

# THREADS <sup>of</sup> SUCCESS

*Financial Strength.  
Technological Relevance.  
Community Impact.*



**CY·FAIR**  
federal credit union



2015 Annual Report

Exceeded 10-year  
Community Only Better  
pledge by **\$20,000** with over  
**\$70,000** in financial support for  
local community  
organizations



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

Cameron Dickey,  
President/CEO



A handwritten signature in black ink, appearing to read 'Alice Archiga-Wimberly'.

Alice Archiga-Wimberly  
Chairman of the Board

# WEAVING EXCELLENCE THROUGHOUT OUR CREDIT UNION

At Cy-Fair FCU, we believe that a credit union should be like a tapestry, comprised of the various threads of paycheck-stretching products and services, active core values, a strategic vision for the community, and much more. How these threads are weaved together makes all the difference for members. Three years ago, we launched our 2022 Vision for the future, a blueprint for strategically weaving member-focused excellence into everything we do. In 2015, Cy-Fair FCU worked to bring these individual threads together to produce a strong and vibrant fabric of relevancy and value for our members.

Our remarkable financial growth continued, culminating a three-year focus on improving our capital position to provide stronger value to members. We continued to attract a new generation of members, as membership growth far exceeded the credit union national average. Efforts to strengthen the member experience through technology expanded in important ways, as well. For enhanced financial security, we issued EVM chip cards well ahead of most credit unions. We also set the stage to become the first credit union in Texas to unveil Virtual Tellers and began work on our prototype branch of the future. Our community impact also grew last year as we launched creative give-back initiatives like our Spotlight Teacher Mortgage Giveaway and surpassed our annual \$50,000 Community Only Better pledge for a third consecutive year. In recognition of our numerous community engagement initiatives, volunteer and financial support for students and families in our community, and member-focused growth, the Cy-Fair Houston Chamber of Commerce named Cy-Fair FCU its “2015 Large Business of the Year.”

While the strings of community engagement go back many years at Cy-Fair FCU, one of the most exciting expansions of this legacy is our Social Responsibility Program, a holistic vision to weave “good” into everything we do. Members can expect a new credit card program that allows a certain percentage of each financial transaction to be donated to their choice of nearly a dozen different community organizations. Additionally, we’ll match a portion of our members’ financial contributions to local organizations, seek creative ways to mobilize members and staff on behalf of good causes, and minimize the environmental impact of our current and future branches.

Progress in all these areas didn’t happen by accident. Our success is the product of skillfully choosing initiatives that promote financial strength, technological relevance and community impact—these are the threads of success being woven into the fabric of Cy-Fair FCU. In the year ahead, we will continue weaving initiatives together in purposeful ways that benefit our members and the Cy-Fair community.

Cy-Fair FCU will also continue to embrace the future of banking in a way that makes sense for our members today. The branch transformation project that we began in 2015 will further progress in 2016, as we make routine financial transactions more convenient and develop our branches into personal consultation centers. More practically, existing technologies will be modified to serve members better. ACH Warehousing will be eliminated this year, which means members will have access to their payroll deposits sooner and enjoy some financial breathing room between paychecks. With the launch of our new online bill-pay system, automatic withdrawals will no longer occur until the bill payment date, giving members access to these funds for up to five days longer. Development of our Adventure Checking product line will also be a priority. This innovative app will combine smartphone gamification with a traditional high-yield checking account to deliver a fun, engaging way to manage finances and to lead the nation in the evolution of financial products for members.

## FINANCIAL STRENGTH BY DESIGN

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When Cy-Fair FCU launched our 2022 Vision for financial sustainability and growth, our thinking was simple—by making strategic decisions that strengthen Cy-Fair FCU’s financial position, we’ll be able to provide enhanced and low-cost lending to members, reinvest greater resources back into our community and contribute more fully to Cy-Fair’s economic prosperity.

In many ways, the success of 2015 was the culmination of the first stage of our 10-year plan to improve our capitalization and focus on loan growth. Our lending increased 18% last year—three times the national average; our net income grew 37% to \$1.5 million, as well, and is now 50% higher than it was in 2012. The credit union’s Assets grew to \$215 million and are up 15% in three years as more community residents entrust to us their hard-earned money and goals for the future. Importantly, our capitalization, a measure of overall financial stability, is a very sound 8.4% and significantly stronger than it was a just a few years ago.

Growth in each indicator is impressive on a stand-alone basis. Taken together, they show that Cy-Fair FCU’s 2022 Vision is strengthening the financial fabric of our credit union. By design, we’ve focused on loan growth, which is extremely strong after years of stagnation. As the local economy expands and our credit union continues to grow, we will work to achieve greater symmetry between overall loan and deposit growth.



**New give-back initiatives launched:**

\$24,000 Spotlight  
Teacher Mortgage  
Give-Away and Social  
Responsibility Program



# CELEBRATING 60 YEARS OF SERVING THE CYPRESS-FAIRBANKS COMMUNITY

As Cy-Fair FCU marks 60 years of service this year, our commitment to improving your financial journey has never been stronger. We are grateful for the growth of 2015 and thankful for the volunteer board of directors, our staff and all the members who add color and strength to the fabric of our credit union.





Recognized as the 2015  
Large B.O.T.Y. for  
social responsibility,  
community  
involvement, and  
organizational growth



CY-FAIR HOUSTON  
Chamber of Commerce  
*Celebration*  
A NIGHT OF  
Celebrating 30 Years of Service  
1985-2015

**2015**  
**Large Business**  
**Of The Year**  
**Cy-Fair Federal Credit Union**

## BANKING ON THE FUTURE

Cy-Fair FCU continues to embrace the future of banking for the benefit of our members. At the core of our vision lies a commitment to serving our members in a way that maximizes convenience while strengthening engagement and the human connection. This involves threading innovation and forward-thinking solutions throughout our entire organization.

It starts with understanding who we are as a credit union. Our strong membership and financial growth suggests that our efforts in 2015 to further refine our identity as a contemporary, socially conscious credit union with a tech-savvy bent is resonating with a new generation of credit union members. This identity took a major step forward with the launch of our Video Teller experience at our Stonecreek Branch, which offers a personalized consultation, an expanded-hours drive-thru, and all the convenience of a modern ATM if needed or desired. Members can now conduct most financial transactions with a video teller without the limitation of branch hours. Our video tellers reduce the average member transaction time from 8 minutes to 2.5 minutes, making errands faster and putting valuable time back into your busy life.

In addition to significantly enhancing member convenience, this technology moves us closer to the branch of the future, where members receive expert financial service from professional staff trained to handle more complex transactions and helping you to achieve your goals. For this reason, Cy-Fair FCU prioritized investments in employee professional development last year. Our comprehensive staff training program logged nearly 850 hours of training across a broad spectrum of knowledge and skills.

More than **250** lives  
were touched by our  
Random Acts of Kindness  
at local businesses this year





## WEAVING GOOD INTO ALL WE DO!

Just as we've done throughout our history, Cy-Fair FCU continued to invest in community organizations and causes that enhance the local quality of life. This includes \$70,000 invested last year as part of our Community Only Better initiative. But our community support went way beyond donations. That's because giving back isn't just about writing checks. It's about all of us working together for the good of our community.

In 2015, we cast a vision for our Social Responsibility Program, which we hope to further develop in the year ahead. This initiative reflects a holistic approach to doing "good" and includes:

- ▶ Providing monetary support and ongoing financial counsel to our partners
- ▶ Helping raise additional funds for our partners' work
- ▶ Matching employee nonprofit contributions and giving our staff time to volunteer in the community
- ▶ Encouraging members to support partner organizations with their time, money and skills, as well as promoting opportunities to do so
- ▶ Promoting financial, social and environmental stewardship across our credit union

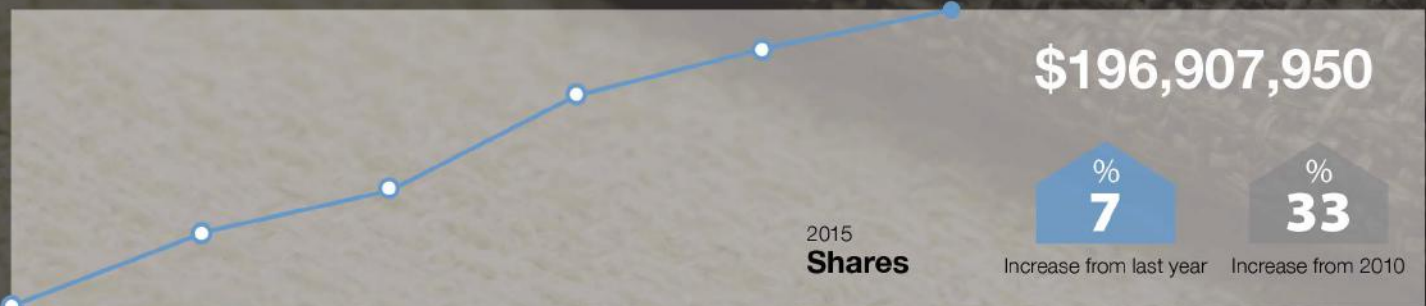
Cy-Fair FCU is proud of our 60-year legacy of doing good in our community. We're passionate about weaving good into all we do.

**1,168**  
volunteer in the  
community



# FINANCIAL OVERVIEW

2010-2015



## FINANCIAL STATEMENT

### ASSETS

Cash and cash equivalents	14,860,815
Securities	31,040,839
Loans	154,171,214
Allowance for loan loss	(924,048)
Property and equipment, net	8,191,524
Other assets	8,316,889

**TOTAL ASSETS** **215,657,233**

### LIABILITY & EQUITY

Accrued expenses and other liabilities	1,074,737
Member Shares	196,907,950
Equity	17,674,546

**TOTAL LIABILITIES & EQUITY** **215,657,233**

## STATEMENT OF INCOME

### INCOME

Loan interest	7,081,307
Securities interest	548,095
Non-interest income	3,987,756

**TOTAL INCOME** **11,617,158**

### EXPENSES

Provision for loan loss	801,200
Operating expenses	9,028,305
Dividends	93,108

**TOTAL EXPENSES** **9,922,613**

**NET INCOME** **\$1,694,545**

## 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 Superintendent Fun Run
- Cy-Fair ISD FFA Auctions
- School District Retiree and Service Banquet
- Scholarship to Graduating Seniors
- Additional Support
  - Athletics
  - Banquets
  - Donated Door Prizes
  - Endowments
  - Galas
  - Golf Tournaments
  - Luncheons for Teachers
  - New-Teacher Bags
  - Random Acts of Kindness
  - Reach Springfest
  - School Donations
  - School Programs



**CY·FAIR**  
federal credit union

### **Board of Directors**

Alice Arechiga-Wimberly, Chairman  
Harold Rowe, Vice Chairman  
Tony Barcelona III, Treasurer  
Erwann Wilson, Secretary  
Greg Axelrod, Director  
Audre Levy, Director  
Gale Parker, Director  
Stuart Snow, Director  
Isiah Spikes, Director

### **Supervisory Committee**

Gary Kinninger, Chairman  
Greg Axelrod, Member

