

2009 Annual Report



 plus4
Credit Union
count on it.

President's Message

2009 has been a difficult year for many credit unions, as it has been for so many families nationwide. Many of us are looking forward to 2010 with the hopes of an improving economy, a more stable financial situation for the families we serve, and greater opportunities for strengthening member relationships.

Plus4 Credit Union ended the year with assets around \$106.3 million. The economic crisis that plagued the nation did impact Plus4 Credit Union. As our members struggled and fell on difficult times Plus4 has had to shoulder some of the members' losses.

Plus4 Credit Union worked closely with members that were impacted. We helped members establish a money management plan, assisting them in improving their credit standing, taking control of their debt, and saving for the future. We have also worked with some to prepare to buy a home, or protect the one they have from foreclosure. Through financial education and counseling, our members have taken the necessary steps to survive challenging times without resorting to missed payments, bankruptcy, or high-cost payday loans or other fringe services that can easily spiral out of control. At Plus4 Credit Union, our members' financial well-being is always in the forefront of any decision we make regarding the services we offer.

Another area of impact on Plus4 Credit Union came from our relationship with corporate credit unions. Corporate credit unions are not "natural person" credit unions like Plus4 Credit Union in that they only provide services, such as liquidity, investment and payments services, to regular credit unions.

As with so many investment firms, the housing crisis and accounting rules required them to recognize the decline in the market value of their investments.

The unrealized losses were significant and had a considerable negative impact on their capital. So, in the spirit of the cooperative credit union system, Plus4 Credit Union, along with other credit unions across the country, came together to bolster the corporate credit unions by transferring some of our capital strength to them. We still maintain an adequate capital level despite large transfers to the reserve accounts.

Plus4 Credit Union continues to remain safe and sound. Our members' deposits are federally insured up to \$250,000 by the National Credit Union Share Insurance Fund and backed by the full faith and credit of the U.S. Government.

The Long Drive Branch is still up for sale. We hope to receive the asking price in order to use those funds to expand our footprint in communities where our members need our services.

As we celebrate our 80th year in operation, we have held firm to our principles of "investing in people to improve lives". This means to always provide our members with high quality, value, and convenience. Also, to help our members achieve consistent long-term financial growth. Plus4 Credit Union will continue to serve you during the good times and the tough times ahead.

Vladimir J. Stark
President / CEO

Chair Report

As we welcome our 80th year of operation, 2009 financial year witnessed unprecedented challenges in the financial markets. The role our Board took was in reviewing and reinforcing business strategies, monitoring performance and understanding and reviewing risk controls. The Board has been pleased with the improved alignment in the way that risks and opportunities are managed. I am also pleased with the culture at the board meetings of strong engagement, commitment and open debate, all of which positioned us well to respond to current challenges.

At Plus4 Credit Union, your relationship is important to us. Throughout our history, we have seen ordinary people accomplish extraordinary things when we come together for a common good. Thanks to the cooperative spirit and people helping people philosophy that allows Plus4 Credit Union the ability to help members face the financial challenges of today and tomorrow.

The Board of Directors, managers and staff remain committed to maintaining the stable foundation upon which this Credit Union was built and always putting your best interest first. Therefore, our priority remains to build long-term stability, financial strength, integrity and exceptional service.

We wish to express our appreciation for your business and the support given to us.

Ceaser Moore
Board Chair

Statement of Financial Condition

December 2009

2009 Management

ASSETS

LOAN	\$80,216,865
CASH IN BANK & ON HAND	\$5,648,135
INVESTMENTS	\$10,559,610
OTHER ASSETS	\$9,911,824
TOTAL ASSETS	\$106,336,434

LIABILITIES & EQUITY

REGULAR SHARES/CLUB ACCOUNT	\$43,513,495
MONEY MARKET ACCOUNTS	\$5,008,232
CHECKING ACCOUNTS	\$11,967,765
IRA ACCOUNTS	\$6,137,985
CERTIFICATE OF DEPOSIT	\$32,411,949
OTHER LIABILITIES	\$1,513,696
OTHER COMPREHENSIVE INCOME	\$(635,854)
REGULAR RESERVES	\$5,352,924
UNDIVIDED EARNINGS	\$1,066,242
TOTAL LIABILITIES AND EQUITY	\$106,336,434

COMPARATIVE INCOME STATEMENT

INCOME	12/31/2009	12/31/2008
INTEREST ON LOANS	\$8,515,880	\$10,129,444
INVESTMENT INCOME	\$215,581	\$376,915
OTHER INCOME	\$4,592,269	\$3,940,171
TOTAL GROSS INCOME	\$13,323,730	\$14,446,530
EXPENSES		
OPERATING EXPENSES	\$16,575,250	\$17,235,618
INCOME BEFORE DIVIDENDS	\$(3,251,520)	\$(2,789,088)
DIVIDENDS PAID TO MEMBERS	\$1,883,265	\$3,324,915
NET OPERATING INCOME	\$(5,134,785)	\$(6,114,003)

Vladimir J. Stark
President / CEO

Pat Collins
Executive Vice President

Janet Badger
Operations Manager

Leo Carrejo
M.I.S. Director

Teri Edenfield
AVP of Operations

Melissa Havel
VP of Strategic Services

Michelle Newman
Collections Manger

Jenise Raven
Product Manager

Marcus Reyna
Senior Collection Manager

Beau Roy
Risk Financial Analyst Manager

Elliott St. Julian
Senior Accounting Manager

Meeting Agenda

- I. Call to order
- II. Invocation
- III. Introduction of Head Table
- IV. Determination of Quorum
- V. Approval of minutes of Annual Meeting
Held March 14, 2009
- VI. Reports-Chairman, President
- VII. Unfinished Business
- IX. Election Results

Minutes of the 79th Annual Meeting

The 79th Annual Meeting of Plus4 Credit Union was held on Saturday, March 14, 2009 at 9998 Almeda Genoa Rd., Houston, Texas. Mr. Ceaser Moore, Board Chair, called the meeting to order at 5:20 p.m. At Mr. Moore's request, Mr. Vladimir Stark delivered the invocation.

Mr. Moore introduced the head table, as follows: John Glenn, Vice Chair; Robert Goedrich, Treasurer; Margaret Glass, Edward Johnson, Gail Reed and Mary Watson. Charles Charleston, Delia Diaz, Wendell Greenleaf, Ed Martindale and Chuck Richard were not present.

Mr. Moore declared a quorum present. He stated the Annual Meeting Program contained the printed minutes from the last meeting held March 1, 2008. Ms. Reed stated that Ms. Diaz's name did not appear on the attendance role for the last annual meeting.

Mr. Moore stated that it appeared to be a printing error since, there was a line missing from the Annual Meeting report. Mr. Moore stated that the corrections would be made. A motion was made by Pat Collins and seconded by Karen Morrow to approve the minutes. Vote taken, motion passed.

Mr. Moore thanked the members for their continued support. He stated that the economy has effected many of our members and reassured that Plus4 Credit Union remains stable.

Mr. Moore stated that our member's money is insured from \$250,000 and up to a million dollars depending on how you style your account. He reassured Plus4 Credit Union is taking care of its members' funds. He thanked all Plus4 staff for their dedication in ensuring that Plus4 Credit Union continues to remain financially sound and secure.

At this time, Mr. Moore introduced Vladimir Stark, President & CEO of Plus4 Credit Union, who welcomed everyone to Plus4's 79th annual meeting. Mr. Stark stated that the annual meeting is a very important time to hear from the president and board members. He thanked everyone for taking the time to come out and attend the annual meeting.

Mr. Stark recognized Mr. Harry Alexander, a Plus4 member, (formerly Houston Postal Credit Union) for 49 years and Mr. Joseph Neveu, a dedicated member for 36 years. Both gentlemen served on Houston Postal Credit Union's board of directors.

Mr. Stark stated that he hoped everyone had fared well despite the challenges presented by our current economy. Mr. Stark declared we are in the midst of what experts are calling the worst recession in the last 50 to 75 years. Some household names are already history and others may still be in the midst of this gloom.

Mr. Stark felt very good about Plus4 Credit Union and where it is headed. He mentioned that Plus4 Credit Union has made significant strides and continues to adjust to the current economic climate.

Minutes of the 79th Annual Meeting

(continued)

He further explained that with respect to the Long Drive Branch, based on studies taken that it would be beneficial to sell that branch and replace it with two smaller branches which would offer additional convenience and allow the credit union to expand in another community as well as one in the Long Drive vicinity. He was happy to say that the credit union had two possible buyers.

Mr. Stark reassured the members that the credit union's culture has always been able to manage the good days and store sufficient reserves for a stormy day.

Mr. Stark mentioned that the credit union will meet unforeseen challenges however, Plus4 is working to continue to find areas where to improve productivity and can continue to provide Plus4 members the products and services they expect. Even in these bad times Plus4 will continue to invest in member service and make the brand stronger.

Mr. Stark stated they can count on us to set Plus4 Credit Union apart from the rest of the industry. Mr. Moore thanked Mr. Stark. He then asked for any unfinished business. There was none. He stated that we would now move on to new business. There was none.

Mr. Moore asked the board if they had any comments they would like to share. Ms. Reed stated that we have been at the new location for about 3 years now and was wondering how the membership was adapting to the new Remote Teller System.

Mr. Joe Neveu made a comment that the facility was beautiful and he enjoyed doing business at the window. Mr. Stark mentioned that if members felt more comfortable doing business in a more private atmosphere we have our Financial Service Representatives available to assist members personally. Mr. Moore stated that the new remote teller stations were designed for the safety and security of our members and our employees. Mr. Moore gave a brief overview of the board election process which is governed by state bylaws.

Mr. Moore then reviewed the results from the last election for Board of Directors. He stated that the four candidates were elected by acclamation. The four candidates were Charles Charleston, Margaret Glass, Gail Reed and Mary Watson.

Mr. Moore stated that we have a board that is overseeing all risks. They don't always agree on all topics, however, their main concern is to make the right decision for the best interest of Plus4's membership.

The 79th Annual Meeting was adjourned at 5:38 p.m.

Ceaser Moore
Board Chair
Plus4 Credit Union

Maria Castaneda
Recording Secretary
Plus4 Credit Union

Locations

9998 Alameda Genoa

401 Franklin Street

4600 Aldine Bender, Room 239

www.plus4cu.org

At Plus4 our mission is to

"Invest in people to improve lives."

In order to achieve our vision

"to be recognized as your lifetime financial partner."