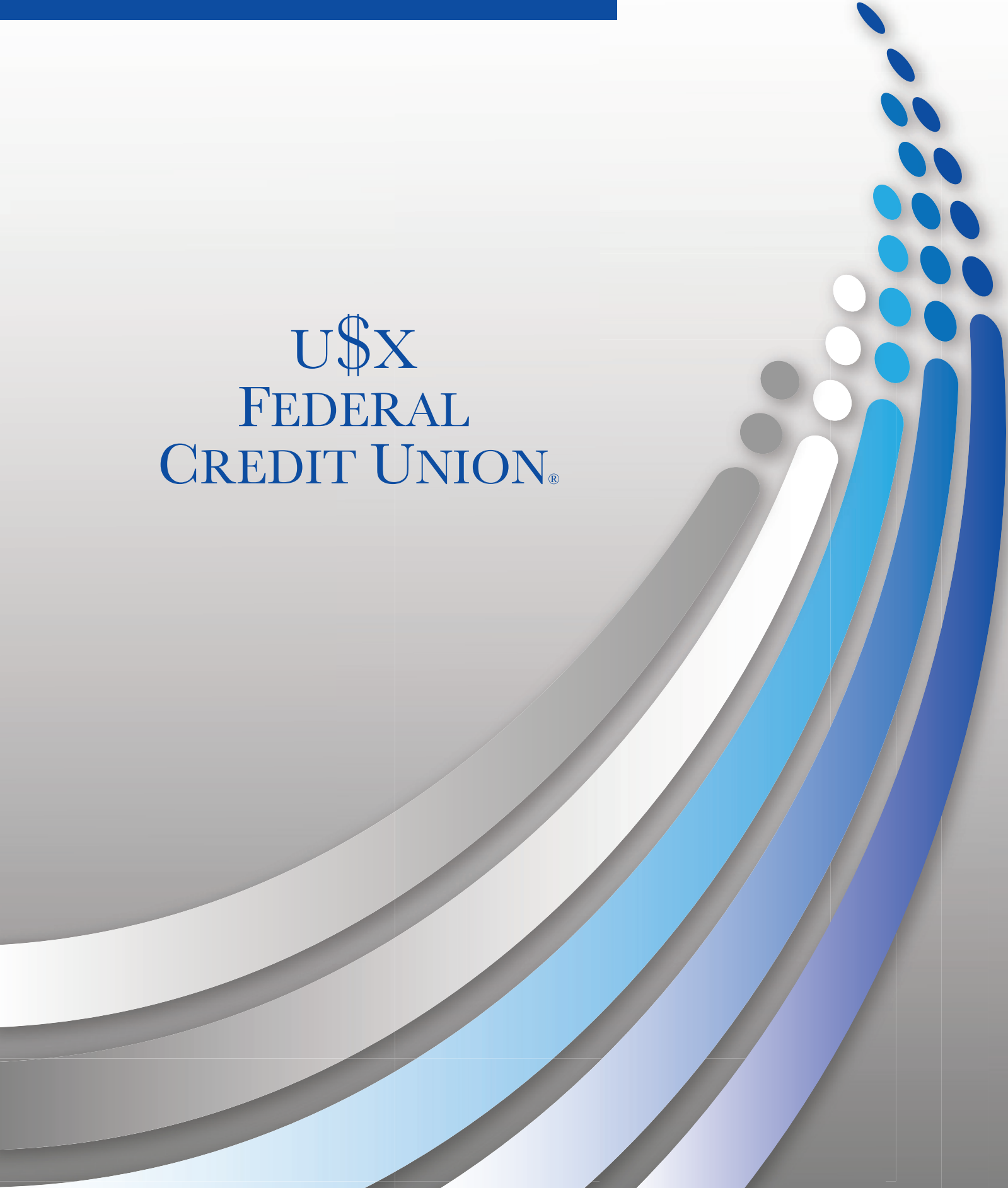



2020 ANNUAL REPORT

U\$X
FEDERAL
CREDIT UNION[®]



CHAIRMAN'S AND PRESIDENT'S REPORT



The year 2020 has been a year like no other with a pandemic that has impacted all segments of the economy, and each of us personally in one way or another. We realize that our members and our employees all faced challenges during the year and we were focused on providing our services remotely through our on-line banking system, our drive thru access at select branches and in-person services by appointment. Our focus was to operate in an environment that was safe for our members and all of our employees.

Despite these challenges, we closed the books for 2020 with a positive net income. We continue to remain a safe and sound financial cooperative with the security of capital strength.

We realized positive growth in assets and members' deposits of 10.9% and 12.35% respectively.

We anticipated a decrease in loan applications as well as the addition of new members from employer sponsor groups.

Although loan activity declined during the year, we still processed 3,889 new loans for approximately \$42 million dollars. For those members that experienced economic hardship, we processed \$12.2 million in short term loan payment deferrals throughout the year.

Although we were extremely limited with in-person interactions with many of our sponsor groups (SEGs), we were still successful in adding 12 new groups during the year. We anticipate this will improve in the future as we return to some state of normalcy.

Our capital position remains consistently strong at 11.8% which is well above the National Credit Union Administration (NCUA) minimum requirement of 7%. Being well capitalized places us in a position to address any unforeseen economic condition which we may face.

Our U\$X Financial Group is always ready to assist members who seek assistance in retirement planning, wealth management or access to alternative investment products. Don't hesitate to contact Nathan Rodgers, our financial professional, at any of our offices for a no-cost, no-obligation appointment.

Please continue to read our quarterly U\$Xtra newsletters and visit our website for updated articles of interest and special promotions.

The Board of Directors adheres to a collective governance model working closely together with our CEO and members of the executive team to achieve our goals intended to benefit the financial lives of our members.

As we enter 2021, we realize we will continue to face some of the challenges that this pandemic has brought us. We are well positioned to address these challenges and anticipate we will have another successful year.

Our sincere thanks to our dedicated employees for the sacrifices they've made to serve and assist our members during these trying times. Most of all, our sincere thanks to our loyal members for their business and their continued trust and support of the credit union.

Sincerely,
John E. Toth, Chairman
Mark Volponi, President/CEO

SUPERVISORY COMMITTEE REPORT

FINANCIAL STATEMENTS

U\$X Federal Credit Union has assets of \$251.9 million and serves over 23,128 members. The credit union has eight offices operating in Pennsylvania and two offices operating in Ohio.

The Supervisory Committee audits many aspects of Credit Union operations to ensure: Accounting reports and records are prepared promptly and accurately, internal controls are in place to monitor activities policies and procedures and operations are in compliance with state and federal regulations.

The Supervisory Committee retains the accounting firm S.R. Snodgrass to perform a complete financial statement audit each year and the accounting firm Cottrill, Arbutina and Associates to perform various internal control tests as well as internal audits.

The National Credit Union Administration (NCUA) also conducts an annual examination of the credit union.

Each of these organizations review our loan portfolio, deposit accounts, credit card portfolio, operations, data processing, as well as policies and procedures in order to ensure that records are correct and that U\$X Federal Credit Union complies with current laws, regulations and accounting standards.

U\$X Federal Credit Union continues to receive positive reports about its effective operations and proactive management executed by volunteers and employees.

Your Supervisory Committee is pleased to report that the affairs for the Credit Union during 2020 were concluded in accordance with all rules and regulation.

A copy of the audited financial statement is available for review at our administrative office in Cranberry Township, PA.

Richard C. Nichols
Supervisory Committee Chairman

12/31/20

12/31/19

ASSETS

Loans, net	\$141,528,801	\$162,168,886
Cash & Equivalents	20,715,961	13,244,081
Investments	81,586,196	43,625,311
Other	8,150,085	7,961,040
Total Assets	\$251,981,043	\$226,999,318

LIABILITIES & EQUITY

Accounts Payable	\$986,805	\$980,999
Certificate Dividends Payable	25,812	35,196
Total Liabilities	1,012,617	1,016,195

Regular Shares	103,476,296	89,141,169
IMMA Shares	48,201,220	42,795,192
Checking Accounts	32,200,488	25,622,245
Certificates	35,795,770	37,328,152
IRA Shares	1,497,438	2,034,790
Total Shares	221,171,212	196,921,548

Members' Equity	29,797,214	29,061,575
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Total Liabilities & Equity	\$251,981,043	\$226,999,318
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INCOME

Interest:		
Loans	\$7,650,250	\$8,553,504
Investments	842,588	1,089,461
Total Interest	8,492,838	9,642,965

Non-Interest		
Gain (loss) on Sale of Investments	15,350	45,080
Fees	1,105,620	1,531,405
Miscellaneous	2,132,525	2,257,736
Total Income	11,746,333	13,477,186

EXPENSES

Dividends:		
Regular Shares	105,629	104,918
IMMA Shares	152,382	380,277
Certificates	703,500	814,470
IRA Shares	1,591	1,732
Total Dividends	963,102	1,301,396

Provision for Loan Losses	303,394	323,231
Operating Expenses	10,154,477	11,426,011
Total Expenses	11,420,973	13,050,638

Income Before Loyalty Dividend and NCUSIF Stabilization Expense	325,360	426,548
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Loyalty Dividend		
Net Income	\$325,360	\$426,548

BOARD OF DIRECTORS

John E. Toth, Chairman
Richard C. Nichols
Albert J. Flynn, Jr., Vice Chairman
Christopher D. Panian
Mashawn A. Lorenz, Secretary
James D. Settelmaier
Thomas M. White, Treasurer
Jose A. Quinones - Associate
Sachin Patel - Associate

SUPERVISORY COMMITTEE

Richard C. Nichols, Chairman
Jose A. Quinones
Sachin Patel
H2R CPA - Internal Audit Firm
S. R. Snodgrass Certified Public Accountants and Consultants - External Audit Firm

MANAGEMENT

Mark A. Volponi, President / CEO
Valerie J. Stumpf, Vice President - Operations
Timothy C. Wojtaszek, Vice President - Marketing/
Business Development
David C. Chapkis, Vice President - Lending

12/31/20

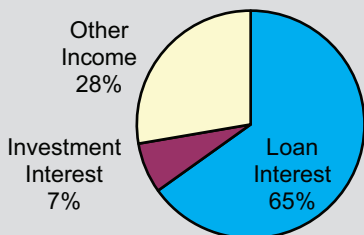
INCOME

Loan Interest	\$7,650,250	65.1%
Investment Interest	842,588	7.2%
Other Income	3,253,495	27.7%
	<u>11,746,333</u>	

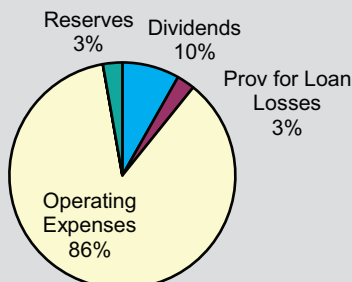
EXPENSES

Dividends	963,102	8.2%
Prov for Loan Losses	303,394	2.6%
Operating Expenses	10,154,477	86.4%
Loyalty Dividend	-	0.0%
Reserves	325,360	2.8%
	<u>11,746,333</u>	

SOURCES OF INCOME



DISTRIBUTION OF INCOME



U\$X FCU PRODUCTS AND SERVICES

MEMBERSHIP

- Preferred Partner Groups
- Family Memberships
- Once a Member, Always a Member

SAVINGS PRODUCTS

- Share Savings Accounts
- Christmas Club Accounts
- Youth Club Savings Accounts
- Designated Share Savings Accounts
- Share Certificates
- Insured Money Management Account
Deposits insured by the National Credit
Union Share Insurance Fund
(NCUSIF) up to \$250,000

TAX ADVANTAGED PRODUCTS

- Individual Retirement Accounts (IRAs)
- Roth IRAs
- Coverdell Educational Savings Accounts
Deposits insured by the National Credit
Union Share Insurance Fund
(NCUSIF) up to \$250,000

U\$X FINANCIAL GROUP

- Financial Planning and Retirement Services

1-888-219-3159

www.usxfcu.org



CONSUMER LOANS

- New Vehicle Loans
- Used Vehicle Loans
- Motorcycle Loans
- Boat Loans
- Motor Home Loans
- Signature Loans
- Stock / Share Pledged Loans
- Private Student Loan Program

VISA® PRODUCTS

- VISA Platinum Credit Card
- VISA Blue Credit Card

REAL ESTATE LOANS

- Home Equity Loans
- Home Equity Lines-of-Credit
- Mortgages (Terms up to 30 Years)

MEMBER TRANSACTION PRODUCTS

- Free Online Account Access with NETBRANCH
- Free Electronic BILLPAY
- Free Mobile Banking
- Free Remote Check Deposit
- Free Personal Financial Management Tools
- Free Checking Account / Overdraft Protection
- Free VISA Debit Card
- Free CardTrac
- Member Plus Checking with Interest/Overdraft Protection
- Over 90,000 Free ATM Machines & No Surcharge Networks
- Direct Deposit
- Payroll Deduction
- Toll Free Phone Access
- Wire Transfer Service

U\$X FEDERAL CREDIT UNION LOCATIONS

CRANBERRY/ADMINISTRATIVE OFFICES

1293 Freedom Rd PO Box 1728
Cranberry Twp PA 16066
Toll Free Number: 1-888-219-3159
Fax (724) 779-4656
Toll Free Phone Access 1-800-590-0207
NETBRANCH www.usxfcu.org

NEW STANTON OFFICE

100 Bair Blvd PO Box 657
New Stanton PA 15672

SARVER OFFICE

479 N Pike Rd
Sarver PA 16055

MARATHON OFFICE

539 S Main St Rm 1024
Findlay OH 45840

FINDLAY OFFICE

1038 Interstate Court
Findlay OH 45840

JEFFERSON OFFICE

575 Coal Valley Rd
Jefferson Hills PA 15025

GREENSBURG OFFICE

55 S. Washington Ave
Greensburg PA 15601

MONACA OFFICE

400 Frankfort Rd
Monaca PA 15061