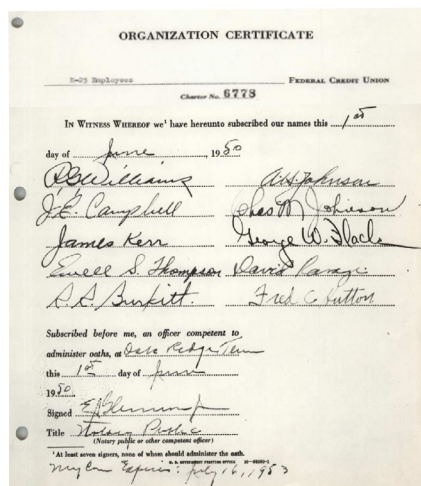


71st Annual Meeting of Enrichment Federal Credit Union



June 13th, 2021 marks the 71st 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 of Directors



Rick Benson
Board Chairman



James M. Young Jr.
Secretary/Treasurer



John Clayton



Tim Stallings



Dwight Potter
Vice Chairman

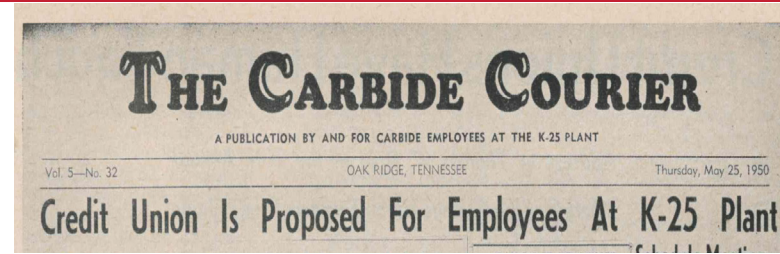


Steve Braden



Beth Fee

Board Chairman & CEO Report



Seventy-one years ago, a small group of blue-collar workers in Oak Ridge, Tennessee started a cooperative to pool their savings and loans. That cooperative became K-25 Employees Federal Credit Union, formed on June 13th, 1950, with 10 employees of the K-25 Gaseous Diffusion Plant. At that time the Credit Union only had one employee working out of a cigar box. Since then, your Credit Union has grown to nine branches, 46,000 members, and assets of \$652 million.

Five years ago, the Credit Union embarked on a plan to overhaul the Credit Union's infrastructure in order to deliver a seamless experience for members as they transact business with us "24 hours a day, seven days a week, anywhere in the world." At the same time, we have made changes to our products and services to be more competitive and to offer you, our members, products that are better suited for your financial needs in this 21st century.

Things have changed significantly in the last 71 years ... and none have been as impactful as the pandemic year of 2020. However, one thing remains true, Enrichment Federal Credit Union is here to serve our members and the surrounding community with exceptional personal service and products that cater to each stage of your life. Everything we do – we do for you!

Supervisory Committee



Aimee Barrett



Scot Winningham
Chairman



Deborah Szwarc

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 which must be sufficient to satisfy the requirements of the Supervisory Committee audit, verification of members' accounts and its additional responsibilities;
- (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.

Your Supervisory Committee is comprised of dedicated volunteers who are not employees of the Credit Union and are appointed annually by your Board of Directors. Your Supervisory Committee meets monthly, and more often if necessary. In 2020 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, 2020 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.

Treasurer's Report

In spite of the Covid-19 pandemic, your Credit Union finished 2020 with record assets, loans, deposits and a near record net income. At December 31, 2020 the Credit Union had total assets of \$652 million, an increase of \$122 million, or 23% over the prior year.

Loans

During 2020, the Credit Union originated \$254 million in new loans and ended the year with total loans outstanding of \$489 million, an increase of \$56 million, or 13% over the prior year. As of December 31, 2020 the Credit Union's loans-to-share ratio is 83.50%. This means that for every \$1 dollar deposited, the Credit Union is loaning out 84 cents. This is how we measure our mission to "loan money to members for provident purposes."

Deposits

Member deposits increased to \$586 million as of December 31, 2020, an increase of \$117 million, or 25% 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 2,616 new members during 2020, a 2.38% increase, ending the year with 46,181 members.

Profitability

Despite Covid-19, the Credit Union finished 2020 with a strong net income of \$5.5 million, slightly down from the record \$5.7 million of 2019. Our 2020 net income was the result of increased loan originations, gains on our investments, and also contributing to 2020 earnings was over \$400,000 in fees earned from participating as an SBA lender in the Federal Government's Paycheck Protection Program loans for small businesses. Your Credit Union continues to be a well-capitalized credit union, ending 2020 with a net worth ratio of 9.44%, well above the 7% considered "well capitalized" by the National Credit Union Administration.

Financial Report

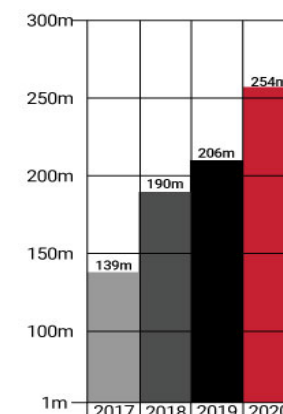
Statement of Financial Condition

	2020	2019
Assets		
Loans	\$489,111,353	\$433,456,225
Allowance for Loan Losses	(1,118,984)	(715,511)
Cash on hand	6,992,506	8,207,654
Investments	134,213,856	66,752,608
Property & Equipment	14,276,444	14,590,293
Other Assets	8,471,333	7,528,138
Total Assets	\$651,946,510	\$529,819,407
Liabilities & Net Worth		
Accounts Payable	\$ 4,654,773	\$ 4,379,889
Members Deposits	585,745,709	469,454,807
Total Liabilities	590,400,482	473,834,696
Members Equity	61,546,028	55,984,711
Total Liabilities & Net Worth	\$651,946,510	\$529,819,407

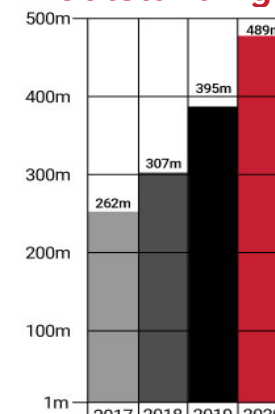
Statement of Income & Expense

Operating Income		
Interest on Loans	19,024,543	\$17,774,280
Interest on Investments	1,975,549	2,486,170
Other Operating Income	5,804,095	6,072,613
Total Income	26,804,187	26,333,063
Operating Expenses		
Compensation & Benefits	9,381,410	8,730,985
Office Occupancy	1,129,605	1,195,055
Office Operations	1,550,527	1,654,754
Education & Promotion	518,724	506,525
Loan Servicing	728,233	661,089
Professional & Outside Services	3,639,128	3,630,552
Provision for Loan Losses	964,397	1,007,712
Examination Expense	112,501	133,997
All Other Operating Expenses	543,566	646,863
Total Operating Expenses	\$ 18,541,092	\$18,167,530
Member Dividend Expense	2,711,210	1,860,248
Interest on Borrowed Money	-	313,024
Non-operating (gain) loss	507	(293,571)
Net Income	\$5,552,393	\$5,698,689

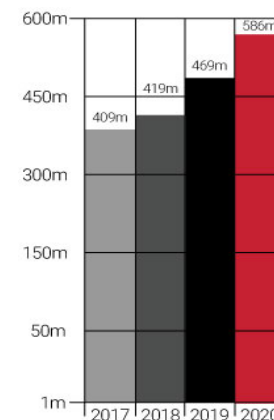
New Loans



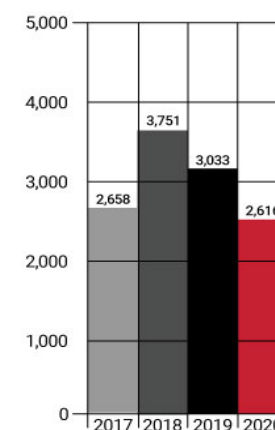
Loans Outstanding



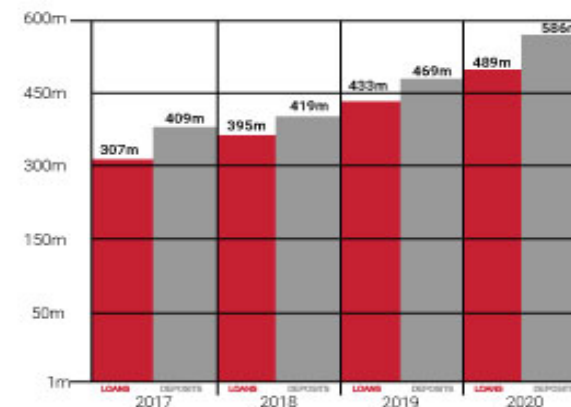
Deposits



Members



Loans vs. Deposits



Member Financial Solutions Made Easy
... anytime from anywhere in the world ...
seamlessly.

June 12, 2020

The 70th Annual Meeting was called to order by Mr. Rick Benson, Chairman, via Zoom, in Oak Ridge, Tennessee on June 12, 2020, 6:00 P.M.

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

Supervisory Committee: Tim Stallings, David Robinson, and Scot Winningham.

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 70th Annual Meeting of Enrichment Federal Credit Union. Mr. Tim Stallings led the invocation.

The motion was made and seconded to approve the Minutes from the 69th Annual Meeting. Motion carried.

Mr. Benson recognized the outstanding leadership of our Executive team: Craig Peters, Nancy Donsbach, John Merritt, Jeremy Hodges, Mike Hayes, and Beth Chancey and thanked them for their continued dedication and service to the Credit Union. He also recognized Mr. Tim Stallings, Supervisory Committee Chairman, and his Committee for their work as volunteers.

Mr. Peters recognized Ms. Donsbach, COO, and congratulated her on her upcoming retirement in July 2020.

An audio visual presentation highlighting the year 2019 was presented. Mr. Benson recognized Britt Tucker, Kelley O'Dell, and Ellora Drinnen for their 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 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 three college scholarships in 2019.

Mr. Ted Young went over the Treasurer's Report and financial statement for the year ended December 31, 2019. There were not any questions asked. The motion was made and seconded from the floor to approve the Treasurer's Report. Motion carried.

Mr. Tim Stallings, Chairman of the Supervisory Committee went over the 2019 Supervisory Committee Report. Mr. Stallings thanked his Committee and the Internal Audit Department of Enrichment Federal Credit Union for their support and work over the past year. Mr. Stallings reported that the Credit Union fully carried out its policies and procedures during 2019. 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. Benson introduced the Nominating Committee members: Mr. Ted Young, Mr. Mickey Calfee, and Mr. Dennis Pennington.

Mr. Young read the Nominating Committee's Letter to Chairman Benson nominating Ms. Patsy Hamby, Ms. Beth Fee, and Mr. Rick Benson 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 two Amazon Kid's Fire Tablets to members of the EFCU Kid's Savings Club.

The final giveaways were cash prizes totaling \$3,000, including two grand prize winners of \$500 each.

Mr. Benson thanked everyone for their attendance and the meeting adjourned at 6:38 p.m.



Service Locations



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800-482-0049

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

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

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

North Knoxville
5201 Schubert Rd.
Knoxville, TN 37912
865-688-0866

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

Northshore
9219 S. Northshore Dr.
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 St.
New Tazewell, TN 37825
423-626-5505

