



ANNUAL REPORT

Tennessee Members 1st Federal Credit Union
For year ending December 31, 2025.

MINUTES

of the last meeting

CALL TO ORDER: Gary (board chair) welcomed attendees and called the meeting to order. Once the meeting is called to order, Gary asked Linda (secretary) if there was a quorum. Linda announced, yes, there was a quorum. Gary announced that the agenda is included within the Annual Report and asked if there were any objections to adopting the agenda. The agenda was adopted by acclamation.

APPROVAL OF MINUTES: Gary asked for a motion and a second to approve the Minutes from the 77th Annual Meeting. The Minutes could be found on pages 3 and 4 of the Annual Report and a brief outline was shown on screen. Members made a motion and a second and the minutes were approved by voice vote.

BOARD CHAIR REPORT: Gary recognized the Board Members and provided the Chairperson's Report, referencing the Annual Report, page 5, for full remarks. When finished with their report, Gary introduced Don for the Supervisory Committee Report. Don recognized the Supervisory Committee and gave the Supervisory Committee report, which can be found on page 6 of the Annual Report. Gary introduced Rick for the President & CEO report. Rick gave the President & CEO report including staff recognition, donation amount for community donation to Free Medical Clinic (based on in person attendance at Annual Meeting - \$680), and review of any financials. Financials are available on pages 9 and 10 of the Annual Report. Rick opened the floor for questions and comments. A member asked about the upcoming changes to credit cards and what that would look like for membership.

OLD & NEW BUSINESS: Gary announced there is no old business. Gary announced the new business is the election of four Board Members and introduced Pam from the Nominating Committee to share the slate. Pam (Nominating Committee) shared the slate of nominations. Full nominee biographies are available on pages 7 and 8 of the Annual Report. Gary asked for a motion to approve the nominees. Members made a motion and a second and the nominees were approved by voice vote. Gary welcomed the new board members and turned over the door prize announcements to Richelle. Richelle introduced the door prizes, including the member testimonial door prize that continues through the end of the night. Gary drew and announced names from the gold door prize drum. Door prizes were handed out.

ADJOURNED: Gary asked for a motion to adjourn. Members made a motion and a second and adjournment was approved by voice vote. Meeting adjourned and members were thanked for attendance.

Report from the

BOARD CHAIR

While the world was focused on the end of minting pennies and art thefts in Paris, Tennessee Members 1st remained focused on helping members move forward with their finances. Throughout 2025, we continued efforts to strengthen and grow not only our product and service offerings to you - our members - but also the communities we serve. Throughout 2025, we:

- Transitioned our credit card offerings to a new system, providing more card options, 24/7 cardmember service, mobile purchasing capability, and more.
- Implemented the Nudge Money platform within digital banking, allowing members to get a broad picture of their financial wellness across their accounts – at TN Members 1st and other financial institutions - all in one place, along with tips and strategies to help meet their financial goals.
- Partnered with CU Wealth Group, providing our members with experienced, dedicated advisors to provide financial advice and investment management.
- Worked with 13 Community Partners throughout the year to share their mission with our members through platforms like social media, in branch displays, and our 4th Annual Community Day, helping to amplify the important work they do right here in East Tennessee.
- Established the credit union's Advisory Board, a volunteer board made of individuals who represent our service area, to help guide the credit union's mission and work as a Community Development Financial Institution.
- Invested over \$31,000 into our membership and service counties through sponsorships, donations, and local event support, alongside our community partners.

Our efforts to support and identify ways to help our members and community continue as we look into 2026 and celebrating our 80th anniversary as your local credit union. We're here to help you save with ease, borrow with confidence, and receive the service you expect and deserve.

-Gary Beckner, 2025 Board Chair

Report from the

SUPERVISORY COMMITTEE

The Supervisory Committee reports that the Credit Union's financial position is strong and it continues to operate in compliance with regulations and good business practices. An audit of the Credit Union's financial statements was performed in accordance with Generally Accepted Auditing Standards by Doeren Mayhew (Certified Public Accountants). The Supervisory Committee has not discovered any irregularities. We believe that the Board, management, and staff are willing and able to serve members well. The Supervisory Committee is also pleased to report that the members' assets are safe and secure.

-Cathie Burgin, 2025 Supervisory Committee Chair

Board of Directors

CANDIDATE BIOGRAPHIES

Nancy Braden

A member of the credit union since 2025, Nancy works as a Payroll Specialist at ORAU in Oak Ridge and has been at her job for 33 years. She has coached baseball in Oak Ridge and Clinton, where she served as the Director of t-ball for over 10 years. She likes spending time with her family and has thirty grandchildren and great-grandchildren.

Daniel Hoag

A member of the credit union for 35 years, Daniel Hoag is a retired Federal employee who worked for the Department of Energy for 34 years. He was in a senior leadership position at the Y-12 Site Office for over 20 years and served in a Senior advisory position at the ORNL Site Office for over 7 years. During his Federal career, he served in many leadership advisory capacities in support of advancing the NNSA and Office of Science missions. He routinely participated in numerous senior-level committees and teams and collaborated with other professionals within the DOE system to strengthen and improve Department of Energy policies and processes. Since retirement, Daniel has provided consulting services to the Oak Ridge National Laboratory high-speed computing projects to aid in the successful completion of important, mission-critical projects. Daniel has lived in the Farragut community for over 35 years, has been active in the CBFO softball organization, is currently a member of Grace Lutheran Church, and enjoys outdoor activities such as golf and boating.

Layton Neville Howell Jr.

Neville Howell was born in Knoxville, TN, and except for military service, has been a lifelong resident of the area. He attended the University of Tennessee (UT) in Knoxville, graduating from the College of Engineering with a Bachelor of Science in Engineering Science and Mechanics. While at UT, he was a cadet in the Air Force Reserve Officer Training Corps (ROTC) and, upon graduating, was commissioned as a Second Lieutenant in the United States Air Force. After leaving active duty in the Air Force, Neville was hired at the K-25 Plant in Oak Ridge, TN, as a mechanical design engineer, and while there, obtained his Professional Engineer's license. After five years at the K-25 plant, he was transferred to the Y-12 facility, where his first assignment was as a Product Engineer. He then had a series of assignments, including department head, project manager, and program manager. For the last 8 years of his career, Neville was a section manager in the Y-12 Development organization. Neville married Sherri Gardner Howell, a columnist and later an assistant managing editor, for the Knoxville News-Sentinel. They had two children and were blessed with four grandchildren. Community-related, Neville was a member of the Tennessee Jaycees and served as president of the Farragut chapter. For approximately 15 years, he was heavily involved in youth soccer and served as an officer in the Smoky Mountain Soccer Club. He supported his wife, Sherri, in many of her civic activities, including serving as Chairperson of the Blount County United Way Campaign, the Pellissippi State Community College Foundation, and others. Neville retired from Y-12 in 2014 after 40 years of employment. Currently, his most passionate hobbies are golf and traveling.

Commitment to COMMUNITY

Created as a way to share our mission through engagement, education, and growth, our Commitment to Community Initiative focuses on partnering with local organizations to make a difference through charitable giving and program support. 2025 was a year of growth and organization for our Commitment to Community Initiative as we worked to increase collaboration between the credit union, our partners, and our membership.



**13 COMMUNITY
PARTNERS**



reaching

**9 COUNTIES &
42 ORGANIZATIONS**



**OVER \$30,000
IN DONATIONS &
SPONSORSHIPS**

*to community partners, local
organizations, and events.*

Our 2025

COMMUNITY PARTNERS



VOLUNTEER WITH THE CREDIT UNION

Volunteers are an important part of the credit union and help drive our mission forward. We have several volunteer opportunities for members to participate in and would love to learn what area interests you or is a good fit with your experience and expertise. Contact the credit union at 865-482-4343 or stop into your local branch to learn more.

BALANCE SHEET

ASSETS

	2025	2024
LOANS TO MEMBERS	\$45,870,221	\$44,038,257
ALLOWANCE FOR CREDIT LOSS	(\$464,130)	(\$250,890)
OTHER RECEIVABLES	\$323,442	\$334,415
LIQUID FUNDS	\$2,279,374	\$2,111,739
INVESTMENTS	\$44,107,780	\$44,034,048
ACCRUED INCOME	\$390,205	\$359,631
PREPAID EXPENSES	\$135,108	\$146,546
FIXED ASSETS	\$1,706,830	\$1,751,912
OTHER ASSETS	\$3,892,557	\$3,441,044
TOTAL ASSETS	\$97,851,183	\$95,966,700

LIABILITIES

TAXES PAYABLE	\$22,493	\$29,138
ACCRUED EXPENSES	\$144,693	\$158,394
BORROWINGS	\$1,547,334	\$0
OTHER LIABILITIES	\$831,978	\$291,469
TOTAL LIABILITIES	\$2,546,498	\$479,001

EQUITY

SHARES	\$87,012,188	\$89,051,791
RESERVES	\$11,319,704	\$10,924,655
UNREALIZED GAIN (LOSS) ON INVESTMENTS	(\$3,027,207)	(\$4,488,747)
TOTAL EQUITY	\$95,304,685	\$95,487,700
TOTAL LIABILITIES & EQUITY	\$97,851,183	\$95,966,700

INCOME STATEMENT

OPERATING INCOME	2025	2024
INTEREST FROM LOANS	\$2,513,924	\$2,327,173
INVESTMENT INCOME	\$1,501,758	\$1,354,618
FEES AND CHARGES	\$125,725	\$122,639
OTHER INCOME	\$385,275	\$365,023
TOTAL OPERATING INCOME	\$4,526,682	\$4,169,453
OPERATING EXPENSE		
EMPLOYEE COMPENSATION	\$1,149,852	\$1,123,422
EMPLOYEE BENEFITS	\$239,861	\$217,988
TRAVEL AND CONFERENCES	\$20,193	\$8,926
ASSOCIATION DUES	\$17,439	\$17,502
OFFICE OCCUPANCY EXPENSE	\$228,180	\$241,345
OFFICE OPERATIONS EXPENSE	\$425,018	\$371,927
PROMOTION AND MARKETING	\$78,972	\$97,071
LOAN SERVICE EXPENSE	\$749,926	\$684,911
PROFESSIONAL AND OUTSIDE SERVICE	\$571,972	\$527,293
SUPERVISORY AND EXAMINERS	\$18,357	\$14,111
PROVISION FOR CREDIT & LOAN LOSSES	\$242,763	\$171,004
INTEREST ON BORROWED FUNDS	\$30,658	\$7,250
MISCELLANEOUS EXPENSE	\$36,311	\$29,343
TOTAL OPERATING EXPENSE	\$3,809,502	\$3,512,092
OTHER NONOPERATING (INC) EXPENSE	(\$611,053)	(\$360,880)
(GAIN) LOSS ON INVESTMENTS	(\$0)	(\$0)
(GAIN) LOSS DISP. OF ASSETS	(\$0)	(\$0)
DIVIDENDS TO MEMBERS	\$933,184	\$1,013,010
NET INCOME	\$395,049	\$5,231

CONNECT

with your credit union.

OUR MISSION

Provide quality member-based and valued financial services.

OUR VISION

Tennessee Members 1st Federal Credit Union exists to provide quality financial services for its members. We seek to enhance each member's financial well-being and earn their trust and confidence by operating in an ethical and financially sound manner.

OUR VALUES

Quality, Integrity, Accountability, and Service.

Federally insured by NCUA.
Equal Housing Opportunity.
A CDFI Certified Credit Union.

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Knoxville Branch
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Knoxville, TN 37922
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Audio Access
p: 866-228-8884

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