



Chairman's Report

Here's what was happening in Abilene, Texas in March 1950. The population was 45,570.

An extreme drought was in progress, one vividly portrayed in Elmer Kelton's The Time It Never Rained. The Abilene Blue Sox, affiliates of the Brooklyn Dodgers, were practicing at Fair Park (now Rose Park) and the zoo was found there as well. Camp Mabry, the World War II training camp that hosted more than a million soldiers, had closed and Dyess Air Force Base was still a vague dream. The Cold War was well underway, foreshadowing the Korean Conflict that would begin in June. Abilene High was the town's only high school and just beginning the groundwork that resulted in the football Team of the Century. On March 3, 1950 a small group of AISD teachers signed a charter to operate a cooperative financial institution.



Though they couldn't have known it at the time, our charter members organized Abilene Teachers Federal Credit Union (ATFCU) at the very beginning of Abilene's fastest growing decade. By 1960, the city's population had doubled to 90,368. And the little financial co-op? Seventy years later, we are celebrating the platinum anniversary of ATFCU, a thriving member-owned organization serving people around the world.

The ATFCU Board has always been composed of volunteers. I want to thank my fellow board members - past, present and future - for their leadership, dedication and passion for this credit union.

In 2019, we continued our emphasis on being a responsible corporate citizen. \$162,000 in Skip a Payment proceeds were raised for the Boys and Girls Clubs of Abilene. More than \$2 million dollars has been donated to them since 2003. Our employees supplied leadership and fundraising expertise throughout the year for March of Dimes, resulting in a \$100,450 gift. Numerous additional projects benefiting education and/or youth are supported as well.

The Board and staff of ATFCU thank you for your loyalty. We look forward to serving you and your families for many years to come.

Supervisory Committee Report

A primary responsibility of the ATFCU Supervisory Committee is ensuring that financial statements are fairly and accurately presented. The committee employed Eide Bailey LLP to perform the 2019 comprehensive annual audit. The auditors' opinion was unqualified, meaning that the statement conforms to generally accepted accounting principles and no important facts have been concealed.

The National Credit Union Administration (NCUA) conducted ATFCU's most recent regulatory examination in June 2018. Their next exam is scheduled for March 2020. Examination findings continue to be positive and reflect the healthy financial position of Abilene Teachers FCU.

In our oversight capacity, the Supervisory Committee mails account transaction verifications each month to randomly selected members. We appreciate your cooperation in returning these as requested. Your timely input is a useful resource for the management team of the credit union.

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

J. Nolan Kelley
Chairman of the Board

Royce Curtis
Vice Chairman

Emily Meador
Treasurer

Robyn Hamilton
Secretary

Keith Dowell

Chris Faehnle

Ronnie Kincaid

Jay Lester

Linda Peel

Pam Nicholas
Chairperson

Royce Curtis
Board Representative

Rodney Murphy

Marian Piersall

Jackie Stowe

Karen Turner

Treasurer's Report



President's Report

At our first staff meeting in January 2019, I advised attendees that 2019 would be a year of change. That was an understatement. It would more accurately have been called a year of constant change. We made upgrades to many services, streamlined others, and added a few.

Let's start with the most visible - the ATM's at all branch locations were upgraded in December. Many members have commented positively on the well-lighted machines and the new ability to choose bill denominations. Another hard to miss change was the finish-out of our headquarters branch on Antilley Road. A significant amount of square footage in that building had previously been left unfinished for future growth. The project was underway for nearly a year and resulted in a second call center, six new offices, a conference room and a redesigned member entrance.

A second group of enhancements were equally important although they arrived with less fanfare. ATFCU's lending system was updated in September to one that integrates more easily with other programs. Members who have made an online loan application in the past few months have noticed the simplified process. Electronic applications can now be submitted from mobile devices in addition to desktop computers. A texting platform has been enabled to give our members an alternate means of communicating with employees. In November, a new phone system was activated to enable more incoming calls. While the learning curve was steeper than expected, we are now hiring additional employees to handle the increased workload.

Two new Vice Presidents were named in 2019. Theresa Edington Rogers was chosen as Chief Lending Officer after Jon Caudle's retirement in February. Burnadette Kimmes joined the credit union in September as Chief Financial Officer and Chief Operating Officer.

Financial literacy is becoming increasingly important in American society. Concern about debt loads, the rise of the gig economy and the shift away from employer-provided pensions means that today's workers are much more financially "on their own" than previous generations. The credit union now sponsors the Banzai financial education program in every elementary and middle school in our region and we added Banzai's adult-level resources to our website.

During 2019 ATFCU's membership grew from 48,244 to 49,271. Loans (net) increased 5.7%, from \$323,538,909 in 2018 to \$341,959,867 in 2019. Our total assets rose 3.6% from \$439,419,606 to \$455,213,051. Reserves increased at a sufficient pace to maintain a strong financial foundation.

2020 promises to be another innovative year. In the midst of the whirlwind, we pledge to always keep in mind that ATFCU is here to provide superior, affordable financial services to our members. Thank you for your trust.

James Boyd, President/CEO

STATEMENT OF INCOME

	2019	2018	2017	2016
OPERATING INCOME				
Interest on Loans	17,391,008	15,427,275	13,638,186	12,376,538
Interest on Investments	1,599,825	1,813,408	1,446,018	842,587
Other Income	10,150,151	9,701,936	7,673,771	7,748,523
Total Income	29,140,984	26,942,619	22,757,975	20,967,648

OPERATING EXPENSES

Salaries and Benefits	8,254,332	7,836,873	7,471,815	7,041,680
Member Insurance	47,000	46,000	64,000	56,000
Office Occupancy	870,292	806,187	815,751	804,348
Office Operations	3,628,327	3,267,009	2,975,942	2,958,564
Miscellaneous Expense	8,345,766	6,100,846	6,632,776	7,275,349
Total Expenses	21,145,717	18,056,915	17,960,284	18,135,942
Net Income	7,995,267	8,885,704	4,797,691	2,831,706

DISTRIBUTION OF INCOME

Dividends to Members	1,563,363	1,149,343	1,102,616	1,104,642
Reserves & Undivided Earnings	6,431,904	7,736,361	3,695,075	1,727,064

STATEMENT OF FINANCIAL CONDITION

	2019	2018	2017	2016
ASSETS				
Loans (net)	341,959,867	323,538,909	292,015,488	284,802,316
Investments	79,803,336	90,075,849	115,789,750	113,052,001
Other Assets	33,449,848	25,804,848	23,317,393	23,834,431
Total Assets	455,213,051	439,419,606	431,122,631	421,688,748

LIABILITIES AND EQUITY

Accounts Payable	4,920,938	5,578,645	5,662,968	4,981,777
Shares	189,840,466	183,765,813	171,336,113	163,653,789
Share Drafts	100,757,136	97,234,457	95,157,548	89,627,351
Share Certificates	58,474,699	56,740,588	68,407,386	76,412,376
IRA's	26,156,854	27,469,049	29,663,923	29,813,838
Reserves	75,062,958	68,631,054	60,894,693	57,199,617
Total	455,213,051	439,419,606	431,122,631	421,688,748

Emily Meador, Treasurer