



Enrichment

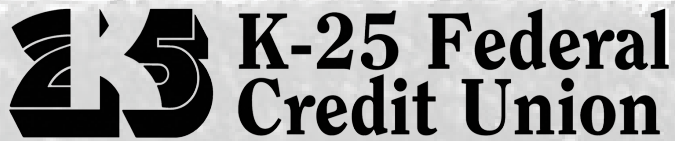
federal credit union

75th Annual Report 2024



People Helping People Since 1950!

Our History



On June 1, 1950, ten employees of the Oak Ridge Gaseous Diffusion (K-25) Plant filed an application for a Federal Credit Union Charter. On June 13, 1950, the charter was approved by the Bureau of Federal Credit Unions.

During the 1950s, K-25 Federal Credit Union conducted business from a small office at the K-25 site; now known as the East Tennessee Technology Park. The office was open four hours a day, five days a week.

Although originally chartered as an occupational Credit Union, K-25 converted to a community charter in 2003, which expanded our field of membership to include citizens of nine area counties. Anyone who lives, works, worships, or attends school in Anderson, Blount, Claiborne, Knox, Loudon, Morgan, Roane, Scott, and Union Counties is eligible for membership in this Credit Union.

On November 5, 2007, the Credit Union unveiled its new name as Enrichment Federal Credit Union, paying tribute to our heritage of enriching uranium but also our commitment to Exceptional Service & Extraordinary People.

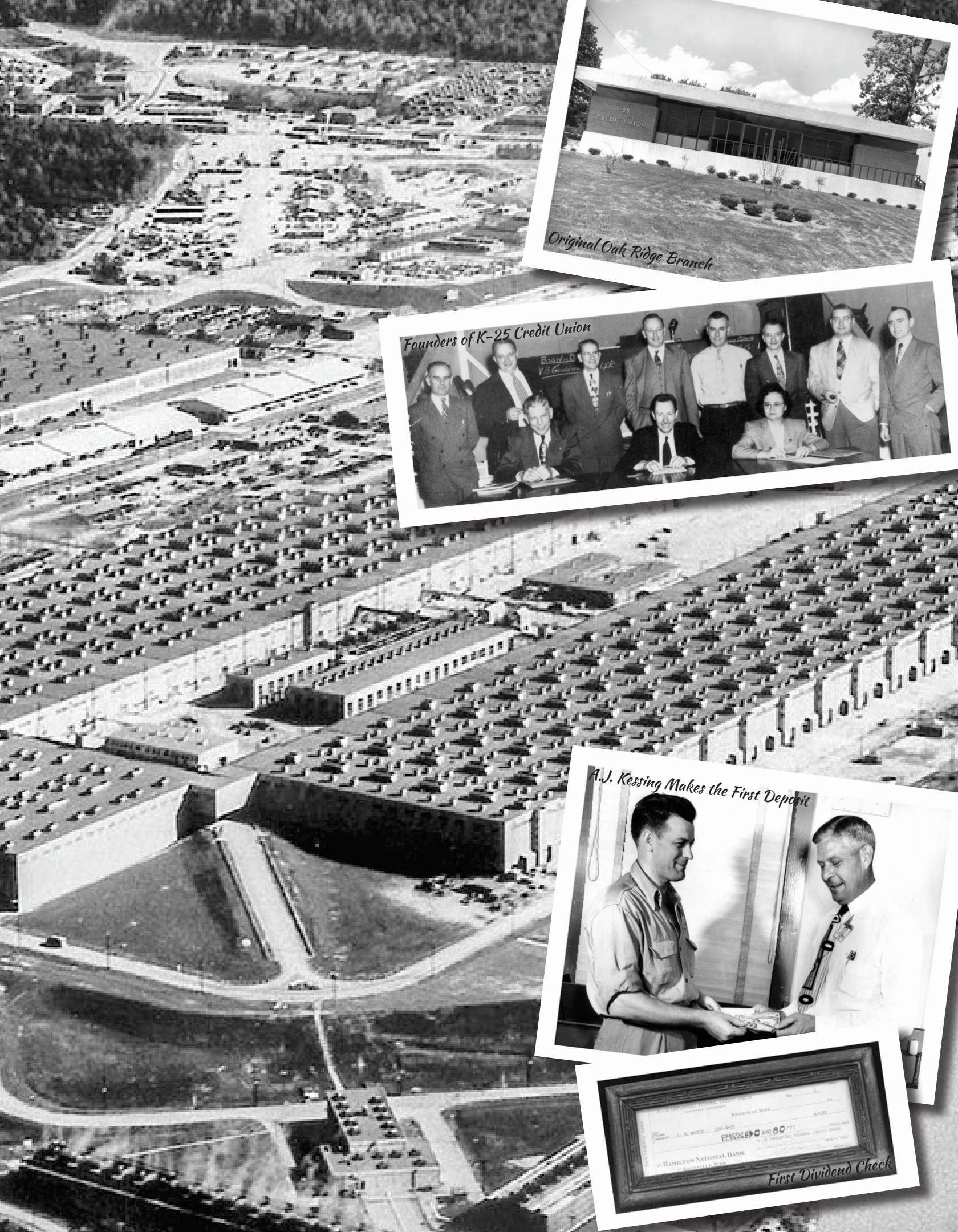
Enrichment Federal Credit Union currently has 9 branch locations conveniently located in Oak Ridge, West and North Knoxville, Northshore at Pellissippi, New Tazewell, Kingston, Midtown, Clinton, and Halls. Enrichment Federal Credit Union will soon open a 10th branch in Morgan County.

Enrichment Federal Credit Union's mission is to enrich members' lives by providing a lifetime of exceptional financial products that exceed expectations.



People Helping People Since 1950!





Original Oak Ridge Branch



Founders of K-25 Credit Union



A.J. Kessing Makes the First Deposit



First Dividend Check



Chairman & CEO's Report

As we reflect on 2024, we are excited to share what the Enrichment team accomplished, all while keeping you, our members, at the forefront of all we do. The past two years have seen significant changes to the financial landscape, with interest rates playing a major role in the decision-making process not only of the Credit Union, but in the households we serve. We are proud to say that Enrichment is stronger than ever.

Enrichment continues to invest in the best digital experiences for our members, all while still providing best-in-class customer service in branches and over the phone. As a result of these investments, we are particularly proud of the value we can offer you as an Enrichment member.

During the twelve months ending September 30, 2024, Enrichment members received direct financial benefits of over \$10 million, or approximately \$489 per member household, by simply banking with Enrichment as opposed to another credit union or bank. This is achieved through a combination of lower loan rates, higher deposit rates, and lower fees. In 2024, Enrichment also paid a record \$13.3 million in dividends to our members!

As stated at last year's Annual Meeting, Morgan County was added to the Credit Union's field of membership. During 2024 we completed the purchase of property in Morgan County, and we plan on breaking ground on new branches in Morgan, Knox, and Roane counties in 2025.

Your Credit Union continues to make an impact in the lives of those in our communities, not only by providing world-class financial services, but by donating to those non-profit organizations making a difference in our area. This was no different in 2024, as members voted each quarter where these funds would be allocated. In addition to these quarterly donations, the Board of Directors also donated significantly to organizations helping with Hurricane Helene flood relief in East Tennessee.

While assets grew by almost 11%, we were also able to increase net worth to 10.86%. Our net worth ratio is the total of all reserves and undivided earnings divided by assets. EFCU remains financially strong and steadfast in the communities we serve. Our success is the result of you, our dedicated members, and our commitment to putting you first in every decision we make.

Whether you're new to Enrichment or you've been a member for decades, we hope you feel that our team of dedicated employees and Board members always have your financial well-being in mind.

Sincerely,



Rick Benson
Board Chairman



Jeremy Hodges
Chief Executive Officer

Your Credit Union At-A-Glance

Our Mission, Our Promise: We pledge to enrich our members' lives by providing a lifetime of exceptional financial products with service that exceeds expectations. Enrichment Federal Credit Union is committed to each and every member: to ensuring that you receive the highest level of personal service when you call or visit us, to providing the latest in modern and convenient financial services, and to keeping our pricing affordable.

By-the-Numbers



\$916.5M

Total Assets



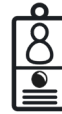
46,948K

Members



9

County Charters and
Branch Locations



143

Employees



\$3.6M+

Ownership Rewards
Since 2021



\$195K+

Community
Investments



49

Auto Dealer
Partners



30K+

Local Network
of Fee-Free ATMs



80K+

Global Network of
Fee-Free ATMs

Locations

Membership lasts a lifetime. Once you are a member of Enrichment FCU, you're always a member. Anyone who lives, works, worships, or attends school in one of the nine counties we serve: Anderson, Blount, Claiborne, Knox, Loudon, Morgan, Roane, Scott, Union is eligible to join and take advantage of EFCU's exclusive benefits.

Digital Branch

enrichmentfcu.org

or call toll-free

800-482-0049



Clinton

1116 N.C.G. Seivers Blvd.
Clinton, TN 37716
865-457-1266

Halls

7005 Maynardville Hwy.
Knoxville, TN 37918
865-922-1414

Kingston

1009 Bradford Way
Kingston, TN 37763
865-376-3451

W. Knoxville

9210 Kingston Pike
Knoxville, TN 37922
865-531-4727

N. Knoxville

5201 Schubert Road
Knoxville, TN 37912
865-688-0866

Northshore

9419 S. Northshore Drive
Knoxville, TN 37922
865-531-1600

Oak Ridge

201 S. Illinois Avenue
Oak Ridge, TN 37830
865-482-0045

Midtown

1834 Roane State Hwy.
Harriman, TN 37748
865-376-3587

New Tazewell

404 S. Broad Street
New Tazewell, TN 37825
423-626-5505



Board of Directors & Supervisory Committee



Rick Benson
Board Chairman



Dwight Potter
Board Vice Chairman



Ted Young
Board Treasurer



Beth Fee
Board Member



John Clayton
Board Member



Steve Braden
Board Member



Tim Stallings
Board Member



Scot Winningham
Supervisory Committee Chair



Aimee Barrett
Supervisory Committee Member



Deborah Szwarc
Supervisory Committee Member

Treasurer's Report

Financial results for the year ending December 31, 2024, were very positive. Assets grew \$89.4 million or 10.81%, while deposits grew \$76.5 million or 10.40%. The growth in both loans and deposits was double our peers and reflects the competitive rates Enrichment provides our members for both loans and deposits.

Total loans grew by \$42.8 million or 6.63% to a total of \$689.3 million as of December 31, 2024. Mortgage loans grew \$31.5 million or 11.42%, and loan losses remain at low levels with net charge-offs of 0.17%, well below the 2024

Q3 national peer average of 0.59% as well as the local peer average of 0.27%.

Return on assets (ROA) from operations was 1.38%. EFCU paid a record \$13.3 million in dividends while maintaining a ROA that was double peer institutions. Effective management of operating expenses, increased loan balances, and low loan losses were once again key factors of ROA in 2024. EFCU is financially positioned to continue to offer the best products and services at the best prices, for current and potential members, well into the future. We thank you, our members, for your continued trust in us.

Supervisory Committee's Report

Your Supervisory Committee is comprised of dedicated volunteers who are not employees of the Credit Union. The Supervisory Committee is responsible for ensuring that the Board of Directors and management of the Credit Union meets required financial reporting objectives and establishes practices and procedures sufficient to safeguard members' assets.

To carry out these responsibilities, they determine whether:

- (1) Internal controls are established and effectively maintained to achieve the Credit Union's financial reporting objectives.
- (2) The Credit Union's accounting records and financial reports are promptly prepared and accurately reflect operations and results;
- (3) The relevant plans, policies, and control procedures established by the Board of Directors are properly administered; and,

(4) Policies and control procedures are sufficient to safeguard against error, conflict of interest, self-dealing and fraud.

In 2024 the Committee:

- (1) Worked with our internal audit department and outside independent auditors to review audits of the Credit Union's operations;
- (2) Hired an independent CPA firm to conduct an audit of the Credit Union's financial statements for the year ended September 30, 2024 which resulted in an unqualified opinion.
- (3) The Credit Union is also examined annually by the National Credit Union Administration (NCUA). The Committee is responsible for meeting with the examiners and reporting the results of the examination to the Board of Directors and Management.

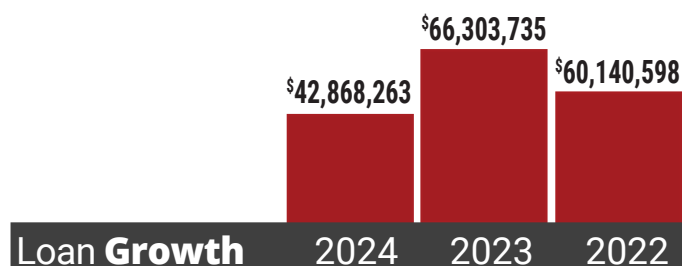
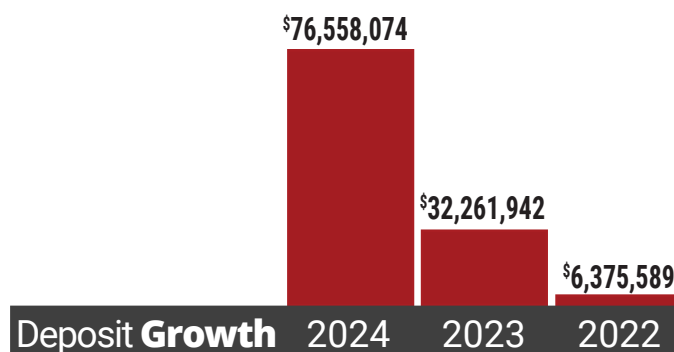
Consolidated Financial Statements

Consolidated Balance Sheet

As of December 31, 2024 and 2023

	12/31/24	12/31/23
Loans	689,310,687	646,442,424
Allowance for Loan Losses	(1,421,000)	(1,193,000)
Cash	15,438,400	12,242,804
Investments	186,943,666	146,636,090
Fixed Assets	16,571,539	14,935,679
Other Assets	9,662,859	8,013,448
Total Assets	916,506,151	827,077,444

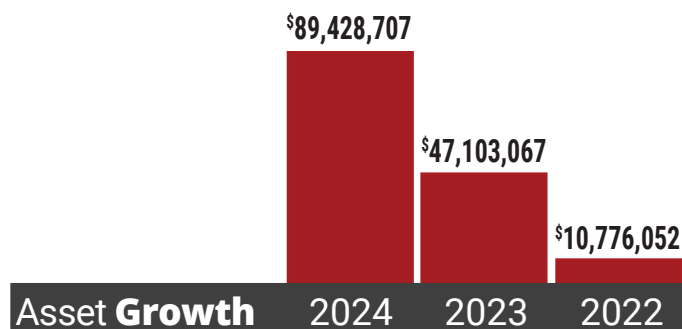
Accts Pay & Accd Liab	4,129,358	3,535,830
LOC Borrowings	0	0
Deposits	812,806,658	736,248,584
Total Liabilities	816,939,016	739,784,413
Equity	99,570,135	87,293,031
Total Liabilities & Equity	916,506,151	827,077,444



Consolidated Income Statement

As of December 31, 2024 and 2023

	12/31/24	12/31/23
Operating Income	49,964,891	40,051,106
Operating Expenses	(25,229,169)	(22,134,542)
Net Operating Income	24,735,722	17,916,564
Interest on Borrowed Funds	(172)	-
Non-Operating (Income) Loss	(583,698)	(1,384,136)
Dividends	(13,324,263)	(5,977,179)
YTD Net Income	11,994,986	13,323,521



We Saved Our Members \$10.7 Million Last Year, Including:*



\$2,606,432
Home Loan
Savings



\$2,540,062
Auto Loan
Savings



\$543,663
Credit Card
Savings

*Direct financial benefits to members during the 12 months ending September 2024 as defined in the CUNA Membership Benefits Report for Enrichment Federal Credit Union. For more information regarding this analysis, please visit www.datatrac.net/memberbenefits. ©CUNA, ©Datatrac

74th Annual Meeting Minutes

The 74th Annual Meeting was called to order by Mr. Rick Benson, Chairman, in Oak Ridge, Tennessee on March 22nd, 2024, 6:00 p.m.

The following directors were present: Rick Benson, Ted Young, Dwight K. Potter, Steve Braden, Beth Fee, and John Clayton. Also present: Jeremy Hodges, CEO. Supervisory Committee, Scot Winningham, Deb Szwarc, and Aimee Barret. Office personnel and Credit Union members.

Mr. Benson welcomed everyone to the 74th Annual Meeting of Enrichment Federal Credit Union.

Mr. Young declared a quorum and Mr. Benson declared Mr. Jim Norman with the law firm of Joyce, Meredith, Flitcroft and Norman as Parliamentarian.

The motion was made by members and seconded by Mr. Potter to approve the Minutes from the March 24th, 2023, Annual Meeting. Motion carried. 100% approval by the Members.

Mr. Benson began by thanking the employees and stated they are the key to making things happen and how they embraced the changes that had been made during the year. He spoke about the Northshore Branch reopening and the addition of ITM's in that location. Mr. Benson thanked the members for their dedication to the Credit Union. He also recognized the outstanding leadership of our Executive team: Jeremy Hodges, Mike Hayes, and Becky Woody, and thanked them for their continued dedication and service to the Credit Union. He also recognized Mr. Scott Winningham, Supervisory Committee Chairman, and his committee for their work as volunteers.

Mr. Hodges spoke at this time and thanked everyone for their service.

Mr. Hodges introduced the audio-visual presentation highlighting 2023.

Mr. Ted Young went over the Treasurer's Report and Statement of Financial Condition as of December 31, 2023. The motion was made and seconded to approve the Treasurer's Report. Motion carried. 100% approval by the Members.

Mr. Scot Winningham, Chairman of the Supervisory Committee went over last year's Supervisory Committee Report. Mr. Winningham thanked his committee and the Internal Audit Department of Enrichment Federal Credit Union for their support and diligence over the past year. Mr. Winningham reported that each division of the Credit Union fully carried out the policies and procedures during 2023. The motion was made by Ms. Fee and seconded by Mr. Young to approve the Supervisory Committee Report. Motion carried. 100% approval by the Members.

There was not any Unfinished Business to discuss.

There was not any New Business to discuss.

Mr. Benson stated there are two Director positions on the Board whose terms are expiring. Mr. Young read the Nominating Committee's Letter to Chairman Benson nominating Mr. Steve Braden and Mr. Dwight Potter each to a three-year term to the Board of Directors for Enrichment Federal Credit Union. Motion was made and seconded. Motion carried.

Mr. Hodges answered questions from members regarding loan loss, and where he sees rates going.

Mr. Hodges informed the members about the properties being purchased in Morgan County, Powell, and Midtown.

At this time, the drawings for prizes began.

Mr. Benson thanked everyone for their attendance.

The motion was made to adjourn at 6:35 p.m. by Mr. Young. Mr. Potter seconded. Motion carried.

Enrichment Certified Financial Counselors

At Enrichment, we believe financial education is the key to financial wellness and long-term success. That's why we've invested in our employees to better serve our Members.

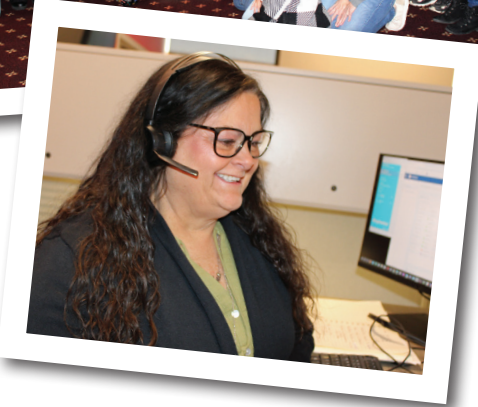
In 2024, we began a journey to certify all member-facing employees as Certified Credit Union Financial Counselors. This means that no matter who you talk to at Enrichment, you'll have someone who can offer sound financial guidance and help you reach your goals.

A group of 48 employees completed the Credit Union National Association (CUNA) Financial Counseling Certification Program (FiCEP) by the end of 2024, which provides credit union employees with the skills and knowledge required to guide Members to sound financial decisions. Members and potential members often learn about finances from their families and friends, or just go at it alone. The need for expert assistance is real and Enrichment is meeting that need.

This certification helps employees better serve members with financial dilemmas, managing finances, planning for the future, and more.

This group of employees started this self-study course in March, completed their exams and earned their certification in December 2024. The program includes intensive training along with a significant investment of time.

Earning this designation is proof that these employees are committed to making a difference in Enrichment Members' lives.



Whatever Your Vision, We Can Help Make it a Reality!



www.enrichmentfcu.org
1-800-482-0049



Google Review, Jan. 2024

"As always, excellent customer service and quick process for my loan. The entire team is great..."

- William S.

- Construction Loans
- Home Equity Line of Credit
- HVAC & Home Generator

eClosings & Remote Closings
We Go Where You Go!



NMLS#449470

Our Mission in Action



Enrichment Federal Credit Union received the Tennessee Dora Maxwell Social Responsibility Award during the Tennessee League of Credit Unions' Annual Convention and Expo on April 16th, 2024.

The award was created to honor credit union involvement in projects and activities aimed at making the communities a better place to live, work, learn, and worship. Dora Maxwell was a community activist who committed her life to credit union development, her community, and the underserved.

EFCU's Community Enrichment Program makes a \$25,000 donation to East Tennessee Charities each quarter based on votes from our members. Charities receiving donations from the Community Enrichment Program have included CASA of the Tennessee Heartland, Mission of Hope, Shangri-La Therapeutic Academy of Riding, Operation Honor Guard, East Tennessee Children's Hospital, and many others.

EFCU's staff members also donate their time to local organizations like KARM, Second Harvest Food Bank, Little Ponderosa Zoo, and others. Staff at EFCU's branches also have an annual service project called "Gloves of Love." EFCU's Gloves of Love celebrated its 16th year in 2024 and distributed more than 3,300 pairs of gloves, scarves, and toboggans to local children.



People Helping People Since 1950!



Community Enrichment Program

Enrichment is not only here to help our members, but also the communities we serve. We do all this to help further the mission of credit unions across the nation of "People Helping People." In 2024, members designated where more than \$195K in support to local non-profit organizations and EFCU staff volunteered for a variety of worthy causes!



Hurricane Helene Relief Drive - Through the generosity of EFCU Members, Board, Staff, and the Community, EFCU donated 5,468 pounds of food and more than \$35,000 toward hurricane relief efforts.



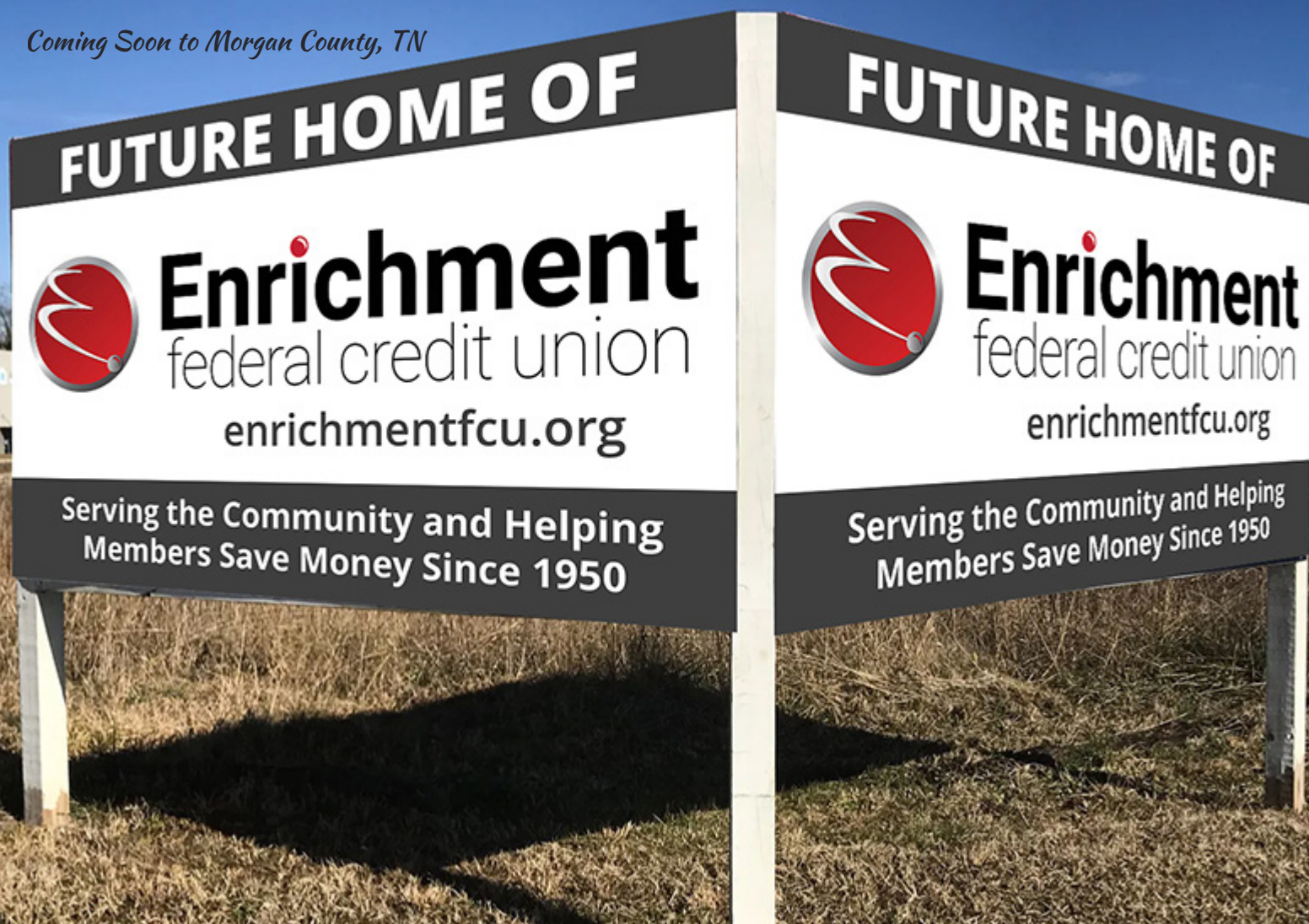
EFCU Out in the Community - EFCU Staff are in the community serving lunches at East Tennessee Children's Hospital, hosting festivities at community events, collecting and dropping off donations to charities and schools, to surprising grocery shoppers to help with holiday expenses.



EFCU Gloves of Love - Gloves of Love was started at the Kingston and Midtown Branches, celebrated 16 years of providing gloves, scarves, jackets, and hats to children in Roane County schools.



Coming Soon to Morgan County, TN



*People Helping People
Since 1950!*



"What a refreshing experience to have a real person answer the phone at Enrichment.

Tina who was interested in my banking question and found me some real answers! She was a joy to speak with today!

I wish all my banking experiences were so warm trusting and personal!

- Diane T.

*Member Google Review
October, 2024*



National Credit Union Administration, a U.S. Government Agency - Member accounts are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government.