



OurMembers'OneResource

2005AnnualReport

OurMembers'OneResource

We will be a progressive organization that combines its excellent service qualities with innovative products.

We will be a competitive force within our communities.

We will balance growth with a focus on maintaining a strong financial position.

We will be a premier employer with emphasis on professional development, employee recognition and involvement within Resource One Credit Union.

We will follow our Mission Statement to create long-term member value.

We will adhere to the highest standards of ethical business conduct, treating fairly, and with respect, all those we touch as a credit union.

OurMembers'OneResource

At Resource One Credit Union, you'll experience something remarkable – a sense of belonging. It's a place where you'll always find a familiar face and a friendly smile. You'll enjoy a unique level of service and benefits that add value to your life. We believe it's easier to enhance your financial well-being when your financial institution is on your side. We believe in you.

We are committed to be “our members' one resource” through extraordinary service anytime and anywhere. We are proud to provide this high level of service to our members. Resource One is a place where your financial prosperity is more important than profits, and our professional and dedicated staff

take the time to get to know you. We're fortunate to be able to draw on nearly 70 years of experience in serving members.

Resource One offers all of the financial services you need – checking, savings, mortgages, loans and investments, just to name a few. We provide members with exceptional access through branch offices and ATMs, person-to-person, over the phone and online, and ensure that members enjoy lower interest rates on loans, reduced fees and higher dividends on deposit accounts.

Wherever members are, we're in touch with their lifestyle. We hear you. And, we're here for you. It's all about you! Your needs. Your dreams.

From the Chairman of Resource One Credit Union

For more than 70 years, the cornerstone of Resource One Credit Union has been to provide its members with extraordinary service. Our commitment to excellence has grown ever stronger over the years.

Today, Resource One is the financial needs provider to approximately 42,000 members who reside in all parts of the world. Each member has his or her own needs and lifestyle. We understand your needs because we listen to you. We're at your service. After all, it's all about you!



***Bobby Denton, Sr.**
Chairman of the Board*

The Board of Directors, management staff and dedicated employees have taken our mission and vision statements to heart. Growth for growth's sake has never been our goal. Rather, we strive to provide our members with competitive products and services that meet the unique needs of their lifestyles. With a more concerted effort to deliver quality service in the most efficient manner, we've completed another successful year. Thanks to our financial soundness and the responsiveness of you, our members, to our products and services, Resource One is positioned to achieve success far into the future.

OurMembers'OneResource

Embarking on our 70th year of operation is a significant milestone. In these days of downsizing, takeovers and service provider start-ups, especially in the financial arena, we continue to be a leader in the marketplace and have plans in place to ensure that we remain in the number one position. We are continuing to search for ways to improve your satisfaction with us. Over the years, we have attracted and kept members with our competitive rates on a growing variety of savings and loan products. For this we say thank you very much for your loyalty and we ask that you share your satisfaction with others so that we may continue our legacy of caring and our commitment to service for our members.

Our Board of Directors, management team and staff have all worked hard to maintain the highest of standards, striving to provide value-added products and services in an extraordinary manner. We truly believe this is what sets us apart from other financial institutions. We look forward to serving your future needs and thank you for your partnership and support.

Bobby Denton, Sr.
Chairman of the Board

From the President of **Resource One Credit Union**

Members know that Resource One Credit Union will always put them first. After all, it's all about you!

As a credit union whose mission it is to be our members' one resource, we are constantly focused on the unique challenges of maintaining personal, responsive, and efficient service to members in all parts of the country and around the world. Our success and growth for over 70 years reflect continuous efforts to improve the services we offer, build upon what works, refine what is not satisfactory to you, and strive to keep getting better.



Jim Brisendine
President/CEO

From strong financial performance to new and innovative solutions – Resource One Credit Union enjoyed a very successful year in 2005. Our achievements are directly attributed to the partnership between Resource One, its employees, and our members that has been cultivated over the past 70 years.

Extending our outstanding service legacy was a major focal point of 2005. We aggressively partnered with the communities we serve to expand our reach. We wanted existing members and potential members to know that we want to be a part of their life past their paycheck. We rallied behind the battle cry of “whenever and wherever.” We embraced our legacy of caring and the commitment to service by focusing on four powerful words...
“It’s all about you!”

As a result, several milestones were achieved in 2005 including:

- Our assets exceeded \$226 million in 2005, representing a 5.9% growth in comparison to 2004
- Loans increased 6.8% to a record \$203.8 million
- Deposits increased from 5.9% to an all time high of 203.1 million
- Delinquent loans to total loans decreased from .75% to .20% in comparison to 2004

These results are a testimonial to the partnership we enjoy with our members, and we look forward to continued success. There is strength in numbers, and each individual member benefits from the resources provided by fellow members. In an age with more product and technology resources available, Resource One intends to channel and protect these resources for each member’s benefit. Addressing the demands of members’ needs will keep Resource One strong.

As we look forward to the future, rest assured that the foundation on which Resource One was built and has grown remains solid, and that the people comprising Resource One today are committed to meeting and exceeding your financial needs and dreams.

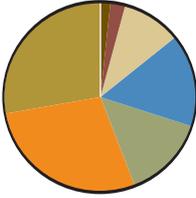
Jim Brisendine
President/CEO

Financial Statements

	2003	2004	2005
Income			
Interest on loans	\$ 14,077,706	\$ 13,663,440	\$ 12,452,036
Income from investments	85,658	26,939	358,428
Other income	5,321,892	5,826,630	6,409,321
TOTAL INCOME	19,485,256	19,517,009	19,219,785
Expenses			
Salaries and benefits	\$ 5,269,245	\$ 5,246,080	\$ 5,552,702
Travel expenses	101,579	123,043	116,666
Office occupancy	1,091,520	1,188,294	1,321,784
Operations	3,730,530	3,832,262	3,939,560
Educational and promotional	920,290	779,765	896,170
Professional services	561,176	498,667	526,431
Interest on borrowing money	53,005	121,931	320
Other operating expenses	2,536,507	2,152,706	2,386,216
TOTAL EXPENSES	14,263,852	13,942,748	14,739,850
Dividends	3,864,656	3,374,004	3,686,338
Net Income/(Loss)	1,356,748	2,200,257	793,597
Assets			
Cash and cash equivalents	\$ 5,529,440	\$ 12,963,053	\$ 12,237,058
Investments	1,110,000	1,799,136	1,000,000
Loans	189,463,085	190,828,449	203,763,819
Allowance for loan losses	(2,271,318)	(2,216,119)	(1,888,258)
Land, building and improvements	4,874,885	5,054,186	4,836,785
Furniture and equipment	2,678,486	2,147,428	2,070,532
Other assets	4,563,238	3,348,973	4,629,521
TOTAL ASSETS	205,947,816	213,925,106	226,649,456
Liabilities			
Accounts and notes payable	\$ 4,474,287	\$ 1,645,539	\$ 2,355,815
Draft and other payable	1,163,801	390,254	367,831
TOTAL LIABILITIES	5,638,088	2,035,793	2,723,646
Deposits			
Members' shares	\$ 45,082,866	\$ 51,929,484	\$ 56,992,999
Members' deposits	139,665,675	139,971,971	146,151,356
TOTAL DEPOSITS	184,748,541	191,901,455	203,144,355
Member Equity			
Regular reserve	3,422,167	4,953,504	4,953,504
Undivided earnings	12,139,020	15,034,354	15,827,952
MEMBER EQUITY	15,561,187	19,987,858	20,781,455
TOTAL LIABILITIES and EQUITY	205,947,816	213,925,106	226,649,456

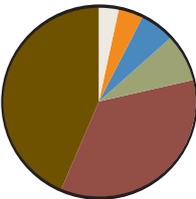
Financial Highlights

Deposit Mix by Percentage



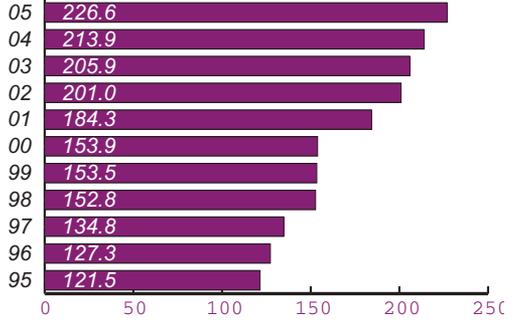
0.05		Other
1.74		Commercial Accounts
2.48		IRA Savings
9.94		IRA CDs
16.03		Checking
14.05		Money Funds
28.07		Savings Accounts
27.64		Certificates

Loan Mix by Percentage

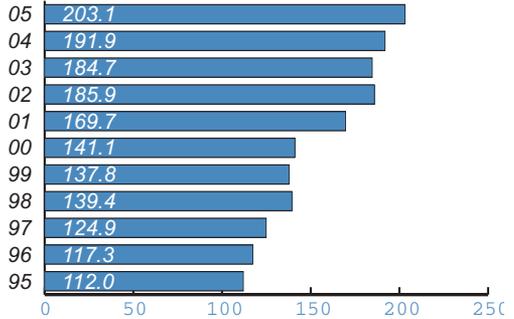


3.34		Other
4.23		Unsecured
5.95		Other Vehicles
8.10		Real Estate
34.82		Home Equity
43.56		Autos

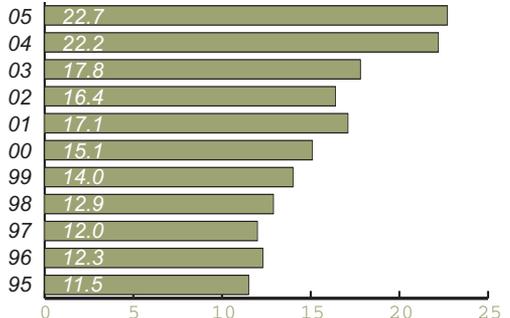
Total Assets in Millions of Dollars



Total Deposits in Millions of Dollars



Total Capital in Millions of Dollars



Audit Committee Report of Resource One Credit Union

It is the primary responsibility of the Audit Committee to oversee the management and financial records of the Credit Union to ensure that the financial condition is accurately presented. By monitoring and maintaining the financial integrity of the Credit Union through review of internal operations, the Audit Committee is an integral review body that assures members of the current and future strength and stability of the Credit Union.



Randy Eichen
Chairman,
Audit Committee

McGladrey & Pullen Certified Public Accountants, an independent auditing firm, was retained by the Audit Committee to perform an annual audit of Resource One's financial statements for the year ended December 31, 2005. The audit found that the financial statements present fairly and accurately the financial position of the Credit Union. Furthermore, the audit determined that the Credit Union's accounting practices are in conformity with generally accepted accounting standards. Thus, Resource One received an unqualified opinion from the auditing firm.

Based upon the results of the independent audit, I am delighted to once again report that the financial condition of Resource One remains strong and that the Credit Union is operating in accordance with all governmental regulations. Resource One's policies, procedures, programs, operations and management practices are soundly maintained and effectively implemented.

The Board Of Directors of Resource One Credit Union



■ **Bobby Denton, Sr.**
Chairman of the Board
Retired



■ **B. A. "Tony" Goebel**
Vice Chairman of the Board
Retired



■ **Dee Gaines**
Secretary/Treasurer of the Board
Retired



■ **Keith Willson**
Chairman, Asset Liability
Management Committee
Manager of Geophysics
Samson Resources Company



■ **Randy Eichen**
Chairman, Audit Committee
Director of Merchandise Accounting
7-Eleven, Inc.



■ **Dwight Long**
Chairman, Compensation Committee
Facilities Manager
Dallas Morning News



■ **Rex Lowe**
Chairman, Risk
Management Committee
President
Financial Affiliates Insurance
Services, Inc.



■ **Greg Blunt**
Consultant
CAGE, Inc.



■ **Jim Brisendine**
President/CEO
Resource One Credit Union

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7518 Ferguson Road
Dallas, TX 75228

South Side

1200 Belleview Street
Dallas, TX 75215

Mesquite

1919 Faithon P. Lucas
Boulevard
Mesquite, TX 75181

Garland

302 West Centerville Road
Garland, TX 75041

Grand Prairie

3824 South Carrier Parkway
Grand Prairie, TX 75052

Cityplace

2711 North Haskell Avenue
Dallas, TX 75204

Irving

2315 West Airport Freeway
Irving, TX 75062

Houston

11251 Northwest Freeway
Houston, TX 77092



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