

2024

ANNUAL REPORT



DuPont Community
CREDIT UNION



REPORT FROM THE CHAIR

DuPont Community Credit Union (DCCU) experienced another positive year in 2024 as we demonstrated our continued commitment to our membership and the community. Here are some highlights from 2024:

Angie M. Simonetti, Chair, Board of Directors

Financing the Goal of Homeownership

We funded \$59.4 Million in real estate loans in 2024, helping 260 members purchase or refinance their homes. We remain committed to supporting the evolving mortgage needs of our members, as demonstrated by the introduction of RateDrop Mortgage, an innovative mortgage loan that allows you to lower your mortgage interest rate every 12 months if rates decrease. RateDrop Mortgage is an example of our focus on providing relevant solutions that support the financial wellness of our members.

Providing Quality Lending Solutions

In 2024 we served the lending needs of over 7,400 members as we funded \$61.8 Million in auto loans, \$14.4 Million in credit card lending, and \$42.3 Million in home equity loans. Our Rebate Program returned over \$2 Million in paid interest to members with a consumer loan – credit card, auto, personal, and/or home equity. Additionally, we continue to support the business lending needs of our members, funding \$18.9 Million in business loans.

Expanding Innovative Banking Options

We expanded our Video Banking services in 2024, adding two new locations. In addition to the drive-up ATMs at Grottoes, West Staunton, and Windward Pointe in Fishersville, Video Banking is also available at our West Main location in Waynesboro and our South High Street location in Harrisonburg. Video Banking ATMs provide standard ATM functionality along with the opportunity for members to speak with a



SUPERVISORY COMMITTEE REPORT

Bruce F. Hamrick, Chair, Supervisory Committee

The Supervisory Committee is appointed by the Board of Directors to oversee the operation of the Credit Union. This Committee acts as your member advocate. It strives to assure members that DCCU is operated in a financially safe and sound manner so that members' assets are protected.

During 2024, the Supervisory Committee was composed of the following members: Bruce F. Hamrick (Chair), Eugene F. Walker (Secretary), Wesley B. Wampler (Member), Robin W. Ruleman (Member), Marissa S. Helmick (Member), Pamela B. Adams (Associate Member), and Jonathan S. Lohr (Associate Member). The Committee is assisted by the Internal Audit Department, which is lead by, Leslie Miller, CPA.

As required by law, DCCU's Annual Opinion Audit is performed by an independent CPA firm. The 2023 end-of-year CPA report stated that DCCU's financial statements were prepared in accordance with generally

DCCU representative by video to ask questions or request assistance.

Supporting Community Financial Health

In 2024, we launched the DCCU Cares Foundation, a non-profit organization created to formalize and expand on the longstanding charitable efforts of DCCU. The DCCU Cares Foundation has a vision to provide solutions that help improve financial wellness, promote education, drive engagement, and grow community partnerships.

Giving Back to Our Community

Supporting local organizations throughout the Shenandoah Valley is important to us. In 2024, DCCU provided sponsorship donations to 123 organizations, totaling over \$107,000 to help fund their initiatives and achieve their goals. DCCU Shred Days are popular events that meet a need while giving back at the same time. While shredding your sensitive documents for free, we also collect donations for the Blue Ridge Area Food Bank. Through our Spring and Fall Shred Days, we collected enough food and monetary donations to help the Food Bank provide over 48,000 meals for families in need. DCCU employees also contributed over 1,000 volunteer hours throughout our field of membership, providing support in a hands-on way.

These highlights reflect some of the ways we deliver value to our members and help make a difference in our community. We are encouraged about 2025 and excited for the many years ahead. On behalf of the Board of Directors and the staff of DuPont Community Credit Union, we appreciate your membership and continued support of our financial cooperative.

accepted accounting principles. Noted exceptions and/or recommendations were promptly addressed in 2024 by DCCU staff. The audit firm of Elliott Davis, CPAs, performed the annual opinion audit.

Our most recent routine joint examination was completed in 2024 by the Virginia Bureau of Financial Institutions and NCUA. DCCU received good ratings for financial safety and soundness. All recommendations were promptly responded to by the Board and Management. DCCU continues to work hard to protect members from fraud. However, an important part of fraud reduction is member vigilance. This Committee urges each member to routinely monitor his or her DCCU statements and/or accounts and report any suspicious activity promptly.

In summary, your Credit Union is being operated in a safe and sound manner and continues to be in excellent financial condition.



TREASURER'S REPORT

The 2024 financial performance and accomplishments are reflected by category in detail below.

Christopher D. Terry, Treasurer, Board of Directors

Balance Sheet

Assets increased at a rate of 4.0% or \$72.2MM, ending 2024 at \$1.86B. Member savings increased 3.1% or \$50.9MM during 2024. With savings growth outpacing loan demand, the ratio of our loans to assets decreased from 63.9% to 61.2%. Total loans outstanding decreased by -0.3% or -\$3.0MM. The investment portfolio decreased -2.0% or -\$8.0MM during the year. All of our investments are issued by the U.S. Treasury, U.S. Government Sponsored Enterprises, or include credit protection.

Figure 1 Assets, Savings, Loans (Millions of dollars)

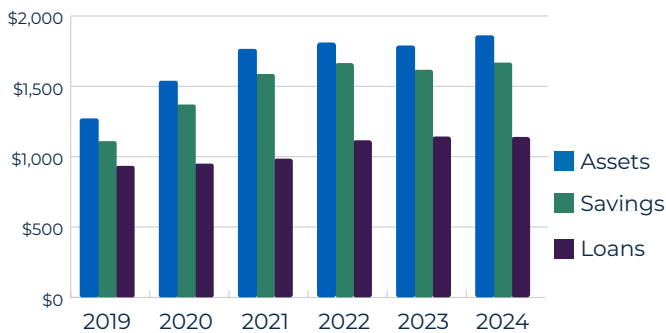
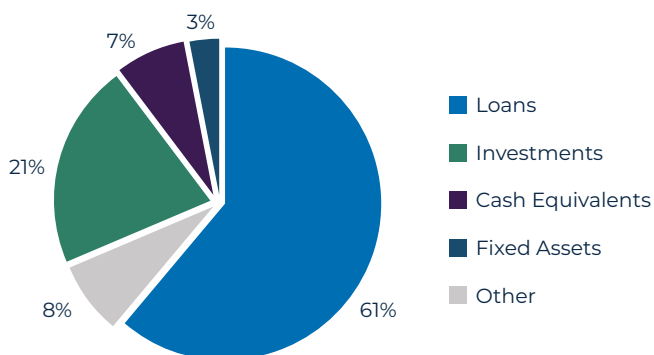


Figure 2 Asset Distribution



Net Income

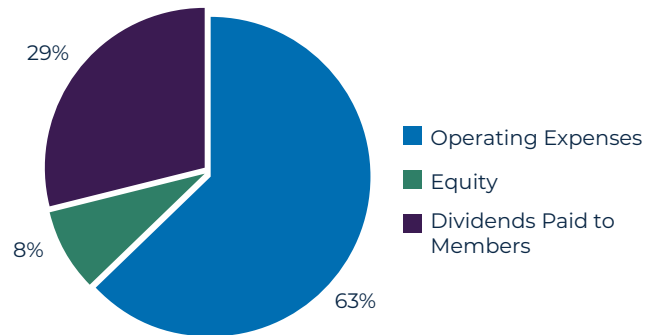
Net income for 2024 decreased -\$9.4MM or -51.6% compared to 2023, due to losses on investments of -\$9.2MM as part of the restructuring of a portion of our investment portfolio. This investment restructure positions us for stronger longer-term return, including recovery of the upfront losses realized, on our investment portfolio. Due to sustained higher interest rates in 2024, dividends and interest paid to members increased significantly by \$8.5MM or 39.3% compared to 2023.

Summary

These financial results reflect strong performance and stability in DCCU's Balance Sheet. This strong position will enable DCCU to continue providing various forms of member-giveback and to make investments in our products, services, and delivery channels.

We look forward to another strong year in 2025 and, as always, appreciate your cooperation and support!

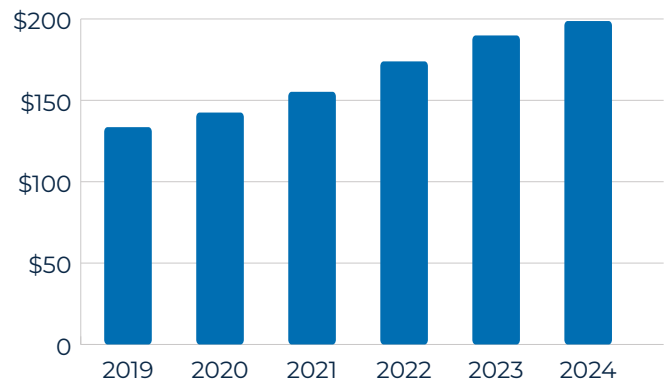
Figure 3 Income Distribution



Equity (Net Worth)

Our equity ratio increased from 10.61% of assets at year-end 2023 to 10.67% at year-end 2024. The \$160.5MM of equity helps maintain our sound financial position.

Figure 4 Equity, Excluding OCL (Millions of dollars)



Loan Quality

Our delinquency rate (based on all loans in the portfolio) of 0.32% at year-end 2023 was unchanged at the end of 2024, which remains in line with our historical average. Net write-offs decreased from \$2.5MM or 0.22% in 2023 to \$2.3MM or 0.20% in 2024.

INCOME STATEMENT

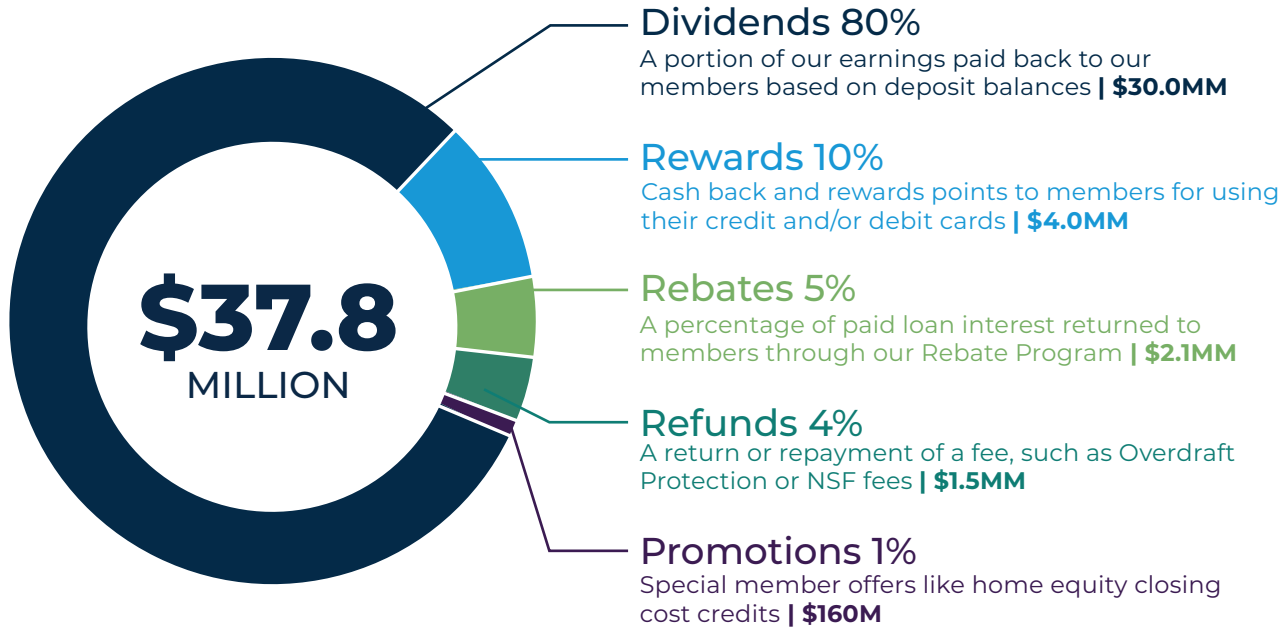
	2024		2023		Difference
	Amount	% Of Gross Income	Amount	% Of Gross Income	
Income					
Loan Interest	\$69,747,097	66.2%	\$62,394,161	60.8%	\$7,352,936
Loan Interest Rebate	(2,051,472)	-1.9%	(491,920)	-0.5%	(1,559,552)
Investment Income	17,033,586	16.2%	14,097,508	13.7%	2,936,078
Other Income	29,777,773	28.3%	27,056,361	26.4%	2,721,412
Gain (Loss) On Investments	(9,247,123)	-8.8%	(415,082)	-0.4%	(8,832,041)
Gain (Loss) Disposition Of Assets	27,380	0.0%	(34,220)	0.0%	61,600
Corporate Stabilization Income	0	0.0%	0	0.0%	-
Total Gross Income	\$105,287,241	100.0%	\$102,606,807	100.0%	\$2,680,434
Expenses					
Employee Compensation	\$25,215,272	23.9%	\$22,485,007	21.9%	\$2,730,265
Benefits/Training	7,578,753	7.2%	7,550,085	7.4%	28,668
Association Dues	186,631	0.2%	159,467	0.2%	27,164
Cost Of Space	3,109,807	3.0%	3,005,014	2.9%	104,793
Furniture & Fixtures	2,857,731	2.7%	2,757,584	2.7%	100,147
Debit Cards	8,165,616	7.8%	7,704,250	7.5%	461,367
Software Support	1,895,980	1.8%	1,735,855	1.7%	160,125
Cost Of Operations - Other	7,010,178	6.7%	6,680,623	6.5%	329,555
Marketing/Promotions	1,188,268	1.1%	1,212,392	1.2%	(24,124)
Provision For Loan Losses	2,603,814	2.5%	2,393,785	2.3%	210,029
Professional Services	804,482	0.8%	814,115	0.8%	(9,633)
Loan Expenses	1,609,883	1.5%	1,447,177	1.4%	162,705
Credit Cards	3,136,990	3.0%	3,903,859	3.8%	(766,869)
Borrowed Money Expense	207,073	0.2%	307,771	0.3%	(100,698)
Other Expenses	590,853	0.6%	424,096	0.4%	166,757
Total Operating Expense	\$66,161,331	62.8%	\$62,581,080	61.0%	\$3,580,251
Paid To Members					
Certificate Interest	\$18,068,074	17.2%	\$11,983,731	11.7%	\$6,084,343
Dividends	12,202,506	11.6%	9,752,643	9.5%	2,449,863
Total Paid To Members	\$30,270,580	28.8%	\$21,736,374	21.2%	\$8,534,206
Net Income	\$8,855,330	8.4%	\$18,289,353	17.8%	\$(9,434,023)
Current Expected Credit Loss One-Time Adoption Expense	\$-	0.0%	\$2,349,300	2.3%	\$(2,349,300)
Added To Equity	\$8,855,330	8.4%	\$15,940,053	15.5%	\$(7,084,723)

BALANCE SHEET

	2024		2023		Difference
	Amount	% Of Assets	Amount	% Of Assets	
Assets					
Loans To Members (Net Of Allow For Loan Loss)	\$1,140,330,775	61.2%	\$1,143,336,584	63.9%	\$(3,005,809)
Cash And Cash Equivalents	132,982,265	7.1%	75,546,259	4.2%	57,436,006
Investments	392,340,779	21.1%	400,377,104	22.4%	(8,036,325)
Accrued Income (Loans)	3,318,604	0.2%	3,137,857	0.2%	180,747
Accrued Income (Investments)	1,182,775	0.1%	1,569,139	0.1%	(386,364)
Building/Land (Net)	48,238,731	2.6%	48,171,442	2.7%	67,289
Furniture/Fixtures (Net)	6,852,629	0.4%	7,256,924	0.4%	(404,295)
NCUA Deposit	15,190,236	0.8%	15,294,482	0.9%	(104,246)
Other Assets	121,971,955	6.5%	95,484,979	5.3%	26,486,976
Total Assets	\$1,862,408,749	100.0%	\$1,790,174,770	100.0%	\$72,233,979
Liabilities And Equity					
Corporate Drafts Outstanding	\$5,670,855	0.3%	\$5,316,247	0.3%	\$354,608
Regular Shares/Clubs/IRA's	353,027,456	19.0%	367,421,672	20.5%	(14,394,216)
Money Market	347,143,908	18.6%	356,850,946	19.9%	(9,707,038)
Certificates	476,829,885	25.6%	428,387,992	23.9%	48,441,893
Checking	491,664,140	26.4%	465,103,217	26.0%	26,560,923
Accounts Payable	573,836	0.0%	828,547	0.0%	(254,711)
Loans Payable	8,520,000	0.5%	7,640,000	0.4%	880,000
Other Liabilities	18,452,168	1.0%	22,138,868	1.2%	(3,686,700)
Total Liabilities	\$1,701,882,248	91.4%	\$1,653,687,489	92.4%	\$48,194,759
Equity					
Reserves	\$19,899,638	1.1%	\$19,899,638	1.1%	\$-
Accumulated Other Comprehensive Loss (OCL)	(38,196,860)	-2.1%	(53,380,749)	-3.0%	15,183,889
Retained Earnings	178,823,723	9.6%	169,968,392	9.5%	8,855,331
Total Equity	\$160,526,501	8.6%	\$136,487,281	7.6%	\$24,039,220
Total Equity (Excluding OCL)	\$198,723,361	10.7%	\$189,868,030	10.6%	\$8,855,331
Total Liabilities And Equity	\$1,862,408,749	100.0%	\$1,790,174,770	100.0%	\$72,233,979

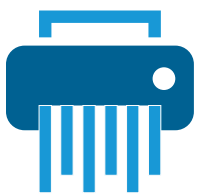
MEMBER GIVEBACK

Providing value to the membership in the form of dividends, rewards, rebates, refunds, and promotions is an important part of being a financial cooperative. The highlights below are a few ways DCCU members benefited in 2024.



COMMUNITY GIVEBACK

Giving back to the communities we serve is a big part of what makes us a credit union. Here are a few of the ways we supported the community in 2024:



Shred Days

Each Spring and Fall, we host Shred Day events at several of our branch locations. In addition to shredding sensitive documents for free, we also accept food and monetary donations for the Blue Ridge Area Food Bank.

2,568
Attendees

87,450
Pounds of shred

\$10,254
Donations

8,751
Pounds of food

48,308
Meals provided by
the Food Bank
(donations + pounds of food)



Volunteering

DCCU employees enjoy getting out in the community and giving back to local organizations in a hands-on way.

1,051
Total Volunteer Hours



Sponsorship Donations

Sponsorships are one of the many ways that DCCU gives back to the community. From schools to non-profits, DCCU sponsorships help a variety of organizations.

123
Organizations
Supported

\$107,253
Donated



BOARD OF DIRECTORS

DCCU's Board of Directors is comprised of members who volunteer their time and expertise to the membership by overseeing the management of the Credit Union. Directors serve three-year terms and are elected by the membership. Associate Directors are appointed by the Board and serve one-year terms.

Angie M. Simonetti *Chair*

Michael P. Blinn *Vice Chair*

David A. Kirby *Secretary*

Christopher D. Terry *Treasurer*

Drew Ellen Gogian *Director*

Marvin G. Copeland, Jr. *Director*

Janet P. Mangun *Director*

Everett J. Campbell, Jr. *Director Emeritus*

S. Michelle Duprey *Associate Director*

William D. Russell *Associate Director*

Steve F. Elkins *President/CEO*

GOVERNANCE COMMITTEE

Responsible for ongoing review and recommendations concerning the governance of the Credit Union to enhance the leadership quality, effectiveness, and strategic impact of the Board and all elements of the governance structure. The Governance Committee is also responsible for the development process and thoughtful nomination of Board members.

Marvin G. Copeland, Jr. *Board Director, Committee Chair*

Drew Ellen Gogian *Board Director*

Janet P. Mangun *Board Director*

Mary Louise Yates *Member*

David D. Passmore *Member*



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