



CY·FAIR
federal credit union

**Year of
Momentum**
2014 Annual Report

Building It Forward



A handwritten signature in black ink, appearing to read 'Cameron Dickey'.

Cameron Dickey, President/CEO



A handwritten signature in black ink, appearing to read 'Harold Rowe'.

Harold Rowe, Chairman of the Board

When 10 Cy-Fair ISD educators envisioned a new financial institution 59 years ago, progress didn't happen overnight. It took hard work and a rock-solid belief that banking could be changed for the better. In time, our credit union grew from a small institution operating out of Cy-Fair High School to more than 22,000 members with multiple locations.

Today, that same spirit of dedication to our 2022 Vision is paying off.

In 2014, practically every measurement of growth and financial performance was extremely strong. Our enhanced website and our widely popular CY-FAIR ISD Mobile Calendar app introduced the benefits of banking with Cy-fair to more people and made our products and services more accessible. Member service improved as investments were made in employee training and professional development. Equally as important, our brand refresh and "Community Only Better" initiative strengthened our identity as a financial partner rooted in the prosperity of our local community.

So what lies ahead in 2015? As we build toward our vision, Cy-Fair FCU will prioritize the relationship between members and our employees. A concierge approach to member service will continue to evolve, as resources are devoted to developing "universal associates" with enhanced expertise. Additionally, we will once again proactively recruit and hire top-level senior talent, as well as strong branch managers and staff with deep local roots.

From a nuts-and-bolts perspective, we will expand our offerings to add practical value to our members. We are enhancing our Debit Rewards program, and soon we will unveil our new, low-interest rate consumer and business credit cards. For the first time ever, we plan to offer SBA lending to local businesses, which will set us apart from other financial institutions and promote local job growth.

From a greater vantage point, as the world changes we are changing right along with it. Soon we'll offer Apple Pay, card-less ATM withdrawals, and smart chip (EMV) cards for enhanced financial security. We also plan to launch an innovative new "Adventure Checking" app that keeps us solidly on the cutting-edge of financial institutions nationwide and positioned to capture the next generation of members.

Drawing from our inspired past, Cy-Fair FCU is following in the footsteps of our founders to provide contemporary banking that's better. We can assure you, our commitment to what's most important is unwavering—the prosperity and wellbeing of our members and the community we call home.

Defining The Future

As a visionary financial institution, we seek to bring our community together through technology, as well as enhance convenience for our members. Strides in 2014 were huge.

Based on member feedback, we reimagined our website as a portal for information, transactions and even collaboration. A new look, convenient one-click functionality, loan calculators and applications, a blog and much more are now provided on a mobile-optimized website—giving members the exact same web experience on any device. Our dynamic member education e-newsletter is also available through the site or by e-subscription, featuring lifestyle stories, business banking tips and debt management insights. To encourage participation in board of director elections, we even moved our nomination process online.

Last spring, we launched our first-ever mobile app—the Cypress-Fairbanks Independent School District Mobile Calendar. With participation at 1,000 followers and growing, we have helped redefine community connection. We expect to defy convention again in 2015 with a new “Adventure Checking” app and look forward to becoming the first financial institution in Texas to provide a mobile app for remote/cardless ATM transactions.

Stay tuned...and welcome to the future of banking.



Technology

1,108

New Mobile
Banking Users

\$3,398,993

Checks Deposited
on Mobile Devices

232

New Accounts
Opened Online

393

Online Loans
Funded

Cy-Fair FCU's history demonstrates that the beginning of something special starts with a willingness to embrace change for the future. In this sense, 2014 was a formational year in our evolution as a credit union. Just as forward-thinking leadership in our early years laid the foundation for dynamic change, we are in a period of rapid growth today as our 2022 Vision takes hold. Last year, our net income increased by 49%. Loans approached 30% annual growth, and our debt to asset ratio improved significantly, as did the overall soundness of our credit union. Financial growth and sustainability, however, only tell part of the story. Our commitment to improving member experience and the community we serve has never been stronger. As we embrace the future together, Cy-Fair FCU is ready—solidly committed—and looking forward to growing with you.



*Dr. Mark Henry, Superintendent of CFISD,
Cameron Dickey, President of Cy-Fair FCU
and Harold Rowe, Chairman of Cy-Fair FCU
at the 2014 CFISD Retiree Banquet*

Community Investments

Cy-Fair FCU consistently contributes to the families, students and teachers of the Cypress-Fairbanks Independent School District. Over the past 10-years, we have provided financial support totaling more than \$500,000. Some gifts include:

- Academic Calendars
- Academic Calendar App
- Adopt-a-School – Bang Elementary
- Boys and Girls Country Spring Festival
- Boys and Girls Country Christmas Cottage
- Classroom Make-Over Awards
- Cy-Fair Educational Foundation
 - Salute to the Stars
 - Cypress Hoops Invitational
 - Salute to Our Heroes
 - B.F. Adam Golf Classic
- Cy-Fair ISD Super Intendant Fun Run
- Cy-Fair ISD FFA Auction
- Cy-Fair ISD Health Expo
- School District Retiree and Service Banquet
- Scholarships to Graduating Seniors
- Additional Support
 - Athletics
 - Banquets
 - Door Prize Donations
 - Endowments
 - Galas
 - Golf Tournaments
 - Luncheons for Teachers
 - New-Teacher Bags
 - School Donations
 - School Programs
 - Door Prizes
- 75th Anniversary Diamond Sponsor

FINANCIAL STATEMENT

ASSETS

Cash and cash equivalents	5,217,918
Securities	50,121,374
Loans	130,928,799
Allowance for loan loss	(884,110)
Property and equipment, net	7,089,850
Receivables	4,685,328
Other assets	2,826,357
TOTAL ASSETS	199,985,516

LIABILITY & EQUITY

Accrued expenses and other liabilities	936,368
Member Shares	183,733,145
Equity	15,316,003
TOTAL LIABILITIES & EQUITY	199,985,516

STATEMENT OF INCOME

INCOME

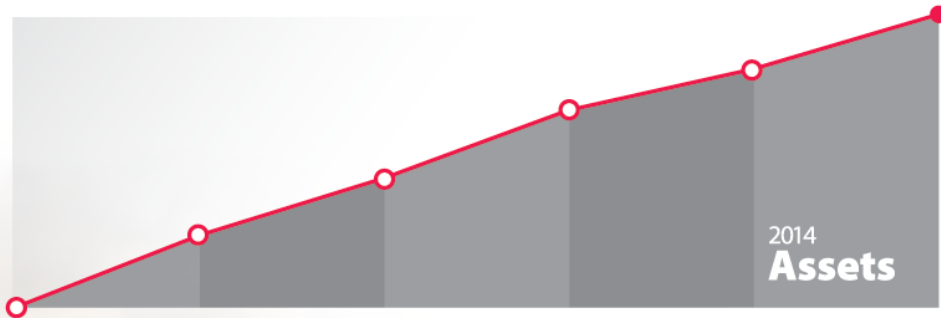
Loan interest	6,139,672
Securities interest	961,067
Non-interest income	3,887,020
TOTAL INCOME	10,987,759

EXPENSES

Provision for loan loss	801,700
Operating expenses	8,811,186
Dividends	136,428
TOTAL EXPENSES	9,749,314
NET INCOME	1,238,445

FINANCIAL OVERVIEW

2009-2014



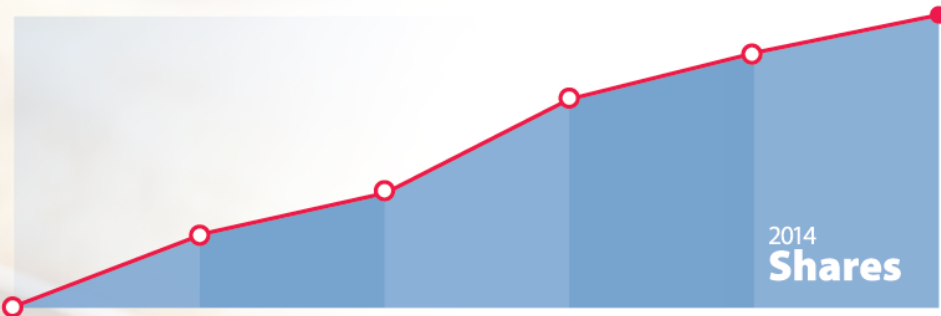
\$199,985,516

%
4.2

Increase from last year

%
34

Increase from 2009



\$183,733,145

%
3.5

Increase from last year

%
35

Increase from 2009



\$130,928,799

%
27

Increase from last year

%
27

Increase from 2009



21,556

%
3.4

Increase from last year

%
11

Increase from 2009

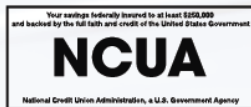
BANKING ONLY BETTER™

Board of Directors

Harold Rowe, Chair
Mickey Culpepper, Vice Chair
Marty Edwards, Treasurer
Alice Arechiga-Wimberly, Secretary
Debbie Jackson, Director
Erwann Wilson, Director
Isiah Spikes, Director
Jerry Roberts, Director
Tony Barcelona III, Director

Supervisory Committee

Gary Kinninger, Chair
Gale Parker
Greg Axelrod



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