Chairman’s Report

I was very pleased that we got to take our family to the theater to see a new production. "A Christmas Carol." Charles Dickens published the story entitled “A Christmas Carol” on December 19, 1843, in London, England. The story is one of a kind and offers insight on modern times. Scrooge and his overnight transformation into a much gentler man with genuine concern for others.

Concern for the financial plight of others lies at the heart of the Credit Unions of America. In 1949, neighbors and cowokers bandaged together, pooled their money, and founded A+FCU in Austin, Texas. Today, we serve over 128,000 members with assets in excess of $1.2 Billion. Our growth in 2015 was steady with increases in Net Deposits, Membership, and Loans.

An enhanced Debit Card rewards program was implemented on June 1. To give members back up to 10¢ for each day they use their Debit Card. As of December 31, A+ had returned over $878,000 to nearly 60,000 members during 2015. The Board is very proud of this accomplishment and is accepting of the impact that this Member Rewards Program has on our financial ratios.

CEO’s Report

Growing just to grow provides no value to anyone. I am proud to say that growth at A+ is many faceted and with purpose. Our purpose is you, our members. We add more branches to serve the communities in our field of membership. We grow in deposits and loans as we add more members to our organization. But growth, isn’t measured in just numbers — more importantly it is shown in how we partner with members to get them their first home or start a business; those who opened their account at orientation at their first job and now look towards retirement; or the Green Apple account that helped pay for a college education; or how we invest now look towards retirement; or the Green Apple account that helped pay for a college education; or how we invest.

Any changes or additions to the services our Credit Union provides will, as always, consider the financial needs of our members first.

Thank you,
Kerry A.S. Parker, CPA
CEO

Treasurer’s Report

As Treasurer of A+ Federal Credit Union representing your Board of Directors and staff, I am proud to report the financial results of your Credit Union this past year. You will find this information in the Annual Report. Despite challenges with the national economy in 2015, we continued to show growth in deposits of $84.3 million bringing our total shares to $1,099,487,757. We also had a net increase of 864 members growing our membership total to 128,130.

Due to the strength of our Credit Union and the hard working management team and staff, we had strong growth in total assets. We will face even more challenges in 2016 and will continue offering high quality services for our membership.

Thank you,
Joni L. Johnson
Treasurer

Supervisory Committee Report

The Supervisory Committee is appointed by the Board of Directors and is responsible for monitoring daily Credit Union operations. The committee works closely with the Internal Audit Department. The committee is responsible for selecting the external auditor as well as verifying member accounts. This committee’s members are: Gloria Williams, Andrew McBride and David Torres. The Internal Audit Department performs audits of various operating areas within the Credit Union. This ongoing effort ensures that the Board approved policies are being adhered to, internal controls are properly functioning to protect member assets, and generating ideas to improve operating efficiency. The Internal Audit Department works hand-in-hand with the Supervisory Committee in various areas throughout the year, including the annual audit and the handling of member complaints and concerns.

Clifton Larson Allen, the external CPA firm selected by the Supervisory Committee, conducted an independent audit. The results of the audit concluded that the financial statements reported fairly the financial position of A+FCU and the result of its operations and cash flows for the year ending June 30, 2015. This committee responds to complaints from members when he/she feels that the A+FCU management or staff have not resolved their situation. If you have a concern, please mail it to the committee at the Supervisory Committee’s mailbox. The mailing address is Supervisory Committee, P. O. Box 15102, Austin, TX 78761.

The Supervisory Committee appreciates the confidence and trust you have placed in this committee, and we are confident that our efforts will continue to protect you, the members in addition to benefiting the overall operations within A+FCU.

David Torres
Chairman, Supervisory Committee

Growing in Size

- Assets: $1,220,161,919 (+$91,316,798)
- Deposits: $1,099,487,757 (+$84,269,490)
- Loans: $857,474,413 (+$577,888,936)
- Members: 128,130 (+8,684)
- Branches: 20 (Harker Heights now open!)
- Employees: 392 (+45)
- Members received $878,254 from Cash-Back Checking (a 144% increase from 2014)
- Members saved $1,392,827 through the PayPal loyalty program
- Over 50 schools were nominated to help ISDs, colleges and community organizations
- 134 new Small Business Loans totaling $21,912,053
- Helped 32 members buy their first home with a First Time Homebuyer Loan

Growing in Strength

- Partnered with UFCU to donate $500,000 to RaiseUp Texas, an E3 Alliance program
- Over $75,000 endowment to Texas State University for scholarships
- $50,000 in scholarships awarded to 25 high school and college students
- A+ Education Foundation awarded $72,000 in grants to 76 educators
- 614 adults attended free financial education events such as workshops and financial counseling
- Over 3,000 youth and young adults reached through financial education programs, including 280 Westview Middle School 8th graders who participated in a Mad City Money Financial Simulation

Growing in Trust

- 81% of our members think of A+ first for their financial needs
- Five New Employee Groups, including Girl Scouts of Central Texas
- Over 7,000 staff volunteer hours to help ISDs, colleges, and 57 community organizations
- Over 200 members took part in the free Shred Day at the Main Branch
- Helped 95 Boy Scouts, on their way to Eagle Scout, receive their Personal Management World Badges
- One of Austin American-Statesman’s Top Workplaces for 2015
- South and Main remodels completed

Agenda
- Call to order 6:30 p.m.
- Welcome & Introduction of Guests
- Approval of Minutes
- Nominating Committee Report
- Chairman’s Report
- Treasurer’s Report
- Supervisory Committee Report
- CEO’s Report
- Unfinished Business
- New Business
- Election Report
- Adjournment of Business Meeting
- Door Prize Drawings
- Closing
The 66th Annual Membership Meeting of the A+ Federal Credit Union was held on February 11, 2015 at McCallum High School, 5620 Sunshine Drive, Austin, Texas. Board Members present were Joe Thedford, Lester Lindig, Sadie Smallwood, David Torres, Georgia Johnson, Lolly Guerra, and Terry Lord. Mr. Coleman introduced his staff members, Marlon Bedoya and Nadine Hall. The meeting was called to order by Chairman Joe Thedford.

Welcome & Introductions: Mr. Thedford thanked everyone for attending the Annual Meeting and introduced the Guest of Honor, the Head Table: Dr. Lolly Guerra, Vice Chairman; Georgia Johnson, Treasurer; Terry Lord, Secretary; Sadie Smallwood, Supervisory Committee Chair; Lester Lindig, Director; David Torres, Director; Terry Park, CEO; and Olivia Halton, Recording Secretary. Chairman Joe Thedford introduced Ben Coleman A+ Advisor and Mr. Coleman introduced his staff members, Marlon Bedoya and Nadine Hall. Mr. Coleman introduced the Board Members.

Approval of Minutes: Chairman Thedford requested a motion to approve the minutes from the 65th Annual Meeting. Karen Roumou made a motion to approve the minutes and Joe D. Perez seconded the motion. The motion carried by an unanimous vote of the Membership.

Nominating Committee Report: Joe D. Perez, Chairman of the Nominating Committee stated the Committee Members are Mr. Craig Spin, Edward Robe, and Joe D. Perez. The Committee met in October and interviewed each candidate. It is the recommendation of the Nominating Committee to renominate the following Board of Directors candidates: Robert Hernandez, Terry Lord, Sadie Smallwood, and Madison Spellman. At this time Rick Holley was introduced as the Internal Auditor and is in charge of the auditing process. Mr. Holley collected the current year’s tax records and provided a summary.

Chairman’s Report: Joe Thedford stated this is his third year as Chairman and it has been a pleasure working for this great organization, representing the Membership, and working closely with the Management Team. The Credit Union has performed well in 2014 and Chairman Thedford is pleased with the results and confident of what is going to happen in 2015. The Credit Union’s performance reflects the dedication and commitment of a talented staff of approximately 300 employees, 11 volunteers, and 18 branch locations. The membership has proven through their belief in Austin. A+ began in 1949 at Zilker Park 66th Annual Membership Meeting Minutes 2012-2014. Parker thanked the membership for attending the meeting. It was a privilege to represent the Credit Union and to conduct their banking business while the other half participates in mobile banking. One of the reasons the Credit Union has performed so well is because we are a well-led team, and employees are very stable and committed to the membership. This leadership team has been with A+ for many years and is solid. At this time Chairman Thedford thanked all the past Supervisory Committee Members and former Board Members for their service. This volunteer Board gives 100 hours a year to serving the Credit Union because of their belief in the Credit Union and their belief in the A+ mission. A+ began in 1949 at Zilker Park 66 years ago. Last year the Credit Union had assets over $1 billion dollars. Every year in the United States there are fewer credit unions yet A+ has grown approximately 7,000 members for a total of approximately 119,000 members. A+ paid $1,200,000 in PlusPoints in 2015 and $500,000 in rewards in 2014, and will soon announce an expanded rewards program to increase these dollars. Chairman Thedford stated the membership for their confidence in A+ during the past year and hopes that each member continues with A+ as the Credit Union enters a new year of great potential, growth, and increased member satisfaction.

Treasurer’s Report: Chairman Thedford introduced treasurer Georgia Johnson. Ms. Johnson thanked the membership for their attendance and stated the Credit Union is financially sound. The Credit Union has performed significantly over the past year and 2015 Income Distribution report of the results of the $4.5 million paid out in dividends to the membership. The Loan Department processes approximately 8,000 loans a month which is a tremendous amount of business. The staff members. Together these individuals are making sure the Credit Union is successful and prosperous.

Supervisory Committee Report: Chairman Thedford introduced Supervisory Committee Chairman Sadie Smallwood. Ms. Smallwood thanked the membership for attending the meeting and stated the Supervisory Committee meets once a month with the Internal Audit Department and monitors the Credit Union’s financial performance. The entire Supervisory Committee was present for the meeting. The Committee works very closely with Rick Holley VP of Internal Audit and the Internal Audit Department. The Internal Audit Department is a hard working team and can be reached by their email at: A+@411. The Committee also thanks the External Auditors, Clifton Larson Allen. It was reported there were no exceptions. Dean Rohne of Clifton Larson Allen was in attendance.

CEO’s Report: Chairman Thedford introduced CEO Kerry Parker. Ms. Parker thanked the membership for attending the meeting. It was reported the impact on A+ on the membership can be measured by the $4.5 million paid out in dividends to the membership; the $390 million in loans for cars, teacher classrooms or funds to start a business; the tens of thousands of dollars in teacher grants and student scholarships; and the 360 jobs provided in the Austin area. A+ when buying a new car, a new home, expanding a business, or starting a business.

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Adjournment of Business Meeting: Shirley Paz made a motion to adjourn the meeting. Dean Rohne of Clifton Larson Allen was in attendance.

Statement of Financial Condition

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<tr>
<th>December 31, 2015</th>
<th>December 31, 2014</th>
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<tbody>
<tr>
<td><strong>Assets</strong></td>
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<tr>
<td>Loans</td>
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<td>Allowance for Loan Losses</td>
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<td>Land &amp; Building</td>
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<td>Furniture &amp; Equipment</td>
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<td>Share Insurance Deposit</td>
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<td>Core Deposits</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>$1,220,161,919</td>
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<table>
<thead>
<tr>
<th><strong>Liabilities</strong></th>
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<tbody>
<tr>
<td>Member Deposits</td>
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<td>Accounts Payable</td>
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<td>Other</td>
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<td>Notes Payable</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
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<table>
<thead>
<tr>
<th><strong>Equity</strong></th>
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<tbody>
<tr>
<td>Reserve &amp; Undivided Earnings</td>
<td>$110,768,947</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>$1,120,161,919</td>
</tr>
</tbody>
</table>

| **Total Liabilities & Equity** | $1,220,161,919 |
|**Total Liabilities & Equity** | $1,120,161,919 |