



2014 Annual Report

Connect.
Inspire.
Impact.



Member owned. Not-for-profit.



Connect. Inspire. Impact.

Then, now and always, we strive to attain **Total Member Delight**. We have high standards for our service, and we will never give up trying to achieve those standards.

Our vision is to be **Our Members' One Resource**. We will do this by connecting with our members, inspiring them to accomplish their financial dreams, and impacting their lives through our products, services and outreach.

Connect...with the community and members

"It means being in touch with our members and understanding them and their background. They are not just a credit report and account balance. They are real people, and it is our job to figure out better ways to serve them."

Doug Bedner
Chief Operating Officer

Inspire...to accomplish their financial dreams

"They are member-owners, not just members. We want to be our members' number one financial resource, to provide creative ways to impact their lives financially. Our primary existence is for our members, therefore, we offer all kinds of products, services, and technology to improve their lives and their financial well-being. "

Jim Ladner
Chief Financial Officer

Impact...make the difference through our products, services or outreach

"We need to connect with our members and each other as well. We need to inspire each other to make meaningful moves to help our members get where they need to be. Connect, Inspire, and Impact: Those things make a difference for our members and make a difference for our employees. It's why we're different."

Lee Strickhouser
Chief Lending Officer

Connecting with Our Community

Connecting with the community leads to everything else we wish to accomplish. We connect through our community outreach programs like our financial education program, sponsorships to our schools and involvement with other community organizations.

Throughout 2014, Resource One provided free or low-cost community events. We hosted free shred day events at all of our branches, aimed at raising awareness about destroying confidential material to prevent identity theft and fraud. We also facilitated low-cost pet vaccinations in the communities we serve. In addition to community appreciation events at our branches, we were active sponsors of community events, festivals, fund raisers, and small business expos.

“When I am asked why I love doing what I do, the first thing that comes to mind is our commitment to our members and the communities we serve. We have a steadfast passion for our members and go the extra mile with a smile to help them accomplish their financial goals, regardless how big or small their goals are.”

Jennifer Grinder
Chief of Sales and Marketing





Inspiring Our Team to Help More People

We want to inspire people to be more financially fit and accomplish their financial dreams. This inspiration can be from financial education, counseling or guiding a member to make better choices.

Resource One provides free reality fairs for colleges, high schools, and outreach centers. Participants in our programs learn about money, the high costs of living, and the importance of spending wisely. We want to prepare the younger generation for their economic future and help them make sound choices. We are laying a foundation of reality on which they can build their dreams.

“The reason we talk about making more loans and growing is not just so that we can make money. The reason we want to make loans is so that we can help more people.”

Lee Strickhouser
Chief Lending Officer

Impacting the Lives of Others

Our impact occurs when we make the difference for a family through our products, services or outreach. We impact lives by saving members money on loan interest, providing appropriate products or advising them on financial strategy. We help people’s money go further through charging fewer fees and offering competitive rates.

We take pride in caring for members, even in ways they don’t expect. Long time members, Rita and Gary, applied for a home improvement loan for an important repair to their home. In lieu of increasing their debt, Resource One Credit Union decided to donate funds to cover the cost of the materials needed for the repair they needed. Our partner, New Generation Mechanical, LLC, covered the labor costs for the repair, which was even more impressive considering they didn’t know the family.

“I had asked for a sign that life wouldn’t always be this hard. Three days later, you and your team show up with my miracle.”

Rita H.
Resource One Member since 1980

“The reason we want to make loans is so that we can help more people.”

Lee Strickhouser
Chief Lending Officer





The Three Parts of Our Success



Member owned. Not-for-profit.

1 OUR MEMBERS:
for being our advocates,
helping us prosper as
a financial institution
and community partner

2 OUR BOARD:
for providing us
direction and insight
through their
tireless energy

3 OUR STAFF:
for going above and
beyond for members,
staying late or looking
for creative solutions

“We have a steadfast passion for our members and go the extra mile with a smile to help them accomplish their financial goals, regardless how big or small their goals are.”

Jennifer Grinder
Chief of Sales and Marketing





President's Report:

Who We Are

Resource One Credit Union has been serving members since 1936. For the past 79 years, we have passionately pursued our mission and vision and will continue to do so into the future.

Our Mission Statement: Total Member Delight

This is what we strive for every day. Even though it is a unique goal for each member, we never stop trying to exceed our member's expectations.

Our Vision Statement: Our Members' One Resource

This sets the expectation for our staff that we want to earn our member's trust and be the first choice for all of their financial needs as we move forward to the future.

The R1 Difference

Many ask "What sets Resource One apart from other credit unions and financial institutions?" First and foremost is our staff. We are committed to delivering personal service to each and every member; building relationships for life. Service can sound cliché, but we pride ourselves on building relationships with our members through open communication and discovering our member's financial needs and goals.

We differentiate ourselves by committing to our membership during times of financial and personal need. We help members who require financial assistance during a tough month affected by job loss, reduced hours, or have suffered a disaster. The feeling of accomplishment is greatest when we help a member obtain what they need in a challenging situation. We will stay within our roots of people helping people.

Moving Forward

We have many more exciting projects in the works – products and services that will provide even greater benefits to you and your family. We will continue to connect to the community we serve, inspire our members and impact their lives.

I wish to thank the Board of Directors for their vision and proactive approach in building our credit union for future generations. Our members are the true beneficiaries of their service. We appreciate the dedicated management team and employees who have contributed to our unwavering mission of Total Member Delight throughout this busy and productive year. Together, we look forward to the continued success of our credit union.

Jim Brisendine
President/CEO
Resource One Credit Union

“We want to be where our members are...

If that’s in a branch,
at a drive through,
on the phone,
online or
on a mobile device,

...then we need to be there.”

Doug Bedner,
Chief Operations Officer





Chairman's Report:

The Environment

The economic environment continued to favor borrowers and punish savers. Last year marked the sixth year of the Federal Reserve's low interest rate policy, further depressing bank and credit union asset yields as new, lower yielding loans and investments replaced maturing assets booked during higher rate periods.

I am pleased to report that during a year of remarkable growth, Resource One Credit Union remained financially sound and strong. Our commitment to quality and the values established by our credit union's founding fathers is set securely on a firm foundation.

Our Membership and Board

Resource One Credit Union and its employees have maintained support to the communities in which our members live and work. Resource One supports a number of community organizations and schools. We also provide financial literacy instruction to hundreds of students, preparing them for their future.

Our credit union is governed by a member-elected Board of Directors with competent experience in strategic planning, leadership, financial oversight, technology, innovation, advocacy and member service. Board members are volunteers for the credit union and serve without pay.

Our Future

As we confidently face the opportunities and challenges of the emerging financial services marketplace, we want to thank you for your business and continued trust in Resource One Credit Union. As a financial cooperative, Resource One's exclusive purpose is to serve the interests of our member owners, and we are deeply committed to our vision as Our Members' One Resource.

None of this would be possible without the outstanding efforts of our employees. I congratulate them on a job well done. In addition, I wish to thank the Board of Directors and Committee Members for their support throughout this historic year.

With appreciation,
Dwight Long
Chairman of the Board
Resource One Credit Union

Audit Committee's Report:

The primary responsibility of the Resource One Credit Union Audit Committee is to ensure that the credit union's Board of Directors and management establish practices and procedures properly safeguard members' assets. The Audit Committee also assures that the credit union operates in accordance with the rules and regulations set forth by the National Credit Union Administration (NCUA) and the Texas Credit Union Department (TCUD), that internal controls are established and effectively maintained, and that the Board of Directors' plans, policies and procedures are properly administered. The committee helps to protect the interests of Resource One members by ensuring that the credit union operates in a safe and sound manner.

Whitley Penn LLP, 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, 2014. The audit concluded the financial statements present fairly and accurately the financial condition of the credit union and that the credit union's accounting practices are in conformity with generally accepted accounting principles. Resource One received an unmodified opinion from the auditing firm. Based upon the results of the independent audit, I am pleased to report, the financial condition of Resource One Credit Union remains strong. The credit union is operating in accordance with all government regulations. Resource One's policies are soundly maintained and effectively implemented.

Michael Buckman
Chairman of the Audit Committee
Resource One Credit Union



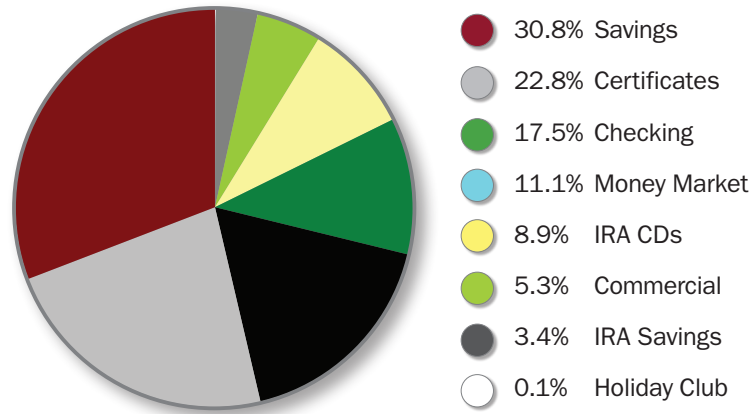


Financial Statements

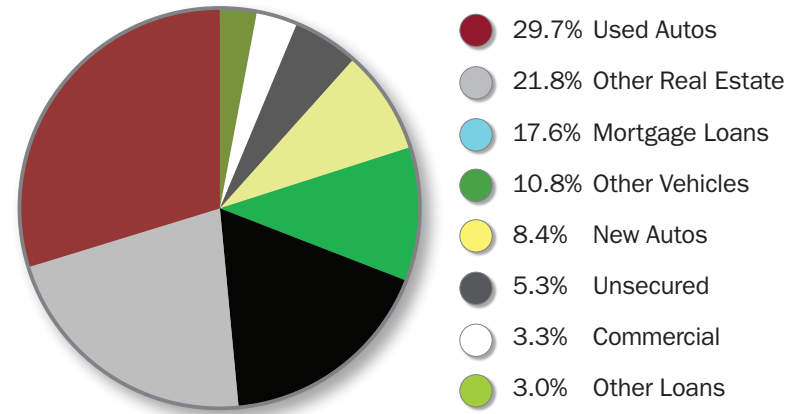
	2012	2013	2014
Income			
Interest on Loans	19,450,929	19,141,333	18,991,474
Interest on Investments	38,053	88,423	79,637
Other Income	8,479,512	10,254,691	11,470,790
TOTAL INCOME	27,968,494	29,484,447	30,541,901
Expenses			
Salaries & Benefits	8,190,518	8,785,940	9,982,330
Travel & Conference	123,999	129,050	143,809
Office Occupancy	1,964,332	1,872,577	1,972,457
Operations	4,836,768	5,693,429	6,145,958
Education & Promotion	657,012	748,395	872,476
Professional Services	727,386	937,667	1,143,578
Other Operating Expenses	621,780	596,904	749,498
TOTAL OPERATING EXPENSES	17,121,795	18,763,962	21,010,106
Interest on Borrowings	-	-	-
(Gain)/Loss on Sale of Assets	21,618	(2,212)	(36,661)
NCUA Assessments & MCA Depletions*	303,071	268,416	-
Provisions for Loan Losses	2,602,009	3,248,042	3,444,000
TOTAL NON-OPERATING EXPENSES	2,926,698	3,514,246	3,407,339
Dividends Paid on Deposits	3,341,628	2,867,088	1,865,404
NET INCOME (LOSS)	4,578,373	4,339,151	4,259,052
Assets			
Cash & Cash Equivalents	39,163,707	54,841,739	31,613,856
Investments	1,573,017	1,340,778	9,007,014
Loans	314,116,061	310,789,135	327,297,676
Allowance for Loan Losses	(3,391,362)	(2,941,067)	(3,173,720)
Land, Building & Improvements	11,388,608	12,610,795	15,817,991
Furniture & Equipment	2,302,822	2,045,115	1,876,446
Other Assets	6,689,506	10,933,076	12,644,506
TOTAL ASSETS	371,842,359	389,619,571	395,083,769
Liabilities			
Accounts & Notes Payable	2,785,635	2,684,113	2,905,998
Other Liabilities	85,470	566,789	653,582
TOTAL LIABILITIES	2,871,105	3,250,902	3,559,580
Member Deposits			
Member Shares & Savings	82,574,821	94,703,737	108,361,732
Other Deposits	255,151,844	255,892,004	243,040,890
TOTAL DEPOSITS	337,726,665	350,595,741	351,402,622
Member Owner Equity			
Regular Reserves	4,953,504	4,953,504	5,418,673
Undivided Earnings	26,291,085	30,819,424	34,702,894
MEMBER-OWNER EQUITY	31,244,589	35,772,928	40,121,567
TOTAL LIABILITIES & EQUITY	371,842,359	389,619,571	395,083,769

Financial Highlights

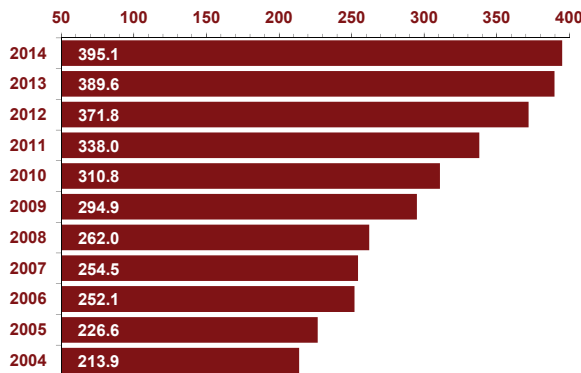
DEPOSIT MIX by Percentage



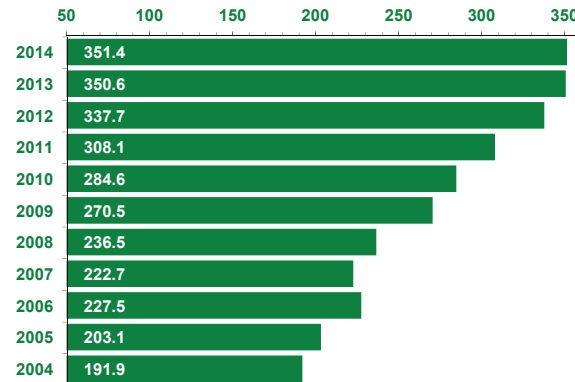
LOAN MIX by Percentage



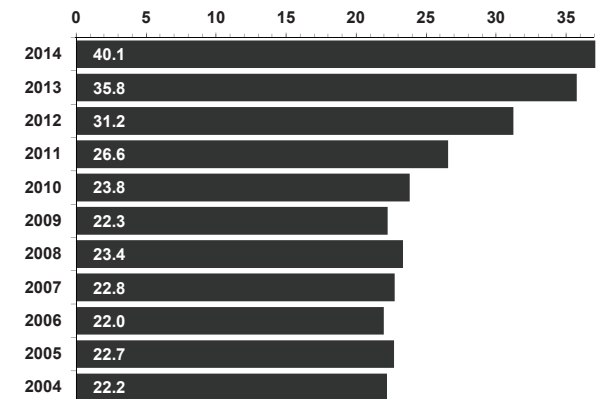
Total Assets in Millions of Dollars



Total Deposits in Millions of Dollars



Member Owner Equity in Millions of Dollars



*During 2011, 2012 & 2013, special NCUA insurance assessments totaled \$725,397, \$303,071 and \$268,416, respectively.



2012-2013 Board of Directors

Dwight Long

Chairman of the Board
Retired, The Dallas Morning News
Term through 2018

Greg Blunt

Vice Chairman of the Board
Senior Vice President
CAGE, Inc.
Term through 2018

B.A. "Tony" Goebel

Secretary/Treasurer of the Board
Retired, 7-Eleven, Inc.
Term through 2016

Jim Brisendine

President/CEO
Resource One Credit Union
Term through 2017

Keith Willson

Geophysicist
Retired
Term through 2017

Rex Lowe

President/CEO
Financial Affiliates Insurance Services, Inc.
Term through 2017

Chris Degelia

General Manager
InnerCity FiberNet
Term through 2016

Janey Appia

Manager, Customer Relations
7-Eleven, Inc.
Term through 2016

Michael Buckman

CEO
Buckman Advisors LLC
Term through 2018

Credit Union Officers

Jim Ladner, CPA

Chief Financial Officer

Lee Strickhouser

Chief Lending Officer

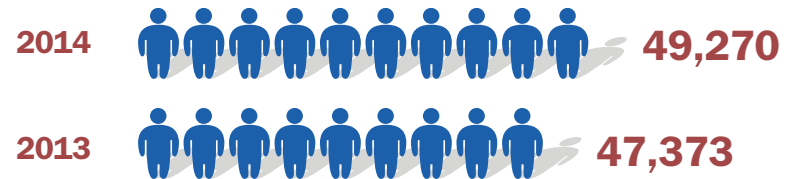
Doug Bedner

Chief Operating Officer

Jennifer Grinder

Chief of Sales and Marketing

Number of Members



Services Offered

SAVINGS

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

CHECKING

CU Succeed
 My Life My Money
 Power Plus
 Super Power
 Empower Checking

MONEY MARKET ACCOUNTS

R1 Money Market

CERTIFICATES OF DEPOSIT

Certificates of Deposit
 Flex Term CDs
 IRA/SEP CDs

CONSUMER LOANS

New & Used Auto
 New & Used Recreational Vehicles
 • RVs, Boats, Motorcycles, 5th Wheels,
 Travel Trailers, Planes, etc.
 VISA Credit Cards
 Share Secured Loans
 Personal Loans
 Lines of Credit

REAL ESTATE LOANS

Home Mortgage Loans
 Home Improvement & Equity

BUSINESS ACCOUNTS

Business Savings
 Business Checking
 Business Money Market
 Business Flex CD

BUSINESS LOANS

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

Additional Services Offered

Shared Branching
 Free CO-OP ATM Network
 Online Banking
 Mobile Banking
 • iPhone & Android Apps
 My Money Manager
 Prewards
 Mobile Deposit





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Cedar Hill

755 North Highway 67
Cedar Hill, TX 75104

Garland

302 West Centerville Road
Garland, TX 75041

Houston-Jones Road

9211 Jones Road
Houston, TX 77065

Irving

2315 West Airport Freeway
Irving, TX 75062

R1 Tower-East Dallas

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

Carrollton

2501 East Hebron Parkway #300
Carrollton, TX 75010

Garland - North

2475 Arapaho Road
Garland, TX 75044

Houston-Oak Forest

1400 West 43rd Street
Houston, TX 77018

Mesquite

2750 North Galloway Avenue
Mesquite, TX 75150

Southside

1200 Belleview Street
Dallas, TX 75215

One Arts Plaza

1722 Routh Street #118
Dallas, TX 75201

Technical Operations Center

7518 Ferguson Road
Dallas, TX 75228



www.facebook.com/ResourceOneCU



Member owned. Not-for-profit.

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