

2024 Annual Report

Meeting Agenda

March 24, 2025

Call to Order

Bart Teague, Board Chair

2024 Meeting Minutes

Diane Kelley, Board Secretary

Chairman's Report

Bart Teague, Board Chair

Supervisory Committee's Report

Bart Teague, Board Chair

Nominating Committee's Report

Bart Teague, Board Chair

Closing Remarks and Adjournment

Bart Teague, Board Chair

2024 Board Chair/CEO Report

A Year of Growth

Reflecting on the past year, we are incredibly proud of the accomplishments and milestones that have shaped Leaders Credit Union in 2024. This year has been one of unprecedented growth, innovation, and commitment to providing our members with superior financial services. Our continued success is a testament to our dedicated employees, loyal members, and strategic vision for the future.

One of our most significant achievements came in February 2024, when our total assets surpassed the \$1 billion mark. This milestone reflects our members' trust in us and our ongoing commitment to financial strength and stability. Additionally, Leaders Credit Union ranked #1 among all credit unions in Tennessee and 9th overall in America with assets over \$1 billion in balance growth across loans, deposits, and earnings. This achievement underscores our financial excellence and sound business strategies.

To further enhance our member experience, we welcomed Sales Strategy Officer, Hinna Jamal, to our leadership team. She oversees sales across our enterprise, ensuring we continue delivering exceptional service and tailored financial solutions. We also launched "AmpliFI," a specialized sales team focused on proactive personalization and engagement, reinforcing our dedication to deepening member relationships and enhancing financial well-being.

Expanding our presence to better serve our members remained a priority in 2024. We proudly opened a new retail service center at our South Jackson location and broke ground for our newest retail service center in Arlington, Tennessee. We engaged a consultant to complete a new branching study for the greater West Tennessee area to strategically guide our future expansion. This effort will ensure we continue to grow in a way that best meets our members' needs.

and Innovation

In our pursuit of operational excellence, we completed due diligence to replace our core processing system with KeyStone by Corelation. This next-generation technology will provide enhanced data access and innovative service solutions, allowing us to serve our members with greater efficiency and flexibility. We will keep you informed as we approach our conversion date of November 1, 2025.

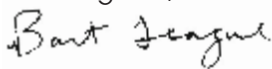
2024 was also a record year for mortgage loan originations, further solidifying our role as a trusted financial partner in homeownership. Additionally, we established an escrow retained services provider to enhance our mortgage servicing capabilities.

Our financial performance remained exceptional, with deposits growing by 15.03% and loans increasing by 15.16%. We achieved record earnings of \$15.8 million, strengthening owner equity and capital. Our asset quality remained strong, with an average delinquency rate of 0.69%, outperforming our peers at 0.73%.

In response to our members' evolving savings needs, we introduced the Forward Plus High Yield Savings Account, offering competitive rates as high as 4.00%. This new savings option underscores our commitment to helping our members achieve their financial goals.

As we look ahead, we remain dedicated to innovation, growth, and delivering exceptional member service. The success of 2024 sets a solid foundation for continued progress, and we are excited about the opportunities that the future holds. Thank you for your trust and support—we are honored to serve you and we thank you for choosing Leaders.

Kind regards,

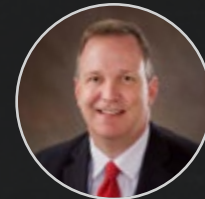


Bart Teague
Board Chair



Todd Swims
CEO & President

Board of Directors



Bart Teague
Board Chair



Currie Higgs
Vice Chair



Rusty Butcher
Treasurer



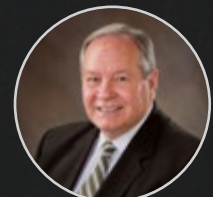
Diane Kelley
Secretary



Dave Bratcher
Director



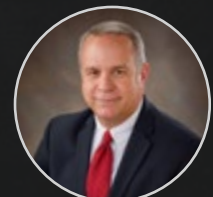
Ricky Catlett
Director



Eddie Hays
Director



Carolyn Hill
Director



Kirk Newcom
Director

Leadership Team

Champion Summit — February 17, 2025



Joel Wyatt
Chief Lending
Officer

Seth Rudd
Chief Financial
Officer

Ryan Platt
Chief Information
Officer

Spencer Pratt
Executive
Vice President

Todd Swims
President and
Chief Executive Officer

Chris Gray
Chief Mortgage
Officer

Leigh Anne Bentley
Chief Marketing
Officer

Karen Freeman
Chief Operations
Officer

Hinna Jamal
Sales Strategy
Officer



Treasurer's Report

Rusty Butcher, Treasurer

Leaders experienced another year of strong and stable growth. The following accomplishments demonstrate our financial strength and soundness.

We increased members' net worth by 14.69% in 2024. Members' net worth as a percentage of assets was 10.79% as of December 31, 2024. Assets grew by 15.60% and ended the year at \$1.142 billion. Member deposits grew by 15.03%. We remained competitive in both loan and deposit rates for our members in 2024.

Net income for 2024 totaled \$15.79 million. Our return on average assets was 1.48% compared to the national average for federally insured credit unions in our peer group of 0.61%.

We are proud of our many accomplishments in 2024. Providing a financially sound credit union for our members is our priority. With strong performance in growth and earnings, we will remain relevant and competitive in the markets we serve. We sincerely thank you for your business. We look forward to keeping your trust and continuing to earn your future business.

Supervisory Committee's Report

Tim Adams, Chairman, Supervisory Committee

The Supervisory Committee, appointed by the Board of Directors, is responsible for examining and evaluating the adequacy and effectiveness of established internal controls of Leaders Credit Union.

In carrying out these responsibilities during the past two years, the committee engaged the CPA firm of Reynolds, Bone, and Griesbeck to audit the consolidated statement of the financial condition of Leaders Credit Union as of December 31, 2023, and 2022, and the related consolidated statements of income, comprehensive income, member's equity, and cash flows for the years then ended.

The objective of their audit is the expression of an opinion as to whether Leaders Credit Union's consolidated financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Their audits are

conducted in accordance with generally accepted auditing standards and include tests of the accounting records and other procedures they consider necessary to enable them to express an opinion. The audits comply with the examination requirements of the National Credit Union Administration (NCUA) and the State of Tennessee.

March 29, 2024, Reynolds, Bone, and Griesbeck issued an unqualified opinion on the 2023 consolidated financial statements of Leaders Credit Union, and as of March 24, 2025, the date of Leaders Credit Union's annual meeting, the audit of the consolidated financial statements for 2024 is in process. Upon completion of their audit, the reports will be issued to the Supervisory Committee of Leaders Credit Union.

Committee Members include Dr. Bill Nance, Currie Higgs, and Karen Taylor.

Everyone Deserves a Champion

A Look at 2024



First Ladies' Luncheon



Leaders Night at the Ballpark



SHRM Conference



Leaders Christmas Party



Canstruction



TN Credit Union League Awards



JMCSS Teacher Inservice



YMCA Corporate Games



JMCSS Gala



American Heart Walk



Milan Chamber Gala



Go Red for Women Dinner



Arlington Track or Treat



Sneaker Ball



Cornhole Tournament



Lady Leaders Baseball Team



Leaders with Love

Nominating Committee's Report

Nominating Committee: Eddie Hays, Chair, Bart Teague, Tom Britt, Karen Taylor, and Ron Hill

In accordance with our bylaws (available upon request), we are notifying our members that we will have three directors' terms expiring at the Leaders Credit Union annual meeting in March 2025. Each of these Director's seats serves a four-year term.

In accordance with Leaders Credit Union's bylaws, Section 3-b&c, the Chairman shall appoint by the first Friday in October, two (2) Board members to serve on the Nominating Committee, one to be the Chairman, with the three (3) elected members at large from the general membership.

The Nominating Committee shall file with the secretary submitted nominees to be posted in a conspicuous place in the credit union office not later than the first business day in January prior to the annual meeting. (Thursday, January 2, 2025). Nominations by petition will be open until the third Friday in January or January 17, 2025 prior to the annual meeting.

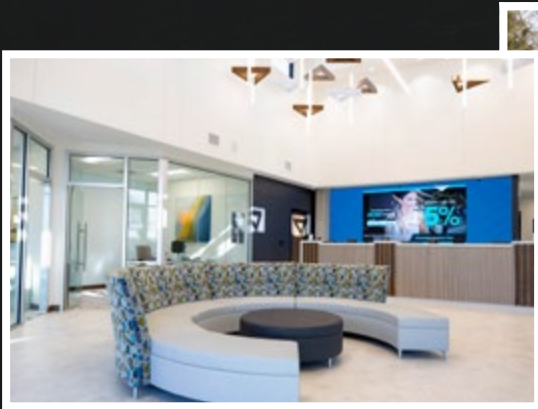
The Nominating Committee has completed its' responsibility of providing the following as Director Nominees to be presented to the membership.

Thank you for allowing us to serve as your 2024 Nomination Committee.

Dave Bratcher
3rd Term
March 2025 to 2029
YMCA of West Tennessee
Jackson, TN

Keli McAlister
1st Term
March 2025 to 2029
BlueOval SK
Jackson, TN

Mr. Kirk Newcom
4th Term
March 2025 to 2029
WBBJ-TV
Jackson, TN



Arlington Branch
Groundbreaking
March 2024



Financial Performance

	2020	2021	2022	2023	2024
Assets					
Loans to members	\$ 433,778,255	\$ 539,512,843	\$ 754,838,515	\$ 850,511,648	\$ 981,134,013
Cash	44,931,312	31,042,247	42,234,707	73,601,357	83,581,293
Investments	11,070,998	32,260,897	28,392,513	5,699,910	5,856,747
Furniture fixtures & other assets	40,469,884	40,014,420	46,998,225	58,901,183	72,410,562
Total Assets	\$ 530,250,449	\$ 642,830,407	\$ 872,463,960	\$ 988,714,098	\$ 1,142,982,615
Liabilities					
Shares	\$ 452,091,111	\$ 557,392,417	\$ 733,519,279	\$ 843,696,437	\$ 970,469,786
Dividends payable	47,796	45,282	99,587	184,463	250,180
Other liabilities	18,210,902	13,131,507	53,802,549	44,953,273	56,542,745
Members' equity	59,900,640	72,261,201	85,042,545	99,879,925	115,719,904
Total Liabilities & Members' Equity	\$ 530,250,449	\$ 642,830,407	\$ 872,463,960	\$ 988,714,098	\$ 1,142,982,615
Income & Expense					
Interest income	\$ 20,907,784	\$ 23,142,627	\$ 33,086,944	\$ 50,227,716	\$ 65,750,030
Interest expense	3,565,438	2,743,997	6,179,615	18,720,991	30,746,747
Provision for loan losses	2,770,000	3,176,265	2,505,000	6,123,839	5,180,000
Net interest income after provision	14,572,346	17,222,365	24,402,329	25,382,886	29,823,283
Noninterest income	20,174,356	24,396,663	21,504,560	25,195,982	27,519,472
Noninterest expense	26,307,519	29,310,845	32,792,331	35,682,450	41,548,465
Net income	\$ 8,439,183	\$ 12,308,183	\$ 13,114,558	\$ 14,896,418	\$ 15,794,290



New South Highland
Branch Ribbon Cutting
July 2024

66th Annual Meeting Minutes

March 25, 2024

Chairman Teague called the meeting to order at 5:30 P.M. at 120 Northstar Drive, Jackson, TN. He welcomed everyone in attendance to the 2024 Annual Membership Meeting. He highlighted Leaders' journey, marked by resilience and innovation, which has propelled the organization to new heights of success. He emphasized that Leaders takes immense pride in its strong financial standing—a result of prudent management and unwavering dedication to meeting members' needs. As we reflect on Leaders' achievements and aspirations, let us renew our commitment to excellence and community. Together, we will continue to chart a course toward a brighter future for all.

Chairman Teague called upon Secretary, Diane Kelley, to determine whether a quorum was present. Secretary Kelley confirmed that a quorum was present. Chairman Teague thanked everyone for attending the Annual Membership Meeting in person and virtually.

Chairman Teague called for the reading of the minutes from the Annual Membership Meeting held on March 28, 2023. A motion was made and duly seconded from the floor to waive the reading, as the minutes were included in the annual report and available online. The motion carried without opposition. Chairman Teague then asked the membership to approve the minutes as presented. A motion was made and seconded, and the minutes were approved as presented.

Chairman Teague emphasized that the Board's role is to govern, while management's role is to manage. He stated that the Board of Directors serves as policymakers, ambassadors, and strategic partners alongside the CEO and leadership team. He then introduced the 2023 Board of Directors and expressed his gratitude for their service. Those present were Mr. Eddie Hays, Mrs. Diane Kelley, Mr. Kirk Newcom, Mrs. Currie Higgs, Mr. Dave Bratcher, Mrs. Carolyn Hill, Mr. Ricky Catlett,

and Mr. Ron Hill, Director Emeritus. Mr. Rusty Butcher was unable to attend the meeting tonight.

Chairman Teague reaffirmed the Board's steadfast commitment to acting in the best interests of its members throughout the year. He emphasized the Board's collective goal is to ensure that members have access to a robust, relevant, and convenient financial institution. The Board remains unwavering in its pursuit of a healthy, productive, and financially sound future for all. He expressed confidence that, together, Leaders will continue striving for excellence in serving members and communities, ensuring that Leaders remains a trusted partner in their financial journey.

Chairman Teague thanked the 2023 Supervisory Committee for their service. The Supervisory Committee is responsible for engaging the audit function of the credit union. Their primary responsibilities are to verify that accounting records and reports are prepared promptly and accurately and that internal controls are effectively maintained and adequately protecting the members, management, staff, and board. The 2023 Supervisory Committee Members were: Mr. Tim Adams, Chairman, Dr. Bill Nance, Director Currie Higgs, and Mrs. Karen Taylor. Chairman Teague asked for a motion to accept the supervisory report as submitted. A motion was made and seconded. The motion carried.

Chairman Teague presented the Nominating Committee report, stating that the committee fulfilled its responsibilities by seeking qualified candidates to serve on the Board of Directors, as outlined in Leaders Credit Union's bylaws. The Nominating Committee consists of three Credit Union members who are not currently serving as Directors, elected at the prior year's annual meeting. Additionally, the committee includes the Chairman of the Board and one other Board Member, bringing the total to five

members. The 2023 committee members were Mr. Tom Britt, Mr. Ron Hill, Mrs. Karen Taylor, and Mr. Dave Bratcher (Chair).

In accordance with the bylaws, the committee informed the membership that no Directors' terms were expiring; therefore, no nominees were required. The Nominating Committee submitted its report to the Board Secretary on December 18, 2023, and it was posted in Leaders Credit Union branch offices on January 2, 2024, as required by the bylaws. Chairman Teague referred to the Leaders Credit Union's bylaws to establish a nomination committee for 2024. Current bylaws state:

In accordance with Leaders Credit Union's bylaws, Section 3-b, the Chairman shall appoint by the first Friday in October, two (2) Board Members to serve on the Nominating Committee, one to be the Chairman, with the three (3) elected members at large from the general membership. The Nominating Committee shall file with the secretary submitted nominees to be posted in a conspicuous place in the credit union office not later than the first business day in January prior to the annual meeting. Nominations by petition will be open until the third Friday in January prior to the annual meeting.

There was a motion from the floor to elect the following members at large to the 2024 Nominating Committee: Mr. Tom Britt, Mr. Ron Hill, and Mrs. Karen Taylor, all for a one-year term. The motion carried without opposition.

Chairman Teague asked if there was any new business. No new business was presented at the Annual Membership Meeting. With no new or unfinished business, Chairman Teague declared the business session adjourned at 5:44 p.m.

Respectfully submitted,

Diane Kelley
Secretary

Bart Teague
Chairman

Forward As One

Numbers as of December 31, 2024



110 financial literacy
courses taught

217 financial champions

870 members received a
home loan in 2024

25,760 Facebook interactions
We are also on Instagram,
YouTube, X, and LinkedIn.

78,996 Leaders Credit
Union members



LEADERS
CREDIT UNION

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