

Letter from the President



Dear Members,

Another holiday season is behind us and a new year ahead! First, I'm happy to report that your credit union is as strong and secure as ever. There has been quite a bit of regulatory reform to contend with, as well as continuing assessments from the NCUA, but we've managed to adapt with the changes and persevered. At press time, our net worth ratio stood at a very healthy 10.2%.

I hope that many of you were able to stop in the week of Dec. 6-10 to take part in our Member Appreciation Days. We had festive treats, a drawing for a 42-inch plasma television, and free photos with Santa for the children.

And speaking of appreciation, I want to thank our board of directors for their excellent guidance this year. The position on the board is

strictly voluntary – they receive no pay for their work. Your directors take time out of their own schedules to meet, review board reports, and discuss important issues and changes with regard to your credit union.

And finally, I'd like to express my thanks to all of you for your loyalty and support of the credit union. Even during these challenging economic times, you all contributed to worthwhile organizations like the Capital Area Food Bank and Operation Blue Santa. We've been a part of this community for over 63 years, and giving back to the community is part of our core purpose.

Here's to another 63 years!
Debbie Mitchell
President/CEO

Congratulations to
Tiffany Jones,
winner of the
plasma TV!



A New Benefit of Velocity Membership: BALANCE Financial Fitness Program



Velocity Credit Union is dedicated to helping you realize your financial goals — reducing your debt, saving for higher education, buying your first home, or planning for retirement. Which is why

we want you to know about a new benefit of membership: BALANCE Financial Fitness Program.

Through BALANCE, you have access to free, unbiased money management information and assistance. All you have to do is make a toll-free phone call.

BALANCE counselors can answer many of your questions immediately — from how long an item stays on your credit report to whether it's better to lease or buy a car. For more complex issues, such as debt elimination or budget development, an appointment will be scheduled – giving you the personal attention you need.

If bills have gotten out of hand, your counselor may be able to arrange a Debt Management Plan. BALANCE negotiates with creditors to reduce interest and fees so you can pay your debt quickly and efficiently. As a member of Velocity, the program's monthly administration fee of \$35 is waived.

To use the new program, simply call 888-456-2227. Counselors are available Monday through Thursday, 7am to 6pm; Friday, 7am to 7pm; and Saturday, 10am to 7pm; or visit www.velocitycu.com for more information.

We recognize that money concerns have a serious effect on our quality of life. Now, through our new partnership, you have access to the very best professional guidance — so you can achieve financial security faster than you ever thought possible.

Holiday Loans Available Through January Rates as low as 6.49% APR

Did you overspend a bit during the Christmas season? Remember, the Velocity Holiday LoanSM is available through Jan. 31, 2011.

Velocity Holiday Loans — with low, fixed rates and set terms — can help get you out of credit card debt. Credit cards usually come with “flexible” payments that are not your friend. You may end up paying 2-3 times more when the interest compounds and the balance never seems to shrink.

Velocity offer loans from \$500-\$5,000 with terms up to 36 months. Rates start as low as 6.49% APR with the Member Rewards discount. As always, our loans are subject to credit-granting qualifications and rates are based on the applicant's credit score. Current Velocity loans are not eligible to be refinanced under this promotion. You can apply online, by phone or stop in any branch.



Velocity Holiday Accounts

As enjoyable as Christmas and the holidays are, you may be relieved that all the decorating, baking and shopping is over. But if you spent more than you planned and charged what you couldn't actually afford, you will likely be paying for those purchases long into the New Year. Velocity wants to help you make next season trouble — and debt — free.

Before the fruitcake becomes too stale to even consider eating, think now about putting cash aside for next year. By beginning today, you'll save yourself the stress of trying to come up with the money at the last minute, or purchasing everything with plastic.

Velocity's Holiday Account makes saving throughout the year easy. Each month we can automatically transfer money from your checking account to a special savings account earmarked for the holidays. On October 1, a check for the balance is mailed to you — just in time for Christmas shopping!

To know how much you will need to set aside each month, first calculate how much you expect to spend on all holiday expenses next year (that includes cards, wrapping and decorations, food and entertaining, and travel). Divide by the number of months left in the year: that's the amount you can direct us to transfer. Happy planning!

Velocity in the Community

Rags2Wags Gala, December 4

Our four-legged friends need love as well! Velocity gave a hand for an evening of "canine couture and feline finery" at the Austin Humane Society's Rags2Wags 2010 Fundraiser. The Austin Humane Society is dedicated to finding happy homes for thousands of dogs and cats. Attendees fell in love with a little cat named Maggie and a very dapper golden retriever. The events of the evening included an engaging live auction followed by our furry friends strutting the latest fashions on the runway. Velocity was happy to help raise \$123,000 for Austin animals in need.



Operation Blue Santa, December 2010

For many years, Velocity has been a proud sponsor of Operation Blue Santa. Our branches are transformed into toy drop-off sites for the month of December -- and you might even see Santa taking pictures and granting wishes! This year Velocity members and employees donated over \$1,900 and filled numerous boxes with toys.

Paramount Break-A-Leg 5k, February 20, 2011

We hope you've been training for the upcoming marathon challenge! Team Velocity will be a proud participant of the Paramount Break-a-Leg 5k. The race is part of the LIVESTRONG Austin Marathon and Half Marathon and will take place Sunday, February 20, 2011. Proceeds from the Paramount 5k will continue to support the historic Paramount & State Theatres. For more information on the event, registration, or to volunteer please visit www.youraustinmarathon.com/5k

Upcoming Spring 2011 Events

Viva Las Vegas, March 5

Financial Fitness Greater Austin Awareness Week, April 25 - 30

Austin's 8th Annual Great Grown-Up Spelling Bee, April 28

Board of Directors Announces Nominations & Annual Meeting

The Nominating Committee has completed its evaluation of potential candidates for positions on the Velocity Board of Directors. This process included interviewing and careful screening of all candidates' qualifications in accordance with the nominating process specified in the Credit Union's bylaws. The individuals shown below have been nominated to fill two positions on the Velocity Board of Directors.



Thomas Matthews

- Risk Analyst for the City of Austin
- Member of the COA's Deferred Compensation Committee
- Board member from 2001-present
- Velocity member for 32 years



James Chapman

- Retired Assistant Chief of Police, Austin Police Department, 25 years
- Prior Chair for Nominating Committee
- Velocity member for 32 years

The annual meeting is set for April 26, 2011, 12 noon, at Velocity's Main Branch, 610 E. 11th Street, Training Rooms A & B.

2011 Scholarship Applications



In 2011, the Velocity Credit Union Board of Directors is once again proud to offer two \$2,000 scholarships to high school seniors in the Austin area. The Board also offers ongoing scholarships to qualified winners from previous years

in the amount of \$750 for each of the succeeding three years of their education. The deadline for all applications is April 30, 2011. Applications are available at any Velocity branch, or on our website at velocitycu.com. For more information regarding rules and qualifications, visit our website or email luis.acuna@velocitycu.com.