

**ABILENE TEACHERS
FEDERAL CREDIT UNION**

**2020
ANNUAL
REPORT**



Treasurer's Report

STATEMENT OF INCOME	2020	2019	2018	2017
OPERATING INCOME				
Interest on Loans	17,491,336	17,391,008	15,427,275	13,638,186
Interest on Investments	870,280	1,599,825	1,813,408	1,446,018
Other Income	11,855,203	10,150,151	9,701,936	7,673,771
Total Income	30,216,819	29,140,984	26,942,619	22,757,975

OPERATING EXPENSES				
Salaries and Benefits	8,571,056	8,254,332	7,836,873	7,471,815
Member Insurance	60,000	47,000	46,000	64,000
Office Occupancy	1,369,353	870,292	806,187	815,751
Office Operations	6,434,560	3,628,327	3,267,009	2,975,942
Miscellaneous Expense	6,956,635	8,345,766	6,100,846	6,632,776
Total Expenses	23,391,604	21,145,717	18,056,915	17,960,284
Net Income Before Dividends	6,825,215	7,995,267	8,885,704	4,797,691

DISTRIBUTION OF INCOME				
Dividends to Members	1,003,214	1,563,363	1,149,343	1,102,616
Reserves & Undivided Earnings	5,822,001	6,431,904	7,736,361	3,695,075

STATEMENT OF FINANCIAL CONDITION	2020	2019	2018	2017
ASSETS				
Loans (net)	351,826,784	341,959,867	323,538,909	292,015,488
Investments	40,230,973	79,803,336	90,075,849	115,789,750
Other Assets	122,287,334	33,449,848	25,804,848	23,317,393
Total Assets	514,345,091	455,213,051	439,419,606	431,122,631

LIABILITIES AND EQUITY				
Accounts Payable	4,099,170	4,920,938	5,578,645	5,662,968
Shares	226,751,237	189,840,466	183,765,813	171,336,113
Share Drafts	118,739,070	100,757,136	97,234,457	95,157,548
Share Certificates	58,309,847	58,474,699	56,740,588	68,407,386
IRA's	25,560,807	26,156,854	27,469,049	29,663,923
Reserves	80,884,960	75,062,958	68,631,054	60,894,693
Total	514,345,091	455,213,051	439,419,606	431,122,631

Emily Meador, Treasurer

President's Report

I have worked in the credit union world for 36 years and have never experienced anything like the extraordinarily demanding year of 2020. On some days, a new challenge arrived hourly. Despite that uncertainty, I am proud to report that every branch of Abilene Teachers Federal Credit Union was open to serve members on every scheduled business day. It took creative planning and extremely hard-working staff members to accomplish such a task. Thank you for your patience as we negotiated new ways of getting business done.

Abilene Teachers FCU achieved two major milestones during the Lysol-hazed days of 2020. Our assets grew to more than half a billion dollars and our membership passed 50,000. To be more specific, our assets increased to \$514,345,091, a 13% increase from 2019. Much of the asset growth was driven by the first round of COVID stimulus activity as many members elected to save their CARES Act payments. 1,690 new members joined the credit union, bringing our membership total to 50,711.

We remain committed to delivering the best products and services to our members. In February 2020, we installed three Teller Connect terminals in the drive through lanes at our E.N. 10th Street branch. While fairly commonplace in urban areas, these are the first such kiosks in Abilene. Members use a video screen to conduct business with a teller who is located offsite. Although the learning curve was a little steeper than expected, members report being pleased with shorter waits. In time, as more Teller Connect machines are installed, we anticipate faster lines at the drive-thrus along with enhanced security for our staff.

As soon as the severity of the pandemic became apparent, we began urging members to choose digital banking as a safer alternative. Registration instructions were provided personally, in print, and online. Members responded to the unprecedented circumstances and we realized a 10.44% increase in digital users during 2020. Thanks to all who took that extra step to stay protected. Throughout the year we introduced two new features that allowed members to conduct a greater number of transactions at home. The first, account open and fund, does exactly what it says. Members can now complete all steps of opening an account without visiting a branch or waiting on the mail. The new External Transfers product permits members to use digital banking to transfer funds between their ATFCU accounts and accounts they own at other financial institutions. I'd also like to remember Nicole Olvedo, a staff member who passed away unexpectedly in 2020. Her sunny smile and willingness to volunteer will be deeply missed.

I'd like to mention a few other objectives that were accomplished in 2020. Construction proceeded steadily on the new wing of our headquarters building at 3849 Antilley Road. This wing will accommodate future growth of the credit union and we anticipate completion in the second quarter of 2021. Our First Time Auto Buyers campaign during the summer months proved helpful to many members and we plan to repeat it in 2021. Reloadable debit cards were introduced in June to better serve our members.

During the year, two of our staff members - Diane Sanders, Accounting Supervisor and Sue Jones, Branch Manager at E.N. 10th Street – celebrated their 30-year service anniversaries with the credit union. We appreciate their dedication to Abilene Teachers FCU and thank them for being highly valued members of our team. I'd also like to remember Nicole Olvedo, a staff member who passed away unexpectedly in 2020. Her sunny smile and willingness to volunteer will be deeply missed.

2020 was both demanding and exceptional, and it was possible because of you. The cooperative model that built Abilene Teachers Federal Credit Union relies upon savers and spenders working together to drive us forward. Thank you for choosing us as your financial partner. We look forward to serving you and your family in 2021 and for many years ahead.

James L. Boyd, President/CEO

Chairman's Report

"May you live in interesting times." That phrase, often identified as an ancient curse, is an accurate description of 2020. COVID arrived during the lazy days of spring break and the world was irreversibly changed.

Abilene Teachers FCU innovated, experimented and persevered. Alternate staffing arrangements were put into place and cleaning protocols were developed. Drive through services were expanded, allowing members to remain in the safety of their cars. Storage rooms were converted into offices, providing greater physical distance between employees. Zoom conferences replaced vendor meetings. Throughout this disorienting time, the credit union remained open and available to members. Many thanks to our management and staff for their adaptability in getting the job done.

Community outreach continued as an important ATFCU focus in 2020. Due to safety concerns, many events moved to virtual formats and we participated fully. We were privileged to serve as the lead sponsor for Boo at the Zoo – a socially distanced, family-friendly event that allowed children to enjoy traditional Halloween excitement. Our annual Skip-A-Payment program raised \$162,700 for the Boys and Girls Club of Abilene. We presented \$15,000 in scholarships to our 15th class of honorees. I'd like to make special mention of our CU Around team – this is a group of employees who perform random acts of kindness throughout the community. Their final project in 2020 was delivering protein-packed snack bags to UPS employees during the Christmas rush. We plan to CU Around more in 2021 as pandemic restrictions are lifted.

In this tenuous time, the financial situation of the credit union remains quite secure and stable. Loans grew 3% to a total of \$351,826,784. As detailed in the President's report, assets and memberships increased significantly. Abilene Teachers FCU is well positioned and prepared for whatever the future has in store.

Thank you to our volunteers on the Board of Directors and the Supervisory Committee. Both groups met monthly during 2020 – in person and/or by conference call as the situation dictated. They successfully guided us through the unprecedented days of the past year. It is privilege to work with them and I greatly appreciate their service.

Thank you to our members. Your faith in Abilene Teachers FCU is the reason we are here.

Supervisory Committee Report

One of the primary responsibilities of the ATFCU Supervisory Committee is ensuring that our financial statements are fairly and accurately presented. The committee employed Eide Bailley LLP to perform the 2020 comprehensive annual audit. The auditors' opinion was unqualified, signifying that the financial statement conforms to generally accepted accounting principles and no important facts have been hidden.

The National Credit Union Administration (NCUA) conducted ATFCU's most recent regulatory examination in December 2019. Their next exam is scheduled for August 2021. Exam findings continue to positively reflect the healthy financial position of Abilene Teachers Federal Credit Union.

Each month the Supervisory Committee mails account transaction verifications to randomly selected members. We appreciate your cooperation in returning these as requested. Your input is a useful resource that provides timely feedback to the Committee and senior management of the credit union.

We strive to provide the best possible financial experience for our members. If you have a question about your account that has not been resolved to your satisfaction, please contact us directly at PO Box 6198, Abilene, TX 79608.



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