

2024
ANNUAL
REPORT

ORNL

TABLE OF CONTENTS

- 4 Board of Directors & Leadership Team
- 6 Returning Value to Members
- 8 Auto Loan Payoffs & Mortgage
- 10 CUSO Information
- 12 Great Place to Work
- 14 LCU Merger
- 16 Branch Projects
- 18 Treasurer's Report
- 20 Financial Education
- 22 Community Impact
- 24 Disaster Relief
- 26 Knoxville Smokies
- 28 Credit Union Advocacy
- 30 Awards & Recognition

OUR PURPOSE

Together, We THRIVE.

MEMBERSHIP

2024	217,000+
2023	199,000+
2022	189,000+
2021	185,000+
2020	181,000+

No. 1

Best Credit Union as ranked by Cityview Magazine¹

4th

Largest Credit Union in Tennessee²

19

East Tennessee Counties in Field of Membership

¹ Gold (1st) Ranking, Best of the Best 2024, Cityview Magazine.
² National Credit Union Service Organization, January 28, 2025, Tennessee Credit Unions, ncuso.org/credit-union/tn/

YEAR IN REVIEW

2024 was a transformative year for ORNL Federal Credit Union, with a renewed focus on delivering value. We proudly supported 217,657 members in reaching their financial goals, enhanced products and services with lower fees and better rewards, and reaffirmed our dedication to supporting our communities.

Key Achievements:

- **Returning Value to Members:** In 2024, we introduced a no-fee Spending Plus account with 4% APY, reduced NSF and overdraft fees, eliminated incoming wire fees, and increased debit card rewards, returning over \$6.9 million to our members.
- **Great Place to Work:** We transitioned to Qualtrics for employee surveys. Based on employee feedback, ORNL FCU is recommended as a great place to work. We're proud of our vibrant, trust-based work environment and look forward to continuing to support our amazing employees!
- **Lowland Credit Union Merger:** We successfully merged with LCU in 2024, expanding our branch network and enhancing service levels for greater member access and convenience.
- **Branch Projects:** We are excited to announce several branch projects that are currently underway. New builds and remodels in Oak Ridge National Laboratory, Oak Ridge West, Fountain City, Morristown East, Morristown West, and Newport will modernize facilities, expand service areas, and incorporate advanced technology.
- **Auto Loan Payoffs & Mortgage Payments:** This year, we paid off auto loans for ten members and covered mortgage payments for two members for a year, bringing our total to over \$850,000 since 2019.

Our achievements are a testament to the trust of our members, the commitment of our employees, and the support of our community partners. As we look ahead, this dedication will remain at the heart of everything we do. Join us in celebrating our remarkable achievements in 2024.



Jenny Vipperman
Jenny Vipperman
 President & CEO
 ORNL Federal Credit Union



W.R. Gorman
Randy Gorman
 Board Chair
 ORNL Federal Credit Union

BOARD OF DIRECTORS



Randy Gorman
Chair



James Payne
Vice Chair



Mary Beth Blair
Treasurer



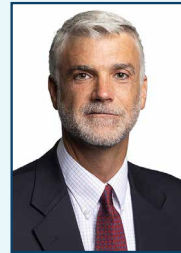
Joel Pearman
Secretary



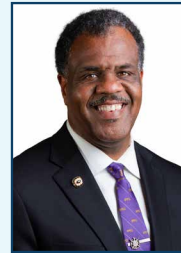
Jama Hill
Director



Leigha Justice
Director



David Mandl
Director



Sam McKenzie
Director



Harriet Walker
Director



Mary Kiser
Assoc. Director



Johnny Moore
Assoc. Director

SUPERVISORY COMMITTEE



Gerald Smith
Chair



David Mandl
Vice Chair



Mary Kiser
Secretary

EXECUTIVE COMMITTEE: R. Gorman—Chair, J. Payne—Vice Chair, M.B. Blair—Treasurer, J. Pearman—Secretary
LEGISLATIVE & GOVERNMENTAL AFFAIRS COMMITTEE: J. Payne—Chair, R. Gorman, L. Justice, S. McKenzie, H. Walker
VOLUNTEER POLICY & GOVERNANCE COMMITTEE: J. Payne—Chair, M.B. Blair, R. Gorman, J. Hill, L. Justice, J. Pearman, H. Walker
NOMINATING & ELECTION COMMITTEE: J. Pearman—Chair, J. Hill, L. Justice
7, LLC BOARD OF GOVERNORS: R. Gorman—Chair, J. Kouchis, J. Vipperman

EXECUTIVE OFFICERS



Jenny Vipperman
President & Chief
Executive Officer



Dawn Brummett
EVP & Chief
Information Officer



Chris Boler
Chief Member
Experience Officer



Jennifer Lopez Kouchis
Chief Strategy &
Growth Officer



Kristin Robertucci
Chief Financial
Officer



Wendy Ward
General Counsel &
Chief Risk Officer



Janita Clausell
President & CEO,
7, LLC



Becky Curry
SVP & Chief Data
Intelligence Officer



Andrea Griffiths,
SVP & Chief
Internal Auditor



Tom Wright
SVP & Chief
Marketing Officer

RETURNING VALUE TO MEMBERS

In previous years, the Credit Union paid an annual special dividend based only on members' average loan and deposit balances. Analysis showed that this model did not fully recognize the entire value of an individual's membership or drive membership growth. To create a more comprehensive approach to membership value, the Credit Union opted to suspend the special dividend.

To return value to all members throughout the year, ORNL Federal Credit Union implemented a series of product enhancements in 2024.

- **An enhanced Spending Plus account was created with no monthly fee and paid 4% APY on balances up to \$5,000.**
- **NSF fees were reduced from \$35 to \$25.**
- **Overdraft fees were reduced from \$35 to \$15.**
- **Incoming wire transfer fees were eliminated.**
- **Debit card swipe rewards for members with Digital Spending accounts increased from \$0.01 to \$0.05.**

These combined enhancements were estimated to return more than \$6.9 million to members in 2024.

We realized that by enhancing our products, we could return value to more members all year, fully recognizing the contribution of each member and opening the doors to membership to our amazing neighbors throughout the East Tennessee community.



AUTO LOAN PAYOFFS & MORTGAGE PAYMENTS

Just in time for the holiday season of giving, 10 lucky members of ORNL Federal Credit Union (ORNL FCU) had their auto loans completely paid off, and two more members were chosen to have their mortgage payments covered for an entire year.

Since 2019, ORNL FCU has had the honor of paying off auto loans for 44 members, amounting to over \$850,000. This year marked the first time the Credit Union extended this benefit to mortgage holders. To top it off, the Credit Union also provided each of the winning members with a check to cover the estimated taxes they would owe on the value of their auto payoff or mortgage payments.

The lucky members whose auto loans were paid off include Sean K. of Knoxville, Joshua W. of Grimsley, Roberta G. of Maryville, Jason L. of Knoxville, Richard H. of Clinton, Taner H. of Clinton, Shelby H. & Lillian H. of Knoxville, Brian F. of Knoxville, Allen & Janet T. of Kingston, and Susan M. of Sevierville. The fortunate recipients of a year of mortgage payments were Tena B. of Knoxville and Pearl R. of Louisville. We're not sure who had more fun—the surprised recipients or our ecstatic CEO who got to tell them!

More details about the winners and their stories can be found online on our website at ornlfcu.com/titlegiveaway.



OUR ORGANIZATION



\$4.18B
TOTAL ASSETS



217K+
MEMBERSHIP



500
EMPLOYEES



19 COUNTY CHARTER
in East Tennessee



10/2
AUTO LOAN PAYOFFS / MORTGAGE PAYMENTS FOR A YEAR



\$254K+
TOTAL VALUE OF AUTO LOAN PAYOFFS & MORTGAGE PAYMENTS FOR A YEAR



\$500K+
COMMUNITY INVESTMENT



31 BRANCH LOCATIONS
in 13 Counties of East Tennessee



200+
LOCAL NETWORK OF FEE-FREE ATMs



57
INTERACTIVE TELLER MACHINES (ITMs)



30K+
NATIONWIDE NETWORK OF FEE-FREE ATMs



143
AUTO DEALER PARTNERS

*ORNL Federal Credit Union provides services to businesses and anyone who lives, works, worships, or attends school in the areas we serve: Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Knox, Loudon, Meigs, McMinn, Monroe, Morgan, Rhea, Roane, Scott, Sevier, and Union counties, TN.

7, LLC

Rooted in the seven original principles of the credit union movement, 7, LLC is a wholly-owned credit union service organization (CUSO) of ORNL FCU. The CUSO is dedicated to making credit unions stronger through collaboration, offering top-tier products and services, and providing unparalleled support to its clients and partners. 7's engaged and experienced credit union professionals have the passion, insight, and innovation to help credit unions and their members thrive. 7 Mortgage, 7 Title, 7 Servicing, and 7 Insurance are included under the CUSO's umbrella.

7 MORTGAGE

Number of CU Partners: **40**
Mortgages Closed: **1,226**
Number of States Licensed: **6**

7 TITLE

Loans Closed: **751**
Title Searches Completed: **981**

7 SERVICING

Mortgage Loans Serviced: **10,827**
HELOCs Serviced: **5,482**

7 INSURANCE

Active Clients: **3,286**
Total Policies: **5,274**
Average Savings:* **\$627**
Number of States Licensed: **32**

*Average savings figure based on new direct auto and home policyholders countrywide who reported savings to us in 2024. Individual savings may vary. Savings not guaranteed.



A GREAT PLACE TO WORK

In 2024, we transitioned from Great Place to Work (GPTW) to our new survey partner, Qualtrics. The data, based entirely on employee feedback, revealed that 85% of survey participants would recommend ORNL FCU as a great place to work. An overwhelming survey completion rate of 90% represented a 15% year-over-year increase.

Our favorability surpasses the typical 65% favorability rate of U.S.-based companies. Qualtrics, a global authority on workplace culture, helps the Credit Union quantify our culture and achieve better business results by fostering a high trust work environment for our employees.



Equal Opportunity Employer



ORNL FEDERAL CREDIT UNION EMPLOYEES RECOMMEND US AS A GREAT PLACE TO WORK

LOWLAND CREDIT UNION (LCU) MERGER

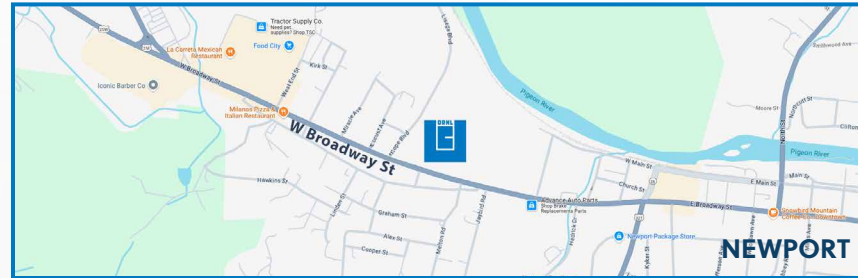
In January 2024, ORNL FCU and Morristown, TN-based LCU announced their intent to merge. Fueled by an unwavering commitment to members and a long-standing partnership, the final merger with full system integration was completed on October 1, 2024.

Members of both institutions now benefit from a broader branch network and increased service levels. We look forward to our combined organization continuing to provide unmatched value and service to our shared members and communities for many years to come.



BRANCH PROJECT UPDATES

NEW BUILDS



- **NEWPORT:** The former branch building has been demolished, and a new, temporary structure has been placed on the same lot. The new branch will begin construction by February with plans to have it completed before the end of 2025.



- **OAK RIDGE WEST (WESCOTT CENTER):** Construction on this project is planned for February 2025 with completion in early 2026. The new full-service facility will enhance ORNL FCU's offerings in Anderson and Morgan County. The design will also be home to a 7 *Title* location, specializing in residential and commercial real estate closing services.



REMODELS

- **NORTH KNOXVILLE:** The remodel of the North lobby will be complete by February 2025. The improvements include an additional teller pod, new bathroom, and updated waiting area.
- **FOUNTAIN CITY:** A remodel started on the Fountain City branch in December 2024 with construction expected to last until June 2025. Once complete, the branch will feature extended drive-thru services Monday–Friday, 8:00 AM–7:00 PM and Saturday, 8:30 AM–1:00 PM.
- **OAK RIDGE NATIONAL LABORATORY (LAB):** A remodel of the Lab Branch is expected to start in February 2025 with completion by the end of the third quarter. The branch will be temporarily relocated during construction. Once complete, the branch will feature longer service hours through the addition of an ITM.
- **MORRISTOWN EAST & WEST:** Updates at both of these branches will start in January 2025, with completion expected by the end of March 2025. Updates will include more areas to serve members and refreshed branding of the two buildings.

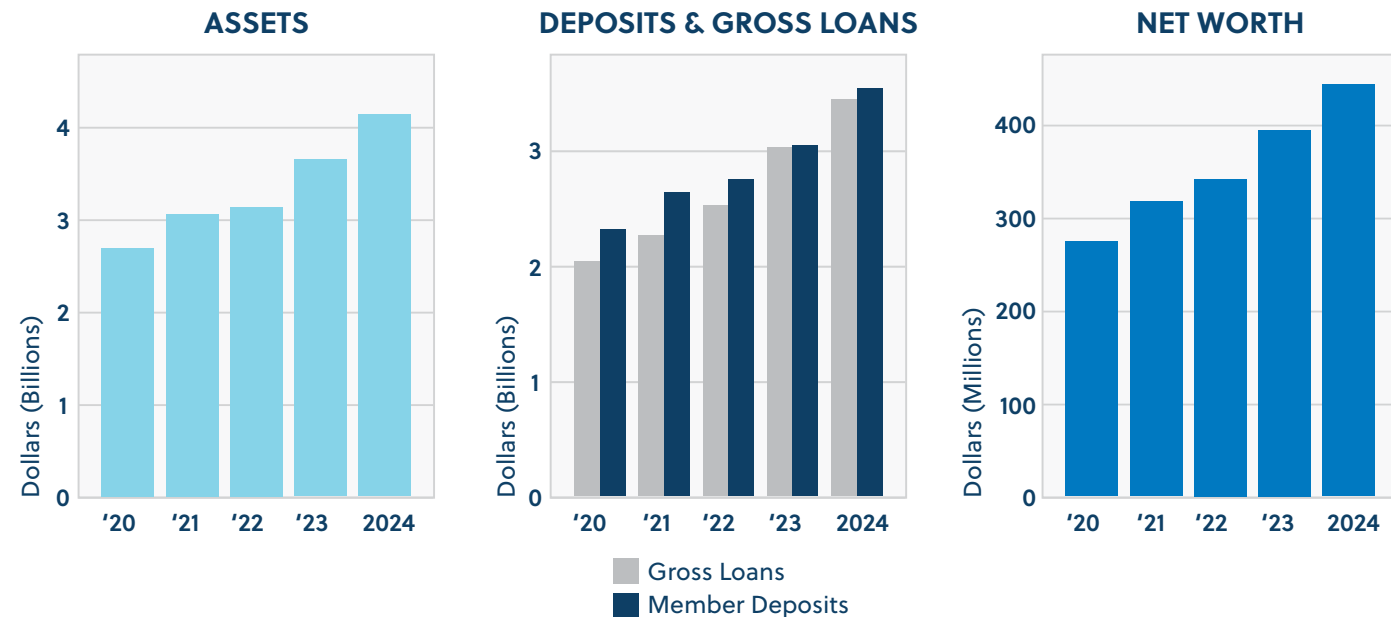
2025 OUTLOOK: It will be another busy year. In addition to the projects listed above, there are several other projects in development which will improve the overall branch experience for the membership while also expanding service into new areas. Stay tuned as more information is released throughout the year.

TREASURER'S REPORT

In 2024, ORNL Federal Credit Union experienced significant growth, driven by strong financial performance and an unwavering commitment to serving our members. We achieved key strategic milestones and successfully executed numerous initiatives, positioning our Credit Union for sustained growth and continued success.

The Credit Union ended the year with total assets of \$4.178 billion, an increase of 14.53% over the prior year. This growth reflects the trust our members place in us as a financial partner and our ability to deliver on that trust. Loans grew by 13.27% to end the year at \$3.446 billion, driven primarily by increased demand for mortgage and auto loans. During the year, we produced more than 30,244 loans, helping our members achieve their dreams of homeownership, reliable transportation, and more.

Deposits also experienced healthy growth, increasing by 15.33% to reach \$3.521 billion. This growth underscores the confidence members have in our ability to safeguard their funds and provide competitive financial solutions.



CONSOLIDATED INCOME STATEMENT

	2024	2023
Total Interest Income	\$202,769,496	\$139,552,461
Total Interest Expense	82,495,681	42,546,022
Net Interest Income	120,273,815	97,006,439
Provision for Credit Losses	20,172,885	6,422,745
Net Interest Income After Provision	100,100,930	90,583,694
Total Non-Interest Income	45,866,230	45,953,374
Total Operating Expense	105,614,049	88,131,944
Income/(Loss) from Operations	40,353,111	48,405,124
Non-Operating Gain/(Loss)	3,617,640	9,459,123
Net Income	\$ 43,970,751	\$ 57,864,247

A major highlight of the year was the successful merger with Lowland Credit Union, which brought \$139 million in additional deposits, \$61 million in loans, and more than 9,000 new members into our Credit Union family. This merger has strengthened our financial position and broadened our ability to serve more members and communities. The Credit Union ended the year with 217,657 members, an increase over the prior year of 8.85%.

Our capital position remains a cornerstone of our financial stability. We are proud to report that with a regulatory net worth ratio of 11.06%, we remain well above the National Credit Union Administration's (NCUA) "well-capitalized" minimum of 7.00%, ensuring that the Credit Union is prepared to meet future challenges and seize new opportunities.

CONSOLIDATED STATEMENT OF CONDITION

ASSETS	2024	2023
Cash & Cash Equivalents	\$335,076,367	\$194,895,607
Total Investments	265,291,013	313,275,743
Gross Loans	3,445,843,564	3,042,206,473
Allowance for Credit Losses	(36,118,013)	(28,076,252)
Net Loans	3,409,725,551	3,014,130,221
Accrued Interest Receivable	13,699,014	10,856,756
Total Fixed Assets	79,441,237	66,440,752
Total Other Assets	75,039,207	48,691,918
Total Assets	\$4,178,272,389	\$3,648,290,997
LIABILITIES & MEMBERS' EQUITY		
LIABILITIES		
Total Deposits	\$3,521,144,811	\$3,053,041,684
Borrowed Funds	160,000,000	160,000,000
Total Other Liabilities	41,097,796	37,101,098
Total Liabilities	3,722,242,607	3,250,142,782
MEMBERS' EQUITY		
Total Members' Equity	456,029,782	398,148,215
Total Liabilities & Equity	\$4,178,272,389	\$3,648,290,997

These achievements would not be possible without the dedication of our leadership team, employees, and the unwavering support of our members. Thank you for your trust in our Credit Union and for being part of our shared success.

FINANCIAL EDUCATION

ORNL Federal Credit Union made significant strides in advancing financial education across our 19-county service area. With a mission to empower our communities by providing the knowledge and tools for financial success, ORNL FCU's educational programs reached over 2,000 individuals in 2024, equipping them with essential skills needed to navigate today's complex financial landscape.

We hosted over 40 in-person financial workshops, providing hands-on learning experiences tailored to meet a wide array of financial needs, from budgeting basics to fraud and scam prevention to credit repair and management. These workshops spanned diverse locations, ensuring that community members in all corners of our service area had access to valuable financial guidance and literacy.

The commitment to community education goes beyond the numbers. We dedicated over 100 hours to developing and delivering these programs, reflecting our deep-rooted belief in the transformative power of financial wellness. Partnerships played a pivotal role in amplifying this impact. Collaborating with more than 20 organizations, including schools and nonprofits, ORNL FCU has been able to extend the reach and relevance of our programs, fostering an inclusive and supportive environment for learning.

ORNL FCU's investment in financial literacy is about more than education—it's about creating brighter financial futures and stronger communities. Each workshop and partnership brings us closer to a community where financial well-being is within everyone's reach. As we move forward into the new year, ORNL FCU remains dedicated to evolving and expanding our educational efforts to serve even more members of our community in the years to come.

2,000
People served in 2024
(184% increase
from 2023)



40
In-person financial
workshops hosted



111
Hours devoted to
financial workshops



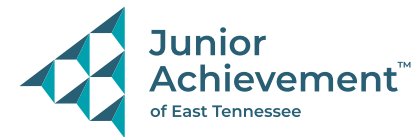
20
Partnerships with
organizations in
our service area

22
Individuals served
through financial
counseling (4 of which
became members)



COMMUNITY IMPACT

At ORNL FCU, our mission goes beyond providing financial services—we're dedicated to building stronger communities. We believe in the power of people helping people, which is why we actively support initiatives that make a meaningful impact. Through volunteerism, charitable giving, and partnerships with local organizations, we strive to uplift those we serve. Whether it's hosting financial literacy workshops, supporting disaster relief efforts, or funding community development projects, we're committed to making a difference where it matters most—right here at home.



Total Charitable Giving:
\$500,000+



ORNL FCU IN OUR COMMUNITY



HURRICANE HELENE DISASTER RELIEF

Hurricane Helene brought unexpected devastation to East Tennessee, particularly in the Newport area, where heavy rainfall and strong winds led to widespread flooding, power outages, and infrastructure damage. As residents struggled to recover from the storm's impact, ORNL Federal Credit Union stepped in to provide critical support to those in need.

Understanding the immediate need for clean water, ORNL FCU provided over 4,000 gallons of water to the Newport community, ensuring that families had access to this essential resource. Beyond providing emergency supplies, the Credit Union also implemented relief programs aimed at helping those affected by the hurricane. These initiatives included financial assistance resources, flexible payment options, and waived ATM fees, easing the financial burden on residents during this difficult time.

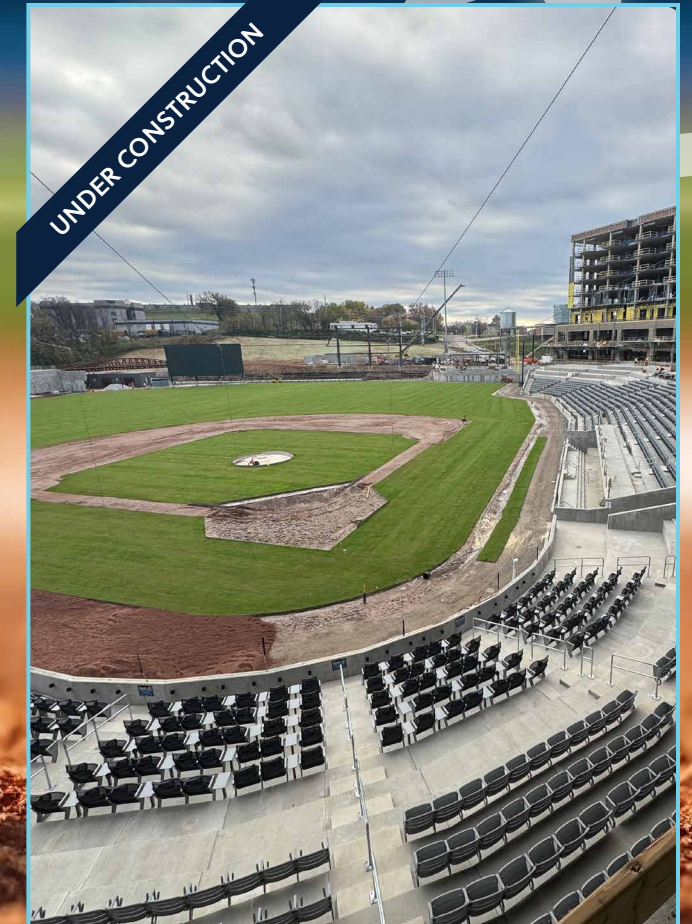
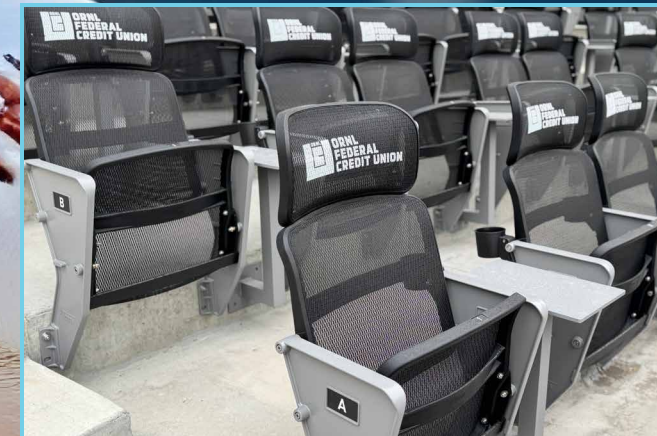
ORNL FCU's swift response demonstrated its commitment to the community, reinforcing its role as more than just a financial institution but a true partner in times of crisis. As Newport and other regions continue to recover, the support provided by organizations like ORNL FCU remains a vital part of the rebuilding process.



KNOXVILLE SMOKIES PARTNERSHIP

In 2024, ORNL Federal Credit Union agreed to a multi-year partnership with the Knoxville Smokies minor league baseball team. A long-standing sponsor of the Smokies, the Credit Union's newest collaboration with the team is a testament to its commitment to the revitalization of the downtown Knoxville area, including along Jackson Avenue in the Old City.

In the spring of 2025, the team will make its debut at the new state-of-the-art Covenant Health Park, situated within the Magnolia Avenue Warehouse District east of the Old City. Prior to its move to downtown Knoxville, the team played in Kodak as the Tennessee Smokies from 2000-2024.



CREDIT UNION AWARENESS & ADVOCACY

We are committed to raising awareness and advocating on legislative and regulatory issues that impact ORNL Federal Credit Union, our membership, the communities that we serve, and the financial services industry. Our goal is to keep the credit union industry strong at federal, state, and local levels.

CREDIT UNION COMMUNITY

ORNL FCU is a proud member of the Tennessee Credit Union League (TCUL) and America's Credit Unions. We participate in concentrated advocacy efforts several times a year in Washington D.C., joining our peers and colleagues in discussions with lawmakers that protect credit unions and our members.

SENATE AND HOUSE OF REPRESENTATIVES

There are currently nine congressional districts in the state of Tennessee. ORNL FCU has members located in each of these districts.

The state of Tennessee has more than 2.1 million credit union members, including the over 217,000 ORNL FCU members who live in Tennessee.

ORNL FCU IS A PROUD MEMBER OF:

**America's
Credit Unions**

TENNESSEE
Credit Union League



2024 Hill Visit with Congressman Tim Burchett Washington, DC



AWARDS & RECOGNITION



WINNER: Person of the Year, Kim Kear
WINNER: Credit Union
WINNER: Top Employers Overall Leadership
FINALIST (2nd): Mortgage Lending Company
FINALIST (3rd): Investment Firm



FINALIST (2nd): Best Credit Union
FINALIST (3rd): Top Employers Overall Leadership

THE FINANCIAL BRAND



#54 of Top 100 CUs Using Social Media
#46 of Top 100 CUs on Facebook
#28 of Top 100 CUs on X
#25 of Top 100 CUs on Instagram
#54 of Top 100 CUs on YouTube



WINNER: Executive Leadership (C-Suite)
 Kristin Robertucci, Chief Financial Officer
FINALIST: Credit Union Rising Star
 Taylor Martin, Financial Education Coordinator
FINALIST: Credit Union Innovation in Tech

CITYVIEW
 Best of the Best 2024

GOLD (1st)
Credit Union: Personal
Credit Union: Business
Wealth Planner
Financial Advisor

SILVER (2nd)
Mortgage Company
Financial Planning
Title Insurance
 7 Title

BRONZE (3rd)
Place to Work
 (500+ Employees)
Real Estate Title Company
 7 Title

SOCIAL MEDIA

Facebook Followers: 30,929

X Followers: 5,590

Instagram Followers: 7,262

YouTube Subscribers: 1,200
 YouTube Views: 3,387,831

Thread Followers: 1,193

LinkedIn Followers: 4,022

TikTok Followers: 955





 [ornlfcu.com](https://www.ornlfcu.com)

221 S. Rutgers Avenue, Oak Ridge, TN 37830 • 865.688.9555 • Toll Free 800.676.5328

Federally insured by NCUA. Equal Housing Lender.



2024 SUPERVISORY COMMITTEE REPORT

As volunteers appointed by the ORNL Federal Credit Union Board of Directors, it is the Supervisory Committee's responsibility to provide the membership with an independent evaluation of the Credit Union's financial condition. This supervision includes engaging with independent third-party audit firms and overseeing the internal audit program to ensure that financial and operational integrity remains strong. The Supervisory Committee meets regularly to govern and review the Credit Union's audit operations.

Collaborating with external audit firms, including those specializing in information technology and commercial lending, ensures compliance with regulations and Generally Accepted Accounting Principles (GAAP). In 2024, Doeren Mayhew, a

nationally-recognized audit firm, conducted the annual financial statement audit, resulting in a clean opinion.

The internal audit program provides an essential, ongoing risk-based review encompassing internal control assessments, financial transactions, compliance, branch processes, deposit accounts, member loans, and key operational areas such as the Anti-Money Laundering Program.

The committee is pleased to report that ORNL Federal Credit Union maintains a strong financial position and demonstrates a commitment to sound management and compliance.

2024 NOMINATING COMMITTEE REPORT

There are four positions on the Board of Directors to be filled in 2025; three are for three-year terms and one is for a one-year term.

The ORNL Federal Credit Union Nominating Committee reviewed the qualifications of members who submitted their names for consideration as candidates for the Board of Directors. We hereby nominate the following four individuals for the positions to be filled by board appointment at our Credit Union's 77th Annual Meeting on March 13, 2025:

The three-year term nominees are **David Mandl**, **Sam McKenzie**, and **James Payne**.

The one-year term nominee is **Mary Beth Blair**.

There were no candidate petitions filed with the Credit Union this year.

Respectfully submitted,
Joel Pearman
Nominating & Election Committee Chair

MINUTES OF THE 76TH ANNUAL MEETING

1. CALL TO ORDER

a.) **Welcome:** The 76th Annual Meeting of ORNL Federal Credit Union (operating under NCUA Charter No. 5797, issued August 6, 1948) was called to order at 6:00 PM by Board Chair Randy Gorman. Mr. Gorman stated that the meeting will be held following Article Four of the Credit Union Bylaws and includes all items required by the NCUA. The meeting would be conducted in adherence with Robert's Rules of Order, with Wendy Ward, Chief Counsel, serving as Parliamentarian.

b.) **Quorum Determination:** Mr. Gorman announced that a sufficient number of members were present to constitute a quorum.

2. MINUTES OF THE 75TH ANNUAL MEETING

A motion was made, seconded, and passed to approve the minutes of the 75th Annual Meeting held on March 23, 2023. The meeting minutes could be found in the Annual Report supplement that was given to attendees.

3. ANNOUNCEMENT OF BOARD MEMBERS

Current Board Member Recognition: Mr. Gorman introduced the current Board of Directors, Supervisory Committee members, and Nominating Committee members as listed in the Annual Report and thanked them for their service.

4. REPORT OF THE SUPERVISORY COMMITTEE

Supervisory Committee Vice Chair Gerald Smith presented the Supervisory Committee report. Mr. Smith stated that the purpose of the Supervisory Committee was to ensure that the Credit Union's financial records were in order and the necessary internal controls were in place to protect the members' assets. The Supervisory Committee engaged with an independent external audit firm, Nearman, Maynard, Vallez, CPAs, to complete the financial statement audit as of June 30, 2023. ORNL Federal Credit Union received a clean opinion audit report that was submitted to the Board of Directors and executive leadership. Mr. Smith noted that key

MINUTES OF THE 76TH ANNUAL MEETING (CONT.)

2023 accomplishments included a review of the Credit Union's digital banking program, information technology security assessments, and conversion to a new audit software. The Supervisory Committee, as directed by the NCUA, is also responsible for the review and response to member complaints. Mr. Smith was pleased to report the Credit Union continued a tradition of excellent financial management and compliance.

5. TREASURER'S REPORT

Board Treasurer Pam Ladd presented the Treasurer's Report for 2023. Ms. Ladd reported that the Credit Union remains strong and stable, with a solid financial foundation that allows for serving the financial needs of our members across the 19-county charter area. In 2023, membership expanded by over 5%, and the year ended with 199,965 members.

Ms. Ladd shared that assets have grown by 16.5% to \$3.65 billion due to a focus on meeting the borrowing needs of our members. The loan portfolio expanded by 19% to reach \$3.04 billion. Ms. Ladd stated that the Credit Union remained committed to supporting members' financial goals and dreams through competitive deposit rates and products, total deposits have increased by 11.1% to \$3.05 billion. Ms. Ladd reported a tangible demonstration of the not-for-profit model through the \$36 million in the form of dividends returned to the members in 2023. The capital position of the Credit Union remains strong with a capital ratio of 11.29% which is above the NCUA's required minimum of 7%. These strong achievements are a direct result of the dedication to the members and the mission of the Credit Union.

6. REPORT OF THE NOMINATING COMMITTEE

Nominating Committee Chair Debbie Stairs presented the Nomination and Election Committee report. The Nominating Committee submitted the names of three members as candidates for the three available positions on the Board of Directors. The nominees selected to fill the three three-year terms were Randy Gorman, Jama Hill, and Leigha Justice. A motion was made, seconded, and passed to approve the nominees to the Board.

7. REPORTS

a.) **Chair Report:** Mr. Gorman pointed out that the Chair's report could be found in the Annual Report and asked if there were any questions concerning the report.

b.) **President's Report:** Mr. Gorman introduced Ms. Vipperman, President and CEO of the Credit Union, and provided her bio to the attendees. Ms. Vipperman introduced the Executive Leadership Team by name and title. Ms. Vipperman shared that the performance results of the Credit Union are directly related to the efforts of the Executive Leadership Team. Ms. Vipperman provided several accomplishments from the past year such as the creation of a new line of business, *7 Servicing*, as part of the wholly owned CUSO, *7, LLC*. This will allow the Credit Union to maintain members' loans and provide a higher

level of service to the membership. It will also be possible to provide this service to other credit unions that may not have the size or scale to do so. Ms. Vipperman reported that the special dividend payout totaled over \$5 million in 2023 and included an auto title giveaway. Ten fortunate members were randomly drawn to have their auto loan paid in full and the Credit Union also provided the funds to cover the taxes owed. Ms. Vipperman reported that the dividend program will be updated to provide giveback throughout the year. One example is a free checking account with a 4% dividend rate with no minimum balance or monthly fees. Billboards and other forms of advertising are being utilized to bring awareness to current members and the community we serve. Another part of this program was reducing the courtesy pay and NSF fees by \$10 and \$20 respectively.


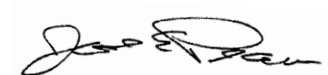
Ms. Vipperman provided an update on the planned merger with Lowland Credit Union located in Morristown, TN. The merger is planned to close on May 1, 2024, and ORNL Federal Credit Union will gain 33 employees, three additional branches, 9,000 members, and approximately \$140 million in assets.

Ms. Vipperman reiterated that service is at the core of our model as a financial cooperative, leading the Credit Union to revamp the member and employee survey process. At the beginning of March, over 150,000 member surveys were distributed. To date over 6,000 surveys have been returned with member service feedback. Ms. Vipperman encouraged members to return the survey to let their voices be heard. For those who have not received a survey, the remainder of the membership will be surveyed later in the year. Ms. Vipperman shared that the Credit Union will continue to invest in first-class service for our members.

7. OLD BUSINESS. None.

8. NEW BUSINESS. None.

9. ADJOURNMENT. There being no further business, Mr. Gorman called for a motion to adjourn the meeting at 6:18 PM.

	02/13/2025
Randy Gorman, Board Chair	Date
	02/13/2025
Joel Pearman, Secretary	Date