



NCUA
National Credit Union Administration • U.S. Occurrence Agency



Pantex
Federal Credit Union

www.PantexFCU.com



2019 Annual Report



**DO TUMBLEWEEDS
ROLL FASTER THAN
YOUR RIDE?**

**PANTEX FCU CAN HELP WITH A LOW
INTEREST LOAN ON A NEW OR USED VEHICLE...
YOU CAN EVEN REFINANCE!**



Borger • Fritch • Pampa
PantexFCU.com

Federally Insured by NCUA



**TAKE THE BILLS
BY THE HORNS**

**DO HIGH INTEREST CREDIT CARD BALANCES HAVE YOU
"FIT TO BE TIED?" PANTEX FCU CAN HELP WITH A
LOW INTEREST PERSONAL LOAN THAT CAN BE
USED TO "REIN IN" YOUR HIGH INTEREST BILLS!**

**GRAB THE
"BILLS BY THE HORNS."**



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➤ Like us on 

LET'S BE FRIENDS!

DO YOU FOLLOW PANTEX FCU ON FACEBOOK?
IF NOT, YOU ARE MISSING OUT!

LIKE OR FOLLOW US FOR:
- SPECIAL NOTIFICATIONS -
- NEWS -
- PROMOTIONS & CONTESTS -



@PANTEXFCU...

IT'S A GREAT WAY TO STAY CONNECTED!

ON THE GO? JUST LET US KNOW!

When you let Pantex FCU know your travel plans, our system will know where you are going and when you will be there! This allows typical charges on your debit card to go through, reducing the chance of your card being denied!

The last thing you want when traveling, is your Pantex FCU debit card slowing you down!

PUT CALLING PANTEX FCU ON YOUR

PRE-TRAVEL CHECKLIST!



We appreciate that,

during a time of what feels like endless
choices and opportunity,

you

continue to choose

Pantex Federal Credit Union

and

trust us

to help you achieve the life you desire.”

– Cliff Murley
PFCU President

Meeting Agenda

➤ Call to Order (7:00 p.m.)

Reading of the
Previous Minutes

Reports from Officials

Old Business

New Business

Election of Officials

Drawing of Door Prizes

Adjournment



➤ Branch Locations

MAIN OFFICE

1300 W. Wilson
Borger, Texas
(806) 273-5692

HOURS

Monday–Friday
9:00 am to 5:00 pm
Drive Thru
8:00 am to 6:00 pm

FRITCH BRANCH

411 E. Broadway
Fritch, Texas
(806) 857-2400

HOURS

Monday–Friday
9:00 am to 5:00 pm
Drive Thru
8:00 am to 6:00 pm

PAMPA BRANCH

807 N. Sumner
Pampa, Texas
(806) 665-4212

HOURS

Monday–Friday
9:00 am to 5:00 pm
Drive Thru
9:00 am to 5:00 pm

WALMART BRANCH

1501 Roosevelt
Borger, Texas
(806) 273-5698

HOURS

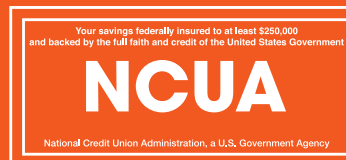
Monday–Friday
9:00 am to 7:00 pm
Saturday
9:00 am to 4:00 pm

Mailing Address:

PO Box 5206 • Borger, TX 79008

Email: PFCU@PantexFCU.com

Website: PantexFCU.com



▶ Statement of Condition

– ASSETS –

	DEC. 31, 2019	DEC. 31, 2018
Loans (net)	\$54,327,044.19	\$57,637,845.61
Cash on Hand and in Banks	\$3,971,289.07	\$3,844,731.41
Investments	\$148,066,023.75	\$139,583,347.91
Shares: Catalyst Corporate	\$3,874,475.86	\$3,835,205.35
Other Assets	\$7,722,032.60	\$7,079,576.11
Land	\$94,093.82	\$94,093.82
Building	\$963,567.23	\$937,633.10
Furniture, Equipment & Leasehold	\$528,021.62	\$598,757.12
Total Assets	<u>\$219,546,548.14</u>	<u>\$213,611,190.43</u>

– LIABILITIES & EQUITY –

Accounts Payable	\$1,348,683.56	\$2,388,582.80
Accrued Dividends Payable	\$0.00	\$286,572.58
Accrued Liabilities	\$120,962.09	\$286,442.45
Total Liabilities	<u>\$1,469,645.65</u>	<u>\$2,961,597.83</u>
Shares	\$175,257,819.50	\$169,907,233.86
Regular Reserve	\$9,596,199.99	\$9,596,199.99
Accumulated Unrealized Gain/Loss on AFS Securities	\$674,801.59	-\$158,686.76
Undivided Earnings	\$32,548,081.41	\$31,304,845.51
Total Equity	<u>\$218,076,902.49</u>	<u>\$210,649,592.60</u>
Total Liabilities & Equity	<u>\$219,546,548.14</u>	<u>\$213,611,190.43</u>

Board of Directors

Allen Jenkins, Chairman
Harvey Hilbert, Vice-Chair
Debra Wells, Treasurer

Glynn Carlock, Secretary
Larry Thompson
Fran Braden

Supervisory Committee

Lynn Hopkins, Chairperson
Judy Flanders
Sara Ramby

Tina Briscoe
Addison Killough

Professional Staff

Cliff Murley President/CEO
Curtis Hall Executive Vice President
Dana Slater Vice President/Accounting
Rodney Franklin Branch Manager, Fritch
Dusty Lee Branch Manager, Pampa
Dana Martin Branch Manager, Walmart
Alicia Morgan Asst. Vice President/Tellers
Samantha Riggle Asst. Head Teller
Shelia Taylor Branch Head Teller, Fritch
Angela Tooley Branch Head Teller, Walmart
Tanya Fraley Asst. Vice President of Member Services
Carrie West Senior Loan Officer
Shannon Mears Loan Officer
Shelby Overpeck Loan Officer
Karen Bryan Loan Processor/Assistant
Rebecca Wilson Loan Processor/Assistant
Michael Robinson Vice President of IT
Mikel Cauthon Network Administrator
Linda Watson Imaging/Internet Banking
Carla Howard Plastic Cards/Imaging
Brittney McWilliams Accounting Assistant
Robert Forester Marketing Director
SueAnn Broadway Teller
Tiera Lesley Teller
Nilzaida Wood Teller
Kim Hughes Teller
Sarah Elliott Teller
Jennifer Farmer Teller
Maranda Grimes Teller
Ginnie Whitfield Teller
Natosha Swinford Teller
Linda Rice Teller
Amber Acosta Teller
Lucy Green Teller
Karri Tichi-Chavoya Teller
Kalee Henderson Teller
Krisha Temple Teller
Candace Velasquez Teller
Ebony Jarrett Teller
Lydia Kaylor Teller
Kenny Green Facilities



*Today's dream...
tomorrow's reality.*

HOME IMPROVEMENT LOANS

FROM



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Operating Expenses

	DEC. 31, 2019	DEC. 31, 2018
Compensation	\$1,992,255.04	\$1,868,036.72
Employee Benefits	\$671,010.61	\$714,066.65
Travel & Conference Expenses	\$19,622.42	\$14,005.52
Association Dues	\$12,349.00	\$13,191.19
Office Occupancy Expenses	\$286,166.36	\$285,197.92
Office Operations Expenses	\$716,854.76	\$750,106.44
Education/Promotional Expenses	\$55,447.31	\$57,917.65
Loan Servicing Expenses	\$778,637.21	\$700,501.35
Professional & Outside Services	\$613,109.64	\$629,077.90
Provision for Loan Losses	\$136,130.24	\$139,952.90
Federal Supervisory Exam Expenses	\$57,551.81	\$57,772.34
Cash Short/Over	-\$107.66	\$59.54
Annual Meeting Expenses	\$14,472.88	\$12,365.88
Miscellaneous Operating Expenses	\$50,109.38	\$83,340.12
Total Operating Expenses	\$5,403,609.00	\$5,325,592.12
Net Income from Operations	\$3,046,100.31	\$2,360,571.99
Gain (loss) on Disposal of Assets	\$266.00	-\$662.69
Other Non-Operating Gain (loss)	\$0.00	\$0.00
Dividends	\$1,803,130.41	\$1,245,052.54
Net Income	\$1,243,235.90	\$1,114,856.76

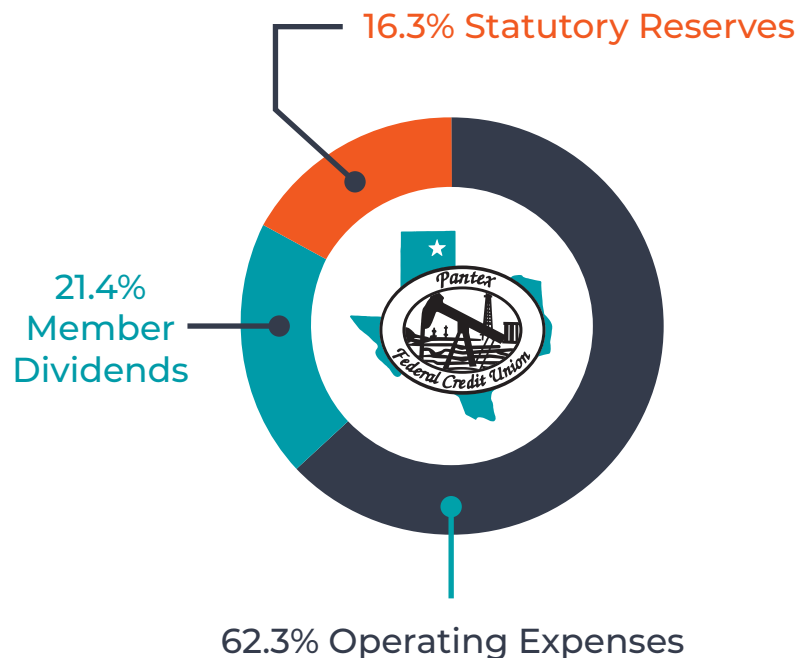
Statement of Income & Expenses

Letter from the President

– OPERATING INCOME –

	DEC. 31, 2019	DEC. 31, 2018
Interest on Loans	\$3,238,456.93	\$3,000,849.02
Interest on Investments	\$3,313,950.57	\$2,788,341.15
Misc. Operating Income	\$1,897,301.81	\$1,896,973.94
Total Operating Income	\$8,449,709.31	\$7,686,164.11

– DISTRIBUTION OF INCOME –



2019 marks our 79th year as a Credit Union, which is a noteworthy accomplishment given our humble beginnings out of a desk drawer in an office in the Phillips refinery back in 1940. Our continued growth is a sign that members appreciate Pantex Federal Credit Union and find us to be a valuable partner in achieving the life they desire.

How we bank has changed significantly. Going to the credit union to cash a check or use the drive up is being replaced with Debit Cards and Mobile Banking. Over the last few years, we have worked purposefully to increase the convenience and accessibility of banking at Pantex FCU. Whether online or in person, we realize convenience and access means something different to everyone and continually strive to make improvements that benefit our entire membership.

There is a lot of work that goes on behind the scenes at Pantex FCU. I'm constantly impressed by the dedication of more than 40 Team members who serve almost 17,000 members across the area, throughout the country, and even a few around the world.

We appreciate that, during a time of what feels like endless choices and opportunity, you continue to choose Pantex Federal Credit Union and trust us to help you achieve the life you desire.

We look forward to the future.

Respectfully submitted,

Cliff Murley,
President/CEO

► Chairman's Report

On behalf of the Credit Union Board of Directors, staff and committee members, I welcome you to our 79th Annual Membership meeting.

In addition to the brief overview that will be presented tonight, the information provided in our annual report will give you a detailed look into our 2019 operations. As you will observe, 2019 continued our positive trend of successful outcomes; with many changes. We maintained our strong financial position, while continuing to offer competitive interest rates and a strong commitment of service to our members. The enhancements and addition of products and services we are now providing are focused on meeting the needs of all, while attracting new membership.

Our staff and leadership of the Credit Union continually provide the utmost level of service to all of our members. This is evident in our continued loyalty and new membership growth.

I would also like to personally thank the members of the Board of Directors and the Supervisory Committee for their hard work and dedication.

Finally, I would like to acknowledge you, the members, for your continued support of the Credit Union. Without your loyalty and dedication, the Credit Union could not exist.

Enjoy the evening!!

Respectfully submitted,

**Allen Jenkins,
Chairman**

► Nominating Committee Report

In accordance with the Pantex Federal Credit Union Policy Manual, to be nominated for a position as a Director or Committee Member, a person must meet certain qualifications. They must possess knowledge, experience, or interest pertinent to the Credit Union's future; have a good credit standing and no criminal convictions; been a member of the Credit Union for at least two years; be willing to accept the responsibilities of the position; be objective and independent; and not be an employee of this or a competing institution; and be at least 18 years of age.

Two 3-year terms are available for re-election on the Board of Directors. The positions currently held by Allen Jenkins and Fran Braden are up for election.

The Nominating Committee, composed of three members, has recommend that Allen Jenkins and Fran Braden be elected to the Board of Directors for these three year terms. After posting these names in the lobby of the Credit Union, and receiving no petitions for nomination prior to the deadline, the Committee recommends that the individuals named above be accepted by the membership.

Respectfully submitted,

**Debra Wells,
Chairperson of the Nominating Committee**

➤ Supervisory Committee Report

The Pantex Federal Credit Union Supervisory Committee is responsible for independently assessing the soundness of the Credit Union's operations and financial status. Internal controls and policies are evaluated by the Supervisory Committee through reviews of the records of the credit union themselves, with the use of external auditors and reviewing of audit reports, as well as regulatory examination reports by the National Credit Union Administration.

Waypoint Advisory Services, LLC, was hired in 2019 to perform a comprehensive annual review of the Credit Union's financial statements. They also performed quarterly internal control reviews and reported back directly to the Supervisory Committee. The NCUA also conducted its safety and soundness examination in 2019.

The credit union also successfully underwent three additional audits or examinations during the year: An Information Technology and Security Risk Assessment Audit, an ACH procedural audit, and a Bank Security Act/OFAC Act audit.

PFCU recognizes its responsibility to conduct business in accordance with high ethical standards. These audits and examinations are designed to provide the proper "check and balance" system to demonstrate to the Committee, Board, Management, and therefore to the membership, that proper procedures, regulations and Board policies are being followed.

Respectfully submitted,

**Lynn Hopkins,
Chairperson**



*"Thanks Pantex...
you made it so easy!"*

Get preapproved for your next car loan. This puts you in a stronger negotiating position as a "cash buyer," and helps you set a realistic budget for your vehicle purchase. You can apply online, over the phone or in person at one of the convenient Pantex FCU branches. Pantex FCU makes loans on new and used vehicles, motorcycles, boats and recreational vehicles of all types. With Pantex FCU you receive competitive rates and great customer service!

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▶ Treasurer's Report

As members of your volunteer board, we have the responsibility of ensuring your credit union is safely and soundly operating. We are charged with ensuring the institution has a solid financial foundation. 2019 was a good year in terms of building our financial strength. Steady interest income and controlled expenses helped us realize strong earnings. This translates into an exceptionally strong capital ratio of 19.20%.

I'm proud to say Pantex FCU continues to be one of the strongest financial institutions in our state and we owe this to our employees, leadership and in your participation.

Member Return:

- Share dividends totaled \$1,803,130.41
- Represents a return to the membership of 21.4% of total income earned by the credit union in 2019.

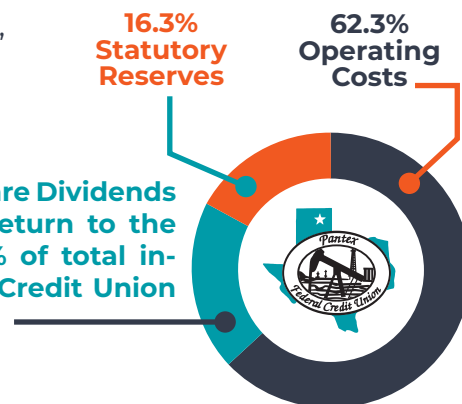
Of the remaining income, 62.3% was distributed to the normal cost of operating the Credit Union, and 16.3% was placed in statutory reserves to keep capital levels strong. **PFCU has maintained a 5-Star Bauer Rating for over 21 years.**

PFCU's investment portfolio consists of deposits in other institutions, primarily Catalyst Corporate Credit Union, Federal Reserve Overnight Accounts and in United States Agency securities. The credit union only invests in only the types of investments approved by the National Credit Union Administration.

Respectfully submitted,

Debra Wells,
Treasurer

\$1,803,130.41 Total Share Dividends Paid -Represents a return to the membership of 21.4% of total income earned by the Credit Union in 2019.



▶ Loan Officers' Report

The Loan Officers' are responsible for objectively evaluating the financial needs of the members, while at the same time protecting the interest of the depositors/shareholders by making safe and sound lending decisions.

During the year 2019, PFCU members received 1,737 loans totaling \$24,491,891.37 in new loans. Total loans outstanding decreased 5.66% over the previous year.

Pantex FCU is evaluated with better-than-industry credit quality metrics that help solidify PFCU as a safe and sound institution. We are proud to say we achieved strong credit quality, and you can be sure PFCU is among the safest banking institutions around.

Whether you're thinking about purchasing a new car, remodeling your home, or taking the trip of a lifetime, Pantex FCU has a consumer loan option to make it possible. Our Loan Experts are ready to help you make the best loan choice for you and your needs.

Respectfully submitted,

Curtis Hall
Carrie West
Shannon Mears
Shelby Overpeck
Rodney Franklin
Dusty Lee
Dana Martin

