



2014 Annual Report

2015 Agenda

Verification of Quorum

Catherine Paraschos,
Chairperson

Chairperson's Report

Catherine Paraschos,
Chairperson

President's Report

Keith Kearney

Approval of Minutes of 2014 Meeting

Catherine Paraschos,
Chairperson

Report of The Treasurer

Allan Griffin, Jr.

Unfinished Business

Catherine Paraschos,
Chairperson

New Business, Other Than Elections

Catherine Paraschos,
Chairperson

Election of Directors

Allan Griffin, Jr.

Adjournment

Catherine Paraschos,
Chairperson

Drawing for Door Prizes

Jana (Anders) Gonzales



Vision Statement

InvesTex Credit Union will develop lasting relationships that promote our members' quality of life and financial well-being.

Mission Statement

InvesTex Credit Union is dedicated to the highest quality service for its members, while maintaining a solid financial foundation. Our core values reflect the strong character of our members and our growing relationship with them.

Operational Changes

- The credit union website, on-line banking, and mobile banking were updated and enhanced during the year.
- The credit union implemented a new investment option for members through a partnership with Southwest Business Corporation and establishing an on-site broker/advisor.
- Security was enhanced with the implementation of DocuSign which allows the credit union and members to send documentation over the internet securely.
- The credit union began the process to convert credit cards and debit cards to the new EMV Chip technology increasing both convenience and security for the credit union membership. The new EMV Chip technology will be implemented in 2015.
- The credit union successfully implemented a new Debit Card Self-Services Program. Members can now activate, reissue, or replace their InvesTex Debit Card 24 x 7 and even select or change their personal identification number (PIN) all via a single toll-free number.
- With the departure of the VP of Marketing, the marketing duties were assumed by the VP of Business and Community Development and other staff as needed.
- The credit union hired a Vice President of Accounting.
- Membership total as of December 31, 2014 is 27,181.

Brookfield Properties, property management for the One Allen Center downtown, finalized their plans to remodel One Allen Center, affecting various tenants in the building, including InvesTex CU. As a result, the credit union's branch office in the One Allen Center will be closing in late 2015.

Management continues to review and implement security enhancements on all services offered to protect the integrity and privacy of member financial information.



1952

Aldine Teachers Credit Union was established by W.W. Thorne, Superintendent of Aldine ISD



1973

Membership expanded to include North Harris County Junior College, Humble ISD & Spring ISD



1976

Main Office built by Aldine High School students



1985

Drive-thru lanes added to the Main Office

Board of Directors Term Expiration Dates

As of 12/31/2014

Catherine Paraschos

(Position 2) – Chairperson – April 2015

Dr. Bob Williams

*(Position 3) – Vice Chair & Building
Committee Chair – April 2015*

Dorethea Pickens

*(Position 5) – Secretary & Supervisory
Committee Chair – April 2016*

Allan Griffin Jr.

*(Position 9) – Treasurer, ALCO,
Compensation and Nominating
Committee Chair – April 2017*

Elliott Lansford

(Position 1) – Director – April 2015

Roy Smith

(Position 7) – Director – April 2017

Ellis Kuehn

(Position 8) – Director – April 2017

Teresa Dossman

(Position 6) – Director – April 2016

Jim Woodward

(Position 4) – Director – April 2016

Management

Keith Kearney

CEO/President

Debra Weir

Executive Vice President

Jana (Anders) Gonzales

*Vice President Business and
Community Development*

Michele Herring

Vice President Accounting

Gary Hugo

Vice President Branch Administration

Martha Mireles

Vice President Lending

Kelly Payne

Vice President Human Resources

Gail Russell

Vice President Operations

John Tomson

Vice President Information Technology

Bridgett Sanders

*Assistant Vice President
Branch Administration*



Atascocita Branch



NLW-Heights Branch



2000

Remote services such as FREE online banking, bill pay, and call center services were introduced



2002

Membership reaches 13,000



2004

Name changed to InvesTex Credit Union to reflect the growing field of membership.



2005

Membership expanded to include Union to reflect the geographical area of Lone Star College System.

InvesTex Credit Union Minutes of the 2014 Annual Meeting

April 24, 2014

Directors present were Cathy Paraschos, Ellis Kuehn, Roy Smith, Dottie Pickens, Teresa Dossman, Elliott Lansford, Allan Griffin, Dr. Bob Williams and Jim Woodward. Committee members Jack Wilson, Dan Calvert, Phyllis Kennedy and Jerry Homan; the credit union management team; various employees and various members of the credit union were also present.

Jana Anders, VP of Business and Community Development, welcomed members in attendance and introduced the Board of Directors and CEO.

Ms. Anders led the attendees in the Pledge of Allegiance, the Texas Pledge of Allegiance and the invocation, after which dinner was served.

Ms. Anders announced the six scholarship winners; Colton Hutchinson, Humble ISD; Jenna Harper, Humble ISD; TyJahne Taylor, Humble ISD; and Justin Doelitsch, Spring ISD; Sabrina Capetillo, Aldine ISD (unable to attend); and Seleste Garcia, Aldine ISD (Lewis Adcock Scholarship recipient). Each winner present was introduced to the members in attendance and presented their scholarship by the Chairperson of the Board, Ms. Cathy Paraschos and the President/CEO, Mr. Keith Kearney.

The annual meeting was officially called to order at 7:48 pm. Ms. Cathy Paraschos, Board Chairperson, ascertained that a quorum was present as required. She recognized the Board of Directors, the credit union staff and the members. Ms. Paraschos then presented the Chairperson's Report. The report covered the many achievements of the previous year most notably the merger with StarTrust FCU. She described some of the new products and services which became available to the membership in the past year and noted the tremendous amount of community involvement. She ended her presentation by reiterating that InvesTex Credit Union remains a financially solid and sound institution.

Ms. Paraschos called on Mr. Keith Kearney, CEO, to present the President's Report. Mr. Kearney first thanked the Board for their support and recognized the staff - especially his management team - and thanked the members in attendance. Mr. Kearney discussed the various achievements during the past year highlighting the merger of StarTrust FCU into InvesTex CU. He emphasized the credit union's commitment to the community by its adoption of 14 schools and staff serving on the boards of three education foundations and school districts. Mr. Kearney discussed the corporate stabilization and the overall strength of the credit union industry. He concluded his presentation by stating the credit union would continue to make a difference through change.

Ms. Paraschos presented the Annual Meeting Minutes from 2013 for review. Upon motion by Jerry Homan, seconded by Julian Garcia, it was unanimously voted to accept the minutes of the 2013 Annual Meeting as presented.

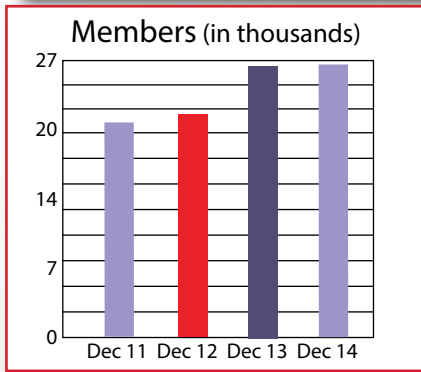
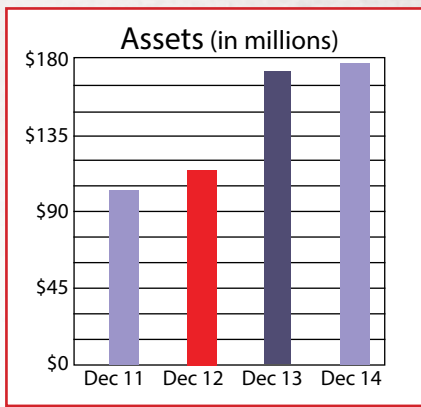
Ms. Paraschos called on Allan Griffin to present the Treasurer's Report. Mr. Griffin noted the credit union expanded its membership, grew its assets and increased the services/benefits for its members. He advised the members that the continuing financial strength of the credit union is detailed in the Annual Report and stands as presented. Upon motion by Allan Griffin, seconded by Phyllis Kennedy, it was unanimously voted to accept the Treasurer's report as presented.

Ms. Paraschos asked if there was any Unfinished Business. There was none.

Ms. Paraschos asked if there was any New Business (other than Elections). There was none.

Ms. Paraschos called on James Woodward to give the nominating committee report. Mr. Woodward first thanked the credit union management as well as his committee members Dorothea Pickens and Teresa Dossman. Mr. Woodward then presented Roy Smith, Ellis Kuehn and Allan Griffin Jr. for re-election. Mr. Woodward explained that there were no nominations by petition as required by the election rules. Therefore, the nominees should be elected by acclamation. Upon motion by James Woodward, seconded by Elliott Lansford, it was unanimously voted to accept the election of the nominees as presented by acclamation.

Upon motion by Teresa Dossman, seconded by Dottie Pickens, the meeting was declared adjourned at 8:36 pm.



2005

First two branches were deployed: Cypresswood and Atascocita



2006

Membership reaches 14,500



2006

Mortgage products were introduced to the membership



2007

Implemented the "Adopt-A-School" program

Treasurer's Report

InvesTex Credit Union completed another highly successful year in 2014 and we are looking forward to an outstanding 2015. As the US economy continues to recover and in spite of local setbacks in the energy sector, your credit union plans to focus on our growing communities, providing extremely low loan rates, competitive deposit rates as well as great promotions to assist over 27,000 members in achieving their financial goals.

One new way InvesTex can assist you toward those financial goals is through a new partnership with Southwest Business Corp (SWBC) providing financial services and investment products through an on-site broker/advisor.

Other accomplishments of 2014 included the Credit Union implementing (initiating) a full-service eBranch department including the roll out of DocuSign. DocuSign enables members to sign loan and other documents with the credit union in a secure environment using the internet. The Credit Union successfully made available to all the membership the uChoose Rewards program for debit cards, redesigned and implemented a new and enhanced website, upgraded on-line banking and bill pay, and upgraded the mobile app service. We will continue to battle fraud and have strengthened and improved our internal controls and processes. Another layer of security for your transactions will be added when we migrate to more secure "chip card" technology for all credit and debit cards in the coming months.

The year reflected strong overall growth in assets, loans, deposits, and membership. Signature and Vehicle loans led the way with 8.93% and 7.93% growth over 2013 respectively. The credit union continues to expand mortgage and home equity lending by providing low closing costs, low loan rates and flexible terms resulting in more than \$15.9 million in well underwritten mortgage loans and \$4.9 million in home equity loans. Overall the credit union's assets grew 4.54% while deposits grew 4.24%.

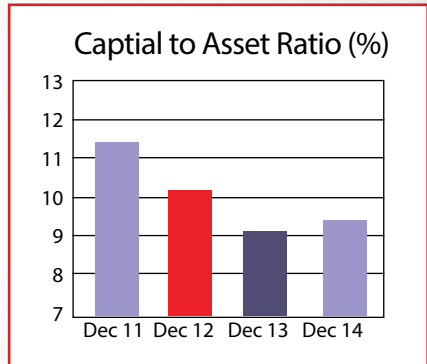
Planning for the next branch and corporate office began in 2012 and after the successful merger with StarTrust Federal Credit Union in 2013, the credit union initiated design, cost and budget estimates in 2014. If all goes well, and we expect it will, the new branch and corporate office will open early 2016. The current Main Office on Aldine Bender, as one of our busiest branches, will remain in its current location continuing to serve the members in that area. InvesTex CU currently provides 6 full-service branch locations that deliver competitively priced products to serve the membership. InvesTex CU's current capital outlays supports a Fixed Asset ratio of 3.46% remaining within regulatory requirements. Attached are the Statement of Condition and the Operating Statement for the past two years ended December 31, 2013 and 2014. The credit union's capital position continues to be exceptionally strong at 9.37%, and the Return on Average Assets is at .50% up from .22% in the prior year.

InvesTex Credit Union enlisted the services of CliftonLarsonAllen LLP to conduct the Supervisory Committee Annual Review of the books and records of the credit union for the 12-month period ended March 31, 2014. The review was accomplished in accordance with the National Credit Union Administration Rules and Regulations and the Federal Credit Union Act. The Texas Credit Union Department also performed an examination of InvesTex Credit Union as of December 31, 2014, and we are pleased to report that the credit union continues to be a strong and efficiently managed institution.

We would like to take this opportunity to thank our members for their continued loyalty and support and ask you to share the news of the great things going on at InvesTex. It is because of you that we continue to grow and be successful. We would also like to express our appreciation to the credit union staff for all their hard work serving the best interests of our members. Each and every year we work to help our members achieve financial success. When our members are financially sound, the credit union is financially sound! "Investing in Texas by Investing in You!"

Thank you,

Allan Griffin, Jr.
Treasurer



2007

Enhanced security for online banking users



2007

Merger with Associates Mutual Credit Union expanded membership to almost 20,000



2008

Tomball Grand Opening



2009

Deployed Disaster Recovery Site (Tomball)

Statement of Condition

As of December 31

| | | |
|---------------------------|--------------------|--------------------|
| ASSETS | 2014 | 2013 |
| LOANS TO MEMBERS | 94,310,361 | 92,831,296 |
| ALLOWANCE FOR LN LOSSES | (381,615) | (391,586) |
| TOTAL ACCOUNTS RECEIVABLE | 214,006 | 191,457 |
| CASH IN BANK/ON HAND | 3,549,342 | 3,104,027 |
| INVESTMENTS | 71,922,313 | 65,970,440 |
| ALL OTHER ASSETS | 9,150,038 | 9,314,449 |
| TOTAL ASSETS | <u>178,764,445</u> | <u>171,020,083</u> |
| LIABILITIES | | |
| ACCOUNTS PAYABLE | <u>1,534,779</u> | <u>1,298,411</u> |
| TOTAL LIABILITIES | <u>1,534,779</u> | <u>1,298,411</u> |
| EQUITY | | |
| MEMBER SHARES | 160,527,451 | 153,998,078 |
| MEMBER CAPITAL | 16,702,215 | 15,723,594 |
| TOTAL EQUITY | <u>177,229,666</u> | <u>169,721,672</u> |
| LIABILITIES + EQUITIES | <u>178,764,445</u> | <u>171,020,083</u> |

Operating Statement

As of December 31

| | | |
|------------------------------------|------------------|------------------|
| INCOME | | |
| INCOME FROM LOANS | 4,601,549 | 4,798,407 |
| INVESTMENT INCOME | 1,465,277 | 602,014 |
| OTHER INCOME | 3,924,310 | 3,466,946 |
| TOTAL INCOME | <u>9,991,136</u> | <u>8,867,367</u> |
| EXPENSE | | |
| OPERATIONS EXPENSES | 8,143,879 | 7,978,755 |
| LOAN LOSSES | 265,000 | 323,204 |
| OTHER EXPENSES | 325,178 | 203,743 |
| TOTAL EXPENSES | <u>8,734,057</u> | <u>8,505,702</u> |
| NET BEFORE DIVIDENDS | 1,257,079 | 361,665 |
| DIVIDENDS | | |
| TOTAL SHARES | 70,246 | 87,256 |
| TOTAL CHECKING | 31,795 | 44,578 |
| TOTAL IRA SHARES | 72,490 | 69,666 |
| TOTAL IRA | 41,906 | 51,044 |
| TOTAL CERTIFICATES | 187,347 | 190,286 |
| TOTAL DIVIDENDS | <u>403,784</u> | <u>442,830</u> |
| NET AFTER DIVIDENDS | 853,295 | (81,165) |
| NCUA MEMBER INSURANCE EXPENSE | | (121,890) |
| GAIN (LOSS) ON SELL OF INVESTMENTS | | (62,964) |
| DISPOSITION OF ASSETS | | (22,866) |
| NON-OPERATING INCOME | 3,900 | 628,590 |
| OTHER NON-OP LOSS (GAIN) | 25,235 | (17,254) |
| TOTAL NON-OP INC/EXP | <u>29,135</u> | <u>403,616</u> |
| NET INCOME | <u>882,430</u> | <u>322,451</u> |

We Are Happy to Help!

Bernshausen
Elementary



Burchett
Elementary



Helms
Elementary



Grantham
Middle School

Lewis
Elementary



Lewis
Middle School



Park Lakes
Elementary

Willow Creek
Elementary



Vine EC
Pre-K



2010

Assets Reached Over
\$90 Million



2011

New flagship branch
built in the Heights



2012

Atascocita Building
and Mobile Banking
introduced



2013

Merger with StarTrust
Federal Credit Union
expanded membership
to almost 27,000



2014

Implemented
Full eBranch

Hours of Operation

Lobby Hours

Monday-Friday (except Thursday)
8:30am to 5:00pm

Thursday

9:00am to 5:00pm

Saturday

8:30am to 3:00pm

Drive-Thru

Monday-Friday

Main: 7:00am to 6:00pm

All Other Branches: 8:30am to 6:00pm

Saturday

All Branches: 8:30am to 3:00pm

(Downtown Branch is Closed Saturday)

Contact Information

Office281.449.0109

Toll-Free.....866.449.0109

Fax.....281.449.3649

Audio Response281.442.4917

Toll-Free Audio Response866.298.4917

WebsiteInvesTexCU.org

Email.....Info@InvesTexCU.org

Locations

Main Office

905 Aldine Bender
Houston, Texas 77032

Cypresswood Branch

230 Cypresswood Drive, Suite H
Spring, Texas 77388

Atascocita Branch

5212 Atascocita Road
Humble, Texas 77346

Tomball Parkway Branch

24922 Tomball Parkway, Suite 100
Tomball, Texas 77375

NLW-Heights Branch

1614 N. Durham Dr.
Houston, Texas 77008

One Allen Center (Downtown)

500 Dallas, Suite P-110
Houston, TX 77002

eBranch

Monday-Friday: 7:30am to 6:00pm

Saturday: 8:30am to 3:00pm



This credit union is federally insured by the National Credit Union Administration.