



# 2021

---

# ANNUAL REPORT



ORNL

## TABLE OF CONTENTS

- 3 Our Organization
- 4 Board Chair's Report
- 6 Treasurer's Report
- 8 Community Impact
- 10 Our Cooperative Spirit
- 11 CU Awareness & Advocacy
- 12 Social Standings and Awards & Recognitions
- 13 Officials & Executive Management
- 14 Notes

## OUR PURPOSE

# TOGETHER, WE THRIVE.

## OUR CORE BELIEFS

*We make managing money easy  
so **together, we thrive.***

*We put people before profits  
so **together, we thrive.***

*We invest in new ideas and new  
technologies so **together, we thrive.***

*We invest in our communities  
so **together, we thrive.***

# OUR ORGANIZATION



**\$3.06B**  
TOTAL ASSETS



**185K+**  
MEMBERSHIP



**479**  
EMPLOYEES



**19** COUNTY  
CHARTER  
in East Tennessee



**\$5.0M**  
SPECIAL DIVIDEND  
PAYOUT IN 2021



**\$16M+**  
SPECIAL DIVIDEND  
PAID SINCE 2018



**\$500K+**  
COMMUNITY INVESTMENT



**28** BRANCH  
LOCATIONS  
in 12 Counties of  
East Tennessee



**200+**  
LOCAL NETWORK  
OF FEE-FREE ATMs



**46**  
INTERACTIVE TELLER  
MACHINES (ITM)



**30K+**  
NATIONWIDE NETWORK  
OF FEE-FREE ATMs



**113**  
AUTO DEALER  
PARTNERS

# BOARD CHAIR'S REPORT

---

As the COVID-19 pandemic continued into 2021, ORNL Federal Credit Union successfully balanced the financial needs of members with the financial performance of the Credit Union. Members took advantage of low interest rates to purchase homes and cars even with supply shortages in both of these sectors. Similarly, stimulus funds allowed other members to increase their savings balances or to pay down revolving debt. Because of rapid economic recovery, the Credit Union was able to fully resume its operations while keeping members and employees safe.

While many community organizations suffered financially during the COVID-19 pandemic, ORNL Federal Credit Union was able to support the following organizations through a combination of monetary donations and volunteerism:

**DOGWOOD ARTS:** Dogwood Arts is the leading advocate for arts in the East Tennessee area and as the presenting sponsor of the organization, ORNL FCU supports their mission to promote the beauty, arts, and culture of Eastern Tennessee. For almost 20 years, we have

been proud to invest in Dogwood Arts and to make the arts accessible to all. Our support extends across all of the Dogwood events, including the Southern Skies Music Festival, the House & Garden Show, the Dogwood Arts Festival, the Dogwood Trails, and the Chalk Walk.

**UNITED WAY:** United Way improves lives by harnessing the collective power of our community to advance the common good. With a focus on youth development, self-sufficiency, and senior and health services, the United Way addresses real needs by supporting programs that empower partners and contribute to stronger, safer, and healthier communities.

**EDUCATION FOUNDATIONS:** ORNL FCU supports several education foundations in our community, including Oak Ridge Public Schools Education Foundation, Education Foundation for Clinton City and Anderson County Schools, Loudon County Education Foundation, Roane State Foundation, and the University of Tennessee Foundation. While every foundation is different, their primary goal remains the same: to enrich the lives of students, faculty, staff, alumni, and friends through engagement and financial support. Education foundations support all of our Core Community Values, but a significant portion of our direct contributions are channeled

to S.T.E.A.M.-related efforts (science, technology, engineering, arts, and mathematics).

We contribute to an endowment that provides annual scholarships to deserving students at the University of Tennessee, Knoxville. The ORNL FCU Scholarship Program honors former CEOs John McKittrick and Bob A. Candler and as of 2021, we grant at least four \$1,000 scholarships each year. Other gifts to the University include support of the Clarence Brown Theater and several colleges within the UT-Knoxville system.

**THE BOYS & GIRLS CLUB:** The Boys & Girls Club is dedicated to promoting education, vocational, and character development of boys and girls in a safe and caring environment. ORNL FCU supports the organization in their mission to enable young people to reach their full potential. ORNL FCU has representation on several Boys & Girls Club boards and committees across the Tennessee Valley and we currently contribute to several events and their ongoing capital campaign.

**EAST TENNESSEE CHILDREN'S HOSPITAL (ETCH):** ETCH is the area's only not-for-profit comprehensive Regional Pediatric Center and is a member of the Children's Miracle Network, a cause supported by the

entire credit union movement. ORNL FCU supports ETCH in a variety of ways, from fundraising during Employee Appreciation Week and in recognition of International Credit Union Day to supporting their events, including their largest fundraiser, the Fantasy of Trees. Every year, ORNL FCU sponsors a specific area of the event and many employees volunteer their time to work different shifts throughout the five-day holiday event.

**HABITAT FOR HUMANITY:** Habitat for Humanity is committed to helping families in our community build the strength, stability, and independence they need to achieve a better future. While ORNL FCU has supported the organization for many years, the last few years our efforts have increased because of our involvement with Credit Unions Care, a collaborative initiative with local credit unions to raise awareness of our industry's movement and philosophy. Not only have we contributed monetarily, but employees have spent countless hours volunteering on two sponsored builds in the last three years, the most recent one completed in November 2021.

**GIRLS, INC.:** Girls, Inc. inspires girls to be strong, smart, and bold. ORNL FCU supports the organization's economic and financial literacy programs. In doing so, we help ensure that young ladies

have the skills, knowledge, and support they need to understand and manage their money as well as to enhance their financial futures. In the past, employees have taken advantage of volunteer opportunities by helping in classrooms and attending fundraising events.

**SECOND HARVEST FOOD BANK:** As a member of Feeding America, Second Harvest Food Bank of East Tennessee has been combating hunger in our community since 1982. Through feeding programs and hundreds of nonprofit partners, Second Harvest provides food to over 100,000 children, adults, and seniors each month. ORNL FCU provides monetary and volunteer resources to Second Harvest through their various events and campaigns each year. Employees spend time collecting food and hosting food drives, as well as volunteering at the organization's warehouse in Maryville.

**WDVX:** WDVX is an independent, public radio station that supports local and regional musicians. The radio station celebrates the culture and sounds of our area, with a strong focus on bluegrass and Americana. In 2018, ORNL FCU partnered with WDVX to bring the Summer Sessions concert series to the East Tennessee community. In addition to providing the sole funding of these free community concerts, ORNL FCU

employees spend a significant amount of time organizing and working the event, all to support WDVX and local musicians.

**HELEN ROSS MCNABB CENTER:** The McNabb Center is our area's leading nonprofit provider of mental health, substance use, social, and victim services. ORNL FCU supports the organization's many events through monetary donations, volunteering, and event participation.

It has been my privilege to serve as your Board Chair for the past year. I want to recognize my fellow Board and Supervisory committee members, who volunteer countless hours in the oversight of our Credit Union. I also want to thank and acknowledge our dedicated team of employees, who work daily to serve our members. Finally, and most importantly, I want to thank our members for trusting us to be your financial partner. On behalf of the entire Board of Directors, it is our honor to represent you.



*W.R. Gorman*

**Randy Gorman**  
Board Chair

# TREASURER'S REPORT

---

ORNL Federal Credit Union achieved impressive financial results in 2021. Most notably reaching \$3.06 billion in assets and returning \$5.00 million to members in the form of a special dividend. Despite the ongoing challenges of a global pandemic, the Credit Union exceeded its goals, is financially healthy, and is well-positioned for the future.

Regulatory net worth, a key indicator of safety and soundness, reached \$318.39 million on December 31, 2021, and resulted in a “well capitalized” net worth to total assets ratio of 10.39%. An essential component of net worth is net income. In 2021, the Credit Union achieved record net income of \$35.70 million through balance sheet management and continued expense control. Relatedly, the efficiency ratio, a ratio of operating expenses to revenue, reached a historic low

of 64.84%. In 2021, the Credit Union returned to members more than \$10.93 million in the form of regular dividends and a \$5.00 million special dividend. Since 2018, the Credit Union has returned \$16.00 million to members as a special dividend.

Total assets on December 31, 2021, reached an all-time high of \$3.06 billion, an increase of \$322.22 million, or 11.75%, over 2020. The Credit Union experienced double digit loan growth as members took advantage of historically low interest rates to purchase or refinance homes and automobiles. Gross loans reached \$2.28 billion with growth over the prior year of \$222.10 million.

Net charge-offs were significantly lower than peers in 2021 with the Credit Union's net loan loss ratio decreasing to 0.12%. During the year, the Credit Union added \$2.84 million to loan loss reserves, continuing to support long-term financial stability. As of December 31, 2021, reserves to

gross loans stood at 1.16%, an increase of 0.02% year-over-year.

Total member deposits increased by 13.95% to \$2.60 billion; \$317.87 million more than the prior year. Deposit growth was supported by a combination of growth in membership, stimulus funds, and competitive rates. Conversely, the Credit Union reduced its outstanding borrowings by \$28.03 million as excess liquidity was used to repay matured borrowings thus reducing future interest expense.

The Credit Union's total membership reached 185,821 on December 31, 2021, increasing by 4,179 or 2.39% in 2021.

ORNL Federal Credit Union remains committed to being a trusted financial partner and helping members achieve their financial goals.

## CONSOLIDATED INCOME STATEMENT

	2021	2020
Total Interest Income	\$ 83,155,304	\$ 85,561,993
Total Interest Expense	13,446,010	18,102,606
Net Interest Income	69,709,294	67,459,387
Provision for Loan Loss	5,450,000	9,550,000
Net Interest Income After Provision	64,259,294	57,909,387
Total Non-Interest Income	47,327,160	41,940,981
Total Operating Expense	78,839,827	74,376,231
Income/(Loss) from Operations	32,746,627	25,474,137
Non-Operating Gain/(Loss)	2,955,492	174,606
Net Income	\$ 35,702,119	\$ 25,648,743

## CONSOLIDATED STATEMENT OF CONDITION

### ASSETS

	2021	2020
Cash & Cash Equivalents	\$ 326,018,235	\$ 401,627,066
Total Investments	356,477,990	168,026,393
Gross Loans	2,280,907,483	2,058,807,498
Allowance for Loan Losses	(26,411,027)	(23,567,216)
Net Loans	2,254,496,456	2,035,240,282
Accrued Interest Receivable	5,376,770	5,158,816
Total Fixed Assets	53,837,014	56,646,599
Total Other Assets	68,404,623	75,688,869
Total Assets	\$ 3,064,611,088	\$ 2,742,388,025

### LIABILITIES & MEMBERS' EQUITY

#### LIABILITIES

Total Deposits	\$ 2,596,656,612	\$ 2,278,785,835
Borrowed Funds	92,500,000	120,528,982
Total Other Liabilities	68,036,678	67,810,071
Total Liabilities	2,757,193,290	2,467,124,888

#### MEMBERS' EQUITY

Total Members' Equity	307,417,798	275,263,137
Total Liabilities & Equity	\$ 3,064,611,088	\$ 2,742,388,025

# COMMUNITY IMPACT

## CORE COMMUNITY VALUES

We know being a good corporate citizen means being involved and making a positive difference. We are as passionate about issues, ideas, and helping organizations in our community thrive as we are about helping our own members. We understand that the only way we truly thrive, as individuals, as neighborhoods, and as communities, is together...

“...BECAUSE TOGETHER, WE *THRIVE*.”

THE UNIVERSITY of  
**TENNESSEE** **UT**

**4** SCHOLARSHIPS AWARDED







DOGWOOD  
ARTS

presented by

ORNL FEDERAL



CREDIT UNION



United  
Way



TM



EAST TENNESSEE

Children's  
Hospital



Knoxville

Habitat  
for Humanity®



Covenant Health  
Knoxville Marathon



BOYS & GIRLS CLUBS  
OF THE TENNESSEE VALLEY



Second  
Harvest  
FOOD BANK OF  
EAST TENNESSEE



Knoxville Area  
Urban League



WDVX  
89.9 fm



Helen Ross  
McNabb Center



girls  
inc.®

# OUR COOPERATIVE SPIRIT

Rooted in the seven principles of the credit union movement, 7 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, and 7 Insurance* are included under the CUSO's umbrella.



## 7 MORTGAGE

The mortgage company specializes in offering tailored mortgage solutions to credit unions throughout the Southeast and is licensed in seven states including: Alabama, Georgia, Florida, Kentucky, Mississippi, Tennessee, and Virginia.

- **27 credit union partners**
- **Closed 2,844 mortgages in 2021**

## 7 TITLE

Jointly owned by ORNL FCU and Y-12 FCU. The company approaches the real estate title business the credit union way; offering efficient and convenient title services at a competitive cost.

- **Closed 2,398 loans in 2021**
- **Provided 3,851 title searches**

## 7 INSURANCE

Jointly owned by ORNL FCU and Y-12 FCU. It also serves the members of Alabama Credit Union and Altra Federal Credit Union in Wisconsin.

- **Over 2,900 active clients**
- **4,918 total policies**
- **Average new client saves \$527.85 annually\***

\*Average savings figure based on new direct auto and home policyholders countrywide who reported savings to us in 2021. Individual savings may vary. Savings not guaranteed.

# CU AWARENESS & ADVOCACY

---

## **CREDIT UNION ADVOCACY AND AWARENESS**

We are committed to raising awareness and advocating for change on legislative and regulatory issues that affect ORNL FCU, our membership, communities we serve, and the financial services industry. Our goal is to keep the entire credit union community strong at federal, state, and local levels.

## **CREDIT UNION COMMUNITY**

ORNL FCU is a proud member of the Knoxville Area Chapter of Credit Unions, Tennessee Credit Union League (TCUL), and Credit Union National Association (CUNA).

## **SENATE AND HOUSE OF REPRESENTATIVES**

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

Each senator represents 137 credit unions and over 2.1 million credit union members, including the over 178,000 ORNL FCU members who live in Tennessee.



# SOCIAL STANDINGS & 2021 AWARDS / RECOGNITION



Facebook - **28,790**



Twitter - **4,362**



Instagram - **4,882**



LinkedIn - **2,795**



Youtube - **534** Subscribers / **3,310,391** Views

## THE FINANCIAL BRAND

**#30** of Top 100 Credit Unions Using Social Media

**#43** of Top 100 Credit Unions on Facebook

**#36** of Top 100 Credit Unions on Twitter

**#20** of Top 100 Credit Unions on Instagram

**#29** of Top 100 Credit Unions on YouTube

## CITYVIEW Best of the Best 2021

**1st Place (Gold)** - Best Place to Work  
(100-499 Employees)

**2nd Place (Silver)** - Best Banking Personal

**2nd Place (Silver)** - Best Banking Business

**2nd Place (Silver)** - Best Credit Union

**2nd Place (Silver)** - Best Mortgage Company



**2nd Place Finalist** - Best Credit Union

**1st Place Winner** - Best Financial Advisor

**3rd Place Finalist** - Best Mortgage Company

# OFFICIALS

---

## BOARD OF DIRECTORS

Randy Gorman – Board Chair  
James Payne – Vice Chair  
Pam Ladd – Treasurer  
Joel Pearman – Secretary  
Jama Hill  
Sam McKenzie  
Debbie Stairs  
Harriet Walker  
Leigha Witt

## EXECUTIVE COMMITTEE

Randy Gorman – Board Chair  
James Payne – Vice Chair  
Pam Ladd – Treasurer  
Joel Pearman – Secretary

## LEGISLATIVE & GOVERNMENTAL AFFAIRS COMMITTEE

James Payne – Chair  
Randy Gorman  
Sam McKenzie  
Harriet Walker  
Leigha Witt

## SERP INVESTMENT COMMITTEE

Randy Gorman  
Pam Ladd  
Debbie Stairs

## NOMINATING & ELECTION COMMITTEE

Jama Hill – Chair  
Harriet Walker  
Jessica Emert

## VOLUNTEER POLICY & GOVERNANCE COMMITTEE

Harriet Walker – Chair  
Randy Gorman  
Jama Hill  
Joel Pearman  
Debbie Stairs  
Leigha Witt

## SUPERVISORY COMMITTEE

Mary Beth Blair, Chair  
Vickie Caughron, Vice Chair  
Mary Kiser, Secretary  
Gerald Smith

## 7, LLC BOARD OF GOVERNORS

Randy Gorman – Chair  
Colin Anderson  
Chris Boler

# EXECUTIVE MANAGEMENT

---

## Colin Anderson

President & CEO

## Chris Boler

President & CEO 7, LLC

## Dawn Brummett

Executive Vice President & Chief Operating Officer

## Janita Clausell

Senior Vice President & Chief Retail Officer

## Becky Curry

Senior Vice President - Data Intelligence

## Steve McAtee

Senior Vice President & Chief Technology Officer

## Kristin Robertucci

Senior Vice President & Chief Financial Officer

## Derek Saidak

Senior Vice President & Chief Lending Officer

## Joy Wilson

Senior Vice President & Chief Administrative Officer

## Tom Wright

Senior Vice President & Chief Marketing Officer







[ornlfcu.com](http://ornlfcu.com)   

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

PROUD MEMBER:



Equal  
Opportunity  
Employer



Federally insured by NCUA  
Equal Housing Lender

