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**R R R** *Resource One*  
CREDIT UNION

Member owned. Not-for-profit.

**R R**  
**R**

**2011 Annual Report**

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# Our Mission:

## Total Member Delight

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Our mission statement is a clear and succinct representation of our purpose for existence. A simple yet powerful 'one-liner' that is supported by a set of values that sets the performance standard and direction of our credit union.

We will accomplish this through:

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Relevant	P	roducts
Competitive	R	ates
Value Added	O	fferings
Superior	S	ervice
Financial	P	artner
Memorable	E	xperiences
Hi-Tech Hi-Touch	R	elationships
Security &	S	trength

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**1936**

**R1CU is formed under  
the name Sears Dallas  
Employees Federal  
Credit Union**



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# Our Vision:

## Our Members' One Resource

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Resource One's vision is encompassed by our beliefs  
which are a statement of our values:

- **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.

**1940**

**International  
Credit Union  
Day established**



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# Building a Community

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At Resource One Credit Union, we continue to build a supportive community. Differing from the vast majority of other financial institutions, we partner and build relationships with our member/owners. We care about you, your families, and your financial success.

Resource One values you and offers you what you need to be financially successful: better rates, products, services, resources, and financial coaching for you and your family. We truly believe we are all in this together, and your success is our success.

Resource One takes pride in providing a friendly atmosphere where you speak with real people who are dedicated and people-oriented, whether face-to-face or over the phone. Fortunately, we are able to draw on over 75 years of experience in serving you, our member/owners, and continue to use your ideas to create improvements in all areas, including technology and convenience.

We have a great story to tell and a great future for our 44,000 member/owners.



History  
*of the*  
**CREDIT UNION**

**1960**

**Credit Union  
Managers Society  
formed**

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# Chairman and President's Report

*“Never doubt that a small group of committed people can change the world. Indeed, it is the only thing that ever has.” –Margaret Mead*

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The only reason Resource One is here today is because seven people in a catalog warehouse in Dallas, Texas banded together with one purpose in mind: to serve their fellow Sears employees who worked alongside them in that very building. Credit unions have always made the biggest difference in the lives of its members, not when they were focused on growth, but when they joined together to serve a common purpose and to help their fellow member. Resource One has been serving members since 1936 and last year marked another milestone with a 75<sup>th</sup> anniversary celebration. We have certainly grown and changed since 1936 and will continue on that path so long as the end result is world-class service, excellent rates, and the opportunity to improve the lives of members.

**Our 75<sup>th</sup> year in 2011 proved to be  
one of the best years for the credit union.**

**1976**

**CEO Jim Brisendine  
becomes a  
member/owner of R1**



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# Chairman and President's Report

*"Never doubt that a small group of committed people can change the world. Indeed, it is the only thing that ever has." –Margaret Mead*

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We believe our success is a direct reflection of our mission statement:

## **Total Member Delight**

and below are some of our most noteworthy highlights:

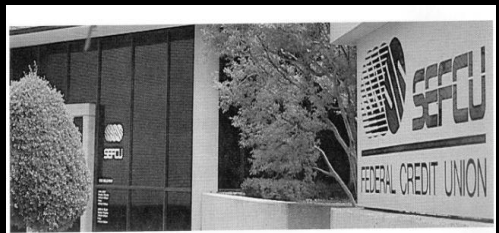
- 13% membership growth to 43,148 members – the first double digit membership growth since 1994
- 10% increase in loans
- Introduced *Shared Branching*, giving our members access to over 4,000 branches nationwide
- Revamped our checking accounts to add benefits and keep them FREE
- Expanded our presence in North Dallas with the merger of Metroplex Credit Union

Our service commitment to our member/owners affects every aspect of our business, leading to careful planning and a stable financial base, even as other institutions have struggled. No matter how big we get, we'll never forget that our member/owners are our greatest assets. We look forward to continued success and growth in 2012.

**Jim Brisendine**  
*President/CEO*

**Dwight Long**  
*Chairman of the Board*

**1980**  
**The first stand  
alone facility on  
Bellevue Street  
opens**



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# Audit Committee Report

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The Audit Committee's primary responsibility is to oversee the management and financial records of Resource One Credit Union to ensure that the financial condition is accurately presented. By monitoring and maintaining the financial integrity of the Credit Union through a review of internal operations, the Audit Committee is an integral review body that assures member/owners of the current and future strength and stability of Resource One.

Orth, Chakler, Murnane and Company, CPAs, an independent auditing firm, was retained by the Audit Committee to perform the annual audit of Resource One's financial statements for the year ended December 31, 2011. 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.

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

**Chris Degelia**  
Chairman, Audit Committee



**1995**  
Name changed to  
**Resource One  
Federal Credit  
Union**

# Financial Statements

(unaudited)

	2009	2010	2011
<b>Income</b>			
Interest on Loans	17,498,275	18,146,371	18,387,591
Interest on Investment	19,283	22,601	40,518
Other Income	6,726,836	7,119,770	7,744,253
<b>TOTAL INCOME</b>	<b>24,244,394</b>	<b>25,288,742</b>	<b>26,172,362</b>
<b>Expenses</b>			
Salaries & Benefits	6,492,425	7,095,028	7,826,135
Travel and Conference	105,653	70,663	100,152
Office Occupancy	1,438,054	1,678,200	1,816,513
Operations	4,553,116	4,348,889	4,729,619
Education and Promotion	643,513	394,169	629,825
Professional Services	628,430	591,053	562,760
Other Operating Expenses	450,363	433,632	460,340
<b>TOTAL OPERATING EXPENSES</b>	<b>14,311,554</b>	<b>14,611,634</b>	<b>16,125,343</b>
Interest on Borrowings	4,213	-	-
(Gain)/Loss on Sale of Assets	(195,744)	11,883	(2,359)
NCUA Assessments & MCA Depletions *	870,641	1,233,098	725,397
Provisions for Loan Losses	4,118,000	2,700,000	3,216,000
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>4,797,110</b>	<b>3,944,981</b>	<b>3,939,038</b>
Dividends Paid on Deposits	6,319,349	5,053,487	3,996,744
<b>NET INCOME (LOSS)</b>	<b>(1,183,619)</b>	<b>1,678,640</b>	<b>2,111,237</b>
<b>Assets</b>			
Cash and Cash Equivalents	11,476,802	19,278,124	14,123,522
Investments	869,494	231,743	2,460,591
Loans	265,884,895	274,557,850	304,474,255
Allowance for Loan Losses	(2,381,952)	(2,485,193)	(3,109,787)
Land, Building and Improvements	12,480,512	12,008,725	11,909,111
Furniture and Equipment	2,029,608	1,984,930	2,118,515
Other Assets	4,552,197	5,260,400	6,024,738
<b>TOTAL ASSETS</b>	<b>294,911,556</b>	<b>310,836,579</b>	<b>338,000,945</b>
<b>Liabilities</b>			
Accounts and Notes Payable	1,694,734	1,853,755	2,787,137
Other Liabilities	428,115	532,263	559,108
<b>TOTAL LIABILITIES</b>	<b>2,122,849</b>	<b>2,386,018</b>	<b>3,346,245</b>
<b>Member Deposits</b>			
Member Shares and Savings	50,555,369	53,626,879	66,039,456
Other Deposits	219,975,506	230,998,301	242,037,406
<b>TOTAL DEPOSITS</b>	<b>270,530,875</b>	<b>284,625,180</b>	<b>308,076,862</b>
<b>Member Owner Equity</b>			
Regular Reserves	4,953,504	4,953,504	4,953,504
Undivided Earnings	17,304,328	18,871,877	21,624,334
<b>MEMBER OWNER EQUITY</b>	<b>22,257,832</b>	<b>23,825,381</b>	<b>26,577,838</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>294,911,556</b>	<b>310,836,579</b>	<b>338,000,945</b>

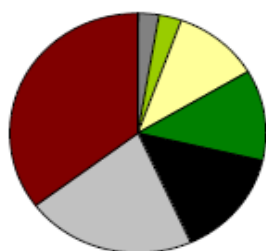
\* 2009, 2010 & 2011 Special NCUA insurance assessments totaled \$397,301, \$706,438 & \$725,397, respectively. 2009 and 2010 Depletion of Southwest Corporate FCU Member Capital Accounts totaled \$473,340 and \$526,660, respectively.



# Financial Highlights

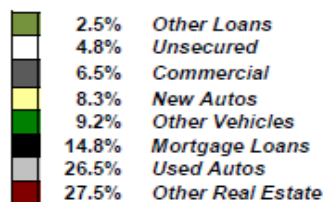
## DEPOSIT MIX

by Percentage

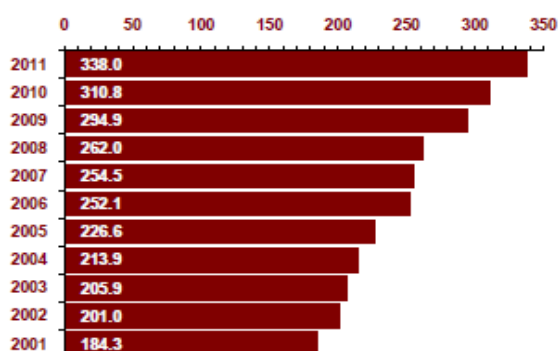


## LOAN MIX

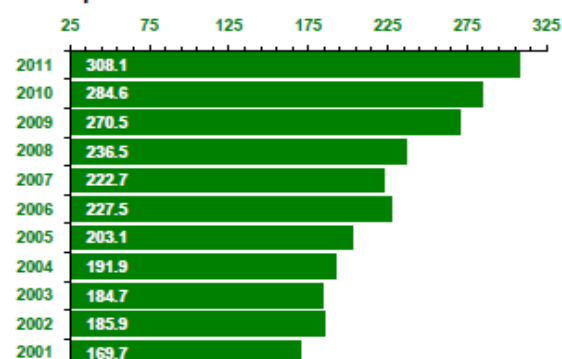
by Percentage



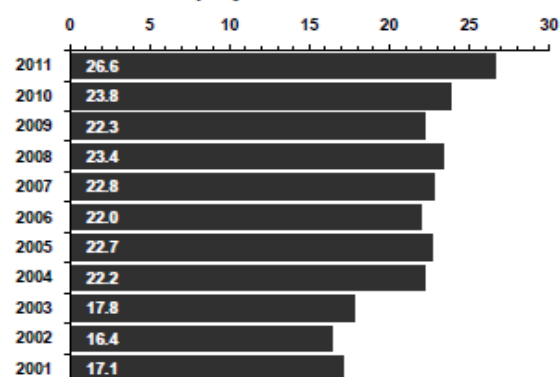
## Total Assets *in Millions of Dollars*



## Total Deposits *in Millions of Dollars*



## Member Owner Equity *in Millions of Dollars*



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## 2011-12 BOARD OF DIRECTORS

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**Dwight Long**

**Chairman of the Board**

Retired, The Dallas Morning News

*term expires: 2012*

**Randy Eichen**

**Vice Chairman of the Board**

Sr. Director of Business Transformation  
7-Eleven, Inc.

*term expires: 2012*

**B.A. "Tony" Goebel**

**Secretary/Treasurer of the Board**

Retired, 7-Eleven, Inc.

*term expires: 2013*

**Keith Willson**

Geophysicist  
Newfield Exploration

*term expires: 2014*

**Rex Lowe**

President / CEO  
Financial Affiliates Insurance Services, Inc.

*term expires: 2014*

**Chris Degelia**

Senior National Account Manager  
AboveNet, Inc.

*term expires: 2013*

**Janey Appia**

Manager, Consumer and Latino Affairs  
7-Eleven, Inc.

*term expires: 2013*

**Greg Blunt**

Vice President  
CAGE, Inc.

*term expires: 2012*

**Jim Brisendine**

President / CEO  
Resource One Credit Union

*term expires: 2014*



## 2009

**Resource One extends  
its Houston community  
by adding the Oak  
Forest branch**

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# 2011-12 CREDIT UNION OFFICERS

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Jim Ladner, CPA  
Doug Bedner

Chief Financial Officer  
Chief Operating Officer

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## ORGANIZATIONAL CHANGES

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### Senior Management:

- Added Chief Operating Officer
- Eliminated Chief of Administrative Services

### Bylaws and Articles of Incorporation

- Merged the field of membership of Metroplex Credit Union

### Number of Members:

- (Dec-2011) 43,148
- (Dec-2010) 38,131

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## SERVICES OFFERED

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### SAVINGS

Regular Savings  
IRA/SEP Savings  
Holiday & Summer Savings  
Youth & Teen Savings

### CHECKING

CU Succeed (Youth - Free)  
mylifemoney (Free)  
Power Plus (interest +)  
Super Power (Interest ++)  
Empower Checking (checkless)

### MONEY MARKET ACCOUNTS

R1 Money Market

### CERTIFICATES OF DEPOSIT

Certificates of Deposits  
IRA/SEP CDs  
Flex Term CDs

### CONSUMER LOANS

New & Used Auto Loans  
Recreational Vehicles  
VISA Credit Cards  
Share Secured Loans  
Personal / Lines of Credit

### REAL ESTATE LOANS

Home Mortgage Loans  
Home Improvement & Equity

### BUSINESS ACCOUNTS

Business Savings  
SOHO Checking (Small business)  
Growth Checking (Mid-size business)  
Enterprise Checking (Large business)  
Executive Suite Money Market  
Executive Suite Flex CD

### BUSINESS LOANS

Commercial Real Estate  
Real Estate Development  
Vehicles & Heavy Trucks  
Equipment & Machinery  
Lines of Credit  
Unsecured Term Loans

**2011**  
Merged with  
Metroplex  
Credit Union





Member owned. Not-for-profit.

P .O. Box 660077 Dallas, TX 75266-0077  
Dallas 214.319.3100  
Houston 281.720.0550  
Nationwide 800.375.3674  
www.r1cu.org

**Cedar Hill**

755 N. Highway 67  
Cedar Hill, TX 75104

**Carrollton**

2501 E Hebron Parkway #300  
Carrollton, TX 75010

**Garland**

302 West Centerville Road  
Garland, TX 75041

**Houston- Jones Road**

9211 Jones Road  
Houston, TX 77065

**Houston- Oak Forest**

1400 W. 43<sup>rd</sup> St  
Houston, TX 77018

**Irving**

2315 West Airport Freeway  
Irving, TX 75062

**Mesquite**

2750 North Galloway  
Mesquite, TX 75150

**One Arts Plaza**

1722 Routh Street #118  
Dallas, TX 75201

**R1 Tower- East Dallas**

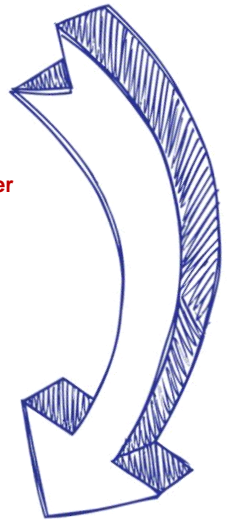
8344 East R.L. Thornton Freeway  
Ste. 110  
Dallas, TX 75228

**Southside**

1200 Belleview St  
Dallas, TX 75215

**Technical Operations Center**

7518 Ferguson Road  
Dallas, TX 75228



**Today**  
**Resource One**  
**Credit Union**  
is your credit union

