



2024 ANNUAL REPORT

CHAIRMAN'S REPORT

Reflecting upon the past year, I am mindful that it was an economically challenging time for many. I appreciate the confidence that you have in the ATFCU Board and Management as we worked to blunt the impacts of an unpredictable financial landscape. It is a privilege to lead a dedicated board of directors whose priorities are to:

- **Safeguard member assets and promote long-term stability**
- **Support management to execute the credit union's strategic vision of helping members achieve their financial goals and build lasting financial security**
- **Serve as a responsible corporate citizen by investing in our communities and sharing the credit union's capabilities with all who can benefit.**

As an AISD educator for more than 45 years, I'm quite proud of the small group of teachers who organized and chartered Abilene Teachers Federal Credit Union on March 3, 1950. The charter members elected a volunteer Board, approved bylaws, and set up our first cash drawer in a cigar box housed in the shop department of Abilene High School. Though we've grown quite a bit in 75 years, our commitment to meeting the needs of our friends and neighbors remains the same. We now serve 54,947 members around the world with leading edge technology and widely recognized member service. ATFCU has benefitted greatly from dedicated leadership. Our President/CEO, James Boyd, celebrated his 40th service anniversary in 2024. His far-sighted guidance has been integral to the credit union's growth and tradition of innovation.

The ATFCU Board invites feedback on matters that are important to you. Please get in touch with any of us to share your thoughts. Though we can't predict the future, we're prepared to navigate the unexpected and are confident in our ability to adapt. On behalf of the Board and staff, thank you for your loyalty to Abilene Teachers Federal Credit Union. We look forward to serving you and your family far into the future.

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee of Abilene Teachers FCU is responsible for conducting annual audits, verifying member accounts, researching member complaints, and ensuring that the organization complies with sound internal controls. In doing so, they carry out the following primary responsibilities:

- **Protection of members' funds and interests**
- **Safeguarding of assets**
- **Reliability of financial records**

Eide Bailey LLP was contracted to perform the 2024 comprehensive annual audit to verify that the financial statements of Abilene Teachers Federal Credit Union are fairly and accurately presented. Their audit opinion was unqualified, meaning that the statements are complete, transparent, and conform to generally accepted accounting principles.

The National Credit Union Administration (NCUA) conducted ATFCU's regulatory examination during November 2024. Exam findings were positive and reflect the healthy financial position of Abilene Teachers Federal Credit Union. The next federal exam is scheduled for May 2026.

The Supervisory Committee mails account transaction confirmations to randomly selected members on a monthly basis. They arrive in a letterhead envelope and request the account holder to verify a specific transaction. Should you receive one, we appreciate your cooperation in the process. Your input is a useful resource that provides timely feedback to the Committee and senior management of the credit union.

BOARD MEMBERS

Royce Curtis
Board Chair

Keith Dowell
Board Vice-Chair

Emily Meador
Board Treasurer

Chris Faehnle
Board Secretary

Terry Bull
Board Member

Ronnie Kincaid
Board Member

Jay Lester
Board Member

Karen Munoz
Board Member

Rob Tucker
Board Member

SUPERVISORY COMMITTEE

Pam Nicholas,
Chairperson

Keith Dowell,
Board Representative

Rodney Murphy

Marian Piersall

Cherie Speer

Karen Turner

PRESIDENT’S REPORT

It is my pleasure to share an update on the performance of Abilene Teachers Federal Credit Union. Our main project during the first half of 2024 was the completion of our plastic card conversion to a new processing company. Debit cards were moved in October 2023 and credit cards were transferred in April 2024. The conversion provides additional features to our members, including mobile wallets and a Rewards credit card program.

Interest rates were a moving target during the year. To combat inflation, the Federal Reserve issued eleven rate increases during 2022-2023. In 2024, they reversed course and issued three consecutive rate cuts. As responsible caretakers of member funds, ATFCU’s interest rates followed the pattern set by the Fed. A new political administration in Washington DC that is faced with renewed inflationary pressures might respond in unpredictable ways. We expect that 2025 will be a mixed rate environment for both savers and borrowers.

For the third year in a row, we increased the staffing in our Fraud Department. According to recent reports, Americans lost 1.3 trillion dollars to various scams in 2024. Schemes of every type – romance scams, investment fraud, fake job opportunities, and more - continue to plague our members. Alerts and relevant articles are regularly circulated in our newsletter and social media platforms. We urge our members to be constantly vigilant of these always changing ploys. The single most important weapon you possess is the confidentiality of your digital banking credentials. Make it an ironclad rule to never share them.

Another focus in 2024 was strengthening and standardizing internal processes to prepare for future opportunities. All procedures were reviewed and updated to enhance operational excellence, increase member engagement and strengthen our connection to the communities that we serve.

The future is bright for Abilene Teachers Credit Union. In 2024 our assets grew 4.3%; our loans 4.2% and our membership reached 54,947. We’re excited about several much-anticipated new products that will be introduced in 2025. As we look forward, we are always mindful that this is your financial cooperative and we invite your feedback on matters that are important to you. We thank you for your trust and are greatly appreciative of your loyalty.

JAMES L. BOYD, PRESIDENT

TREASURER’S REPORT

STATEMENT OF INCOME

OPERATING INCOME

Interest on Loans	\$ 23,179,996	\$ 19,470,129	\$ 15,964,149	\$ 16,413,509
Interest on Investments	6,941,040	5,960,482	2,828,638	846,593
Other Income	15,799,753	15,040,772	15,058,834	13,810,985
Total Income	\$ 45,920,789	\$ 40,471,383	\$ 33,851,621	\$ 31,071,087

OPERATING EXPENSES

Salaries and Benefits	\$ 12,011,028	\$ 11,181,490	\$ 10,144,417	\$ 10,182,692
Member Insurance	24,000	24,000	23,581	60,000
Office Occupancy	2,495,900	2,431,814	1,783,026	1,497,329
Office Operations	9,844,310	9,645,820	9,266,052	6,166,478
Miscellaneous Expense	6,324,525	10,029,022	3,490,936	3,280,771
Total Expenses	30,699,763	33,312,146	24,708,012	21,187,270
Net Income Before Dividends	\$ 15,221,026	\$ 7,159,237	\$ 9,143,609	\$ 9,883,818

DISTRIBUTION OF INCOME

Dividends to Members	\$ 7,117,254	\$ 4,314,729	\$ 542,633	\$ 482,758
Reserves & Undivided Earnings	8,103,772	\$ 2,844,507	\$ 8,600,976	\$ 9,401,060

STATEMENT OF FINANCIAL CONDITION

ASSETS

Loans (net)	\$ 387,298,023	\$ 371,812,134	\$ 357,930,072	\$ 346,153,912
Investments	92,051,642	78,462,162	90,736,619	74,552,331
Other Assets	133,278,173	137,302,172	140,178,711	156,354,924
Total Assets	\$ 612,627,838	\$ 587,576,468	\$ 588,845,402	\$ 577,061,167

LIABILITIES AND EQUITY

Accounts Payable	\$ 4,531,137	\$ 6,918,373	\$ 5,636,568	\$ 9,624,680
Savings	252,957,964	253,051,949	270,056,556	268,483,671
Checking	123,353,455	130,609,007	138,974,665	130,499,404
Savings Certificates	97,858,712	71,022,817	50,299,479	52,282,373
IRA's/IRA Certificates	24,091,295	24,242,819	24,991,138	25,885,019
Reserves	109,835,275	101,731,503	98,886,996	90,286,020
Total	\$ 612,627,838	\$ 587,576,468	\$ 588,845,402	\$ 577,061,167