

2015 Annual Report



InvesTex[®]
CREDIT UNION
Making Life Better since 1952

2016 Agenda

Verification of Quorum

Catherine Paraschos,
Chairperson

Chairperson's Report

Catherine Paraschos,
Chairperson

President's Report

Keith Kearney

Approval of Minutes of 2015 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

Elliott Lansford

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 consolidated the credit card products into Gold and Platinum with the Rewards program and without, and added a Gold Secured Credit Card.
- The credit union converted all credit cards and debit cards to the new EMV Chip technology increasing both convenience and security for the credit union membership.
- With the departure of the VP of Accounting, the credit union promoted a new head of the department from within.
- The credit union began the process to implement a core computer system conversion which was completed January 31, 2016. The conversion required that Online Banking, Bill Pay, Mobile Banking (and Check Capture), and the 24/7 Automated Phone System (ARU) also be converted simultaneously as all services interface.
- Various products and services were enhanced including expanding GAP insurance coverage on vehicle loans, student lending portal on the credit union website, and a loan application capability on the mobile banking application.
- The credit union implemented a Defined Benefit Plan as an employment benefit.
- The credit union broke ground and began construction on the new FM1960 Branch and Corporate office August 2015. The address of the new site is 8420 FM 1960 Bypass West Road and is situated between Lee Road and Kenswick Road. The facility will be open and operating in late spring 2016.
- The credit union terminated participation in the Shared Branching Network after determining the cost of that service outweighed its benefits.
- Membership total as of December 31, 2015 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 Credit Union. As a result, the credit union's branch office in the One Allen Center was closed as of October 30, 2015.

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

Board of Directors Term Expiration Dates

As of 12/31/2015

Catherine Paraschos

(Position 2) – Chairperson – April 2018

Dr. Bob Williams

(Position 3) – Vice Chair & Building
Committee Chair – April 2018

Dorethea Pickens

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

Allan Griffin Jr.

(Position 9) – Treasurer, ALCO,
Compensation Chair – April 2017

Elliott Lansford

(Position 1) – Director
Nominating Committee Chair – April 2018

Stephen Havemann

(Position 7) – Director – April 2016

Phyllis Kennedy

(Position 8) – Director – April 2016

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

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
Lending



New FM 1960 Branch



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



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
the geographical area of Lone Star
College System.

InvesTex Credit Union Minutes of the 2015 Annual Meeting

April 23, 2015

Directors present were Catherine Paraschos, Roy Smith, Dottie Pickens, Teresa Dossman, Elliott Lansford, Allan Griffin and Dr. Bob Williams. Committee members B. Jack Wilson, Dan Calvert and Phyllis Kennedy attended as did the credit union management team, various employees and members of the credit union.

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

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

Mrs. Gonzales announced the six scholarship winners; Jessica Murski, Magnolia ISD, Magnolia HS (unable to attend); Shantelle Martinez, Houston ISD, Jefferson Davis HS; Ashley Fountain, Klein ISD, Klein Collins HS; Olivia Watkins, Klein ISD, Klein Forest HS; Cassidy Dixon, Humble ISD, Humble HS and Tomas Gonzales, Aldine ISD, Nimitz HS (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. Catherine Paraschos and the President/CEO, Mr. Keith Kearney.

The annual meeting was officially called to order at 7:40 pm. The Board Chairperson, Catherine Paraschos, 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. She expressed her pleasure at watching the credit union grow and change in the years since becoming a Board member, in particular, the advances in technology. While InvesTex Credit Union would continue to offer its members the best mix of products and services available, the most valuable asset to the membership remains the personal service extended by the staff. Ms. Paraschos 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 with a special recognition to the parents of the scholarship winners. Mr. Kearney noted that InvesTex Credit Union has been serving members for 63 successful years. During that time, the credit union has been a committed partner in the community as evidenced by its 15 Adopt-A-Schools in addition to staff members which serve on the boards of three education foundations and school districts. Mr. Kearney discussed new products and services implemented in 2014, some of which included a partnership with SWBC to provide financial planning; upgrading the credit union's website for a fresh new look and creating a rewards program - UChoose - for the debit card. Mr. Kearney noted that the credit union has several major projects scheduled in 2015 which include a data processor conversion and construction on a new corporate office/branch located on FM 1960. Mr. Kearney discussed regulatory changes which challenge the credit union industry and concluded his report citing InvesTex Credit Union's Vision and Mission Statement.

Ms. Paraschos presented the Annual Meeting Minutes from 2014 for review. Upon motion by Elliott Lansford, seconded by Dottie Pickens, it was unanimously voted to accept the minutes of the 2014 Annual Meeting as presented.

Ms. Paraschos called on Allan Griffin to present the Treasurer's Report. Mr. Griffin noted in 2014 the credit union reflected strong overall growth in assets, loans, deposits and membership. In addition, the credit union's capital position continues to be exceptionally strong at 9.37% as of December 31, 2014. 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 Elliott Lansford, 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 Allan Griffin to give the nominating committee report. Mr. Griffin first thanked the credit union management as well as his committee members Roy Smith and Ellis Kuehn. Mr. Griffin then presented Elliott Lansford (Position #1), Catherine Paraschos (Position #2) and Dr. Bob Williams (Position #3) for re-election. Mr. Griffin explained that there were no nominations by petition as required by the election rules. Therefore, the nominees will be elected by acclamation. Upon motion by Allan Griffin, seconded by Teresa Dossman, 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 8:22 pm.

Treasurer's Report

InvesTex Credit Union completed another successful year in 2015 and we are looking forward to an outstanding 2016. Although the world continues to be filled with economic and social challenges, your credit union focuses 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.

Among the many accomplishments over the year just ended, the Credit Union implemented the new EMV Chip Technology in all credit union debit and credit cards. This new technology is extremely beneficial in the fight against plastic card fraud. In late 2014 and throughout 2015 the credit union began the process to implement a full core computer system conversion providing updated technology improving internal controls, overall efficiency, member service, and building on the growing strength of the credit union. As part of the system conversion, the credit union also converted Online Banking, Bill Pay, Mobile Banking and Check Capture, and the 24/7 Automated Phone system.

The year reflected strong overall growth in assets, loans, deposits, and membership during 2015. Signature and Vehicle loans led the way with 28.75% and 11.65% growth over 2014, 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 \$15.3 million in well underwritten mortgage loans and \$4.2 million in home equity loans. Overall the credit union's assets grew 2.92% while deposits grew 3.06%.

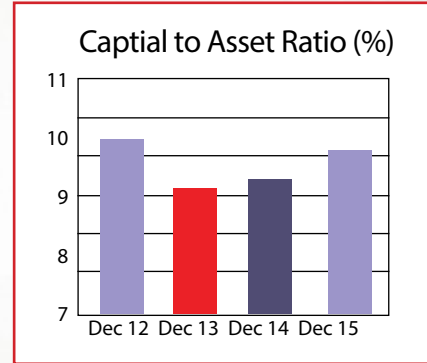
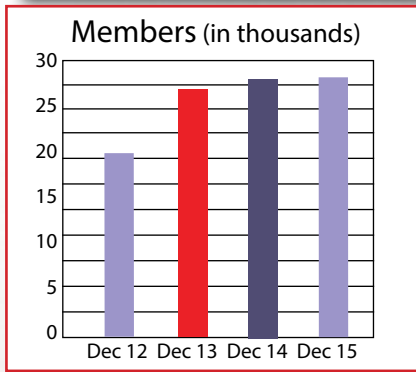
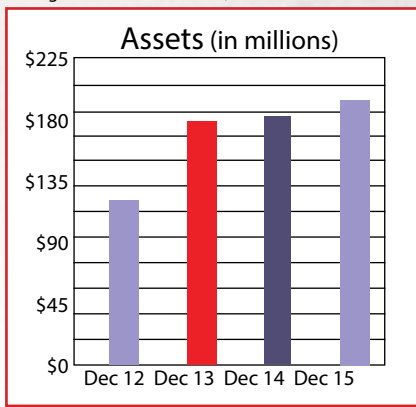
Planning for the next branch and corporate office at 8404 FM 1960 Bypass West Road began in 2012. Designs and cost estimates were completed and the credit union celebrated the ground breaking August 2015. If all goes well, and we expect it will, the new branch and corporate office will open May 2016. The current Aldine Bender branch, as one of our busiest branches, will remain in its current location continuing to serve the members in that area. Exciting plans are underway to remodel the interior of the Aldine Branch in 2016 significantly improving the lobby service area and other important aspects of branch security and amenities. InvesTex CU currently provides 5 full-service branch locations that deliver competitively priced products to serve the membership. The new FM 1960 location will be the 6th branch. InvesTex CU's current fixed asset activity supports a Fixed Asset ratio of 4.29% remaining within regulatory requirements. Attached are the Statement of Condition and the Operating Statement for the past two years ended December 31, 2014 and 2015. The credit union's capital position continues to be exceptionally strong at 9.78% up from 9.37%, and the Return on Average Assets is at .72% up from .50% 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, 2015. 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, 2015, 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





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



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

	2015	2014
ASSETS		
LOANS TO MEMBERS	100,883,228	94,310,361
ALLOWANCE FOR LOAN LOSSES	(463,576)	(381,615)
TOTAL ACCOUNTS RECEIVABLE	79,820	214,006
CASH IN BANK/ON HAND	2,862,420	3,549,342
INVESTMENTS	66,070,742	71,922,313
ALL OTHER ASSETS	14,556,039	9,150,037
TOTAL ASSETS	183,988,672	178,764,445
LIABILITIES		
ACCOUNTS PAYABLE	1,747,298	1,534,779
TOTAL LIABILITIES	1,747,298	1,534,779
EQUITY		
MEMBER SHARES	165,437,042	160,527,451
MEMBER CAPITAL	16,804,332	16,702,215
TOTAL EQUITY	182,241,375	177,229,666
LIABILITIES + EQUITIES	183,988,672	178,764,445

Operating Statement
As of December 31

INCOME		
INCOME FROM LOANS	4,699,286	4,601,549
INVESTMENT INCOME	1,651,651	1,465,277
OTHER INCOME	3,834,203	3,924,310
TOTAL INCOME	10,185,140	9,991,136
EXPENSE		
OPERATIONS EXPENSES	8,014,292	8,143,879
LOAN LOSSES	554,026	265,000
OTHER EXPENSES	262,630	325,177
TOTAL EXPENSES	8,830,947	8,734,057
NET BEFORE DIVIDENDS	1,354,193	1,257,079
DIVIDENDS		
TOTAL SHARES	68,858	70,246
TOTAL CHECKING	29,356	31,795
TOTAL IRA SHARES	58,788	72,490
TOTAL IRA	35,742	41,906
TOTAL CERTIFICATES	141,669	187,347
TOTAL DIVIDENDS	334,412	403,784
NET AFTER DIVIDENDS	1,019,781	853,295
GAIN (LOSS) ON SELL OF INVESTMENTS	0	3,900
DISPOSITION OF ASSETS	4,256	0
OTHER NON-OP GAIN (LOSS)	294,762	25,235
TOTAL NON-OP INC/EXP	299,017	29,135
NET INCOME	1,318,799	882,430

We Are Happy to Help!

Atascocita
Springs
Elementary/
Humble ISD



Bernshausen
Elementary/
Klein ISD



Helms Elementary/
Houston ISD



Grantham
Middle School/
Aldine ISD

Hinojosa EC Pre-K/
Aldine ISD



Lewis
Elementary/
Spring ISD



Park Lakes
Elementary/Humble
ISD

Willow Creek
Elementary/
Tomball ISD



Vine EC
Pre-K/
Aldine ISD



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



2015

Broke Ground on the
New FM 1960 Branch/
Corporate Office

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

Aldine Branch: 7:00am to 6:00pm
All Other Branches: 8:30am to 6:00pm

Saturday

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

Contact Information

Office	281.449.0109
Toll-Free.....	866.449.0109
Fax.....	281.449.3649
Audio Response	281.442.4917
Toll-Free Audio Response	866.298.4917
Website	InvesTexCU.org
Email.....	Info@InvesTexCU.org

Locations

Aldine Branch

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

Opening Late Spring 2016

New FM 1960 Branch

8404 FM 1960 Bypass West Road
Humble, Texas 77338

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.