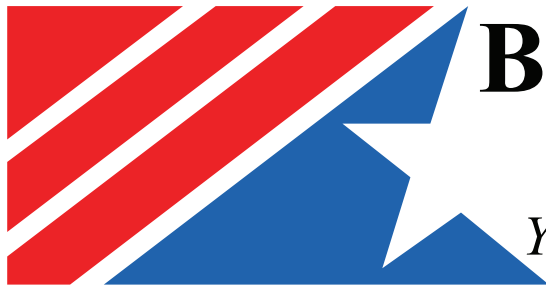


2025

ANNUAL REPORT



**Barksdale Federal
Credit Union™**

Your Financial Partner for Life™

FEDERALLY INSURED BY NCUA



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72nd Annual Membership Meeting

March 26, 2026 • 5:00 P.M.

6300 East Texas St.

Bossier City, Louisiana

1. 5:00 P.M. – Call to Order – Patrick Gullatt, CEO
2. Invocation – Al Oar
3. Pledge of Allegiance – Margaret Carlisle
4. Introduction – Board of Directors & Supervisory Committee Members
5. Confirm a Quorum – Supervisory Committee
6. Appointment of Parliamentarian
7. Minutes from 71st Annual Meeting
8. Report of Directors/President – Patrick Gullatt, CEO
9. Report of Supervisory Committee & Elections – Evelyne Epperson
10. Unfinished Business
11. Scholarship Awards
12. New Business – Patrick Gullatt, CEO
13. Adjourn

This meeting will be a brief business meeting with limited capacity (no food nor prizes). We will record the meeting for those not in attendance.

A Message from the President and Board

Our strength has always come from the trust we share and the cooperative spirit that makes this organization different from any other financial institution. As we reflect on 2025, we are proud that we were able to earn \$10 million in net income to invest in better technology and services for our members. We also saw deposit growth of 3.63% but there is one area we would like to improve. This past year, we experienced negative loan growth. In simple terms, more loans were paid off or reduced than new loans were originated. While our overall financial position remains safe and well-capitalized, this trend does have a meaningful impact on how we operate and how we serve you.

Why Loan Growth Matters

Loans are the primary way your credit union generates income. That income allows us to:

- Offer competitive rates on savings and certificates
- Keep fees low
- Invest in better technology, branches, and digital services
- Maintain strong capital to protect the long-term stability of the credit union

When loan balances decline, our earnings are reduced. Lower earnings limit how quickly we can reinvest in new services, improve member experiences, and return value to you through better rates and fewer fees.

What Happened in 2025

Several factors contributed to the decline:

- Higher interest rates reduced borrowing demand
- Many members focused on paying down existing debt
- Increased competition in the lending marketplace
- A cautious economic environment that caused households to delay major purchases

While these conditions affected financial institutions nationwide, we recognize that our responsibility is to adapt and respond.

Our Focus for 2026

Improving loan growth is one of our top priorities for the coming year. Our strategy is focused on serving your needs more proactively and making it easier than ever to borrow when the time is right.

In 2026, we will:

- Expand lending options and competitive rate programs
- Improve our digital lending experience for faster, simpler approvals
- Increase outreach to ensure members know when they qualify for lower payments or better terms
- Strengthen partnerships with local businesses and communities
- Focus on responsible growth that supports members' financial well-being

Our goal is not simply to grow loans — it is to provide the right financial solutions at the right time to help you achieve your goals, whether that means buying a home, financing a vehicle, consolidating debt, or funding life's next chapter.

How Members Play a Role

Because we are member-owned, your participation matters. When you choose your credit union for your lending needs, you help strengthen the entire cooperative. That strength allows us to reinvest earnings back into better rates, improved services, and stronger financial security for all members.

Looking Ahead

Despite the challenges of 2025, your credit union remains financially strong, well-capitalized, and committed to long-term stability. We are confident that the steps we are taking today will position us for stronger growth and greater value for our members in 2026 and beyond.

Thank you for your continued trust, loyalty, and membership. It is our privilege to serve you.

Sincerely,



Patrick Gullatt
President/CEO



Alvin C. Oar
Chair



Board of Directors Report

On behalf of the Board of Directors, it is my privilege to present our Annual Report and reflect on the strength, resilience, and progress of our credit union over the past year.

In an environment marked by economic uncertainty, changing member expectations, and rapid technological advancement, the Board remained focused on its primary responsibility: providing strong governance and oversight to ensure the long-term financial strength, stability, and sustainability of our organization.

By the end of the year, our membership count reached 161,181. Our assets were \$2,391,872,916, reflecting a notable increase of 3.75%. Total member share accounts grew by 3.63%, while loans experienced negative growth of -0.12%. Our net income for the year exceeded \$10 million, which corresponds to a return on average assets of 0.43%. Our net worth amounted to 8.91% of our assets.

Strategic Oversight & Growth

Throughout the year, the Board worked closely with executive leadership to guide the credit union's strategic direction. Our focus remained on sustainable growth, operational efficiency, and delivering greater value to our members.

Financial Strength & Stewardship

The Board maintained diligent oversight of financial performance, capital levels, and risk exposure. Despite ongoing economic pressures, our credit union remained financially sound, with strong capital, healthy liquidity, and disciplined expense management.

We are committed to protecting the financial well-being of the institution so we can continue serving our members for generations to come.

Risk Management & Governance

Sound governance and risk management remain central to the Board's work. The Board also continued its commitment to ongoing directors' education and governance best practices to ensure we remain effective and informed in our oversight role.

Commitment to Members & Community

As a member-owned financial cooperative, our mission extends beyond financial performance. The Board is proud of the credit union's continued investment in our communities through financial education, local partnerships, volunteerism, and support for those we serve. Every decision we make is guided by what is in the best interest of our members.

Looking Ahead

As we move forward, the Board remains focused on key priorities:

- Strengthening our financial position in a changing economic environment
- Continuing digital transformation and technology investment
- Supporting responsible growth in loans and deposits
- Enhancing the member experience across all channels

We are confident in the leadership team, the dedication of our employees, and the strength of our strategic direction. On behalf of the entire Board of Directors, thank you for your trust, your membership, and the opportunity to serve you.

From Left to Right

CMS (Ret) Dr. Jerome DuBose, Director
CMS (Ret) Al Oar, Chair
Dr. Ryan Jacobsen, 2nd Vice Chair
Ms. Margaret Carlisle, Director
CMS (Ret) Steve Stakes, 1st Vice Chair
Mr. Roy Walling, Secretary/Treasurer
Lt. Col (Ret) Les Navarro, Director




SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is a group of volunteers who works with the Internal Audit department, credit union management, the Board of Directors, and external auditors to ensure the credit union operates safely, soundly, and in the best interests of the membership. We remain committed to you and to the mission and values that have made Barksdale Federal what it is today.

The CPA firm of Heard, McElroy & Vestal, LLC performed the credit union's annual financial statement audit. The results of this audit concluded that the credit union's financial statements fairly present the credit union's financial condition. Based upon the results of external audits, the National Credit Union Administration examination, and Internal Audit activity, it is the opinion of the Supervisory Committee that the financial condition and internal controls remain strong. We pledge to continue working hard to promote a safe and successful credit union, so that we can help our members succeed by offering valuable services, financial resources, and good loan and deposit products.

Two director positions are expiring this year. The nominating committee submitted the following names of incumbent directors: Roy Walling and Les Navarro. Since no further nominations were received by petition, according to the by-laws of the credit union, the nominated directors will serve a three-year term. On behalf of the Supervisory Committee, we thank you for your membership and are proud to play a part in making the credit union better for our current and future members.


Evelyne Epperson
Chair, Supervisory Committee



Wanda Holden



Linda McClain



Les Navarro



Joel Girouard

SCHOLARSHIP WINNERS



Nasia Ross

Henderson High School
College: Baylor University
Major: Pre-Med



Makenna Braniff

Benton High School
College: Louisiana State University
Major: Pre-Nursing



Kamiya Mitchell

Captain Shreve High School
College: Louisiana State University
Major: Pre-Physician Assistant



Bailey McNeely

Anacoco High School
College: Northwestern State University
Major: Elementary Education



71st Annual Membership Meeting

Barksdale Federal Credit Union
Cyber Innovation Center
March 27, 2025 • 5:00 P.M.

The Seventy-First Annual Membership Meeting of Barksdale Federal Credit Union was called to order at 5:00 p.m., March 27, 2025, by the President & CEO, Patrick Gullatt.

1. Call to Order by Mr. Patrick Gullatt.
2. Dr. Jerome DuBose gave the invocation.
3. Mr. Al Oar led us in the Pledge of Allegiance.
4. Mr. Gullatt introduced those seated up front:
CMS (Ret) Al Oar, Chairman
CMS (Ret) Steve Stakes, 1st Vice Chairman
Dr. Ryan Jacobsen, 2nd Vice Chairman
Mr. Roy Walling, Secretary/Treasurer
Ms. Margaret Carlisle, Director
Mr. Jerome DuBose, Director
Ms. Evelyne Epperson, Supervisory Committee Chair

Not in attendance:

Lt. Col (Ret) Les Navarro, Director

5. Ms. Evelyne Epperson, Supervisory Committee Chair, confirmed a quorum was present with 38 members in attendance.

6. Mr. Gullatt appointed Curtis Shelton with Ayers, Warren, Shelton and Williams, LLC, as parliamentarian.

7. The minutes for the Seventieth Annual Membership Meeting were made available in the Annual Report and on our website prior to the meeting. A motion was made, seconded, and carried to dispense with the reading of the minutes, and to approve them as written.

8. Mr. Gullatt presented the Report of the Board of Directors & President's Report, which are in the Annual Report. The management team has worked hard to control expenses and delay growth plans to help us maintain a strong Net Worth. Total assets are over \$2.305 billion with a net worth ratio of 8.85%. Our membership count has now reached over 157,000 with the help of our employees' hard work, wonderful member service, and community involvement. There is still uncertainty in the economy with the new administration's tax changes, tariffs, and government spending cuts. Management will continue to monitor legislation that is being proposed to protect the credit union tax exemption put into place with the Federal Credit Union Act in 1934. The Board of Directors, Supervisory Committee, and employees would like to thank our members for their continued support over the years especially in 2024.

9. Ms. Epperson presented the Supervisory Committee Report.

Ms. Epperson reported these Board of Directors elected for three-year terms:

Steve Stakes, Ryan Jacobsen and Jerome DuBose

10. Mr. Gullatt reported no unfinished business from the Seventieth Annual Meeting.

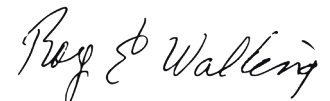
11. The scholarship winners this year were selected based on their essay topic: "Is there a teacher or coach who greatly influenced you? Discuss how this teacher or coach impacted your life and your future." Recipients of the four scholarships awarded by Barksdale Federal were introduced: Kynli Ellis, Parkway High School, Bossier City, LA; Avery Brown, Loyola College Prep, Shreveport, LA; Leigha Gilbert, Minden High School, Minden, LA; and Brelynn Smith, Haughton High School, Haughton, LA, who each received a \$1,500 scholarship.

12. Mr. Gullatt asked for any new business. There was none.

13. There being no further business, the Seventy-First Annual Membership Meeting of Barksdale Federal Credit Union was adjourned at 5:10 p.m.



AL OAR
Chair



ROY E. WALLING
Secretary



STATEMENTS OF FINANCIAL CONDITION

December 31, 2025 and 2024

IN THOUSANDS

ASSETS

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 261,711	\$ 156,156
Interest-bearing deposits with financial institutions	1,641	7,745
Investments		
Held-to-maturity debt investments	17,096	26,108
Available-for-sale debt investments	615,488	622,434
Equity securities	47,643	41,857
Corporate credit union investments and other investments	7,601	8,511
Loans receivable net of allowance for credit losses of \$17,855 in 2025 and \$17,180 in 2024	1,357,557	1,359,877
Other receivables	140	678
Accrued interest income	8,038	8,090
Prepaid and deferred expense	3,622	3,181
Property, plant and equipment net of accumulated depreciation totaling \$37,263 in 2025 and \$34,087 in 2024	39,757	40,319
NCUA share insurance fund deposit	19,351	18,852
Credit union owned life insurance	1,778	1,759
Other assets	10,450	9,785
TOTAL ASSETS	<u>\$ 2,391,873</u>	<u>\$ 2,305,352</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities

Members' share and nonmembers' deposit accounts	\$ 2,168,210	\$ 2,092,334
Accounts payable	8,133	8,801
Notes and interest payable	-	20,083
Dividends payable	46	46
Other liabilities	15,661	16,384
Total liabilities	<u>2,192,050</u>	<u>2,137,648</u>

Members' Equity

Undivided earnings	211,763	201,735
Equity acquired in merger	1,298	1,298
Accumulated other comprehensive (loss)	(13,238)	(35,329)
Total Members' Equity	<u>199,823</u>	<u>167,704</u>

TOTAL LIABILITIES AND MEMBERS' EQUITY

\$ 2,391,873 **\$ 2,305,352**

STATEMENTS OF INCOME

For the years ended December 31, 2025 and 2024

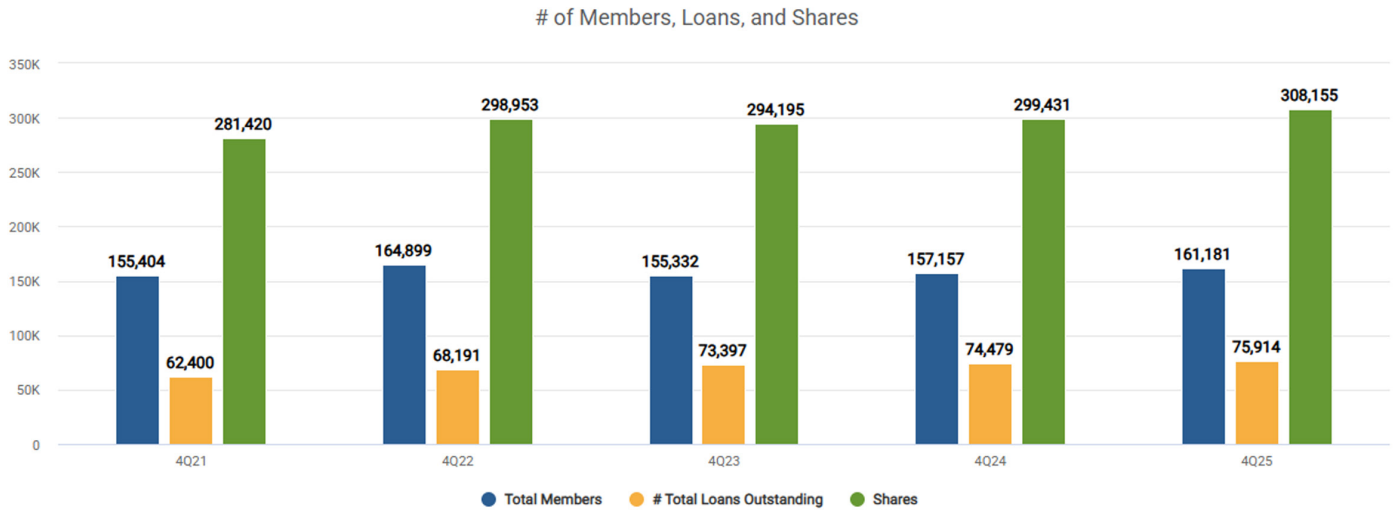
IN THOUSANDS

	2025	2024
INTEREST INCOME		
Loans receivable	\$ 91,820	\$ 88,455
Interest-bearing deposits with financial institutions	132	354
Held-to-maturity agency debt investments	520	758
Available-for-sale agency debt investments	7,200	4,976
Available-for-sale U.S. Treasury investments	3,675	4,726
Equity securities	674	619
Corporate credit union investments and other investments	8,304	12,189
Total Interest Income	112,325	112,077
COST OF FUNDS		
Dividends on members' share and nonmembers' deposit accounts	41,318	42,866
Interest expense on borrowings	612	7,787
Total Cost of Funds	41,930	50,653
NET INTEREST INCOME	70,395	61,424
Less provision for credit losses	17,550	20,340
Net Interest Income After Provision For Credit Losses	52,845	41,084
NON-INTEREST INCOME		
Mortgage fees and charges	553	598
Credit, debit and ATM transaction fees	17,238	16,578
Other member fees and charges	15,664	15,067
Net gains on securities	1,430	529
Unrealized gains recognized on equity securities	4,335	3,490
Other miscellaneous income	455	490
Total Non-Interest Income	39,675	36,752
OPERATING EXPENSE		
Compensation	28,944	27,258
Employee benefits	8,833	7,808
Travel and conference expense	409	436
Association dues	167	178
Office occupancy expense	3,644	3,599
Office operations expense	17,399	15,873
Educational and promotional expense	2,301	2,259
Loan servicing expense	8,771	8,472
Professional and outside services	6,101	5,609
Federal examination fee	450	421
Depreciation	3,628	3,488
Miscellaneous operating expense	1,841	1,704
Total Operating Expenses	82,488	77,105
NET INCOME FROM OPERATIONS	10,032	731
Other Non-Operating Income or (Loss)	(4)	13
NET INCOME	\$ 10,028	\$ 744

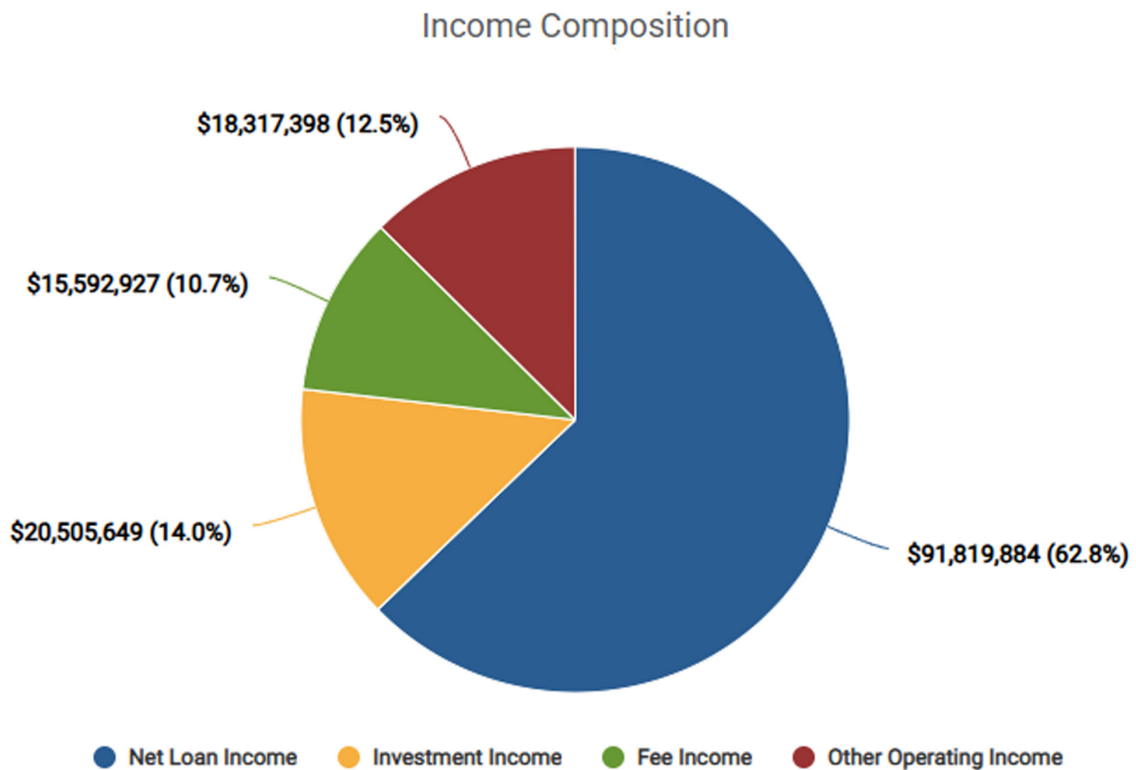
The Statements of Financial Condition and Statements of Income are shown for illustrative purposes only. The related footnotes to the financial statements, which are an integral part of these financial statements and should be considered as a whole, are available for review at Barksdale Federal Credit Union offices.

FINANCIAL HIGHLIGHTS

Members vs. Loans vs. Shares

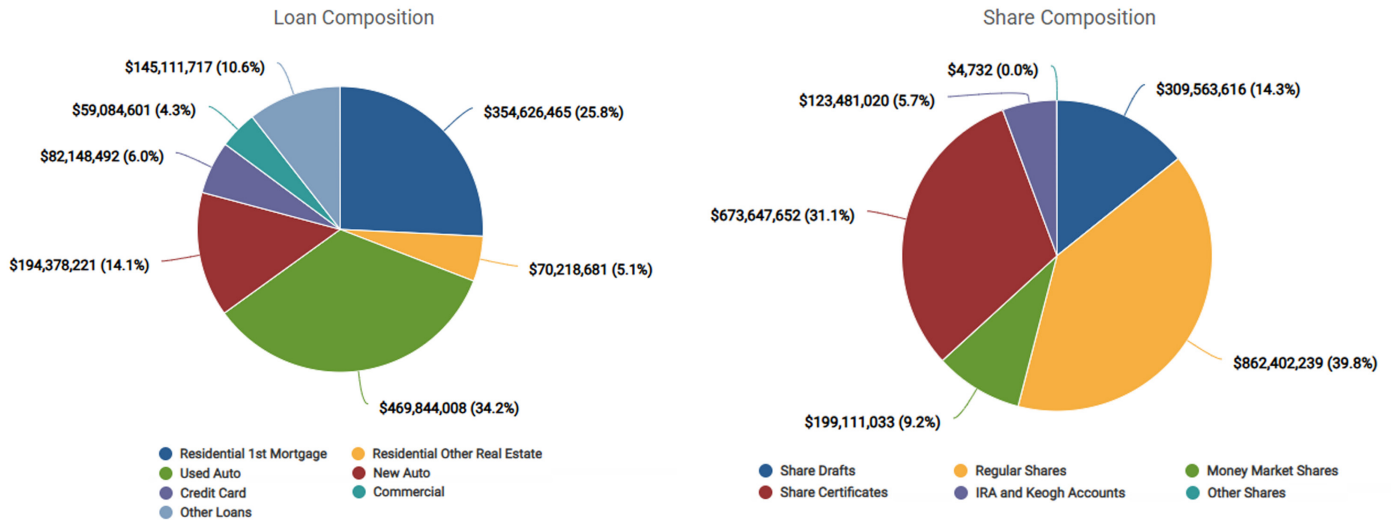


Income Composition

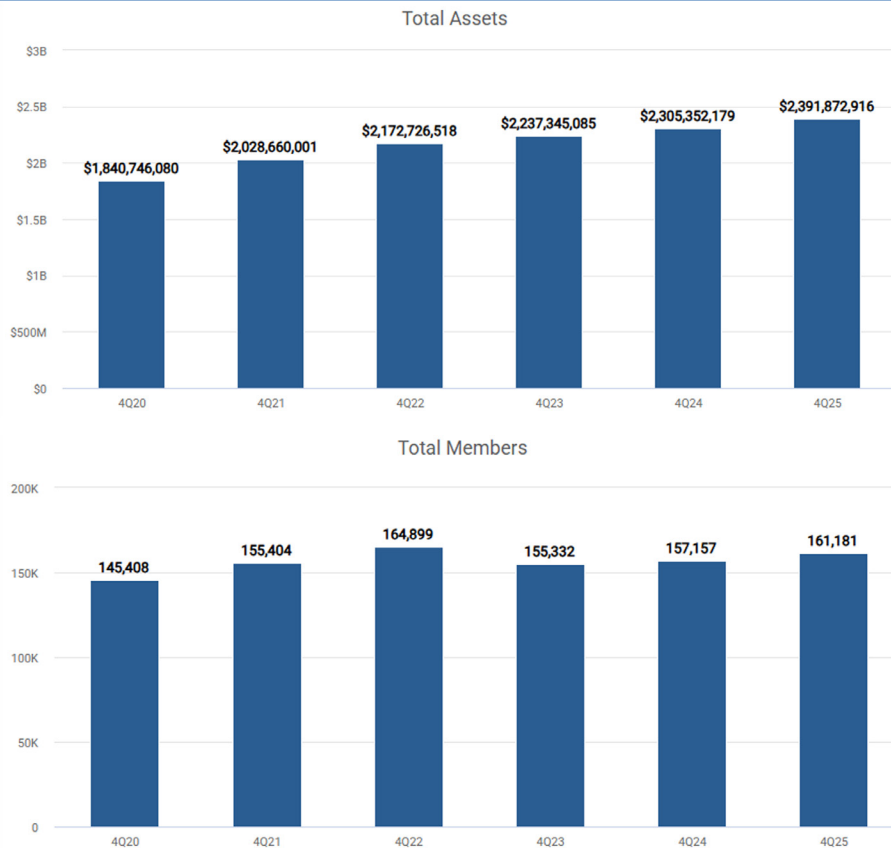


FINANCIAL HIGHLIGHTS

Loan Composition and Share Composition



Asset Growth and Membership Growth (5 Years)



Business Highlights

During 2025, we implemented a range of new features, services, and locations focused on enhancing the member experience. These initiatives reflect our commitment to continuous improvement and our responsibility to adapt to the evolving needs of our membership.



Modern Banking

In 2025, our online and mobile banking provider introduced the Next Gen user interface, delivering a more modern, intuitive digital banking experience. This update was designed to better connect members to their finances by simplifying navigation and allowing greater personalization. With key tools and information brought to the forefront, members can manage their accounts more efficiently and tailor their digital experience to fit their needs.

Key enhancements include:

- A consistent, seamless experience across online banking and the mobile app
- At-a-glance visibility into due dates, past-due information, and quick access to statements, payments, and transfers directly from the Accounts widget
- A customizable homepage that allows members to add favorite widgets and easily reorder, collapse, or expand them
- Prominent display of important messages and personalized greetings at sign-on
- Quick viewing of the five most recent transactions without navigating into individual accounts

This enhancement reflects our continued investment in digital tools that prioritize ease of use, clarity, and personalization for our members.



Pre-Approval Offerings

We launched our very first Pre-approval Campaign with SavvyMoney. The pre-approval lending campaign was designed to make borrowing simpler, faster, and more transparent to our members. SavvyMoney is our credit score solution within digital banking. The solution provides members with free access to their score and shows them personalized offers. As a firm pre-approved offer of credit, eligible members were able to move forward without a hard credit inquiry. Members could conveniently review and accept their offers directly through email, streamlining the lending process while delivering a more seamless and member-friendly experience.



AI Assistant to Transfer to Agent

We integrated our Bre AI Assistant/Chatbot into the online banking platform to provide members with immediate, self-service support within their digital banking experience. Importantly, the chatbot was designed to complement – not replace – our Electronic Services team. When a question requires personal assistance, members can seamlessly transfer to a live representative for one-on-one support. This blended approach ensures members receive quick answers when possible, and personalized service when it matters most, reinforcing our commitment to both innovation and human connection.



Stonewall, LA

We purchased land in Stonewall, LA, as a strategic investment in the future growth of our organization and the communities we serve. This expansion positions us to extend our footprint, improve access to financial services, and support long-term membership growth in a rapidly developing area. By planning ahead and investing locally, we reaffirm our commitment to being a trusted, accessible financial partner for generations to come.

Business Highlights

During 2025, we implemented a range of new features, services, and locations focused on enhancing the member experience. These initiatives reflect our commitment to continuous improvement and our responsibility to adapt to the evolving needs of our membership.



LA Tech University

We partnered with Louisiana Tech University in 2025 as a strategic step toward preparing for our new location opening in Ruston, LA, in 2026. This collaboration allows us to build early relationships, increase financial education and awareness, and thoughtfully plan services that align with the needs of students, faculty and the surrounding community. By establishing a presence ahead of our physical expansion, we are laying the groundwork for a successful launch and a strong, long-term partnership in the region.



Easy Pay

In 2025 we introduced Easy Pay, a new and improved payment option designed to give members greater flexibility when making last-minute loan payments. For a flat, low fee, members can submit payments anytime, anywhere – helping them avoid higher late fees or costly cash advance charges. Easy Pay provides a convenient safety net for unexpected timing issues, reinforcing our commitment to practical solutions that support our members' financial wellbeing.



Credit Card Statements

We expanded our online statement portal to include credit card statements, giving members a more complete and convenient view of their financial information in one secure location. By consolidating statements into a single digital experience, we continue to invest in tools that save our members time while meeting their expectations for ease, security, and transparency.



Money Minute Podcast

We launched BFCU's first-ever podcast show called Money Minute as a new way to connect with our members and community beyond traditional channels. The podcast was created to share financial insights and provide accessible financial education in a format that fits today's on-the-go lifestyles. This initiative reflects our commitment to innovation, transparency, and meeting our members where they are – strengthening relationships through meaningful, relevant conversations.

COMMUNITY SERVICE

At Barksdale Federal, our commitment to serving our community and members remains at the heart of everything we do. Over the past year, our employees demonstrated this dedication through meaningful service and generosity—volunteering hundreds of hours, supporting military partners, schools, nonprofits, and veterans, and participating in initiatives such as blood drives, clothing and food donations, toy drives, and community clean-up projects. Our team also contributed financially to local causes and charities, helped provide essential resources like life jackets and school supplies, and supported community events such as shred days and awareness walks. These collective efforts reflect a culture of compassion and service that extends far beyond our membership, and we are incredibly proud of the positive impact our employees continue to make throughout our community.



5Ks

Walked a total of **85** miles to raise awareness for causes like Autism, Dementia, and Heart Disease

Banquets

113 volunteers supported and learned about **18** different community organizations by attending their annual dinners

Blood Drives

Volunteers donated blood **25** times at **7** different blood drives resulting in **75** lives saved

Clothing

Volunteers donated **231** bags of clothes to organizations supporting those who are currently homeless or in need

Community

171 volunteers donated a total of **678** hours in various projects such as litter clean up projects, parades, painting elderly homes, and much more

Food

More than **100** individuals of the homeless or disabled community were served a hot meal and **325** essential food items plus **\$4,185** was donated by our volunteers

Halloween

Volunteers provided a booth and candy for **6** different community Halloween events

Life Jacket

Volunteers handed out **300** life jackets to help prevent accidental drownings

Military

Volunteers donated a total of **130** hours supporting our military partners in morale supporting events such as amazing race, various festivals, feeding soldiers, and more

Nonprofit

382 volunteers supported over **100** different nonprofit agencies by making personal monetary donations totaling **\$9,821.07** and spending a total of **793** hours participating at events

School

69 volunteers supported local schools by making personal monetary donations totaling almost **\$2,931.36** for school supplies, and a total of **84** hours volunteered at local school events

Shred Day

608 members of the local community were able to shred their personal documents for free thanks to the help of **71** amazing volunteers

Toys

Nearly **70** toys and an additional **\$2,925** were donated by volunteers to purchase toys for children in need!

Veterans

72 volunteers made it possible by donating **\$4,785** to provide veterans with kits of needed personal items, **87** wreaths for the Veteran's Cemetery, and desperately needed funding for services available to veterans. **21** volunteers showed support for veterans by attending **7** different programs, parades and ceremonies celebrating veterans.

LOCATIONS

LOUISIANA

Bossier City

Airline Center – 2321 Airline Drive
Stockwell Center – 551 Stockwell Road
Northgate Center – 700 Northgate Road
South Bossier Center – 5490 Barksdale Blvd
BAFB BX Center – 455 Curtis Road, Bldg 4711

Benton

Linton Road Center – 115 West Linton Road

Shreveport

Mansfield Road Center – 9134 Mansfield Road
Pines Road Center – 6790 Pines Road
Eastbank Center – 1560 East 70th Street
Ellerbe Center – 9475 Ellerbe Road
Market Street Center – 519 Market Street
Youree Drive Center – 8810 Youree Drive
North Market Center – 5702 North Market Street

Cotton Valley

Cotton Valley Center – 106 Resident Street

Blanchard

Blanchard Center – 200 Main Street

Jonesboro-Hodge

Hodge Center – 1026 South First Street

Haughton

Haughton Center – 307 Hwy 3227

Minden

Minden Center – 105 Richard's Way

Alexandria

Alexandria Center – 3500 Jackson Street

Oakdale

Oakdale Center – 300 East 7th Ave

Leesville

Leesville Center – 604 South Sixth Street
Fort Polk Center – 7640 Colorado Ave, Bldg 751

DeRidder

DeRidder Center – 1995 North Pine Street
DeRidder II Center – 2197 US 171

TEXAS

Longview

Skyline Center – 213 Skyline Drive
McCann Center – 3101 McCann Road

ARKANSAS

Portland

Portland Center – 113 Highway 165 South

Greenbrier

Greenbrier Center – 67 South Broadview

Marshall

Marshall Center – 110 Hwy 65 South

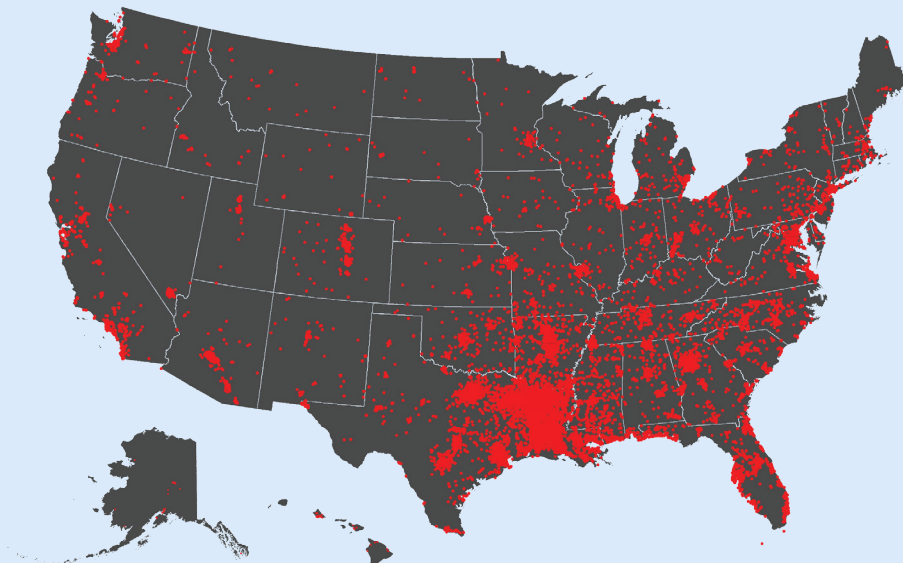
Damascus

Damascus Center – 17401 Hwy 65 S

Little Rock

Little Rock Center – 8800 Stagecoach Road

MEMBERSHIP MAP





2701 Village Lane • Bossier City, LA 71112
800-647-2328 • bfcu@bfcu.org
www.bfcu.org