

BFCU Script 2
Estimated TRT

Stephanie (:15)

Barksdale Federal Credit Union started with humble beginnings in June of 1954. A Brigadier General, a Colonel, four Majors, two Captains and two Airmen joined forces to “serve the under-served”.

SOT

TC: 5:20:12 (:15) Virgil Barnette/BFCU Board of Directors

“The story that I understand is that 10 people at Barksdale got together, pledged five-dollars apiece and formed a credit union for fifty-dollars; requested a federal charter and it was approved.”

SOT

TC: 2:52:56 (:06) Roy Walling/BFCU Board of Directors

“The whole purpose was to benefit military personnel a little bit further and the civilian personnel at Barksdale Air Force Base.”

SOT

TC: 2:52:22 (:07) Roy Walling/Board of Directors

“Money was a problem. People didn’t have a lot of money, military pay was nothing; civilian pay was nothing.”

SOT

TC: 1:18:03 (:30) Bernie Hawk/BFCU 2nd VP of the Board of Directors

I watched the young people go to payday lenders, etc. These kids that worked for me back in the days and I did everything I could to steer them to the credit union, because I knew the credit union was where the need to be.”

Stephanie (:05)

The first few years of operation were a period of adjustments, cramped quarters and policy changes.

SOT

TC: 2:59:20 (:10) Roy Walling

“Our first office was in a donated dining hall on Barksdale Air Force Base and consisted of about 50 square feet.”

SOT

TC: 2:23:30 (:10) Charleene Ringler/BFCU Board of Directors

“We spread to the hall; we had loan officers in the hall. We then spread to the cafeteria on the base; we had collections in that area and then finally in 76 we moved into the finished building on Northgate.”

SOT

TC: 2:33:15 (:10) Charleene Ringler

"And then a few years later after we had more members and we stopped doing things by hand, had old Morcott calculators and dividend machines that we used, we moved the data processing portion over to the basement post office at that time, so we had to run back and forth for about two blocks to carry on business."

Stephanie:

During the first year it was a period of adjustments, with many changes in policy and procedures as well as turnover of board and committee members due to military transfers. In 1955 the credit union grew from more than \$46,000 to over \$230,000.

SOT

TC: 6:43:58 (:26) Linda McClain/BFCU Center Manager/37 year employee

"We had huge trial balances because we were off line, nothing was. It was all hand done. So you had to enter manually enter. Went into this big book and you had to manually enter a withdraw amount, or a deposit amount and you had to calculate that in your head. By the end of the month that trial balance was a little bit busy."

Stephanie:

In 1961 an Education Committee was formed to address slowing loan demand. This committee was the precursor to today's Marketing and Business Development department. In 1965 a CPA firm was hired to assist the Supervisory Committee with labor-intensive annual audits. In 1968 several legislative amendments were made to the Federal Credit Union Act, providing important advances for the credit union. Loan limits were increased, authorization periods were increased and the "once a member, always a member" concept was adopted.

In late 1968 the Secretary of Defense wanted to establish a credit union at Clark Air Base in the Philippine Islands. Barksdale Federal submitted a bid and in just two months the facility was open and three months later the credit union had nearly 4,000 accounts and 3,500 loans.

Stephanie:

It was in the early 1970's when the National Credit Union Administration asked Barksdale Federal to consider merging the Ft. Polk Credit Union which was operating at a loss. Barksdale agrees and operated from an old Army day room.

SOT

TC: 5:13:09 (:36) Virgil Barnette

"When we took Ft. Polk and merged them in, to see that large group of people there have the benefits of good credit union service; I have actually seen lines of soldiers for blocks waiting to get in to take care of their financial means and matters and you know that's touching to see something like that because you know you're providing a service that they want and is essential to them."

SOT

TC: 1:02:20 (:10) Al Orr/ BFCU 1st Vice Chair/Board of Directors

"We got an award one time for being the best Army credit union and of course we're in the Air Force industry so that was sort of amusing that we were the army's number one credit union."

Stephanie:

By 1974 assets had grown to \$29-million dollars, ranking Barksdale Federal number 56 in assets out of 23-thousand U-S credit unions.

A new main office was built in 1975 and for the first time the credit union moved off base just outside the Barksdale Air Force Base north gate entrance. It was during this time products and services were expanded. Checking accounts started in 1975 and Money Market and certificates accounts were added in 1979.

SOT

TC: 7:28:47 (:13) Karen Hermer/BFCU Quality Control/35 year employee

"Loan by phone was something that came about, it was called Money Line. There was Pay Mate, where you could pay your bills over the phone instead now on global access."

SOT

TC: 7:13:42 (:08) Karen Hermer/BFCU Quality Control/35 year employee

"That was a great thing when the technology started coming in and things could be happening with just a push of a button."

Stephanie:

Automatic Teller Machines, or ATMs, were introduced at the main office in 1982. The first ATM installed allowed members 24 hour access and was named the Liberator 24 after the popular World War II heavy bomber called the B24 Liberator.

SOT

TC: 1:59:57 (:10) Pam Woodard

"The technology has changed but the foundation of the members and the integrity and the honesty has been the same and maintained and stayed the same. That's our focal point and we're proud of that; very, very proud of that."

Stephanie:

Business took a turn for the worst in 1978 when a review by the NCUA revealed serious problems in the credit union's investment portfolio. The credit union manager had purchased \$10 million in Ginnie Mae's causing nearly one-third of the credit union's assets to be "underwater". Barksdale Federal was under a 208 assistance program through the NCUA to be able to continue paying competitive dividends.

SOT

TC: 5:05:50 (:10) Virgil Barnette

"One of the problems was our reserves, which every credit union has to have, were exhausted, so we couldn't back up our shares."

SOT

TC: 3:14:06 (:15) Roy Walling

"So they told us in a night meeting, they said you're in trouble. You've got two choices, we can take you over right now or else you can fire the manager. We had a quick meeting; the manager was fired."

SOT

TC: 6:21:00 (:16) Jim Mole

"At the time he made those investments, they were not bad investments, but you remember in the 70s inflation was so bad we were paying, I remember, when we were around 12, 15 16 percent on CDs, I mean, that's unheard of."

SOT

TC: 6:21:30 (:05) Jim Mole

"Those investments that he made later on, say 10 years down the road were some of the best investments, paying investments that we had on our books."

Stephanie:

By the end of 1982 the credit union had returned to profitability and began repaying the debt to the NCUA. At this same time operating expenses and the losses were very high at the Clark AFB center. Data processing was inadequate and inefficient, and required a large staff. The center was losing \$25-thousand a month and so in 1980 the branch at Clark AFB was sold.

Stephanie:

The credit union began to regain a foothold in 1981 by investing in a new data processing system that enabled Barksdale Federal to offer on-line, real-time processing to members. Another huge growth spurt came in 1982 after memberships were opened to Select Employee Groups, such as churches and companies.

SOT

TC: 6:37:30 (:08) Arno Easterly

"They determined very wisely, that they had to diversify to survive. They were concerned that Barksdale AFB could be close or Ft. Polk could be closed so they needed SEGs."

Stephanie:

Over 50 SEGs were admitted in the first year alone. But the real recovery began in 1983 when Barksdale Federal Credit Union virtually grew in every aspect of operation. As their financial status improved, the line of products and services expanded. Ground breaking took place for a new facility at Ft. Polk.

SOT

TC: 6:31:15 (:20) Arno Easterly

"The board had made a decision to build a 14-thousand foot facility on the post at Ft. Polk and the Army agreed to a 25 year lease with no lease payment to have us on the post. The Army perceived us as very valuable to them and we were."

Stephanie:

Also in the early 80s the NCUA turned to Barksdale Federal to take over an insolvent credit union in South Louisiana. The St. Mary branch in Franklin, Louisiana, was the credit union's third branch office and first branch down south.

SOT

TC: 5:52:32 (1:18) Rod Taylor/BFCU CEO

"When I first got here Hurricane Andrew hit. We were trying to get down to Franklin, Louisiana where we had a branch at that time St. Mary Parish. We sent a few of our men down there with a generator, water, cash and the whole bit and when...I remember Dan Rather reporting from Franklin, Louisiana, in the dark. The only place that was lit up was our Credit Union. We put the generator in we were the only ones that were passing out cash at that time to people who need it. It was a real wonderful moment for us and we got national attention from in within the credit union industry."

Stephanie:

While banks and savings and loans were closing Barksdale Federal remained stable and profitable, Barksdale was among the strongest financial institutions in the state. In fact, in 1987 Barksdale Federal recorded its highest profit ever and became the first Louisiana credit union to reach \$100-million in assets.

SOT

TC: 6:28:00 (:19) Jim Mole

"You know it took us 33 years to reach our first 100-million; that was from 1954 to 1978, and it took us another five years to reach 200-million, so you can see how it's grown from there."

Stephanie:

Barksdale Federal merged with several small credit unions in the Shreveport-Bossier area and then in 1989 the NCUA regulators requested help again, this time with CFI Credit Union in Hodge, Louisiana. Barksdale Federal expanded into Jonesboro-Hodge to serve employees of Stone Container, a paper mill and several other small select employee groups.

1990 was a year of physical expansion, overcrowding at the main office triggered the board of directors to purchase a separate building in Bossier City as the administrative headquarters for management staff and non-member service functions. The credit union also opened a small branch at the request of the Federal Detention Center in Oakdale, Louisiana, to serve its federal employees.

Stephanie:

Between 1987 and 1992 the credit union doubled in assets size again. Barksdale Federal operated eight branches throughout Louisiana and stood at \$225 million in assets. Its members, who live all over the world, reached 60-thousand and it now was servicing 300 SEGs

In 2011 Barksdale Federal Credit Union accomplished another major milestone reaching one-billion dollars in assets!

SOT

TC: 6:00:46 (:10) Arno Easterly/BFCU CEO 1984-2008

"Growth is a byproduct of being the best. Unless you excel you'll never be the best, unless you excel you'll never grow. Assets, the amount of assets are evidence of service."

SOT

TC: 5:15:38 (:22)

"We are proud. We've been the leader in the state in size for many years. And many credit unions have looked to us for guidance on what things they should do. From that standpoint it's been very helpful to be able to provide services to other credit unions so that they can continue to grow."

Stephanie (:15)

Today Barksdale Federal has 19 centers in six parishes and serves more than 100-thousand members worldwide. In 2011 Barksdale Federal Credit Union accomplished a major milestone reaching one-billion dollars in assets.

SOT

TC: 1:27:50 (:08) Bernie Hawke

"I don't care that we're the biggest credit union in Louisiana, I care that we are serving our members by achieving that goal."

SOT

TC: 1:53:40 (:07) Pam Woodard/BFCU Executive Assistant /32 year employee

"We're not out to be the biggest but we do want to be the best."

Stephanie (:08)

Barksdale Federal is more than just a credit union. We are a team of over 300 employees dedicated to our community.

SOT

TC: 57:33 (:38) Al Orr

"Last year we had over three thousand hours that our employees volunteer for."

Stephanie (:04)

We are a team who is passionate about serving our members.

SOT

TC: 1:46:03 (:05) Pam Woodard/33 year employee

"It's just a family, a family feel, a loyalty if you would."

SOT

TC: 6:39:00 (:10) Linda McClain/Northgate Center Manager 37 year employee

"It has been a blessing. I could not have picked a better career than Barksdale Federal Credit Union."

SOT

TC: 7:26:36 (:06) Karen Hermer/35 year employee

"I'm very proud and I think Barksdale has integrity and it makes me proud that I'm part of that."

Stephanie (:10)

It's amazing how the foresight of ten men and fifty-dollars has lead Barksdale Federal Credit Union to become largest locally owned credit union in Louisiana and become a leader in the credit union industry nationwide.