



**P.I.E. Credit Union
40th Annual Meeting**

**2010 Annual Report
March 10, 2011**

Be a piece of the P.I.E.!

P.I.E. Credit Union 40th Annual Meeting

March 10, 2011

4:30 p.m.

Refreshments

5:15 p.m.

Business Meeting

Waukesha-Pearce Industries, Inc.

Cafeteria

12320 So. Main

Houston, TX 77035

Agenda

- I. Call meeting to order and ascertain a quorum present
- II. Minutes of 2009 Annual Meeting
- III. Chairman's Message
- IV. Old Business
- V. New Business
- VI. Election Results
- VII. Door Prizes
- VIII. Adjournment

Officials and Staff

-Board of Directors-

Chairman

Beverly Sandel

Vice-Chairman

Ken Sutera

Treasurer

Terry Howard

Secretary

Peter Kozak

Directors

Hal Hazen • Louis Holden • Heston Thomas

-Office Staff-

President/Manager

Becky Rogers

Assistant Manager

Jessica Gonzalez

Member Service Representative

Sandy Urban

Minutes of 2009 Annual Meeting

MINUTES OF THE 39th ANNUAL MEETING OF P.I.E. CREDIT UNION

MARCH 11, 2010

Chairman of the Board, Louis Holden called the meeting to order and announced that according to registration a quorum was established.

Chairman Holden called for the reading of last year's minutes. Linda Drake moved, Belinda Williams seconded and the motion was unanimously passed to dispense with the reading of last year's minutes.

Mr. Holden informed the members of the credit union's current membership and asset size. He reviewed the credit union financial of 12/31/09 with those in attendance. (See Attachment "A") Mr. Holden also talked about the strengths of the credit union due largely to the close association and joint cooperation between the staff, board of directors and the membership.

Chairman Holden then introduced the staff and complimented them on their outstanding performances.

The Board of Directors were thanked for their hard work and praised for the fine job they do. He also thanked the members for their support of the credit union.

Chairman Holden thanked the nominees that ran for a position on the board: Steve Payne, Roger Koepke, Peter Kozak, Terry Howard and Hal Hazen. He then introduced the 2010 Board of Directors: Heston Thomas, Hal Hazen, Terry Howard, Ken Sutura, Louis Holden, Peter Kozak and Beverly Sandel. He mentioned the remaining term for each Director. (See Attachment "B")

Chairman Holden asked if there was any old business. There was none.

Chairman Holden asked if there was any new business. There being none, the meeting was adjourned.

Louis Holden
Chairman

Peter W. Kozak
Secretary

Election Results

Current Board of Directors and Term Expiration Dates:

	Term Expires		Term Expires
• Beverly Sandel, Chairman	2011	• Hal Hazen	2012
• Ken Sutera, Vice Chairman	2011	• Louis Holden	2011
• Terry Howard, Treasurer	2012	• Heston Thomas	2012
• Peter Kozak, Secretary	2012		

Board of Director Nominees:

Leah Kalmus	Beverly Sandel (Incumbent)
Douglas Kimbrough	Ken Sutera (Incumbent)
Roger Koepke	

As a result of the 2011 election, present Board of Directors are:

Hal Hazen	Beverly Sandel
Terry Howard	Ken Sutera
Leah Kalmus	Heston Thomas
Pete Kozak	

We thank all of our Board of Directors for their dedication and commitment to the job of administering the affairs and activities of the credit union. Your support and participation in credit union activities is always greatly appreciated.

Services

	2010	2009
Membership	1,506	1,564
Loans Made	159	289

P.I.E. Credit Union is a full-service financial institution that offers a broad range of benefits and friendly and convenient service. Our field of membership includes all employees of Pearce Industries, Waukesha-Pearce, TIW Corporation or any entity owned by Pearce Industries. Family members of those employees are also eligible to join. P.I.E. Credit Union is owned and controlled by the membership and dedicated to the financial benefit of its members. Our mission is to provide member education and develop leadership to meet our needs and to raise the standards in a progressive, sound manner for the changing financial future. We offer the following services:

- | | |
|---|---|
| <ul style="list-style-type: none"> • Savings and Checking Accounts • Certificate of Deposit Accounts • New and Used Boat Loans • New Lawn Movers & Related Equipment • Personal Loans • Shared and Certificate Secured Loans • Texas Hunting & Fishing Licenses, Stamps & Guides | <ul style="list-style-type: none"> • Individual Retirement Accounts • New and Used Auto Loans • New and Used Motorcycle Loans • Tractors & Related Attachments • MasterCard Credit Cards |
|---|---|

Auditor Report

The credit union is regulated by the Texas Credit Union Department (TCUD). Examiners of the TCUD make periodic examinations to ensure the proper operation of the credit union. The credit union's Board of Directors has selected John Weaver & Associates as responsible for safeguarding the credit union's assets and protecting the interests of the members. The financial condition of the credit union was as follows:

Comparative Financial Statements

P.I.E. CREDIT UNION STATEMENT OF FINANCIAL CONDITION

	<i>2010</i>	<i>2009</i>
LOANS AND CASH		
Total Loans	\$ 4,100,467.82	\$ 4,065,074.99
(less) Allowance for Loan Loss	\$ (19,168.09)	\$ (26,697.01)
NET LOANS OUTSTANDING	\$ 4,081,299.73	\$ 4,038,377.98
Cash	\$ 263,898.01	\$ 281,982.25
Investments	\$ 7,157,035.13	\$ 7,392,243.29
Fixed assets – net of depreciation	\$ 4,138.61	\$ 1,990.22
All other assets	\$ 41,889.63	\$ 46,639.74
TOTAL ASSETS	\$11,548,261.11	\$11,761,223.48
 LIABILITIES & EQUITY		
Liabilities	\$ 79,642.57	\$ 55,637.25
 SHARES		
Share certificates	\$ 1,975,539.06	\$ 2,117,780.85
Share draft accounts	\$ 490,129.66	\$ 458,949.33
Member's deposits	\$ 5,583,447.84	\$ 5,747,343.77
IRA deposits	\$ 1,623,044.03	\$ 1,610,123.04
TOTAL SAVINGS/DEPOSITS	\$ 9,672,160.59	\$ 9,934,196.99
Regular/statutory reserves	\$ 353,812.68	\$ 353,812.68
Undivided earnings	\$ 1,442,645.27	\$ 1,417,586.56
Net Income (loss)		
TOTAL LIABILITIES/EQUITY	\$11,548,261.11	\$11,761,233.48

P.I.E. CREDIT UNION STATEMENT OF INCOME

	2010	2009
INCOME		
Interest Income	\$ 447,384.65	\$ 522,727.41
Operating Income	\$ 26,610.76	\$ 28,553.95
Non-operating Income (Expense)	\$ (61,778.42)	\$ 26,825.71
TOTAL INCOME	\$ 412,216.99	\$ 578,107.07
EXPENSE		
Dividends	\$ 100,289.78	\$ 198,284.00
Provision for Loan Loss	\$ 13,226.37	\$ 25,550.70
Operating Expense	\$ 273,642.14	\$ 347,120.86
TOTAL EXPENSE	\$ 387,158.29	\$ 570,955.56
NET INCOME	\$ 25,058.70	\$ 7,151.51

Consolidated Summary

Net income for 2010 reached \$25,058.70, an increase of \$17,907.19 from 2009. Total assets reached \$11,548,261.11 by year end 2010, down almost 2% from 2009. Share deposits reached \$9,672,160.59, a decrease of \$262,036.40 from 2009. Member loans, net of allowance for losses, totaled \$4,081,299.73, an increase of \$42,921.75 from 2009.

We attribute the increase in income to operating expense control and an increase in loan volume. We also point out that even with the economy, we still had solid earnings. We attribute those earnings to growth and strategies to manage margins more effectively. These strategies have allowed P.I.E. Credit Union to maintain our margins and continue to build our financial strength. Your credit union continues to be financially sound and is operated and managed in the best interest of its members.

Contact Information

P.I.E. Credit Union
12320 South Main St.
Houston, TX 77035-6206

or

P.O. Box 35068
Houston, TX 77235-5068

Phone: (713)551-0491
Fax: (713)551-0431

Website: www.piecu.org
E-mail: piecu@wt.net

Office Hours:
Monday – Friday
8:30 a.m. – 4:00 p.m.
(check cashing until 4:45 p.m.)