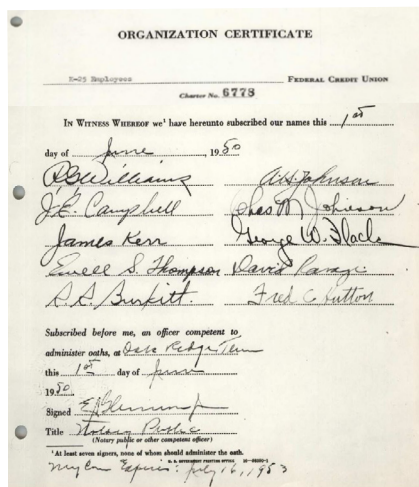


73rd Annual Meeting of Enrichment Federal Credit Union



June 13th, 2023 marks the 73rd anniversary of Enrichment Federal Credit Union, originally chartered as the K-25 Employees Federal Credit Union. The original charter was signed by 10 members.



We are grateful to you, our members, who have made the Credit Union what it is today and you are our future.

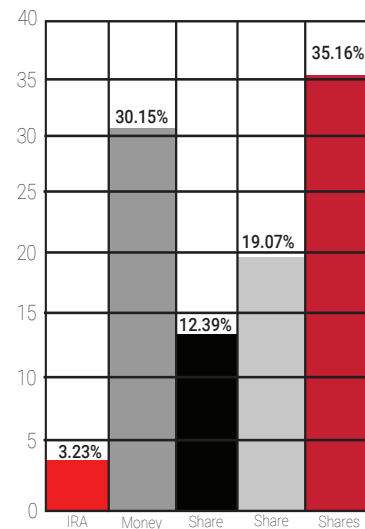
Board Chairman & CEO Report

Today's financial services world is extremely competitive, and Enrichment is in a geographic area that is more competitive for credit unions than most any area of the country. In the face of such competition, we continue to grow and provide outstanding service to our membership.

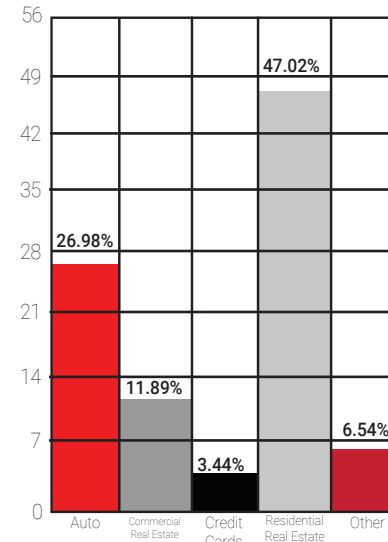
Financial Strength to Serve and Support Members

- Total assets increased to \$779 million, a \$10 million increase from year-end 2021 and a \$320 million increase since 2017.
- Net worth increased to 9.36% from 9.04% at year-end 2021. This is the ratio of retained and undivided earnings to assets.
- Outstanding loan balances increased to \$580 million, bolstered by record new loan volume of \$281 million.
- Loan-to-share ratio increased to 82.41% from 74.22% at year-end 2021. This means for every dollar deposited we are loaning out approximately 82 cents.

Distribution of Shares



Distribution of Loans



Digital Enhancement and New Services

Your credit union works hard to continuously deliver new and better products and services. Our digital services continue to increase in use and popularity - in 2022, members visited online and mobile banking more than 5 million times with total logins up 22% compared to 2021. Digital enhancements implemented in 2022 include:

- **Centralized lending:** With more than 90% of our consumer loan applications originating from our website or over the phone, we realized the need for a consumer lending solution that met our members desire for digital loan services while also providing a personal touch. Centralized lending was implemented on April 4, 2022 and resulted in record new loan volume.
- **Remote Loan Closings:** Another service that we added in 2022 to simplify members' lives was remote (digital) loan closings. Now, every type of loan Enrichment offers, from auto loans to commercial loans, can be closed digitally. Members can close any loan without ever leaving their home.
- **Video Chat:** Whether members are applying for a loan or needing to transfer funds from one account to another, they now have the option to have a face-to-face conversation with an employee without visiting a branch. With our new video chat feature, members can speak directly with employees from their mobile device or computer.

The successful implementation of these new services, and improvements to existing services, were made possible by our remarkable employees who staff our branches and consistently deliver exceptional member service to our members.

Community Outreach and Giving Back

Supporting the communities where our members live and work is a core value of credit unions and the foundation of Enrichment's outreach efforts. Below is a snapshot of how you, our members, supported your communities through voting in our Community Enrichment Program throughout the year.

2022 Year-End Charitable Contribution Amounts			
Organization	Count	Percentage	Amount Received
Alzheimer's Foundation of East Tennessee	135	7.96%	\$ 7,959.91
Boys & Girls Club of Tennessee Valley	62	3.66%	\$ 3,655.66
CASA of the Tennessee Heartland	72	4.25%	\$ 4,245.28
Catholic Charities of East Tennessee	29	1.71%	\$ 1,709.91
Choices Resource Center	46	2.71%	\$ 2,712.26
Down Syndrome Awareness Group	100	5.90%	\$ 5,896.23
East Tennessee Children's Hospital	140	8.25%	\$ 8,254.72
Free Medical Clinic of Oak Ridge	75	4.42%	\$ 4,422.17
Girls, Inc.	64	3.77%	\$ 3,773.58
Habitat for Humanity of Knoxville	50	2.95%	\$ 2,948.11
Imagination Library	95	5.60%	\$ 5,601.42
Leukemia & Lymphoma Society	76	4.48%	\$ 4,481.13
Mission of Hope	111	6.54%	\$ 6,544.81
Oak Ridge Children's Museum	92	5.42%	\$ 5,424.53
Operation R.E.A.C.H.	94	5.54%	\$ 5,542.45
Pediatric Brain Tumor Foundation	95	5.60%	\$ 5,601.42
Pull for our Vets Foundation	84	4.95%	\$ 4,952.83
Relay for Life	98	5.78%	\$ 5,778.30
Second Harvest Food Bank	106	6.25%	\$ 6,250.00
Shangri-La Therapeutic Academy of Riding	42	2.48%	\$ 2,476.42
United Way	30	1.77%	\$ 1,768.87
Total Responses	1,696	100.00%	\$ 100,000.00

Thank you for trusting Enrichment as your financial partner!

Treasurer's Report

For 2022, your Credit Union finished the year with record assets, record loans, and record deposits. At December 31, 2022 the Credit Union had total assets of \$779 million, an increase of \$10 million, or 1.40% over the prior year.

Loans

During 2022, the Credit Union originated \$281 million in new loans and ended the year with total loans outstanding of \$580 million, an increase of \$60 million, or 12% over the prior year. As of December 31, 2022 the Credit Union's loans-to-share ratio is 82.41%. This means that for every \$1 dollar deposited, the Credit Union is loaning out 82 cents. This is how we measure our mission to "loan money to members for provident purposes."

Deposits

Member deposits increased to \$704 million as of December 31, 2022, an increase of \$3 million, or 0.65% over the prior year. Your Credit Union always seeks to maintain competitive deposit rates. We review our rates each month and change them as needed to remain competitive.

Members

The Credit Union added 3,319 new members during 2022, ending the year with 44,732 members.

Profitability

Your Credit Union continues to be a well-capitalized credit union, ending 2022 with a net worth ratio of 9.36%. This increased from 9.04% at year end 2021.

Financial Report

Statement of Financial Condition

	2022	2021
Assets		
Loans	\$580,138,689	\$519,998,091
Allowance for Loan Losses	(410,260)	(529,423)
Cash on hand	6,417,532	6,863,956
Investments	173,397,568	220,443,466
Property & Equipment	13,607,560	13,842,634
Other Assets	6,796,287	8,552,601
Total Assets	\$779,947,377	\$769,171,325
Liabilities & Net Worth		
Accounts Payable	\$2,992,007	(\$1,008,971)
Members Deposits	703,986,642	700,611,503
Total Liabilities	706,978,649	699,602,082
Members Equity	72,968,727	69,569,243
Total Liabilities & Net Worth	\$779,947,377	\$769,171,325

Statement of Income & Expense

Operating Income		
Interest on Loans	\$20,477,008	\$20,070,399
Interest on Investments	(10,674)	2,043,336
Other Operating Income	4,490,569	4,383,495
Total Income	26,782,871	28,902,024
Operating Expenses		
Compensation & Benefits	\$9,193,844	\$9,363,276
Office Occupancy	1,230,707	1,168,572
Office Operations	1,625,333	1,520,188
Education & Promotion	575,686	618,814
Loan Servicing	297,110	725,203
Professional & Outside Services	5,244,864	4,480,716
Provision for Loan Losses	247,223	(424,216)
Examination Expense	118,745	125,694
All Other Operating Expenses	539,505	423,571
Total Operating Expenses	\$19,073,018	\$18,001,594
Member Dividend Expense	2,515,672	2,740,500
Interest on Borrowed Money	-	(479)
Non-operating (gain) loss	-	-
Net Income	\$5,194,181	\$8,159,450

Supervisory Committee Report

The Supervisory Committee is responsible for ensuring that the Board of Directors and management of the Credit Union:

- (1) Meet required financial reporting objectives and,
- (2) Establish 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 safe guard against error, conflict of interest, self-dealing and fraud.

Your Supervisory Committee is comprised of dedicated volunteers who are not employees of the Credit Union. In 2022 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, 2022 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.

**Official Minutes of the 72nd Annual Meeting
of Enrichment Federal Credit Union**



March 25, 2022

The 72nd Annual Meeting was called to order by Mr. Rick Benson, Chairman, in Oak Ridge, Tennessee on March 25, 2022, 6:05 P.M.

The following directors were present: Rick Benson, Ted Young, and Dwight Potter, Steve Braden, Beth Fee, and John Clayton.

Supervisory Committee, Scot Wunningham, Deb Szwarc, and Aimee Barret.

Office personnel and Credit Union members.

Credit Union management was also present.

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

Mr. Benson welcomed everyone to the 72nd Annual Meeting of Enrichment Federal Credit Union.

The motion was made and seconded to approve the Minutes from the 71st Annual Meeting. Motion carried.

Mr. Benson recognized the outstanding leadership of our Executive team: Craig Peters, Becky Woody, Jeremy Hodges, Mike Hayes, and Beth Chancey and thanked them for continued dedication and service to the Credit Union. He also recognized Mr. Scot Wunningham, Supervisory Committee Chairman, and his committee for their work as volunteers.

Mr. Benson stated that annual exams and audits performed over the last year found the Credit Union to be in a sound and stable financial condition.

An audio visual presentation highlighting the year 2021 was presented. Mr. Peters recognized Kelley O'Dell for her work on the Annual Meeting and the audio-visual presentation.

The Credit Union and its employees continue to stay active and involved in our communities as sponsors, organizers, contributors, and volunteers. Some of these activities included the Community Enrichment Program, Annual Shred Days, American Red Cross, East Tennessee Children's Hospital, Girl's Inc., Gloves of Love, Relay for Life, Susan G. Komen Race for the Cure, and the Down Syndrome Awareness Group's Buddy Walk. The Credit Union also has continued its "Enrich your Future" Scholarship program, giving away 6 college scholarships in 2021.

Mr. Ted Young went over the Treasurer's Report and Statement of Financial Condition as of December 31, 2021. There were not any questions asked. The motion was made and seconded from the floor to approve the Treasurer's Report. Motion carried.

Mr. Scot Wunningham, Chairman of the Supervisory Committee went over the 2021 Supervisory Committee Report. Mr. Wunningham thanked his Committee and the Internal Audit Department of Enrichment Federal Credit Union for their support and diligence over the past year. Mr. Wunningham reported that each division of the Credit Union fully carried out the policies and procedures during 2021. He reported that members should have confidence in the safety, soundness and security of the Credit Union. The motion was made and seconded from the floor to approve the Supervisory Committee Report. Motion carried.

There was no Unfinished Business to discuss.

There was no New Business to discuss.

Mr. Peters answered questions from registrants' entries.

Mr. Benson introduced the Nominating Committee members: Mr. Dwight Potter, Mr. Mickey Calfee, and Mr. Dennis Pennington.

Mr. Potter read the Nominating Committee's Letter to Chairman Benson nominating Mr. James Young Jr., and Mr. John Clayton each to a three-year term to the Board of Directors for Enrichment Federal Credit Union. Motion was made and seconded. Motion carried.

At this time, the drawing for prizes began. The Credit Union gave away cash prizes totaling \$500, including a grand prize of \$250 to members of the EFCU Kid's Savings Club.

The final giveaways were cash prizes totaling \$3,000, including a grand prize winner of \$500.

Mr. Benson thanked everyone for their attendance and the meeting adjourned at 6:40 p.m.



Service Locations

Digital Branch
enrichmentfcu.org
or call toll-free
800-482-0049

Oak Ridge Main Office
201 South Illinois Ave.
Oak Ridge, TN 37830
865-482-0045

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

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

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

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

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

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

Halls
7005 Maynardville Pike
Knoxville, TN 37918
865-922-1414

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

