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YOUR *Lifetime* FINANCIAL PARTNER



ANNUAL REPORT 2018



CELEBRATING

2018

CHAIRMAN OF THE BOARD REPORT



Mark Huffington
Chairman

On behalf of the Board of Directors, I am pleased to report that the credit union performed well in 2018. First Abilene continued its steady success as a unique financial institution dedicated to operating in the best interest of its members.

In 2018, we helped hundreds of borrowers secure low-cost loans reflecting the continued optimism in our economy and trust in your credit union.

Though the credit union needs to make a profit to keep the doors open, our sole interests are in our stakeholders' interests, and whenever we can, in keeping with our credit union mission, we will distribute profits back to you.

Last year, First Abilene performed exceedingly well. We generated \$603,767 in net income and as a result, we were able to pay \$218,657 in dividends. This is just one way our 10,632 members can enjoy the benefits of belonging to a credit union where profits are returned to our member-owners.

Adapting to changes in technology continues to be an important task of the credit union. In 2018, remote deposit capture was introduced, allowing members to deposit checks directly into their account by simply taking a picture with their smartphone. Online and mobile banking usage hit all-time highs, with more than 60,000 transactions. Our Mobile App was enhanced to include quick access for accounts on smartphones using fingerprint and facial recognition technology, and the ability to update personal information.

During the months of November and December, our Skip-a-Payment program assisted members in deferring 1,080 loan payments. The fees collected from the program were donated to local children's charities. The credit union continues to commit meaningful time and resources to better our community. Employees invest numerous hours volunteering for multiple organizations and events throughout the year.

In closing, I'd like to express my deepest confidence in the wisdom and guidance of our esteemed Board of Directors, the commitment of our dedicated staff, and the support and loyalty of our member-owners. We look optimistically into the future because First Abilene FCU is well positioned to face any challenge and seize any opportunity that presents itself in 2019. As we enter our 60th year of service, we are committed to exceptional service to every member, every day, every time.



Nancy Edgar
Treasurer

Balance SHEET

ASSETS	
Loans	\$53,034,791
Investments	\$11,218,687
Building, Furniture, Equipment & Other Assets	\$4,921,703
Total Assets	\$69,175,181
LIABILITIES	
Accounts Payable	\$327,112
Member's Shares & Certificates	\$61,037,348
Undivided Earnings	5,654,375
Reserves	\$2,156,346
Total Liabilities and Member's Equity	\$69,175,181
OPERATING INCOME	
Loan income	\$2,220,169
Investment Income	\$193,666
Misc. Operating Income	\$1,683,491
Gross Income	\$4,097,326
Total Operating Expenses	\$3,320,798
Total Dividends Paid	\$218,657
TOTAL NET INCOME	\$603,767

Supervisory Committee REPORT



Teri Bloodgood
Supervisory Committee Chair

First Abilene Federal Credit Union's Consumer Loan Department reviewed 3,853 loan requests and approved 1,174 loans totaling \$24,967,809 during 2018. Thirty-one percent of loan requests were approved, while 69 percent of loans were denied.

- 485 Signature Loans totaling \$1,508,924**
- 583 Auto Loans totaling \$18,151,772**
- 36 Boat, RV, Motorcycle Loans totaling \$1,010,415**
- 19 Home Equity Loans totaling \$1,424,974**
- 13 Real Estate Loans totaling \$2,871,724**

We assisted 58 members purchase and refinance homes through CU Members Mortgage for a total of \$9,998,010. A total of 38 new MasterCards® were approved.

First Abilene FCU loan officers review each loan application in accordance with policy guidelines established by the Board of Directors. Each quarter, the Supervisory Committee studies a percentage of approved loans to ensure proper compliance and documentation. The Committee's specific duties are to:

- Review and ensure, through internal and external auditors, that the proper internal controls of the credit union exist.
- Ensure proper audit and enterprise risk management procedures.
- Audit the books, financials, and business operations of the credit union using an appointed independent auditor.
- Validate and verify the accounts of members against the credit union's records.
- Review the affairs of the Board of Directors, officers, and management for adherence to First Abilene Federal Credit Union bylaws and policies, and all regulations provided by government agencies.
- Maintain the reputation of the credit union by thoroughly investigating any and all claims made to the credit union and acting on the findings.

Bolinger, Segars, Gilbert & Moss, LLP, was selected by the Supervisory Committee to audit the credit union's financial statements and ensure that they were reported according to Generally Accepted Accounting Principles (GAAP).

It is important to us that we can offer competitive rates and friendly service through our loan department. First Abilene FCU cares about you and is committed to providing our members with the best service. Thank you for your support and membership.