

2024 ANNUAL REPORT





CHAIRMAN'S REPORT

It is my privilege to share some of Peach State's notable highlights from 2024. The credit union experienced another year of strong financial growth, and I am proud of the efforts our team has made in serving your financial needs.

2024 Key Highlights

- » We saw an increase in loan volume for auto loans, mortgages, and personal loans.
- » There was a rise in deposits and we reached \$1 billion in assets – a reflection of our members' trust in us to be a safe place for their hard-earned savings.
- » We welcomed a growing number of members, including those from our Pinnacle CU merger.

- » Peach State members are more than twice as likely to recommend us to family and friends compared to industry peers.

These accomplishments not only reflect sound business practices by our management team, but also your commitment to making Peach State your trusted financial partner of choice.

I would like to express my gratitude to my fellow Directors and the team at Peach State for their commitment to serving the needs of our members and communities.

– **David Welden**, Chair



PRESIDENT'S REPORT

Albert Einstein once said, **"In the middle of difficulty lies opportunity."** I believe this is an appropriate description of our collective resilience over the last 12 months. We navigated national challenges and together, transformed them into opportunities. Creating opportunities that help people persevere amidst difficult times lies at the heart of a credit union.

As a member-owned financial institution, our focus remains on you. We are committed to supporting **you** on your financial journey by:

- » Offering competitive rates and low-cost financial solutions.
- » Expanding access to financial education and resources.
- » Enhancing products and services to meet your evolving financial needs.

Together, we are not just navigating challenges; we are building stronger futures for us all. Through the power of collaboration, we were able to:

- » Contribute almost **\$700,000** to **260+** local charitable organizations.
- » Provide **50+ scholarships** to high school seniors and career advancing professionals.
- » Support **1300+** events and initiatives to foster connections within our communities.

Last year we were also pleased to **welcome new members through the Pinnacle CU merger**. We look forward to expanding their financial solutions after their system conversion later this year. As this transition continues, additional details will be provided in the coming months.

And finally, we were proud to have achieved a historical milestone in 2024 when we reached **\$1 billion in assets**. This would not have been possible without your continued dedication. Thank you for choosing Peach State as your trusted financial partner.

No matter what challenges await us in the year ahead, we stand by our commitment to supporting you on your financial journey.

– **Marshall Boutwell**, President/CEO



TREASURER'S REPORT

2024 was a strong year for Peach State. We outpaced financial projections, provided exceptional member service, and continued supporting our communities. We successfully merged in Pinnacle Credit Union, which was a good fit based on their roots in education and the location of their branches. For the year, assets grew over 9%, and we surpassed the \$1 billion mark, ending at \$1.04 billion.

We were able to pay dividend rates to our members at or above our peers, while keeping loan rates lower than many other financial institutions. These strategic decisions were made with the objective of helping members remain successful in achieving their financial goals during a time of economic uncertainty. We also continued to give back to the communities in our service area through the Peach State FCU C.A.R.E.S. Foundation.

Peach State continues to consistently demonstrate strong financial results. My responsibility as Treasurer is to review and discuss the monthly reports with our leadership team and ensure effective financial management of the credit union. I am confident to report that Peach State's financial performance indicators reflect sound management and a dedication to meeting the evolving needs of our members.

- Walt Martin, Secretary/Treasurer

STATEMENT OF CONDITION (as of December 31, 2024)

ASSETS

Loans to Members (Less Loan Loss Reserve)	\$661,462,608
Cash on Hand	\$12,042,076
Investments	\$292,215,469
All Other Assets	\$79,950,575
TOTAL ASSETS	\$1,045,670,729

LIABILITIES AND EQUITY

Member Deposits	\$949,179,066
Borrowed Funds	\$110,630
Equity Capital	\$87,505,914
Unrealized Gain/Loss on Investments	(\$2,505,740)
All Other Liabilities	\$11,380,858
TOTAL LIABILITIES AND EQUITY	\$1,045,670,729

INCOME STATEMENT

Interest on Loans	\$36,545,467
Income from Investments	\$9,780,284
Other Income	\$16,303,333
TOTAL INCOME	\$62,629,083
Operating Expense	\$42,574,888
Dividend	\$12,922,134
Extraordinary (Gain)/Loss	(\$463,345)
TOTAL EXPENSES	\$55,033,677
CONTRIBUTION TO CAPITAL	\$7,595,407

LOAN ACTIVITY 2024

Total Loans Outstanding as of 12.31.24 (127,479)	\$666,912,752
Total Loans Approved (10,204)	\$185,280,342
Total Loans Denied (3,858)	\$46,745,912
Highest Volume Month (January)	\$32,361,130



FINANCIAL COMPARISON

	2024	2023	Amount of Change	% of Change
Assets	\$1,045,670,729	\$958,806,568	\$86,864,161	9.06%
Loans	\$666,912,752	\$733,324,176	(\$66,411,424)	-9.06%
Member Deposits	\$949,179,066	\$808,543,910	\$140,635,156	17.39%
Gross Income	\$62,629,083	\$60,123,292	\$2,505,791	4.17%
Operating Expenses	\$42,574,888	\$48,922,130	(\$6,347,242)	-12.97%
Dividends	\$12,922,134	\$6,330,344	\$6,591,790	104.13%
Extraordinary (Gain)/Loss	(\$463,345)	\$25,038	(\$488,383)	-1950.61%
Contribution to Capital	\$7,595,407	\$4,845,780	\$2,749,626	56.74%
Number of Members	78,105	69,975	8,130	11.62%



SUPERVISORY COMMITTEE REPORT

It is the responsibility of the Supervisory Committee to ensure that the credit union's management and staff are adhering to safe business practices and maintaining the appropriate internal controls.

The Supervisory Committee met with members of Peach State's Executive Team on a quarterly basis in 2024. The purpose was to review the credit union's annual NCUA regulatory exam in addition to all relevant compliance and audit reports.

Peach State's Internal Audit Department is responsible for performing compliance reviews on a monthly and quarterly basis and sharing the results with the Supervisory Committee. The purpose of these interim audits is to evaluate the credit union's policies and regulatory compliance in the following areas: accounting, file maintenance, loan processing, account reconciliations,

security, and risk management. In addition, the Internal Audit Department is in charge of the "Independent Auditor's Report on the Consolidated Financial Statements", which has been included in this report (additional copies available upon request).

I am happy to share that Peach State continues to operate in a safe and sound manner for our member-owners, complying with all NCUA and government requirements. This would not be possible without the unwavering dedication of our credit union's management team and staff, along with my fellow volunteers, to our members. By consistently putting our members' needs above all else, we can ensure that Peach State will continue to provide quality, affordable products and services, and remain in good financial standing for years to come.

- Jennifer Houston, Chair



NOMINATING COMMITTEE REPORT

In accordance with Peach State's bylaws, the Nominating Committee, consisting of Walt Martin, Stas Preczewski and MaryBeth Thomas, respectfully submit the following names for nomination at the Annual Meeting on April 15, 2025: Lenzy Reid, III (3-yr. term), David Welden (3-yr. term), Dennis White (3-yr. term) and Kay Yetter (3-yr. term).

Lenzy Reid, III (incumbent) – Three-year term. Reid is the Vice President of Student Affairs for Athens Technical College and has worked in higher education for over 26 years. He is a former Executive Board member with the Walton County Chamber of Commerce and Walton County Boys and Girls Club. He is currently a mentor with the Clarke County School District. Reid served on Peach State's Supervisory Committee from May 2019 until June 2020 when he joined the Board of Directors.

David Welden (incumbent) – Three-year term. Welden formerly served as the Executive Vice President of Administration for Gwinnett Technical College and is a Certified Public Accountant. Currently, he serves on the Board of the Aurora Theater, Inc. Welden joined the Board of Directors in 2015.

Dennis White (incumbent) – Three-year term. White joined the Peach State Board following the merger with Pinnacle Credit Union in 2024. He retired from Lafarge US, an international building materials company where he served as Vice President of Organization and Human Resources. He has a bachelor's degree in industrial management, a Juris Doctor degree, and a master's degree in organizational development. White is also a certified professional coach with over 15 years of experience coaching leaders at all levels of organizations. He is currently teaching, coaching, and practicing law. White served on Pinnacle CU's Board of Directors since 2019.

Kay Yetter (incumbent) – Three-year term. Yetter is a retired teacher for Gwinnett County Public Schools. She taught for 17 years in Gwinnett County and 15 years in Bibb County Public Schools. Yetter has been a Board member since 1992 and is also a former Supervisory Committee member.

- Walt Martin, Committee Chair



62nd ANNUAL MEETING April 17, 2024

Introductions: Chairperson David Welden welcomed members and thanked everyone for their attendance and announced that this was our 62nd annual meeting. He then recognized the Board, Supervisory Committee members, and Volunteers.

Dr. James Washington opened the meeting with an invocation prayer.

Call to Order: The 62nd Annual Meeting of Peach State Federal Credit Union was called to order by CEO Marshall Boutwell at 6:35 p.m.

Mr. Boutwell Remarks: Mr. Boutwell welcomed all members to the annual meeting and recognized all of the credit union's staff who were present.

Establish a Quorum: There were enough members in attendance to establish a quorum for the annual meeting.

Adopt Agenda: With a motion and a second, the written agenda was approved as distributed.

Approval of 2023 Annual Meeting Minutes: With a motion and a second, the minutes of the April 19, 2023, Annual Meeting were approved.

Management Reports: With a motion and a second, the written reports of the Chairman, President, Treasurer, and Supervisory Committee were approved as distributed.

Old Business: None.

New Business: There being no petitions submitted, a motion was made to declare the following incumbents elected to the board by acclamation for three-year terms: Dr. Linda Anderson, Walt Martin, Marybeth Thomas, and Paul Wesley.

Adjourn: The business meeting adjourned at 6:41 p.m. and the board members excused themselves to another room to reconvene for their regular monthly board meeting.

Door Prize Drawings: The credit union staff continued with the annual door prize drawings and gave away sixty-two \$50 dollar bills and sixty-two \$20 dollar bills (all children under the age of 18 received \$20).

Respectfully Submitted,

David Welden, Chairperson

Bob Bradford, Secretary/Treasurer



VOLUNTEERS

We would like to acknowledge and recognize the contributions of our volunteers who served in 2024.

Board of Directors

David Welden, Chair
Dr. Linda Anderson, Vice Chair
Bob Bradford, Secretary/Treasurer
Jennifer Houston
Walt Martin
Dr. Stas Preczewski
Lenzy Reid, III
MaryBeth Thomas
Dr. James Washington
Paul Wesley
Kay Yetter

Supervisory Committee

Jennifer Houston, Chair
Patrick Franklin
Charlotte Gilman
Jeff Padgett
Dr. Xernona Thomas

Advisory Board Members

Augusta Region

Clarence Canada
William Holmes
Linda Johnson
Brewtie Lawton
Gene Spires
Ruby Stewart

North Georgia Region

Dr. J. Gary Adcox
Adriane Lockwood
Dr. Cyndee Moore
Ellen Petree
Brock Toole

Northeast Georgia Region

Richard Adams
Phyllis Carson
Jennifer Carter
Joye Dodd
April James
Doug Loyd
Dee Scarborough
Barbara Strain

Northwest Georgia Region

Nikki Rosser
Jan Shattuck
Eddy Willingham

South Carolina Region

Dr. Lori Brownlee-Brewton
Preston Culbertson
Barry Creswell
David Dougherty
Michael Hyland
Dr. Tim Keown
Chuck Nash
Dr. Justin Martin
Frankie Milford

Directors Emeritus

Dr. Brooks Coleman
Dr. Frances Davis
Rick Davis
Dr. Keith Everson



peachstatefcu.org

855.889.4328

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