In 2019, People’s Trust continued to serve nearly 33,000 members and provide competitive products and services to them at a cost significantly lower than those of banks in our market. In fact, Bauer Financial has recognized us the last four consecutive quarters, as a five-star institution.

Our Save to Win Certificate was launched in April and is our prize-based savings account. The account encourages savings, pays a dividend, and for each $25 deposited in a month, members receive an entry into a cash drawing. As of December 31, 2019, we had over $1.5 million on deposit in Save to Win accounts, we paid over $13,000 in dividends to those accounts, and gave away over $8,000 in cash prizes.

We also spent a great deal of time during the year preparing to launch small business accounts. Over the years, many of our members have told us that they have small businesses and would love to do their business banking where they do their personal banking. We took that as a cue and built our own business banking suite of products that is priced to compete with other financial institutions in our market.

In the community, we reached members and non-members at events such as the Annual Meeting, Westside Branch Summer Movie Night, Galleria Branch Halloween event, the East End Street Festival, 104.1 KRBE Roula and Ryan Roadshow, and AFA Duck Race. Additionally, we hosted 60 financial education seminars over the year, reaching almost 2,300 individuals.

Financially, People’s Trust finished the year with $1.2 million in Net Income that was added to Members’ Equity, total assets of $463 million, and a capital ratio of 10.49%.

On behalf of People’s Trust, we thank you for choosing us as your financial partner and look forward to another remarkable year. Thanks for being a part of the People’s Trust family.
The Credit Union generated positive Net Income of $1.2 million during 2019, despite an extremely low interest rate environment. This amount was transferred to Members’ Equity to add to the financial strength of your Credit Union and to allow for future growth and service improvements. This pushed the Members’ Equity Ratio, or Capital Ratio, to 10.49% which is up from 10.02% at the end of 2018. The Ratio remains substantially better than the 7.00% necessary to be considered Well Capitalized by our regulator, National Credit Union Administration.

People’s Trust welcomed over 1,500 new members however the total number of members remained relatively flat at nearly 33,000 as a high number of inactive and escheated accounts ate into our new membership growth. However, it was a challenging year for lending with Total Outstanding Loans to Members declining by $41 million or -14%. This decline was primarily the result of the Credit Union’s strategic decision to exit Indirect Auto Lending as Auto Loans declined by $31 million or -20%. The Loan Quality Ratio, which is made up of the percentage of loans delinquent (more than 60 days past due) and the percentage of loans charged off over the year, improved from 1.67% to 1.52%.

The Supervisory Committee’s role is to verify that sound financial policies and procedures are being followed by management and staff in order to safeguard members’ assets.

We engaged the auditing firm of BKD CPAs and Advisors, LLC to perform our annual audit.

As we prepare this 2019 Annual Report, the auditors are in the process of finalizing their annual year-end financial statement audit. Audited financial statements will be available in our branches or will be sent to you by request after May 1, 2020. Please email InternalAuditor@unbanking.org to request a copy.

Thank you for your continued confidence in People’s Trust. We look forward to serving you in 2020 and meeting your needs in our financial cooperative.
## STATEMENT OF FINANCIAL CONDITION

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>$257,406</td>
<td>$298,648</td>
</tr>
<tr>
<td>Cash and Investments</td>
<td>159,313</td>
<td>128,298</td>
</tr>
<tr>
<td>All Other Assets</td>
<td>46,880</td>
<td>45,754</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>463,599</strong></td>
<td><strong>472,701</strong></td>
</tr>
<tr>
<td><strong>Liabilities and Member's Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable and Other Liabilities</td>
<td>4,697</td>
<td>6,071</td>
</tr>
<tr>
<td>Borrowed Funds</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Regular Shares</td>
<td>113,423</td>
<td>118,208</td>
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<tr>
<td>Share Drafts</td>
<td>127,826</td>
<td>136,393</td>
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<tr>
<td>Money Market Shares</td>
<td>123,699</td>
<td>127,855</td>
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<tr>
<td>IRAs</td>
<td>4,725</td>
<td>5,234</td>
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<tr>
<td>Share Certificates</td>
<td>40,202</td>
<td>33,642</td>
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<tr>
<td><strong>Total Member Share Accounts</strong></td>
<td><strong>409,875</strong></td>
<td><strong>421,363</strong></td>
</tr>
<tr>
<td><strong>Member's Equity</strong></td>
<td><strong>49,027</strong></td>
<td><strong>45,267</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Member's Equity</strong></td>
<td><strong>$463,599</strong></td>
<td><strong>$472,701</strong></td>
</tr>
<tr>
<td><strong>Number of Members</strong></td>
<td>32,953</td>
<td>32,961</td>
</tr>
</tbody>
</table>

All figures shown in 1,000s and rounded except number of members.

## INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on Loans</td>
<td>$12,517</td>
<td>$13,839</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>3,265</td>
<td>2,804</td>
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<tr>
<td>Non-Interest Income</td>
<td>4,521</td>
<td>4,638</td>
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<tr>
<td><strong>Total Income</strong></td>
<td><strong>20,303</strong></td>
<td><strong>21,281</strong></td>
</tr>
<tr>
<td>Compensation and Benefits</td>
<td>6,335</td>
<td>7,803</td>
</tr>
<tr>
<td>NCUSIF Impairment and Premium Assessment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Provision for Loan Losses</td>
<td>3,037</td>
<td>884</td>
</tr>
<tr>
<td>Other Non-Interest Expense</td>
<td>7,539</td>
<td>8,371</td>
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<tr>
<td><strong>Total Expense</strong></td>
<td><strong>16,911</strong></td>
<td><strong>17,058</strong></td>
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<tr>
<td>Dividends Interest Expense</td>
<td>2,101</td>
<td>2,009</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td><strong>$1,291</strong></td>
<td><strong>$2,892</strong></td>
</tr>
</tbody>
</table>

All figures shown in 1,000s and rounded except number of members.
They say it’s all in a name, but for us, People’s Trust is more than just a name. It’s the steps we take in creating exceptional experiences for our members and staying active in the community. This is why our members continue to trust us.

We honor that trust every day by living up to our philosophy of “People Helping People.” We take great pride in supporting the people and community that makes it possible for us to exist.

Words could never do us justice. However, our actions say it all. Don’t believe us? See for yourself. Here are some snapshots of our 2019 community actions in review.

COMMUNITY OUTREACH

Throughout the year, we held seminars at our branches on a variety of topics such as, Home Buying, Credit Basics, Car Buying, and more.

FINANCIAL EDUCATION

We donated our time and efforts at the Citizens for Animal Protection, Houston ToolBank, San Francisco Nativity Academy, Women’s Resource, and Teacher’s Aid.

COMMUNITY SERVICE PROJECTS

We continued our mission to help close the financial literacy gap among today’s youth by delivering financial education workshops and activities in schools and community settings.

YOUTH WORKSHOPS

Our 2nd Annual Halloween event was Spooktacular. Members and community guests enjoyed fun games, activities, music and a Halloween contest for the kiddos.

NIGHT BEFORE HALLOWEEN

Throughout the year, we held seminars at our branches on a variety of topics such as, Home Buying, Credit Basics, Car Buying, and more.

On ICU Day, our staff prepared snack packs and created paintings for SEARCH Homeless Services. The paintings were used as decorations in their clients’ homes.

INTERNATIONAL CREDIT UNION DAY

We topped the year off with our signature holiday event, Photos with Santa. Families were all smiles as they took photos with Santa and enjoyed our arts and crafts activities.

PHOTOS WITH SANTA

Other community efforts we’ve supported included Free Community Shred Days, Donation Drives, AFA Rubber Duck Race, the East End Street Festival, and more.

ANNUAL MEETING FEST

We celebrated our members and the community in a farmer’s market-styled setting featuring DJ entertainment, fitness demos, fun games and activities for the whole family.

WHIMSY WORLD

We were proud title sponsors for the live art exhibit, Whimsy World, designed by Houston artist Sheli Nicole. This event helped support the local art community.

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A huge thank you to these leaders who have made a commitment that will allow credit unions to do what they do best: serve their members.

**Representative Lizzie Fletcher**
Members in District: 5,567

**Representative Pete Olson**
Members in District: 4,708

**Representative Sheila Jackson Lee**
Members in District: 4,176

**Representative Al Green**
Members in District: 4,112

**Representative Dan Crenshaw**
Members in District: 4,053

**Representative Kevin Brady**
Members in District: 2,382

Annually, the Board of Directors is elected by the membership to provide oversight and is responsible for monitoring the activities of management to ensure they are making decisions in the best interest of all members.

The Board of Directors routinely recruits for individuals that share their passion for excellence in governance and invites all interested individuals to consider opportunities to share their own unique talents, experiences and skills in the pursuit of excellence.

To find out more, visit Volunteer.PeoplesTrustFCU.org

**Board of Directors**
Michael O. Read (Chair)
Gary Daugherty (Vice Chair)
Art Howell (Treasurer)
Mohan Dinanath (Secretary)
Ronald A. Booth
Rhonda Bouldin
Julie A. Hejducek
Patrick McCaslin
Paul SoRelle
Donald R. Knop (Director Emeritus)
Adrian Nieto (Associate Director)
Ed Raponi (Associate Director)

**Supervisory Committee**
Ed Raponi (Chair)
Thomas Brooks
Valerie L. Golden
Robert Martinez
Sonja L. Roberts

**People’s Trust Financial Resources**
Steve Branstetter (Chair)
Angela McCathran (Vice Chair)
Ira L. Smith (Secretary)
Ronald A. Booth (Treasurer)
Janee Hebert
ShaDonna Johnson
Donald R. Knop
Humberto Manueco
Olutunde Rodney

**People’s Trust Foundation**
Patrick Flynn (Chair)
Angela McCathran (President)
Latisha Marshall (Secretary/Treasurer)
Mohan Dinanath
Rene Martinez
Barry Mayers
Benedicta Oletu
Nirupa Oudit
Dan Sloan
Adrienne Wright

**INTERESTED IN VOLUNTEERING?**

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