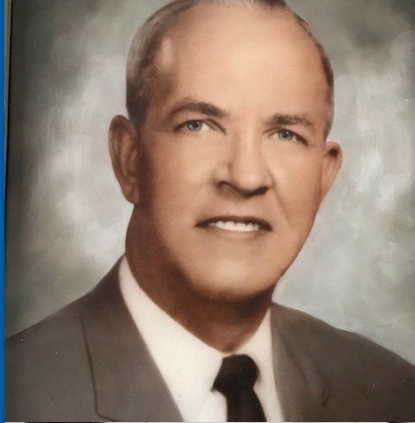


2018 ANNUAL REPORT



**YEARS OF PEOPLE
HELPING PEOPLE**



Hampton Roads

EDUCATORS' CREDIT UNION, INC.

Report of the Board of Directors



Providing leadership and monitoring the general affairs of the credit union is the primary focus of the Board of Directors. In addition, the board remains aware of the economic conditions that could affect the credit union and provides oversight for competitive rates and beneficial products and services.

As the chairman of the board, I thank my fellow officers and directors for their support and contributions. I would also like to thank the many dedicated volunteers for their time, as well as sincere appreciation to the management and staff of the credit union.

Cornelious A. Chambliss, Board Chairman

Report of the Treasurer



I am pleased to report that we have had an exceptional year at the credit union. Our loan portfolio increased by 13.8% over last year. Interest on loans, Visa and investments increased in 2018, giving us a Net Income of \$71,445. The only disappointment was that our Visa Credit

Card portfolio only increased by 1%, even though we have one of the lowest fixed rates on the Peninsula (as low as 6.90% APR).

On the member investment side, we began offering 12 and 24 month Certificates again which contributed to an increase over last year of 29.31%. Money Market Accounts were also added last year, totaling \$865,031 in deposits.

Finally, we ended the year with \$32.6 million in Assets, marking a 21.6% increase over last year.

Donald O. Sandridge, Treasurer

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, 2017 through September 30, 2018 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

Report of the Manager



At Hampton Roads Educators' Credit Union, we believe that who you are is a reflection of both where you've been and where you are going. So as we celebrate our 65th Anniversary, we are not simply taking a nostalgic look back, but also looking forward to how we can continue to create new opportunities for our members.

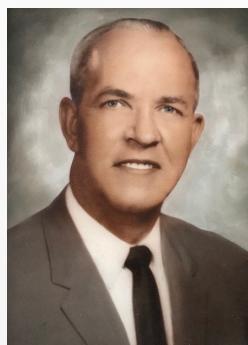
Of course, we must always remember what brought us to this point. In early 1954, several educators saw the need for a financial institution that could assist school employees. These visionaries came together, and under the direction of Laura W. Twyford, the Hampton Education Association Credit Union was formed on March 10, 1954. Until 1971 the credit union was set up in a broom closet at Hampton High School. The treasurer, Mr. Dick Gibson, operated mostly out of the trunk of his car. Today, we are proud to operate out of our branch location on Cunningham Drive in Hampton.

Many things have changed since we first opened our doors in 1954, but our mission is very much the same. Our focus is still helping educators and the community, putting members first and striving to give exceptional service.

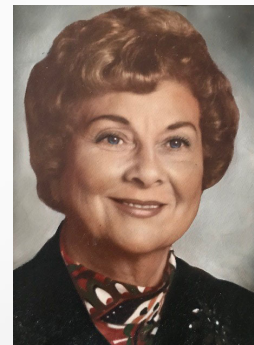
Supporting the community through charitable giving is part of our credit union philosophy. In 2018 the credit union contributed to many local nonprofits such as Habitat for Humanity, The Center for Child & Family Services, HCS Race for the Stage, and Downtown Hampton Child Development Center.

As always, we thank you for your continued loyalty to Hampton Roads Educators' Credit Union. It is our privilege to serve you.

Karen F. Orie, CEO



Richard Gibson, Treasurer



Laura Twyford, Founder

CELEBRATING 65 YEARS



1954	1960's	1970's	1980's	1990's	2000
Hampton Education Association CU Chartered on March 10, 1954	1,168 Members by end of decade	Moved to 1445 West Queen Street. Name changed to Hampton Roads Educators' CU \$1M in Assets	Grand Opening 2130 Cunningham Drive location \$4.5M in Assets	Achieved \$13M in Assets	Opened HHS Student-Run Branch Assets over \$30 million



ASSETS

Loans	\$11,626,630
VISA	\$3,045,579
Student Loans	\$0
Allowance for Loan Loss	(\$152,218)
Cash	\$821,940
Total Loans (Allowance & cash not included)	\$14,672,209

INVESTMENTS

Vizo Corp Federal Credit Union	\$1,401,138
Certificates of Deposit	\$12,904,323
NCUA - Share Insurance	\$295,309
CU24 Stock	\$5,147
Accrued Loan & Investment Income	\$65,713
Prepaid Expenses	\$74,765
Building	\$93,540
Furniture and Fixtures	\$52,405
Other Assets	\$2,371,326
Totals	\$32,605,596

STATEMENT OF INCOME

Interest on Loans	\$792,747
Interest on VISA	\$248,270
Interest on Student Loans	\$989
Investment Income	\$280,291
VISA Credit/Debit Income/ATM	\$228,300
Miscellaneous	\$207,901
Total Operating Income	\$1,758,498
Total Operating Expenses	\$1,697,061
Income Before Dividends	\$61,437
Less Dividends	(\$14,153)
Non-Operating Gain/Loss	\$24,161
Net Income	\$71,445
Total Loan Income (Excluding VISA)	\$793,736

LIABILITIES & MEMBER EQUITY

Accounts Payable	\$266,400
Other Liabilities	\$107,394
Shares	\$29,269,518
Share Certificates	\$324,813
Money Market Shares	\$865,031
Regular Reserves	\$737,288
Undivided Earnings	\$1,735,183
Other Comprehensive Income	(\$700,031)
Totals	\$32,605,596

Board of Directors

Cornelious Chambliss, Chairman
Anita Holley, 1st Vice Chairman
Jacqueline Smith-Watson, 2nd Vice Chairman
Donald O. Sandridge, Treasurer
Gloria Winder, Secretary
Lynda Burke, Director
Keisha Samuels, Director
Kelvin Evans, Director
James Warren, Director
William F. Trimble, Jr., Director Emeritus



(L-R) Donald Sandridge, Gloria Winder, Keisha Samuels, Jacqueline Smith-Watson, Cornelious Chambliss, Lynda Burke, Anita Holley, James Warren

Supervisory Committee

Alfred C. Finch, Chairman
Alice Capehart
Calvin Mansfield
Thomas E. Richardson

Student Branch at Hampton High School

Julie Buckman, Teacher Liaison
Nazareth Bertrand
Fabio Corbera
Keisha Hunter
William Tatum
Xaiver Williams
Amber Woody



(L-R) Fabio Corbera, William Tatum, Xaiver Williams, Julie Buckman, Nazareth Bertrand, Keisha Hunter, Amber Woody

Staff

Karen F. Orie, Manager/CEO
Cindy M. Richmond, Operations Manager/BSA Officer
Susan Thrash, Marketing & Business Development
Emma Hoffman, Accounting Specialist
Cynthia E. Vanhook, VP of Lending
Tyronna Smith, Loan Officer
Amber Mitcheltree, Loan Officer Assistant
Scherriel Harris, Member Services Specialist
Karla Swittenberg, Member Services Specialist
Julie Ferris, Head Member Services Representative, MSS
Pamela Champ, Member Services Representative
Mikalah Bishop, Member Services Representative
J'Aira Alston, Member Services Representative
Cathryn Woods, Member Services Representative



(L-R) Front: J'Aira Alston, Pamela Champ, Cindy Richmond, Emma Hoffman, Karla Swittenberg. Back: Karen Orie, Mikalah Bishop, Scherriel Harris, Tyronna Smith, Cynthia Vanhook, Amber Mitcheltree, Susan Thrash, Julie Ferris, Cathryn Woods (not pictured)



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