

Form **990-EZ**

**Short Form**  
**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except private foundations)

2949234107303 9

OMB No 1545-1150

**2018**

Department of the Treasury  
Internal Revenue Service

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Go to [www.irs.gov/Form990EZ](http://www.irs.gov/Form990EZ) for instructions and the latest information.

Open to Public Inspection

**A** For the 2018 calendar year, or tax year beginning , 2018, and ending ,

<b>B</b> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input checked="" type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> SAFE Credit Union 7025 Eastex Frwy Beaumont, TX 77706	<b>D</b> Employer identification number 74-0504720
		<b>E</b> Telephone number (409) 896-8508
		<b>F</b> Group Exemption Number 14

**G** Accounting Method  Cash  Accrual Other (specify) ▶ \_\_\_\_\_

**I** Website: ▶ N/A

**J** Tax-exempt status (check only one) –  501(c)(3)  501(c) ( 14 ) ◀ (insert no)  4947(a)(1) or  527

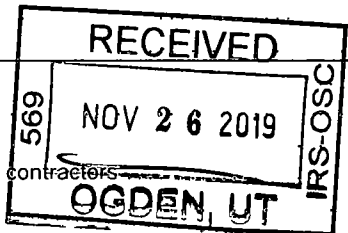
**K** Form of organization  Corporation  Trust  Association  Other \_\_\_\_\_

**H** Check  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

**L** Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ 96,248.

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question: <input checked="" type="checkbox"/>			
<b>Revenue</b>	1 Contributions, gifts, grants, and similar amounts received	1	
	2 Program service revenue including government fees and contracts	2	80,737.
	3 Membership dues and assessments	3	
	4 Investment income	4	15,511.
	5a Gross amount from sale of assets other than inventory	a	
	5b Less cost or other basis and sales expenses	b	
	5c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)	c	
	6 Gaming and fundraising events		
	6a Gross income from gaming (attach Schedule G if greater than \$15,000)	a	
	6b Gross income from fundraising events (not including \$ _____ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	b	
	6c Less direct expenses from gaming and fundraising events	c	
	6d Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	d	
	7a Gross sales of inventory, less returns and allowances	a	
	7b Less cost of goods sold	b	
	7c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	c	
	8 Other revenue (describe in Schedule O)	8	
	9 <b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	96,248.
<b>Expenses</b>	10 Grants and similar amounts paid (list in Schedule O)	10	477.
	11 Benefits paid to or for members	11	
	12 Salaries, other compensation, and employee benefits	12	145,407.
	13 Professional fees and other payments to independent contractors	13	26,868.
	14 Occupancy, rent, utilities, and maintenance	14	9,836.
	15 Printing, publications, postage, and shipping	15	805.
	16 Other expenses (describe in Schedule O) See Schedule O	16	36,538.
	17 <b>Total expenses.</b> Add lines 10 through 16	17	219,931.
	18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-123,683.
	<b>Net Assets or Fund Balances</b>	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19
20 Other changes in net assets or fund balances (explain in Schedule O) See Schedule O		20	-932,016.
21 Net assets or fund balances at end of year Combine lines 18 through 20		21	0.



**BAA** For Paperwork Reduction Act Notice, see the separate instructions. Form 990-EZ (2018)

61-10

**Part III Balance Sheets** (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	6,951,834.	22
23 Land and buildings	324,047.	23
24 Other assets (describe in Schedule O) See Schedule O	4,157,668.	24
25 Total assets	11,433,549.	25
26 Total liabilities (describe in Schedule O) See Schedule O	10,377,850.	26
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	1,055,699.	27

**Part III Statement of Program Service Accomplishments** (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? See Schedule O

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title

**Expenses**  
(Required for section 501(c)(3) and 501(c)(4) organizations, optional for others)

28 See Schedule O		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	28 a	
29 See Schedule O		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	29 a	
30 See Schedule O		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	30 a	
31 Other program services (describe in Schedule O)		
(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	31 a	
32 Total program service expenses (add lines 28a through 31a)	32	

**Part IV List of Officers, Directors, Trustees, and Key Employees** (list each one even if not compensated — see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
Gaylene Gaspard Secretary	0.75	0.	0.	0.
Georgine Guillory Chairman	1.25	0.	0.	0.
Dolores Sennette Director	0.75	0.	0.	0.
Deborah Scroggins Vice Chair	0.75	0.	0.	0.
Elaine Moore Director	0.75	0.	0.	0.
Leroy Henry Director	0.25	0.	0.	0.
Ed Clark Director	0.75	0.	0.	0.
Doug Carrier Director	0.1	0.	0.	0.
Molly Handy CEO	40	113,495.	0.	0.

NO

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V

33 Did the organization engage in any significant activity not previously reported to the IRS?
34 Were any significant changes made to the organizing or governing documents?
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities
35b If 'Yes' to line 35a, has the organization filed a Form 990-T for the year?
35c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year?
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year?
37a Enter amount of political expenditures, direct or indirect, as described in the instructions
37b Did the organization file Form 1120-POL for this year?
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?
38b If 'Yes,' complete Schedule L, Part II and enter the total amount involved
39 Section 501(c)(7) organizations Enter
39a Initiation fees and capital contributions included on line 9
39b Gross receipts, included on line 9, for public use of club facilities
40a Section 501(c)(3) organizations Enter amount of tax imposed on the organization during the year under section 4911
40b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ?
40c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
40d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations Enter amount of tax on line 40c reimbursed by the organization
40e All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?
41 List the states with which a copy of this return is filed

42a The organization's books are in care of Phyllis Pickering Telephone no. (409) 896-8508
Located at 7025 Eastex Frwy Beaumont TX ZIP + 4 77706

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
c At any time during the calendar year, did the organization maintain an office outside the United States?

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 -- Check here and enter the amount of tax-exempt interest received or accrued during the tax year

44a Did the organization maintain any donor advised funds during the year?
44b Did the organization operate one or more hospital facilities during the year?
44c Did the organization receive any payments for indoor tanning services during the year?
44d If 'Yes' to line 44c, has the organization filed a Form 720 to report these payments?
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?
45b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)?

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I

	Yes	No
46		X

**Part VI Section 501(c)(3) Organizations Only**

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II

	Yes	No
47		

48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E

48		
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49a Did the organization make any transfers to an exempt non-charitable related organization?

49a		
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b If 'Yes,' was the related organization a section 527 organization?

49b		
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50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over \$100,000

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter 'None'

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A

Yes  No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
 Signature of officer: Phyllis Pickering Date: 11-20-19  
 Type or print name and title: Phyllis Pickering VP - Accounting

**Paid Preparer Use Only**  
 Print/Type preparer's name: Michael W. Kiefer Preparer's signature: Michael W. Kiefer Date: 11/20/2019  
 Firm's name: Wathen, DeShong & Juncker, LLP Check  if self-employed PTIN: P00042025  
 Firm's address: 4140 Gladys Avenue, Suite 101 Firm's EIN: 74-1694817  
Beaumont, TX 77706-3648 Phone no: (409) 838-1605

May the IRS discuss this return with the preparer shown above? See instructions

Yes  No

**SCHEDULE N**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

SAFE Credit Union

**Part I**

**Liquidation, Termination, or Dissolution.** Complete this part if the organization answered 'Yes' on Form 990, Part IV, line 31, or Form 990-EZ, line 36. Part I can be duplicated if additional space is needed.

(a) Description of asset(s) distributed or transaction expenses paid	(b) Date of distribution	(c) Fair market value of asset(s) distributed or amount of transaction expenses	(d) Method of determining FMV for asset(s) distributed or transaction expenses	(e) EIN of recipient	(f) Name and address of recipient	(g) IRC section of recipient(s) (if tax-exempt) or type of entity
Member Loans	2/28/18	3,685,108	Book Value	74-1186856	Education First F.C.U. 7025 Eastex Freeway Beaumont, TX 77706	501 C 1
Cash and Investments	2/28/18	5,931,998	Book Value	74-1186856	Education First F.C.U. 7025 Eastex Freeway Beaumont, TX 77706	501 C 1
Capital Assets	2/28/18	321,467	Book Value	74-1186856	Education First F.C.U. 7025 Eastex Freeway Beaumont, TX 77706	501 C 1
Accrued Interest	2/28/18	16,143	Book Value	74-1186856	Education First F.C.U. 7025 Eastex Freeway Beaumont, TX 77706	501 C 1
NCUSIF Prepaid and Deferred Expenses	2/28/18	100,481	Book Value	74-1186856	Education First F.C.U. 7025 Eastex Freeway Beaumont, TX 77706	501 C 1
De-conversion expenses	3/05/15	92,243	Actual Costs	73-0780382	Transfund (BOKF, N.A.) P.O. Box 2300 Tulsa, OK 74192	C Corp
De-conversion expenses	2/14/18	150,807	Actual Costs	20-8224379	CU South 23210 US Hwy 98 Fairhope, AL 36532	C Corp

	Yes	No
2 Did or will any officer, director, trustee, or key employee of the organization		
a Become a director or trustee of a successor or transferee organization?		
b Become an employee of, or independent contractor for, a successor or transferee organization?		
c Become a direct or indirect owner of a successor or transferee organization?		
d Receive, or become entitled to, compensation or other similar payments as a result of the organization's liquidation, termination, or dissolution?		
e If the organization answered 'Yes' to any of the questions on lines 2a through 2d, provide the name of the person involved and explain in Part III ▶		
	2a	X
	2b	X
	2c	X
	2d	X

See Part III

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or Form 990-EZ.**

TEEA4701L 07/24/18

Schedule N (Form 990 or 990-EZ) 2018

**Part III Liquidation, Termination, or Dissolution (continued)**

**Note.** If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B), line 16 (Total assets), and line 26 (Total liabilities), should equal -0-

- 3** Did the organization distribute its assets in accordance with its governing instrument(s)? If 'No,' describe in Part III
- 4 a** Is the organization required to notify the attorney general or other appropriate state official of its intent to dissolve, liquidate, or terminate?
- b** If 'Yes,' did the organization provide such notice?
- 5** Did the organization discharge or pay all of its liabilities in accordance with state laws?
- 6 a** Did the organization have any tax-exempt bonds outstanding during the year?
- b** If 'Yes' to line 6a, did the organization discharge or defease all of its tax-exempt bond liabilities during the tax year in accordance with the Internal Revenue Code and state laws?
- c** If 'Yes,' on line 6b, describe in Part III how the organization defeased or otherwise settled these liabilities. If 'No' on line 6b, explain in Part III

	Yes	No
<b>3</b>	X	
<b>4 a</b>	X	
<b>4 b</b>	X	
<b>5</b>	X	
<b>6 a</b>		X
<b>6 b</b>		

**Part IV Sale, Exchange, Disposition, or Other Transfer of More Than 25% of the Organization's Assets.** Complete this part if the organization answered 'Yes' on Form 990, Part IV, line 32, or Form 990-EZ, line 36. Part II can be duplicated if additional space is needed.

1	(a) Description of asset(s) distributed or transaction expenses paid	(b) Date of distribution	(c) Fair market value of asset(s) distributed or amount of transaction expenses	(d) Method of determining FMV for asset(s) distributed or transaction expenses	(e) EIN of recipient	(f) Name and address of recipient	(g) IRC section of recipient(s) (if tax-exempt) or type of entity

- 2** Did or will any officer, director, trustee, or key employee of the organization:
  - a** Become a director or trustee of a successor or transferee organization?
  - b** Become an employee of, or independent contractor for, a successor or transferee organization?
  - c** Become a direct or indirect owner of a successor or transferee organization?
  - d** Receive, or become entitled to, compensation or other similar payments as a result of the organization's significant disposition of assets?
  - e** If the organization answered 'Yes' to any of the questions on lines 2a through 2d, provide the name of the person involved and explain in Part III

	Yes	No
<b>2 a</b>		
<b>2 b</b>		
<b>2 c</b>		
<b>2 d</b>		

**Part III** **Supplemental Information.** Provide the information required by Part I, lines 2e and 6c, and Part II, line 2e. Also complete this part to provide any additional information.

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**Part I, Line 2e - Name and Explanation for Involvement in Successor**

Shirley Handy - Severance Pay

Mrs. Handy provided consultation services during the transition. Mrs. Handy does not serve as a trustee or director for Education First F.C.U., nor did Education First F.C.U. employ Mrs. Handy.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No 1545-0047

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

**2018**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

Name of the organization

Employer identification number

SAFE Credit Union

74-0504720

**Form 990-EZ, Part I, Line 16**  
**Other Expenses**

Advertising and Promotion	\$	483.
Conferences, Conventions, and Meetings		737.
Depreciation		6,926.
Insurance		14,817.
Interest		2,612.
Loan/Credit servicing fees		2,864.
Loan/Share Loss		-420.
Miscellaneous		4,279.
Office Expenses		4,240.
<b>Total</b>	<b>\$</b>	<b><u>36,538.</u></b>

**Form 990-EZ, Part I, Line 20**  
**Other Changes In Net Assets Or Fund Balances**

Merger of Credit Union Assets to Education First F.C.U.	\$	-932,016.
<b>Total</b>	<b>\$</b>	<b><u>-932,016.</u></b>

**Form 990-EZ, Part II, Line 24**  
**Other Assets**

	<u>Beginning</u>	<u>Ending</u>
Accrued interest on Investments	\$ 7,739.	\$ 0.
Accrued Interest on Loans	9,880.	0.
Machinery and Equipment	4,459.	0.
NCUSIF	100,481.	0.
Notes and Loans Receivable	3,996,977.	0.
Other Assets	8,063.	0.
Prepaid Expenses and Deferred Charges	30,069.	0.
<b>Total</b>	<b>\$ <u>4,157,668.</u></b>	<b>\$ <u>0.</u></b>

**Form 990-EZ, Part II, Line 26**  
**Total Liabilities**

	<u>Beginning</u>	<u>Ending</u>
Accounts Payable and Accrued Expenses	\$ 380,900.	\$ 0.
Member certificates of deposit	783,411.	0.
Member share accounts	7,004,257.	0.
Member share draft accounts	2,209,282.	0.
<b>Total</b>	<b>\$ <u>10377850.</u></b>	<b>\$ <u>0.</u></b>

**Form 990-EZ, Part III - Organization's Primary Exempt Purpose**

SAFE Credit Union is a voluntary, cooperative, nonprofit financial institution established for the purposes of encouraging thrift among its members, creating a source of credit at fair and reasonable rates of interest, providing an opportunity for its members to use and control their own money in order to improve their economic and social conditions, and conducting any other business, engaging



Name of the organization

SAFE Credit Union

Employer identification number

74-0504720

**Form 990-EZ, Part III - Organization's Primary Exempt Purpose (continued)**

in any other activity, and providing any other service that may be of benefit to its members subject to the Texas Credit Union Act and Commission rules adopted thereunder.

**Form 990-EZ, Part III, Line 28 - Statement of Program Service Accomplishments**

SAFE Credit Union offers share (savings) accounts with advantages to members of all ages. The credit union had 1,814 member-owned accounts as of December 31, 2018. Member savings accounts pay dividends monthly and offer access via multiple avenues such as home banking, the Internet, and phone banking. Special savings accounts designed for Christmas savings encourage the development of consistent savings habits.

**Form 990-EZ, Part III, Line 29 - Statement of Program Service Accomplishments**

SAFE Credit Union provides free share draft (checking) accounts to all members, business accounts, and limited free checks to senior citizens. The credit union had 842 share draft accounts as of December 31, 2018. Additionally, the credit union extends the reach of these accounts to all members with free debit and ATM cards, Internet account access, and the use of the automated phone teller.

**Form 990-EZ, Part III, Line 30 - Statement of Program Service Accomplishments**

SAFE Credit Union provides vehicle and other consumer loans. The consumer loan product line includes efficient underwriting and flexible offerings for recreational vehicles, boats, and motorcycles. Consumer credit life and disability insurance is available on any of these loan types. The credit union originated 32 new loans in 2018.