' primary focus is providing leadership and monitoring the general affairs of the credit union. In addition, the board seeks to remain aware of the current economic conditions of the credit union and to provide competitive rates and comprehensive services to membership. The Board's number one priority is to make responsible decisions that are in the best interest of the membership.

The board would like to thank the dedicated volunteers for all of their time, efforts and overall contributions to the credit union. The board also expresses great appreciation to the management and staff that provide efficient, professional service to the members.

We hope that you will continue to allow us to serve you and your family and to utilize all of the products and services that we offer. Please visit our website, read our newsletter, emails and statement inserts so that you will always be aware of credit union business and information.

We strive to be the best credit union for you and your family, and to offer you products and services that will help you to be financially secure.

Cornelious A. Chambliss, Board Chairman

REPORT OF THE SUPERVISORY COMMITTEE



A. Rohm Smith & Company, CPA, PC conducted the supervisory committee comprehensive annual audit for the Hampton Roads Educators Credit Union, Inc.

The annual audit covered the period of October 1, 2019 through September 30, 2020 and was made in accordance with the Supervisory Committee Manual for Credit Unions and accordingly, included such test of the accounting records deemed necessary by auditors.

Alfred C. Finch, Chairman

2020 FINANCIAL HIGHLIGHTS

ASSETS

Loans	\$12,290,045
VISA	\$2,626,419
Allowance for Loan Loss	(\$85,927)
Cash	\$2,262,637
Total Loans (Allowance & cash not included)	\$14,916,464



INVESTMENTS

Vizo Corp Federal Credit Union	\$2,483,213
Certificates of Deposit	\$15,689,318
NCUA - Share Insurance	\$304,514
CU24 Stock	\$9,222
Accrued Loan & Investment Income	\$55,039
Prepaid Expenses	\$137,443
Building	\$71,582
Furniture and Fixtures	\$82,658
Other Assets	\$1,880,961
Total Assets & Investments	\$37,807,124

STATEMENT OF INCOME

Interest on Loans	\$844,405
Interest on VISA	\$215,308
Investment Income	\$251,192
VISA Credit/Debit Income/ATM	\$241,647
Miscellaneous	\$129,515
Total Operating Income	\$1,682,067
Less Total Operating Expenses	- \$1,567,874
Income Before Dividends	\$114,193
Less Dividends	- \$26,685
Less Non-Operating Loss	- \$3,048
Net Income	\$84,460

LIABILITIES & MEMBER EQUITY

Accounts Payable	\$394,565
Other Liabilities	\$20,191
Shares	\$33,629,757
Share Certificates	\$546,225
Money Market Shares	\$1,828,775
Regular Reserves	\$737,288
Undivided Earnings	\$2,021,990
Other Comprehensive Income	(\$1,371,667)
Total Liabilities & Member Equity	\$37,807,124

REPORT OF THE TREASURER



Comparing 2020 to 2019, members' deposits increased significantly. Share Certificates grew more than 61% and Money Market Accounts 27%. Total assets increased from \$32 to \$37 million, which is a 16% increase. We hope that this helped you to save more and get closer to your financial goals. For members who needed some assistance, the credit union received a \$10,000 grant that was used to assist with loan payments, and we also offered a \$1,000 Covid-Relief Loan.

Unfortunately, interest from Visa, Investments and miscellaneous income decreased by 65%. However, although our Net Income in 2020 decreased, we still ended the year with a little over \$84,000 in Net Income, which is excellent considering the turbulent economic year that we encountered.

In summary, no matter what your personal or financial needs are, HRECU is here for you and although we did not end the year as we projected, 2020 was still a year to be proud of, thanks to you and your support.

Donald O. Sandridge, Treasurer