

# 2025 ANNUAL REPORT

TRUST | COMMITMENT | INTEGRITY



## **TRUST**

to earn it and keep it — this is our foundation.

## **COMMITMENT**

we pledge to bring you our very best every day.

## **INTEGRITY**

we will operate with honesty, fairness, and respect.

# FORT BRAGG FEDERAL CREDIT UNION

## 2026 ANNUAL MEETING

### ORDER OF BUSINESS

MARCH 17, 2026  
3:00 PM

#### WELCOME

Invocation ..... Brenda K. Britt, *Secretary*  
Call Meeting to Order ..... Karen C. Elsom, *Chair*

#### OLD AND NEW BUSINESS

Ascertainment of a Quorum ..... Brenda K. Britt, *Secretary*  
Approval of Minutes of Last Annual Meeting ..... Brenda K. Britt, *Secretary*  
Nominating Committee Report ..... James L. Sinclair, *2<sup>nd</sup> Vice Chairman*  
Election of Directors ..... Karen C. Elsom, *Chair*

#### REPORT OF OFFICIALS

Chair and President/CEO Report ..... Karen C. Elsom, *Chair*  
Todd G. Kenthack, *CEO*  
Treasurer’s Report ..... David A. Hunt, *Treasurer*  
Supervisory Committee Report ..... Rhonda Y. Cherry, *SC Chair*

#### REPORT OF THE PRESIDENT

Update on Key Initiatives ..... Todd G. Kenthack, *President/CEO*  
Employee Anniversaries ..... Todd G. Kenthack, *President/CEO*

#### OTHER BUSINESS

Adjournment ..... Karen C. Elsom, *Chair*

# MINUTES OF THE ANNUAL MEMBERSHIP MEETING

**MARCH 18, 2025**

**ATTENDANCE:** 23 members and guests

## **BOARD OF DIRECTORS AND GUESTS:**

|  |                               |
|--|-------------------------------|
| Herbert L. Swarts and wife, Sue .....  | Chairman                      |
| Willie M. Dickens.....                 | 1 <sup>st</sup> Vice Chairman |
| James L. Sinclair.....                 | 2 <sup>nd</sup> Vice Chairman |
| Karen C. Elsom and husband, Larry..... | Secretary                     |
| David A. Hunt.....                     | Treasurer                     |
| Philip B. Rutherford.....              | Director                      |
| Brenda K. Britt .....                  | Director                      |
| Todd G. Kenthack .....                 | President/CEO                 |

John E. Tyson, *EVP/Chief Financial Officer*  
 Troy C. Martens, *Chief Marketing Officer*  
 Bryan B. Shriver, *SVP Technology*  
 L. Alex Terry, *VP Information Systems*  
 Jeff M. Tally, *VP Finance and Collections*

Sherrie D. Stephenson, *VP Consumer Lending*  
 Marie Driggers, *AVP Consumer Lending*  
 Greg Waters, *Facilities Director*  
 Lela McKissick, *Supervisory Committee Member*

## **I. CONVENED - INVOCATION**

The 2025 Annual Membership Meeting of the Fort Liberty Federal Credit Union convened at 1500 hours. Chairman Swarts welcomed all members and thanked them for taking the time to attend.

At the request of Chairman Swarts, Director Philip Rutherford delivered the invocation.

## **II. OLD AND NEW BUSINESS**

Chairman Swarts called upon Secretary Karen Elsom to ascertain if the number of members in attendance met annual meeting quorum requirements. Secretary Elsom confirmed a quorum was present.

Secretary Elsom referred to the minutes from the 2024 annual meeting contained in the 2024 Annual Report and requested a motion

for approval. A motion was made and seconded. Motion: Passed.

Chairman Swarts then called on the Nominating Committee Chairman Willie Dickens to deliver the Nominating Committee Report. Committee Chairman Dickens informed members that the committee had received and approved the applications of three incumbent directors: Herb Swarts, David Hunt, and Brenda Britt. He explained Mr. Swarts and Mr. Hunt were nominated for new 3-year terms, and Ms. Britt was nominated for an unexpired term of one year. Committee Chairman Dickens indicated no credit union members sought nomination through the petition process.

Chairman Swarts stated that, in accordance with the Credit Union's bylaws, when there is only one member nominated for each

position to be filled, the Chair may take a voice vote at the annual meeting. A motion was made and seconded to elect the nominees. Motion: Passed.

Chairman Swarts informed members that his report was in the Annual Report and asked if anyone had questions. No questions were asked. Chairman Swarts then called upon David Hunt to deliver the Treasurer's Report.

Treasurer Hunt informed meeting attendees that his report was in the Annual Report and welcomed any questions. There were no questions.

Chairman Swarts then asked board member Brenda Britt to deliver the Supervisory Committee Report. Ms. Britt indicated the report was in the Annual Report. She explained the committee's role and activities and stated that, based on the results of the credit union's independent auditors, it is the opinion of the Supervisory Committee that Fort Liberty FCU continues to be financially strong and well managed.

Chairman Swarts then asked President/CEO Todd Kenthack to deliver the President's Report. Mr. Kenthack welcomed all members in attendance. He thanked all volunteers and employees for their outstanding service and dedication to FLFCU and its members. He noted the credit union's strong financial performance over the last year. He stated the Southern Pines Branch opening in September was a tremendous success and thanked all team members involved in the project. He indicated the credit union is working hard to fill vacancies, particularly in frontline positions. He thanked attendees for taking the time to attend FLFCU's annual meeting. Lastly, he answered several questions.

Mr. Kenthack then referred to the Employee Anniversaries section of the Annual Report and recognized the six employees who reached employment milestones over the last year,

ranging from 5 to 35 years. He informed attendees that each employee will receive a gift (selected by the employee) and an acrylic award from the credit union for this service achievement. He thanked them for their hard work and loyalty.

Chairman Herbert Swarts, on behalf of the entire Board of Directors, presented the 2024 Doris E. O'Brien Volunteer of the Year Award to Director Brenda Britt. Mr. Swarts explained that all volunteers vote each year for the most outstanding volunteer and shared the history of, and criteria for, the award. He stated Ms. Britt was selected in recognition of her outstanding participation throughout 2024.

Chairman Swarts then thanked employees from Marketing, Human Resources and Facilities who assisted with the preparation of the annual report, signing in members, and setting up the room.

There being no further business, a motion was made and seconded to adjourn the meeting. Motion: Passed.

The 2025 Fort Liberty Federal Credit Union Annual Meeting adjourned at 1517 hours.



Herbert L. Swarts, Chairman



Karen C. Elsom, Secretary

## LETTER FROM THE BOARD CHAIR AND CEO

We are excited to present the 2025 Annual Report celebrating our shared achievements and looking ahead to a strong financial future together.

Our primary focus remains on empowering your financial success. This year, we will continue to prioritize:

- **Member-Centric Innovation:** Enhancing our digital banking services to make managing your money more secure and convenient.
- **Financial Stability and Growth:** Maintaining a strong, healthy capital position to protect your deposits and offer competitive rates.
- **Community Impact:** Ensuring our lending and services support the specific needs of our members and local communities.

At Fort Bragg Federal Credit Union, we strive to deliver top-notch personalized service. We are proud of our five full-service branch locations and are committed to maintaining modern facilities for members of all ages who prefer in-person financial transactions. While we offer online and mobile access, we encourage you to visit our branches to get to know our team members and allow us the opportunity to understand your financial needs.

2025 was another outstanding year for Fort Bragg Federal Credit Union! Total assets increased by \$20 million, ending the year at \$665 million, and our net worth remains strong. This exceptional financial performance resulted in the Board of Directors authorizing a \$1.5 million Loyalty Dividend in December. Over the last 8 years FBFCU has returned \$7.4 million to our loyal members. These special annual dividends differentiate us from for-profit financial institutions. Our members are actual owners and deserve to share in our financial success.

Our commitment to making a difference in the communities we serve is reflected in our ongoing support of a variety of organizations including Fort Bragg Family & MWR, United Way of Cumberland County, Support Military Families, Cape Fear Valley Health Foundation, the Carolinas Credit Union Foundation and Victory Junction. We will also be participating in many community events and scheduling special credit union sponsored appreciation days to recognize the hard work and contributions of employee groups within our communities.

Throughout 2026 we will remain focused on improving

services and increasing both value and convenience. Several online services will be enhanced, and we will begin offering contactless debit cards later in the year. Lending always remains a top priority. You will see changes to our Home Equity Program, and we will continue to promote our very competitive First Mortgage Program including our unique 5/5 ARM product. Regardless of what direction rates move, we will offer favorable pricing and terms to help you keep more of their hard-earned money. Fort Bragg Federal Credit Union's values are based on Trust, Commitment, and Integrity, and these values will continue to guide our actions and decisions each day.

On behalf of your Board of Directors, executive leadership team, employees, and Supervisory Committee, thank you for your trust and loyalty. Your financial well-being is at the heart of everything we do, and we remain committed to your success in the years ahead.

  
Karen C. Elsom  
Chair, Board of Directors

  
Todd G. Kenthack  
President/CEO

## TREASURER'S REPORT

Fort Bragg Federal Credit Union continued its commitment to our members by operating in a safe and sound manner during 2025, resulting in impressive financial performance. We received positive reports related to our Credit Union's financial condition from our independent auditors, Doeren Mayhew, and our federal regulator, NCUA. Our net income for the year was \$6,743,782, after paying out \$1,500,000 to members in Loyalty Dividends in December. Total assets

ended at \$665 million, a \$20 million increase from year-end 2024. We are expecting continued growth in the years ahead with our expansion into new communities. Our net worth (capital) ratio of 12.33% remains strong and we are considered a well-capitalized credit union by NCUA. Total loans declined by \$44.5 million. Loan growth remains a top priority for 2026.

Please know that you can count on the Board of Directors and Management team to make financially

sound decisions to ensure your Credit Union continues to grow and prosper. Our Mission Statement reinforces our commitment to provide exceptional financial services to our military and civilian members and the communities we serve.

Thank you for your continued membership and loyalty.



David A. Hunt  
Treasurer

## SUPERVISORY COMMITTEE REPORT

Your Supervisory Committee is appointed by the Board of Directors under the authority granted in the Credit Union's Bylaws. The Committee is comprised of dedicated Credit Union members who volunteer their time to help ensure the accuracy of financial data and the protection of the Credit Union's assets. At present, your volunteers serving on the committee include Ms. Rhonda Y. Cherry, Chair; Damita Rucker-Ash, Vice Chair; Ms. Lela McKissick,

Secretary; and Ms. Brenda Britt, the Board Representative. The Supervisory Committee continued its practice of holding monthly meetings throughout the fiscal year. We are pleased to report that the business affairs of your Credit Union are handled accurately and in compliance with federal and state regulations.

A key responsibility of the Supervisory Committee is overseeing audit operations for the Credit Union. Audit staff is functionally aligned with

the Supervisory Committee and administratively aligned with the Credit Union's Chief Executive Officer. Audit staff assists the Committee in monitoring daily operations to help ensure compliance with governmental regulations, Board of Directors' policies, and Management directives. This oversight is achieved through ongoing reviews of internal controls conducted at varying intervals throughout the year. Outside audit service providers may be utilized to accomplish this work.

None of the internal audit reviews conducted during the past year identified any material issues or significant control weaknesses. Any minor matters noted were addressed promptly and resolved satisfactorily.

To support the execution of its responsibilities, the Committee engaged an independent external audit firm. Doeren Mayhew is currently auditing the Credit Union's financial statements for the year ending December 31, 2025. The objectives of the audit are to determine the reliability and integrity of the Credit Union's financial reporting and to assess compliance with accounting principles generally accepted in the United States of America (GAAP).

The final audit report for the year ended December 31, 2024, was issued by Doeren Mayhew last year. As in prior

years, an unmodified opinion was issued on the Credit Union's financial statements. An unmodified opinion indicates that the financial statements fairly present the financial position and results of operations in accordance with GAAP.

The National Credit Union Administration (NCUA), the regulatory agency for federally chartered credit unions, also conducts periodic supervisory examinations.

Throughout the year, the Committee reviewed all complaint correspondence from members and monitored management responses. Both the membership and management of Fort Bragg FCU benefit from this open communication, as individual concerns are addressed directly and member feedback helps ensure the Credit Union continues to provide the highest level of service.

Based on the results of all audits and reviews, it is the opinion of your Supervisory Committee that Fort Bragg FCU remains financially strong and well managed, with sound policies and programs in place.

In closing, the Supervisory Committee congratulates the Credit Union staff, Management, Board of Directors, and Members for another successful year. Most importantly, we thank our members for their continued patronage and support. The Committee looks forward to continuing its oversight responsibilities to ensure that your Credit Union remains financially sound and secure.

Respectfully submitted,

*Rhonda Y. Cherry*

Rhonda Y. Cherry  
Supervisory Committee, Chair

## EMPLOYEE ANNIVERSARIES

*Congratulations*

### FIVE YEARS

Brenda Joslin  
Sandy Creeley

### TEN YEARS

Greg Waters

### FIFTEEN YEARS

Shantrice Watkins

### TWENTY YEARS

Christina Padilla  
Paula Linyard  
Margaret Tebo

# FORT BRAGG FEDERAL CREDIT UNION STATEMENT OF FINANCIAL CONDITION

As of December 31, 2025

## ASSETS

### CASH:

|                   |                       |
|-------------------|-----------------------|
| Cash on Hand      | \$ 3,918,330          |
| Cash on Deposit   | \$ 111,280,564        |
| <b>Total Cash</b> | <b>\$ 115,198,894</b> |

### INVESTMENTS:

|                          |                       |
|--------------------------|-----------------------|
| US Agency Obligations    | \$ 85,851,661         |
| Certificate Deposits     | \$ 21,394,000         |
| All Other Investments    | \$ 3,410,375          |
| <b>Total Investments</b> | <b>\$ 110,656,036</b> |

### LOANS:

|                                   |                       |
|-----------------------------------|-----------------------|
| Credit Cards                      | \$ 7,437,974          |
| Unsecured Lines of Credit         | \$ 11,417,974         |
| Vehicles                          | \$ 129,368,097        |
| Real Estate                       | \$ 189,893,714        |
| Commercial                        | \$ 47,043,293         |
| Other Secured                     | \$ 4,748,919          |
| Loans Held for Sale               | \$ 0                  |
| <b>Gross Loans</b>                | <b>\$ 389,909,970</b> |
| Less: Allowance for Credit Losses | \$ (4,727,800)        |
| <b>Net Loans Outstanding</b>      | <b>\$ 385,182,170</b> |

### OTHER ASSETS:

|                              |                      |
|------------------------------|----------------------|
| Land and Buildings           | \$ 14,852,703        |
| Other Fixed Assets           | \$ 4,034,952         |
| NCUA Share Insurance Deposit | \$ 5,281,178         |
| Accrued Interest             | \$ 1,717,023         |
| All Other                    | \$ 28,921,638        |
| <b>Total Other Assets</b>    | <b>\$ 54,807,494</b> |

**TOTAL ASSETS** **\$665,844,594**

## LIABILITIES AND MEMBERS' SHARES AND EQUITY

### LIABILITIES:

|                          |                     |
|--------------------------|---------------------|
| Accounts Payable         | \$ 4,217,284        |
| Other Liabilities        | \$ 770,607          |
| Total Borrowings         | \$ 0                |
| <b>Total Liabilities</b> | <b>\$ 4,987,891</b> |

### MEMBERS' SHARES:

|                     |                       |
|---------------------|-----------------------|
| Regular Shares      | \$ 203,278,040        |
| Share Drafts        | \$ 141,037,238        |
| Money Market        | \$ 81,759,003         |
| IRA Shares          | \$ 16,239,365         |
| Share Certificates  | \$ 137,237,045        |
| <b>Total Shares</b> | <b>\$ 579,550,690</b> |

### MEMBERS' EQUITY:

|                           |                      |
|---------------------------|----------------------|
| Undivided Earnings        | \$ 82,100,680        |
| Accumulated Other         |                      |
| Comprehensive Gain (Loss) | \$ (794,667)         |
| <b>Total Equity</b>       | <b>\$ 81,306,013</b> |

### TOTAL LIABILITIES

### AND MEMBERS'

### SHARES AND EQUITY

**\$ 665,844,594**

We certify, to the best of our knowledge and belief, this statement and related statements are true and correct and present fairly the financial position and the results of operations for the periods covered.

  
 \_\_\_\_\_ January 31, 2026  
 TODD KENTHACK, PRESIDENT/CEO DATE

  
 \_\_\_\_\_ January 31, 2026  
 JOHN TYSON, EVP/CFO DATE

## FORT BRAGG FEDERAL CREDIT UNION STATEMENT OF INCOME

|  | DECEMBER 31, 2025   | QUARTER TO DATE     | YEAR TO DATE         |
|--|---------------------|---------------------|----------------------|
| <b>INTEREST INCOME</b>                         |                     |                     |                      |
| Interest on Loans                              | \$ 1,762,121        | \$ 5,346,820        | \$ 22,204,222        |
| Income from Investments                        | \$ 635,079          | \$ 2,004,474        | \$ 6,681,481         |
| Unrealized Gains (Losses) on Equity Securities | \$ 14,431           | \$ 7,719            | \$ 31,365            |
| Total Interest Income                          | \$ 2,411,632        | \$ 7,359,014        | \$ 28,917,067        |
| <b>INTEREST EXPENSE</b>                        |                     |                     |                      |
| Dividends on Shares                            | \$ 2,229,191        | \$ 3,687,798        | \$ 10,589,214        |
| Interest on Borrowed Money                     | \$ 27               | \$ 85               | \$ 87,625            |
| Total Interest Expense                         | \$ 2,229,218        | \$ 3,687,883        | \$ 10,676,839        |
| Provision for Credit Losses                    | \$ 9,786            | \$ 9,705            | \$ 2,796,556         |
| <b>Net Interest Income</b>                     | <b>\$ 172,628</b>   | <b>\$ 3,661,426</b> | <b>\$ 15,443,673</b> |
| <b>NON-INTEREST INCOME</b>                     |                     |                     |                      |
| Fee Income                                     | \$ 335,701          | \$ 939,144          | \$ 3,890,050         |
| Other Operating Income                         | \$ 209,306          | \$ 632,124          | \$ 2,417,044         |
| Other Non-operating Income                     | \$ 0                | \$ 0                | \$ 2,678             |
| Total Non-interest Income                      | \$ 545,007          | \$ 1,571,268        | \$ 6,309,771         |
| <b>NON-INTEREST EXPENSE</b>                    |                     |                     |                      |
| Employee Compensation                          | \$ 492,948          | \$ 1,413,807        | \$ 5,409,324         |
| Employee Benefits                              | \$ 151,409          | \$ 472,750          | \$ 1,705,319         |
| Travel and Conference                          | \$ (6,709)          | \$ 12,022           | \$ 135,159           |
| Office Occupancy                               | \$ 65,596           | \$ 192,611          | \$ 958,008           |
| Office Operations                              | \$ 345,126          | \$ 1,015,154        | \$ 4,026,642         |
| Education and Promotion                        | \$ 36,668           | \$ 92,367           | \$ 401,313           |
| Loan Servicing                                 | \$ 97,082           | \$ 309,130          | \$ 1,066,550         |
| Professional and Outside Services              | \$ 68,845           | \$ 220,778          | \$ 888,631           |
| Federal Operating Fee                          | \$ 9,507            | \$ 28,522           | \$ 113,389           |
| Other Operating Expenses                       | \$ 36,728           | \$ 81,134           | \$ 305,326           |
| Total Non-interest Expense                     | \$ 1,297,201        | \$ 3,838,275        | \$ 15,009,662        |
| <b>NET INCOME (LOSS)</b>                       | <b>\$ (579,567)</b> | <b>\$ 1,394,418</b> | <b>\$ 6,743,782</b>  |

## IN MEMORY OF WILLIE M. DICKENS



### A BELOVED MEMBER OF OUR CREDIT UNION FAMILY

Willie Melvin Dickens departed this life Tuesday, August 12, 2025. For 25 years, Willie served on the Board of Directors, the last 9 as its 1<sup>st</sup> Vice-Chairman. A proud U.S. Army veteran, and Liberty University graduate, he dedicated more than 30 years of service to his country.

Willie will be remembered for his leadership, humor, impeccable style, and love for both his family and the Fayetteville community. He will be greatly missed by all who had the privilege of knowing him.



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1.800.79.FBCU

## VOLUNTEERS AND OFFICERS

### BOARD OF DIRECTORS

Karen C. Elsom, *Chair*  
James L. Sinclair, *2<sup>nd</sup> Vice Chairman*  
David A. Hunt, *Treasurer*  
Brenda K. Britt, *Secretary*  
Herbert L. Swarts, *Director*  
Philip B. Rutherford, *Director*  
Tommy A. Byrd, *Director*

### SUPERVISORY COMMITTEE

Rhonda Y. Cherry, *Chair*  
Damita Rucker-Ash, *Vice Chair*  
Lela I. McKissick, *Secretary*  
Brenda K. Britt, *Board Representative*

### OFFICERS

Todd G. Kenthack  
*President/CEO*  
John E. Tyson  
*Executive Vice President/Chief Financial Officer*  
Christopher R. Laroche  
*Senior Vice President of Credit Administration*  
Tammy M. McLean  
*Senior Vice President of Member Services*  
Bryan S. Shriver  
*Senior Vice President of Technology*  
L. Alex Terry  
*Senior Vice President of Information Systems*  
Jeff Tally  
*Vice President of Finance and Collections*  
Olayinka Ogunbiyi  
*Vice President of Member Services*

## LOCATIONS

### BASTOGNE BRANCH

4020 Bastogne Drive  
Fort Bragg, NC 28307

### HEFNER BRANCH

4172 Hefner Drive  
Fort Bragg, NC 29310

### RAEFORD BRANCH

7840 Raeford Road  
Fayetteville, NC 29304

### SKIBO BRANCH

1650 Skibo Road  
Fayetteville, NC 28303

### SOUTHERN PINES BRANCH

107 Brucewood Road  
Southern Pines, NC 28387



Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government, National Credit Union Administration, a U.S. Government Agency. Fort Bragg Federal Credit Union is an equal opportunity housing lender.