

2021 Annual Report



Our promise is to educate and help you effectively manage your finances.

We deliver this promise by asking you questions and offering our full, undivided attention to understand your current life situation and future plans before offering solutions.

PRESIDENT & CEO

Caren Gabriel



At Ascend, rising to meet challenges and serving our members is at the core of our mission. Although 2021 offered new challenges and the continued tribulations of a pandemic, I am thrilled at the ability of our members and employees to meet these challenges head-on with enthusiasm and a giving spirit.

I want to especially recognize our employees for their contributions in 2021. The people who make Ascend the place it is—a place our members value and trust—continued to amaze me in ways big and small. Without them, the successes we enjoyed last year would not have been possible and I want to always make sure they know how much their work and diligence mean to me and to Ascend as a whole.

Our communities matter, and we are committed to doing whatever we can to support the people that make those communities vibrant. Twice, we partnered with Second Harvest Food Bank of Middle Tennessee for food drives to supplement their efforts in the midstate area, with an

additional \$70,000 donated by the credit union during the fall efforts. We continue to support the Susan G. Komen Foundation, the Leukemia and Lymphoma Society, Monroe Carell Jr. Children's Hospital at Vanderbilt with time and donations and when flooding rocked the midstate area in August, we're proud that we stepped up not only with a monetary contribution but also by taking measures to put money back in the hands of those who needed it in those affected communities.

This year, we celebrated our 70th anniversary with a \$7 million member return—we have now put nearly \$100 million back in our members' pockets since 2005. To do that, as we continue to navigate a pandemic, is a testament to our members, our employees, our volunteer board of directors and everyone who believes in what we are doing in our Middle Tennessee communities. As always, thank you for your membership with Ascend; thank you for your patience and understanding, and thank you for helping us make our communities a better place.

\$3.7

Billion in Assets

609

**Middle Tennesseans
Employed**

240,599

Members

CHAIRMAN

Pat Eagan



I am pleased to report that 2021 was a very healthy year for Ascend, as we continually expanded our offerings and aided our members during the ongoing challenges.

In 2021, we continued to offer innovative solutions to meet member needs. We introduced a new Visa® Secured Platinum credit card, which helps our members build and improve their credit scores, with the credit limit on the card secured by the members' savings account balance. We also offered more flexible ways for members to move money using Zelle® to facilitate person-to-person money transfers from Ascend, all in the name of making it easier for our members to put their money to work where they need it.

I am happy to report that the automated and interactive teller (ATM/ITM) retrofit project, was completed this past year. This now allows all branches to offer 7 a.m.-to-7 p.m. drive-up service, Monday-through-Saturday as well as providing 24-hour ATM service.

Ascend supports the people who help our communities thrive; this year, we were able to kick off our Local Heroes Mortgage Loan, giving teachers, firefighters, police officers, nurses, paramedics and EMTs the opportunity to purchase a home with as little as zero down

payment, no loan origination fee, and no Private Mortgage Insurance (PMI) required.

Ascend's commitment to educating its members and creating sound financial stewards has long been one of the credit union's primary missions. I am proud that we are constantly finding new and innovative ways to share excellent financial habits with membership, thanks to our financial education tools and our personalized savings goal module on ascend.org.

I want to take a moment to highlight what is among the most important bits of business conducted by the Board of Directors in 2021—the approval of a \$7 million member return to celebrate Ascend's 70th anniversary. Since 2005, Ascend has returned almost \$100 million to our members, a testament not only to sound financial management but a commitment by the board and the credit union to reward members' trust in our products and services.

I'm proud to say that Ascend remains a strong and vibrant financial institution through what has been a turbulent last couple of years. On behalf of your volunteer Board of Directors, I want to thank each and every one of our members for placing their trust and loyalty in Ascend Federal Credit Union.

TREASURER
Valerie Molette



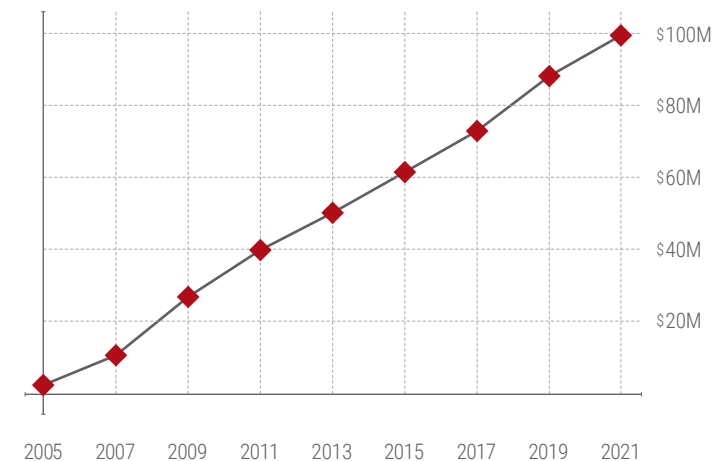
Last year, Ascend's board of directors voted to return \$7 million to members in bonus dividends and loan interest refunds as part of our 70th anniversary celebration. Over the past 17 years, Ascend's volunteer board has returned nearly \$100 million to members.

In 2021, Ascend's assets increased more than \$536 million, increasing by more than \$1 billion just in the last two years. The credit union had a return on assets of 1.14 percent and a net worth of \$495.8 million. For specific financial details from 2021, please review the "Statement of Condition" and "Statement of Income and Expense" following this report.

Ascend's financial health has helped us to not only remain the safe and sound financial institution members have trusted for 70 years, it has allowed us to grow during a time of great uncertainty. The trust our membership places in our leadership and vision has allowed us to thrive during this time.

Thank you for your loyalty to and membership with Ascend!

Cumulative Amount of 17 Years of Bonus Dividends and Loan Interest Refunds 2005-2021





SUPERVISORY COMMITTEE CHAIRMAN

Joshua Johns

The Supervisory Committee is appointed by Ascend's board of directors, who task it with several objectives:

- Ensuring sound financial practices are followed
- Accurate and timely financial reporting
- Effective internal control procedures
- Practices and procedures that protect member assets

The Committee oversees Ascend's internal auditors in addition to contracting with an external audit firm. The National Credit Union Administration (NCUA), which is Ascend's regulator, conducts additional reviews on the credit union's financial condition, quality of management, and risk of loss to member capital and the National Credit Union Share Insurance Fund (NCUSIF).

I am pleased to report that the audits and examinations along with the observations of the Committee have shown that Ascend is a well-managed financial institution that continues to be secure and sound.



Charlie Dillingham

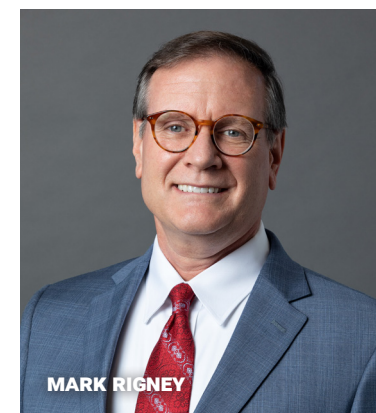
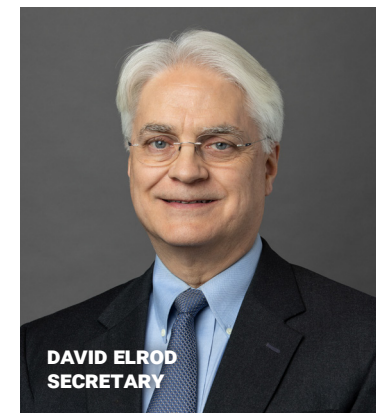
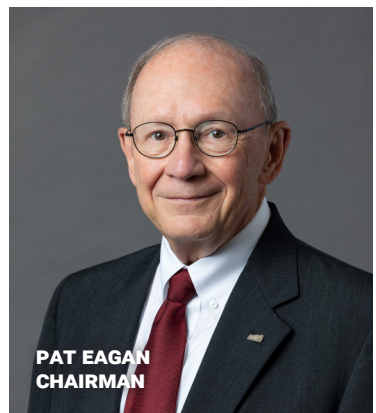


Anthony Taylor

Ascend's Volunteer Board of Directors

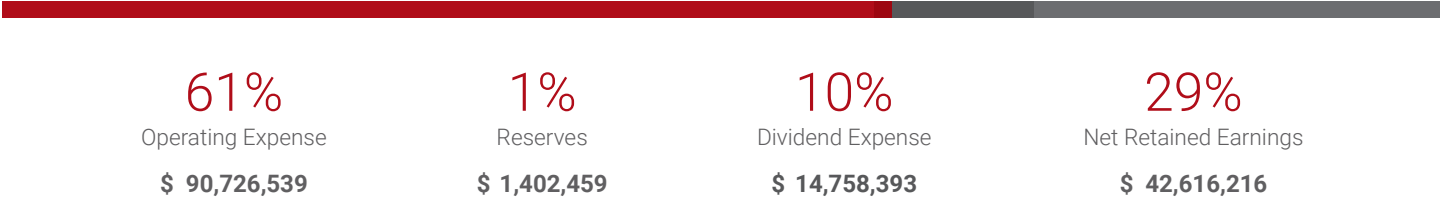
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Combined Years of Service
by Our Board Members



Statement of Income and Expense

Distribution of Income Dollars



Income	
Interest on Loans	\$ 91,980,719
Income from Investments	\$ 10,193,655
Misc. Operating Income	\$ 46,264,063
Non-Operating Gains (Losses)	\$ 1,065,169
Total Income	\$ 149,503,606

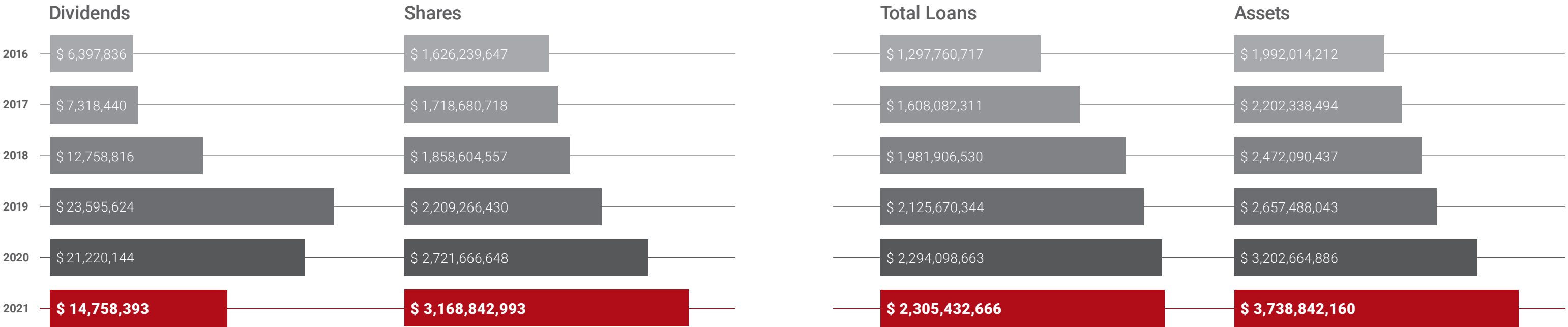
Expenses	
Office Operations	\$ 90,265,086
Fed Supervision & Examination	\$ 458,809
Annual Meeting	\$ 2,644
Provision for Loan Losses	\$ 1,402,459
Total Operating Expenses	\$ 92,128,998

Statement of Condition

Assets	
Total Loans	\$ 2,305,432,666
Less Allowance for Loan Loss	\$ 9,934,854
Net Loans	\$ 2,295,497,812
Cash & Receivables	\$ 382,312,782
Investments	\$ 879,485,507
Accrued Income	\$ 8,130,957
Prepaid & Deferred Expenses	\$ 3,870,746
Fixed Assets (Net)	\$ 87,653,466
NCUSIF Deposit	\$ 26,473,118
Other Assets	\$ 55,417,772
Total Assets	\$ 3,738,842,160

Liabilities & Equity	
Payables & Accrued Expenses	\$ 29,066,183
Borrowings	\$ 60,000,000
Share Accounts	\$ 1,221,053,188
Money Market Accounts	\$ 698,639,668
Share Certificate Accounts	\$ 494,154,997
Health Savings Account	\$ 3,410,322
Share Draft Accounts	\$ 479,725,222
Individual Retirement Accounts	\$ 271,859,596
Regular Reserve	\$ 26,620,701
Undivided Earnings	\$ 418,324,534
Equity Acquired in Merger	\$ 8,266,844
Accumulated Unrealized Gains/(Losses) on Available-for-Sale Securities	(\$ 14,895,311)
Net Income (Loss)	(\$ 42,616,216)
Total Equity	\$ 3,649,775,977
Total Liabilities & Equity	\$ 3,738,842,160

Financial Performance



Promise

Educate and help members become effective financial stewards.

Mission

Enhance members' lives with superior products delivered with service excellence.

Vision

Elevate members' trust to establish Ascend as their primary financial institution.

70
YEARS
1951 - 2021

ascend.org

Federally insured by NCUA.