Impacting Lives
IN EACH CONNECTION

2017 ANNUAL REPORT
Patricia "Pat" Jane Willbern
1930-2018
First President of CFFCU

IN MEMORIAM
As the first president, Mrs. Willbern is credited with building the credit union from a tiny organization operating out of a back office into a mature financial partner supporting the Cypress-Fairbanks community. On Pat’s first day as President, the credit union had just over 900 members and less than $1 million in assets. By the time she retired in 1994, the credit union had grown to more than 10,000 members and $44.5 million in assets.

Smart, driven, and always well-dressed, by all accounts Pat was a force of nature. Pat poured everything into this credit union and deeply cared about helping those in our tight-knit Cypress-Fairbanks ISD community. In addition to growing the credit union, new services were added under Willbern’s leadership, including two additional drive-thru branches, three ATMs, credit cards, and checking accounts.

In more recent years, Pat battled Alzheimer’s. Her beloved husband, Bubba, passed away in 2016. People that knew them as an indomitable pair say that it was difficult to imagine that (for a short time) one was on earth and one in heaven. Today, they are together again.

Pat Willbern’s legacy will live on through the credit union, her family, and our enduring gratitude.

INTRODUCTION
For more than sixty years Cy-Fair Federal Credit Union has dedicated our efforts to the greater good of this community. It’s home. We live here, work here—our kids go to the same schools. What’s more, we take a good deal of pride in finding ways to improve the everyday lives of our members. If we can sharpen our edges with new tools and expanded services to make us more accessible to our members, we’ll do it. If our schools need a show of support or a volunteer initiative, we’re on it. And when a catastrophic event like 2017’s Hurricane Harvey wreaked havoc on this community leaving Category 4 flooding and destruction in its wake, we waste no time finding ways to offer relief. Civic responsibility is in our DNA. How we demonstrate this commitment—how we impact the lives of those in our community with each connection is proof positive that we are here for our members and here to stay.

Our growth is proof that we connect with our community and provide real financial support to our membership. In 2017, our membership grew 2.61 percent with more than 25,000 members by the year’s end and our total assets increased more than 9.73 percent to bring us over $245 million. This also means more responsibility and opportunity to impact the lives of each of our members throughout our expanding community.

Cameron Dickey
President/CEO
Erwann Wilson
Chairman of the Board

2017 Annual Report
2017 YEAR IN REVIEW

Enhancing efficiency and convenience wherever possible.

NEW AND IMPROVED BILL PAY
We understand having access to your money longer, before it is debited from your account for a payment, is important.

That in mind, we took an assessment of our online bill pay service and determined moving over to a different bill pay process model would accomplish just that. Gone is the system that required an uncertain amount of lead time and that pulled the funds from your account several days before the actual due date for processing. Aptly named the “Due Date” model, this new bill pay method allows members to simply enter a “send on” date and, by design, it will be delivered to the payee on that very date. This means members can keep their money in their accounts longer and removes any guesswork.

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Members making payments on Cy-Fair Federal Credit Union loans with funds from an account at another institution will now be able to use Cy-Fair FCU online banking to execute the payment. Electronic payments can be scheduled using the funds from a checking account, savings account, debit card or credit card they have with another financial institution. It’s simple. And as a bonus, members can set up automatic recurring payments so they never miss a due date.

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We also looked for ways to offer members more time in the day for drive-thru convenience with face-to-face transaction assistance from one of our interactive teller associates. The introduction of the Interactive Teller Machines (ITMs) technology has allowed us to streamline this operation and better manage staffing needs, centralizing drive-thru teller services for all branches into one location. New drive-thru hours are Monday-Friday, 8am-7pm; Saturday 9am-3pm.

This all means faster transaction times, more access to accounts, no envelopes or deposit slips, freedom to deposit any time, night or day—all positive changes. If there’s a way to do our best to deliver.

When I logged on to CFFCU website to pay some bills I was SOCEDIT excited to find no longer had to schedule a bill to be paid 2-6 days in advance of the due date! I appreciate you making the changes. Today, Cy-Fair FCU has the same features as most financial institutions, as well as competitive offers such as low home loans and life need loans.

Beth Wade
Cy-Fair FCU Member

I found out about CFFCU through the Cy-Fair Chamber of Commerce. Someone was talking about a re-fi program available to him through his work, which is what I had been looking for. I wanted to reinance our 2015 Ford Explorer to lower the monthly payment and have more money available to put towards our credit card debt. I followed up with CFFCU and they helped tremendously. Everyone there worked quickly, explained all the details, making it a very smooth transaction for us.

Dana Mowe
Cy-Fair FCU Member

More than 60 years ago, ten local educators envisioned a better way of banking—a grassroots solution for a community in need of a financial partner. This was the beginning of Cy-Fair FCU and that legacy of support continues today. 2017 was a year for Cy-Fair FCU to deepen our commitment and investment to the Cypress-Fairbanks Independent School District as well as other key partners and organizations in our community. Our Cy-Fair FCU family provided nearly $30,000 to our local schools and non-profits as part of our overall annual financial support of the community.

Cy-Fair FCU’s partnership with Bang has inspired our students to dream, explore, and discover. Their contribution to our school—the donation of a 3-D printer—has catapulted our students’ capacity to create. We now have the privilege of being the only elementary school with this innovative technology. Tech devices such as Ollies and MakeyMakeys encourage problem solving, promote teamwork, and help students develop essential coding skills. Cy-Fair FCU has always been generous with donations for students and they support our staff with welcome extras: volunteering as Bus Buddies, serving as mentors, working as helpers during our annual Holiday Shop, and providing thoughtful treats for our staff with everything from breakfasts and lunches to Thanksgiving pies. Our students and staff are truly blessed by this partnership and we thank Cy-Fair FCU for their continued support.

Erwann Wilson
Principal - Bang Elementary School

Thank you for your unwavering support of the students, the teachers and our staff. We are humbled and grateful to be an extension of your family. Your commitment and generosity make all the difference.

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Enhancing efficiency and convenience wherever possible.
TEACHERS GET THE RED CARPET TREATMENT

How do you let teachers know how much they’re appreciated? For the 8500 teachers attending a week-long teacher training in August, you give them the Cy-Fair FCU Red Carpet treatment.

Each day, anywhere from 1500 to 2000 teachers entered this annual event. As they crossed the threshold, these cherished mentors were greeted by Cy-Fair FCU employees with the Red Carpet and red velvet rope, celebrity welcome they deserve. Photo opportunities ensued and those who shared their photos on social media were entered in a gift card contest. Next? Entry to our lush, spotlighted Red Carpet lounge area for a glass of sparkling grape juice with the opportunity to socialize and take part in our Wii Bowling Challenge. In the end, prizes, good times and plenty of good will were shared by all.

Over $1,200 in gift card prizes were given to a number of hardworking teachers, while Cy-Fair FCU tote bags and academic calendars were passed out to all.
A NEW CAR AWARDED TO ELEMENTARY TEACHER
A brand new 2017 Ford Focus was presented to Dana Herzog of Yeager Elementary School at the Cy-Fair Educational Foundation Salute to the Stars fundraising gala held in October. This annual event celebrates the contributions of all Cypress-Fairbanks Independent School District educators. Ms Herzog was honored for being “the heart of Yeager Elementary School.”

A FEE-FREE ACCOUNT FOR PTO/BOOSTER CLUBS
For school associations and non-profit groups, we have welcome news. We recognize it is not easy to raise funds, making every dollar critical to an organization’s cause, and so getting dinged with extra fees can take a toll when trying to reach goals. With this in mind, Cy-Fair FCU rolled out a checking account to qualifying groups which offers unlimited check depositing and no monthly service fees. This allows these amazing organizations to focus on their mission to support our community.

AN EXPANDED CY-FAIR FCU SCHOLARSHIP PROGRAM
Cy-Fair FCU expanded its scholarship program in 2017 to provide more access and meet specific needs within Cypress-Fairbanks ISD. This meant adding a bilingual scholarship, as well as a full-year award for a student planning to attend Lone Star College. In all, Cy-Fair awarded scholarships to six high school students, giving them more access to higher learning. We will continue this direction in 2018 with the credit union awarding a total of $11,000 in scholarships to high school seniors. The recent enhancements to the 26-year-old program reflects our historic commitment to Cypress-Fairbanks ISD families, the diversity of the local community, and the educational success of Cy-Fair FCU families. To be considered for the scholarship program, applicants must be a high school senior graduating from a school located in Harris County or Waller ISD with plans to attend an accredited college, university or junior college.

“Dana is constantly looking for ways to help our struggling readers and is always current on the latest research-based teaching methods for literacy. She brings so much fun and joy to our campus—her can-do attitude when met with a challenge sets a precedent for us all.”

Laura Barrett | Principal - Yeager Elementary School

EXTREME CLASSROOM MAKEOVER WINNERS ANNOUNCED
Teachers who make their classrooms an engaging learning environment get high marks from all of us at Cy-Fair FCU. Going that extra mile—using creative ways to make an impact on students—those are attributes we honor each year with our Extreme Classroom Makeover contest. In 2017, the applicant competition presented us with an entirely new opportunity—we always support three classrooms (one elementary, one junior high school and one high school), but last year we had so many inspired offerings we felt the need to extend our support to three additional classrooms. Six incredible teachers were awarded money for a classroom makeover. Since 2007 when we started this incentive program, Cy-Fair FCU has invested $15,250. We know many teachers use their own resources for this purpose and we are very pleased to show our appreciation.

Elementary School Winner $500
Karen Comer
Lowery Elementary School

Middle School Winner $500
Jenna Bradford
Labay Middle School

High School Winner $500
Danna Rizo
Alternative Learning Center

Elementary School Runner Up $150
Karen Malone
Walker Elementary School

Middle School Runner Up $150
Jennifer Osina
Aragon Middle School

High School Runner Up $150
Ladye Lindsey
Cypress Woods High School
FINANCIAL OVERVIEW

2012 2013 2014 2015 2016 2017

ASSETS 2017

$245,756,875
Increase from last year 9.7%
Increase from 2012 32.6%

SHARES 2017

$223,620,245
Increase from last year 10%
Increase from 2012 31.7%

LOANS 2017

$179,093,299
Increase from last year 4.4%
Increase from 2012 83.4%

MEMBERS 2017

25,309
Increase from last year 2.6%
Increase from 2012 24.7%

STATEMENT OF CONDITION

ASSETS

Cash and cash equivalents 21,259,612
Securities 26,267,745
Loans 179,093,299
Allowance for loan loss (1,317,891)
Property and equipment, net 8,534,427
Other assets 11,919,683
TOTAL ASSETS 245,756,875

LIABILITY & EQUITY

Accrued expenses and other liabilities 2,095,175
Member shares 223,620,245
Equity 20,041,455

STATEMENT OF INCOME

INCOME

Loan interest 8,101,021
Securities interest 423,167
Non-interest income 4,135,480
TOTAL INCOME 12,659,668

EXPENSES

Provision for loan loss 1,678,550
Operating expenses 10,113,079
Dividends 77,971
TOTAL EXPENSES 11,869,600

NET INCOME 790,068
COMMUNITY IMPACT

Investing where we can have the greatest impact.

Cy-Fair FCU consistently seeks ways to weave "good" into everything we do. Here are two examples of products that help us contribute back to the community.

SCHOOL SPIRIT DEBIT MASCOT CARDS

Talk about school spirit--in its first full year, this program was successful in generating a total of $14,840 for CFISD high school athletic booster clubs. With every signature-based transaction of $5 or more, a percentage is given to the school. Over 650 School Spirit Debit Mascot cards were issued this year. We call that a success.

NON-PROFIT BENEFICIARIES OF DAY & NIGHT PLATINUM CREDIT CARDS

This program has grown to over 250 cardholders. The following is a list organizations associated with the program and what percentage of cardholders selected each organization to receive proceeds from their transactions:

- 26.42% Cy-Hope
- 14.51% CFISD Lunch Hero
- 13.99% Habitat for Humanity
- 9.84% Relay for Life
- 7.25% Boys & Girls Country
- 7.25% CFIF
- 6.79% Boy Scouts
- 5.70% Texas Water Foundation
- 4.66% Reach Unlimited
- 4.66% Texans VIP

COMMUNITY INVESTMENTS

... (Details about various investments and initiatives follow, listing amounts and organizations receiving support)

HEART FOR OUR COMMUNITY

... (Similar listings for community-related events and donations follow, listing amounts and organizations receiving support)

COMMUNITY ONLY BETTER PLEDGE

It was our biggest and best year yet! We exceeded our pledge of 1000 community hours. Our team hit a total of 1430 hours. This is 43 percent over our goal and a 15 percent increase from 2016.

ADOPT-A-MILE CLEAN UP

The credit union became an Adopt-A-Mile community partner. Cy-Fair FCU will assist with clean-up and beautification of a one-mile stretch of Jones Road, due south of our corporate offices.

Volunteering is how I connect with my community— that’s really important to me.”

Melody Flakes | Cy-Fair FCU, MRC Representative

COMMUNITY INITIATIVES

VOLUNTEER INITIATIVES

... (Further details about volunteer initiatives follow, including specific projects and contributions)

... (A quote from a volunteer is included, emphasizing the importance of volunteering to the community.)
HURRICANE HARVEY RELIEF AND RECOVERY

As Hurricane Harvey descended upon the Houston area, Cy-Fair FCU developed a multi-prong recovery program in anticipation of the financial support members would need after the destructive Category 4 storm. As 100-mph winds knocked down power lines and flood waters filled homes in our community, we opened our doors to those in need, fielded thousands of calls in our call center and did what was possible for those desperate for help. When members turned to us for help, we were ready.

- 750 skip-a-pays processed for members
- 2 payment deferments on existing home equity loans
- $5k in fees waived or reversed
- 16 GAP insurance claims ($343,964) processed for members with flood-damaged cars
- $51k in expedited vehicle loans to help replace flooded cars
- 102 emergency signature loans provided totaling $51,000

Hurricane Harvey hit us hard. Our neighborhood had never flooded before—we just didn’t see a need for flood insurance. Harvey had other ideas. Several inches of water flooded our house, destroying floors, walls, furniture, appliances—you name it. We wanted to rebuild right away, so once we got the mud cleared away and tore out everything that was damaged, we got an estimate from a contractor. We went to our bank for a loan, but they only offered us a portion of what we needed. We turned to Cy-Fair FCU—a place where we had financed cars in the past. Cy-Fair loaned us the balance and we were on our way to get the repair/remodel done. Thank you Cy-Fair FCU.

John Armour | CFFCU Member

LOOKING AHEAD TO 2018

Our momentum will continue throughout 2018. Cy-Fair FCU has exciting plans in place for the coming year, focusing on growth where it matters most. Branches will undergo transformations which will translate into enhanced convenience, improved access and well-equipped financial consultants to support your financial journey. We are also making changes in our corporate office to increase efficiencies and support our collaborative culture. In addition, new branch locations are planned. These transformations, as well as new branch locations, will bring a sleek, contemporary design to meet the modern needs of CFFCU members.

2018 is full of promise to connect with more of the people within our community and make big impacts. Exceeding expectations gives us the energy to move forward, doing whatever possible to improve the everyday lives of our members.
Board of Directors

Erwann Wilson, Board Chairman
Stuart Snow, Board Vice Chairman
Chuck Brandman, Board Treasurer
Gale Parker, Board Secretary
Dr. Audre Levy, Director
Dr. Debbie Emery, Director
Deana Sheppard, Director
Greg Axelrod, Director
Tony Barcelona, Director

Supervisory Committee

Gary Kinninger, Committee Chairman
John Price, Member
Dr. Linda Macias, Member
Lauri Baker, Member