

Chairman's Message

On behalf of the Board of Directors, I am pleased to report that 2016 was a financially solid year. You, the members and owners of this institution, have borrowed more than \$49 million, with a 4% increase in new loans in 2016. This reflects the continued optimism in our economy and trust in your credit union. In an economy where other financial institutions delinquencies are increasing; First Abilene's median delinquency ratio continues to be less than 1%. This is a strong indicator that our members are diligently staying on top of their debt obligations. This is also more evidence of a strengthening economy, something for which we can all be grateful.

Your board of directors also has a responsibility to ensure that we have a capable, competent, qualified, and trustworthy management team, and I can say unequivocally that we do. In March of 2016, the Board of Directors announced the selection of Mr. Troy Kyle as the organization's new President/Chief Executive Officer. Troy is an exceptional leader and technologist, passionate about our mission and committed to our principles and values.

In addition to establishing policies and ensuring that the credit union adheres to pertinent laws, regulations, and sound business practices, we are also charged with making sure new products and services are developed as needed. With the continued success of First Abilene, we can offer beneficial savings and wealth-building tools and other financial products and services that enhance your life, improve our delivery channels, and expand our community outreach.

Our Skip-A-Pay program assisted members in skipping 1,045 loan payments during the months of November and December. The fees collected from the program were donated to Children's Miracle Network, Day Nursery of Abilene and West Texas Rehabilitation Center.

In closing, I'd like to express my confidence in the leadership of Troy Kyle, the wisdom and guidance of our esteemed board of directors, the commitment of our dedicated staff, and the support and loyalty of our members. We are extremely optimistic about the future because First Abilene is well positioned to face any challenge and seize any opportunity that presents itself in 2017.

Thank you, ladies and gentlemen. I wish you and your families the very best in 2017.


ZANE DENNIS
Board Chairman



President's Message

Once again, First Abilene Federal Credit Union enjoyed extraordinary success in 2016. For the first time in First Abilene's history, BauerFinancial rated us one of the nation's leading banks and credit unions with a rating of 5-Stars "Superior". BauerFinancial accepts no advertising and like First Abilene, is a not-for-profit organization. We didn't ask for consideration for inclusion. Financial analysis along with member reviews led to First Abilene's spot on the list.

Your suggestions on how we could serve you better led to several initiatives in 2016. We remodeled the Catclaw location, revamped our credit card program, and gave the website & home banking (Flex-Teller) a considerable facelift. We're paying equal attention not only to service but also to security. Protecting your account and data requires constant vigilance to keep ahead of changing threats. We invested considerably in data security last year with plans for more in 2017.

Being a good employer is just as important to us as doing the right thing by members. Only engaged, satisfied employees can authentically deliver outstanding member service. We've focused on training and improving opportunities for professional advancement to expand career paths. One success story last year is that 4 out of 5 open jobs were filled internally or by former employees. First Abilene staff volunteered over 540 hours to our communities in 2016 as well. This report reveals a healthy financial performance and a reflection of our commitment to the communities we serve – our community of members and the greater communities where we live, work, and pray.

On behalf of the credit union and staff, we look forward to serving you during 2017. When a need for financial services arrives please give us a call. As always, your success is our goal.



TROY KYLE
President & CEO



Annual
Report
2016


First Abilene
Federal Credit Union



2016 Balance Sheet

ASSETS

Loans.....	\$ 49,370,392
Investments.....	\$ 13,641,155
Building, Furniture, Equipment, & Other Assets.....	\$ 6,008,820
Total Assets	\$ 69,020,367

LIABILITIES

Accounts Payable.....	\$ 159,023
Member's Shares & Certificates.....	\$ 61,877,617
Undivided Earnings.....	\$ 4,827,380
Reserves.....	\$ 2,156,346
Total Liabilities and Member's Equity	\$ 69,020,366

OPERATING INCOME

Loan Income.....	\$ 1,993,675
Investment Income.....	\$ 77,313
Misc. Operating Income.....	\$ 1,391,567
Gross Income	\$ 3,462,555
Total Operating Expenses.....	\$ 3,007,042
Total Dividends Paid.....	\$ 210,570
TOTAL NET INCOME	\$ 244,943

Loan Committee Report

First Abilene Federal Credit Union's Loan Department reviewed 3,358 consumer loan and MasterCard requests during 2016. Forty-four percent of loan requests were approved, totaling \$22,249,010. A total of 53 new MasterCards were approved. The breakdown of consumer loans are as follows:

341 Signature Loans totaling.....	\$ 1,151,127
721 Auto Loans totaling.....	\$ 20,220,561
44 Boat, RV, Motorcycle, Tractor Loans totaling.....	\$ 877,322
Totaling	\$ 22,249,010

We are delighted that so many of you are turning to your credit union for your mortgage needs. In 2016, First Abilene assisted 71 members purchase or refinance their homes through CU Members Mortgage for a total of \$13,475,839. Twenty in-house Real Estate/Home Equity Loans totaling \$3,436,578 were also written.

First Abilene FCU loan officers review each loan application in accordance with policy guidelines established by the Board of Directors. Each month, the Loan Review Committee studies a percentage of all loans, approved and declined, to ensure proper compliance and documentation. It is important to us that we can offer competitive rates and friendly service through our loan department.

Thank you for your loyalty and confidence in First Abilene FCU.



NANCY EDGAR
Treasurer



TERRI BLOODGOOD
Loan Committee Chair



MEMBERSHIP GROWTH

