



**Publix Employees
Federal Credit Union**

Helping YOU Live Your Best Financial Life



2022


ANNUAL REPORT

CELEBRATING 65 YEARS OF SERVICE

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**TO PROVIDE
EXCEPTIONAL,
CONVENIENT,
AND INNOVATIVE
FINANCIAL
SOLUTIONS
THROUGHOUT
ALL PHASES OF
EACH MEMBER'S
LIFE.**

OUR COMMITMENT

At Publix Employees Federal Credit Union (PEFCU), we owe our success to the people who share our trust, commitment, and values. Our members keep our not-for-profit co-op strong. We listen to their feedback and value their ideas. We will help them save money, earn money, and access their money with premier products, services, and technology.

ABOUT US

Headquartered in Lakeland, Fla., Publix Employees Federal Credit Union (PEFCU) is a member-owned co-operative that was founded in 1957 to meet the financial needs of Publix Super Markets, Inc. associates and their family members. PEFCU, with \$1.4 billion in assets, is ranked in the top five percent of credit unions nation-wide. PEFCU maintains a five-star rating by Bauer Financial and boasts an “A+” in financial health. PEFCU remains committed to improving the financial lives of its members and continues to expand its membership throughout the southeastern U.S.



3

George Jenkins



HISTORY

Publix founder George Jenkins, John Turner, and other leaders of Publix Super Markets envisioned giving hardworking Publix associates access to better loans and savings options. They believed the “people helping people” principle of a credit union fit perfectly with Publix’s philosophy of supporting each other. They applied for a credit union charter, put the plan in motion, and in good faith, became the first members of PEFCU in 1957.

MESSAGE FROM THE PRESIDENT

LOOKING TOWARD THE FUTURE

What an honor it is to serve as the President/CEO of such a stable and thriving organization! The opportunity to be part of this credit union is very special. I served in my role during the last nine months of 2022, and in that short time, I witnessed first-hand the strong foundation, team of dedicated associates, and loyal membership that set PEFCU apart from our industry peers.

These are exciting times for PEFCU members and associates. In 2022, we accomplished much worth celebrating:

- In August, we launched our new and improved mobile banking app, **PEFCUMobile**, to make banking from a mobile device much easier and more convenient.
- We moved our Norcross staff and operations to a beautiful new branch in Lawrenceville, GA, where more Publix associates live and work.
- We introduced several valuable products to help Publix associates with significant life changes, like the Publix Relocation Loan, the First-Time Home Buyer program, and the First-Time Car Buyer program.
- We installed a PEFCU ATM at Publix's new Greensboro Distribution Center in NC, giving associates surcharge-free access to cash withdrawals, deposits, transfers, and more.
- We expanded our community outreach program, giving our staff more opportunities to be involved and supporting local initiatives that serve our communities.

We're incredibly fortunate that PEFCU has extraordinarily loyal members like you. Our membership continues to increase because you have helped us establish new banking relationships with your coworkers and family members. We appreciate the opportunity to serve them and thank you for spreading the news.

We look forward to advancing the credit union while we continue to make our members our priority.

Sincerely,



Jeremiah Kossen | President/CEO



MESSAGE FROM THE CHAIRMAN

CONFIDENCE & GROWTH

The board is proud to report that in 2022, PEFCU met the banking needs of its members by providing relevant products and services while remaining operationally sound and financially stable. Publix Employees Federal Credit Union was founded in 1957 and has met the needs of Publix associates and their families for over 65 years. As the needs of Publix associates evolve, PEFCU continues to offer innovative solutions that can help them live their best financial lives.

PEFCU continued to grow in 2022.

As evidenced by the charts and financial reports in this Annual Report, PEFCU ended the year at \$1.4 billion. PEFCU's success is due to the members' continued loyalty and unwavering support, even during these times of inflation and possible recession. For this, we are truly grateful.

Despite the many challenges the financial industry has faced since 2020, PEFCU remains financially sound. The public accounting firm of Doeren Mayhew audited PEFCU and rendered a clean opinion on its financial statements. Examiners from NCUA, our regulators, agreed that PEFCU remained financially sound. In addition, Bauer Financial gave PEFCU a rating of "5 stars," their highest rating, once again.

PEFCU remained secure in 2022.

PEFCU's top priority is securing our members' assets and personal data. As confirmed by third-party audits and governing bodies of the NCUA, PEFCU continued to enhance its Security Program to protect its members' assets and personal data. PEFCU has maintained a solid and dedicated effort to protect member assets and non-public personal information. As PEFCU rolled out a new and improved mobile banking environment, mitigating security risks and ensuring the protection of its members' data were at the forefront of the more efficient platforms the credit union created.

PEFCU remained competitive in 2022.

PEFCU's fees and charges to members remain minimal, with lending rates among the most competitive in the industry. PEFCU launched its First-Time Home Buyer program, enabling members to buy a home with no down payment required. PEFCU also introduced the Publix Relocation Loan, offered exclusively to Publix associates transferring with the company. This low-rate loan helps associates cover relocation expenses, from moving trucks to



organizing their new space – and everything in between.

PEFCU prioritized service in 2022.

In 2022, PEFCU continued to use technology to reach members in new ways. In August, the credit union opened the doors of its new Lawrenceville, GA branch, moving closer to where Publix associates live and work. PEFCU also refreshed the look of a few of its branches to make branch visits more visually appealing. Also, a new mobile banking app was launched, including new features that give the members more self-service options from their smartphones. Now they can send payments to friends and family, transfer money between PEFCU accounts and accounts with other financial institutions, reset their passwords, and more.

PEFCU continued to give back to our communities in 2022.

Giving back to the communities remained a priority for PEFCU in 2022. PEFCU refined its community outreach strategy by focusing on three initiatives: education, health and wellness, and environment. The credit union developed new partnerships with several non-profit organizations to reach those who are often forgotten, like the SPCA, Boots for Troops, local Title I elementary schools, and The Salvation Army. PEFCU also established itself as a sponsor for local sports programs, including the Lakeland Tropics, the Lakeland Flying Tigers, the Jacksonville Jumbo Shrimp, and the Lakeland Magic.

Board of Directors

There were several significant changes to the Board of Directors in 2022. I, Linda Hall, became Chairman. Terry Brigman now serves as Vice-Chairman. Merriann Metz serves as Secretary, and

**PUBLIX EMPLOYEES
FEDERAL CREDIT
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Kindle Bowden serves as Director. After 15 years of dedicated service, Jeff Chamberlain retired from his position on the board, and Woody Rayburn, VP of Real Estate Assets for Publix Super Markets, Inc. was appointed as a Director.

In closing, I would like to thank my fellow Board members for their leadership and dedication, the Supervisory Committee members for their commitment, the management and staff of the Credit Union for their hard work, and the members for their continued loyalty and support.

Respectfully submitted,



Linda Hall | Board Chairman

BOARD OF DIRECTORS



Linda Hall
Chairman



Terry Brigman
Vice-Chairman



Merriann Metz
Secretary



Adrian Bennett
Director



Kindle Bowden
Director



Kyle Davis
Director



Woody Rayburn
Director

LEADERSHIP TEAM



Erika Hernden
SVP, Chief Experience
Officer



Jeremiah Kossen
President/CEO



Kelley Martin
SVP, Chief Lending
Officer



Shannon Patten
SVP, Chief Marketing +
Communications Officer



Ted Hassenfelt
SVP, Chief Information
Officer

VICE PRESIDENTS

Kaylan Brugh | VP, Controller

Chris Ramos | VP, Information Security

Derrick Perry | VP, Information Technology

Susan Toadvine | VP, People and Culture

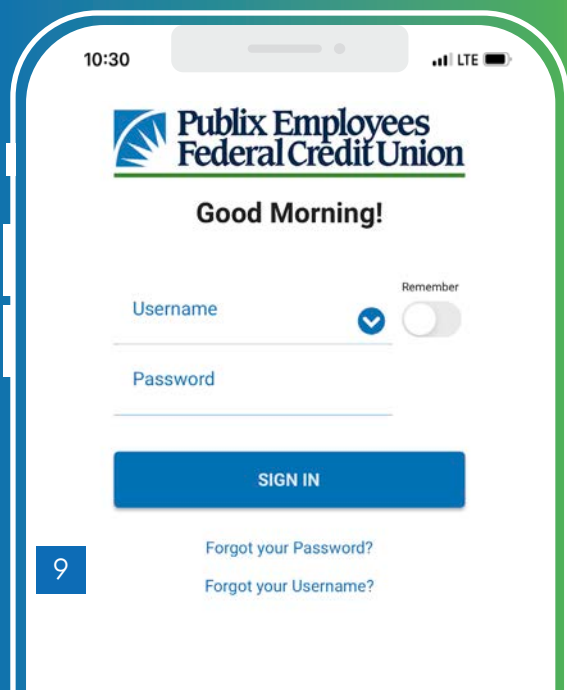
Karen Paulk | VP, Digital Transformation

Kim Williams | VP, Card Services and Digital Payments

TECH CORNER

PEFCUMOBILE APP LAUNCH

Join thousands of members who are already using the **PEFCUMobile** app! In August of 2022, we launched our new mobile banking app, giving it a sleek new look with a Dark Screen mode option, easy navigation, and more ways to move your money around for a smoother mobile banking experience. And there's so much more! Download in the App Store or Google Play today.



SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is appointed by the Board of Directors and is responsible for ensuring the Credit Union's results and financial condition are accurately presented in the financial statements. To assist in this effort, the Supervisory Committee engaged the accounting firm of Doeren Mayhew to perform the annual financial audit.

The audit results for the year ended December 31, 2022, indicate the 2022 financial statements present fairly, in all material respects, the results of operations and the financial condition of the Credit Union in accordance with generally accepted accounting principles. Federal examiners representing the National Credit Union Administration (NCUA) also conducted their required annual examination and found the general condition of the Credit Union to be financially sound.

Respectfully submitted,

Meghan Vazquez
Chair, Supervisory Committee

Committee Members:

Christie Graham
Lisa Merchant
Cindy White

INCOME AND EXPENSES

STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2022

| | 2022 | 2021 | % CHG | INC. (DEC.) |
|------------------------------------|------------------------|------------------------|----------------|-----------------------|
| ASSETS: | | | | |
| LOANS (NET) | \$687,270,236 | \$560,836,322 | | \$126,433,914 |
| CASH | \$15,551,164 | \$15,290,035 | | \$261,129 |
| INVESTMENTS (NET) | \$658,912,087 | \$793,081,383 | | (\$134,169,296) |
| FIXED ASSETS (NET) | \$5,307,704 | \$5,567,983 | | (\$260,279) |
| OTHER ASSETS | \$23,307,896 | \$17,522,141 | | \$5,785,755 |
| TOTAL ASSETS | \$1,390,349,087 | \$1,392,297,864 | -0.14% | (\$1,948,777) |
| LIABILITIES: | | | | |
| ACCOUNTS PAYABLE | \$6,384,315 | \$2,183,118 | | \$4,201,197 |
| OTHER LIABILITIES | \$14,397,089 | \$8,108,846 | | \$6,288,243 |
| TOTAL LIABILITIES | \$20,781,404 | \$10,291,964 | 101.92% | \$10,489,440 |
| MEMBER EQUITY: | | | | |
| MEMBER SHARES | \$1,264,759,790 | \$1,229,033,806 | | \$35,725,984 |
| CAPITAL | \$104,807,893 | \$152,972,094 | | (\$48,164,201) |
| TOTAL MEMBER EQUITY | \$1,369,567,683 | \$1,382,005,900 | -0.90% | (\$12,438,217) |
| TOT. LIABILITIES & CAP. | \$1,390,349,087 | \$1,392,297,864 | -0.014% | (\$1,948,777) |

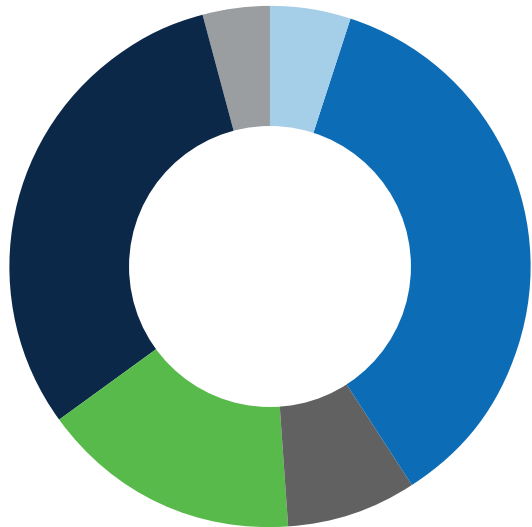
RESULTS OF OPERATIONS AS OF DECEMBER 31, 2022

| | 2022 | 2021 | % CHG | INC. (DEC.) |
|------------------------------|---------------------|---------------------|----------------|---------------------|
| TOTAL ALL INCOME | | | | |
| INTEREST ON LOANS/VISA | \$28,610,033 | \$24,396,542 | | \$4,213,491 |
| INVESTMENT INCOME | \$11,581,791 | \$7,364,641 | | \$4,217,150 |
| OTHER INCOME | \$18,466,306 | \$16,951,300 | | \$1,515,006 |
| GAIN/(LOSS) ON INVESTMENTS | \$11,274 | (\$340,336) | | \$351,610 |
| GAIN/(LOSS) ON ASSETS | (\$30,797) | (\$182,815) | | \$152,018 |
| GROSS INCOME | \$58,638,607 | \$48,189,332 | 21.68% | \$10,449,275 |
| LOAN LOSS PROVISION | \$1,436,000 | (\$103,200) | | \$1,539,200 |
| OPERATING EXPENSES: | | | | |
| ADMINISTRATIVE | \$22,773,777 | \$22,820,776 | | (\$46,999) |
| MARKETING & EDUCATION | \$1,072,456 | \$878,127 | | \$194,329 |
| OFFICE OPERATIONS | \$3,087,186 | \$2,927,325 | | \$159,861 |
| OFFICE OCCUPANCY | \$2,156,733 | \$1,768,236 | | \$388,497 |
| LOAN SERVICING | \$3,376,823 | \$3,078,624 | | \$298,199 |
| PROFESSIONAL SERVICES | \$1,902,410 | \$2,102,038 | | (\$199,628) |
| EXAMINATION EXPENSES | \$224,839 | \$250,238 | | (\$25,399) |
| DATA PROCESSING | \$7,261,962 | \$6,905,163 | | \$356,799 |
| MISCELLANEOUS EXPENSES | \$1,285,649 | \$909,574 | | \$376,075 |
| TOTAL EXPENSES | \$43,141,835 | \$41,640,101 | 3.61% | \$1,501,734 |
| NET OPERATING INCOME: | \$14,060,772 | \$6,652,431 | 111.36% | \$7,408,341 |

DISTRIBUTION OF NET OPERATING INCOME AS OF DECEMBER 31, 2022

| | 2022 | 2021 | % CHG | INC. (DEC.) |
|------------------------------|---------------------|--------------------|----------------|--------------------|
| NET OPERATING INCOME: | \$14,060,772 | \$6,652,431 | 111.36% | \$7,408,341 |
| TO: DIVIDENDS | \$2,830,715 | \$3,533,494 | | (\$702,779) |
| TO: CAPITAL | \$11,230,057 | \$3,118,937 | | \$8,111,120 |
| TOTAL DISTRIBUTION: | \$14,060,772 | \$6,652,431 | 111.36% | \$7,408,341 |

FINANCIAL CONDITION



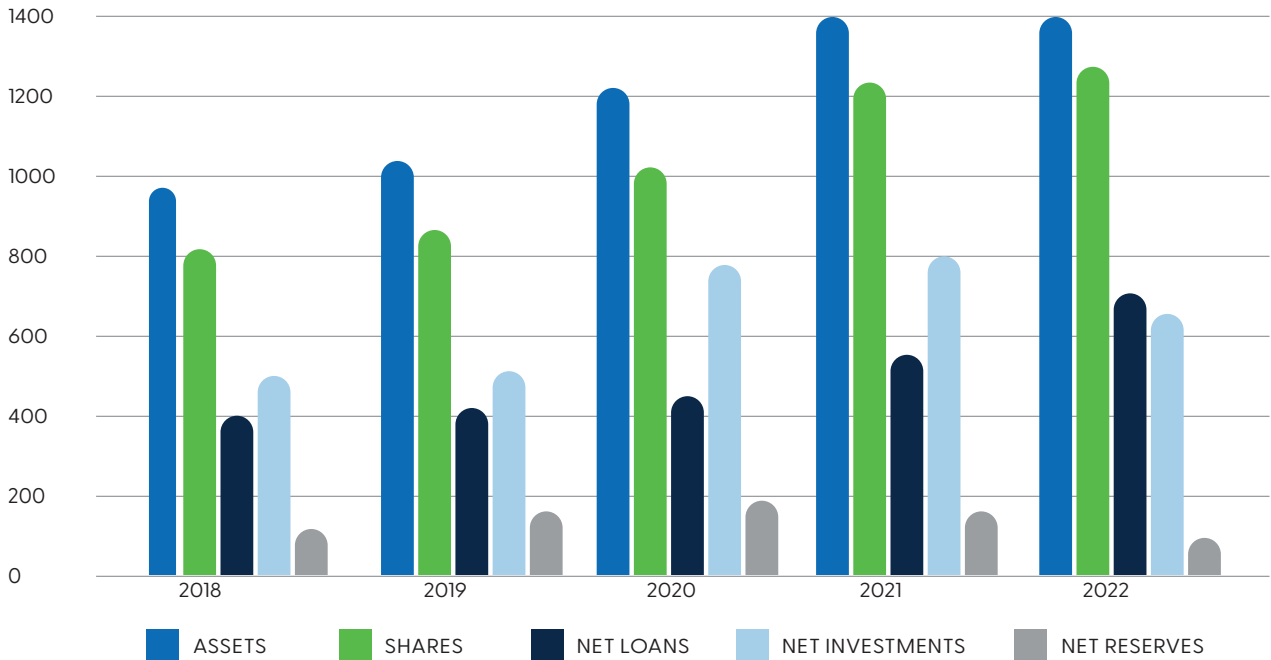
LOAN ACCOUNT ANALYSIS

December 31, 2022

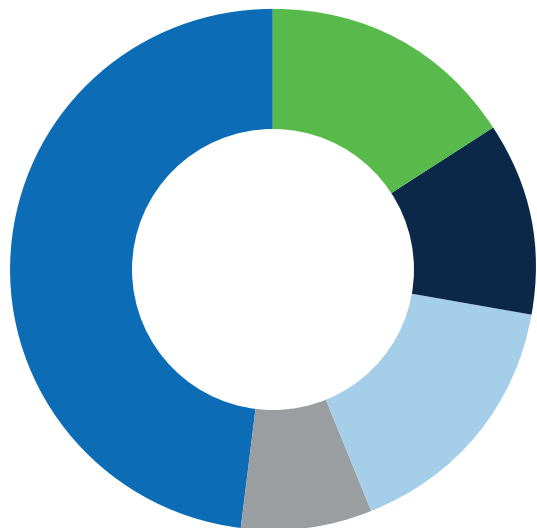
| | | |
|-------------|--------------|-----|
| <div></div> | AUTO | 36% |
| <div></div> | MORTGAGE | 31% |
| <div></div> | SIGNATURE | 5% |
| <div></div> | PUBLIX STOCK | 16% |
| <div></div> | VISA | 8% |
| <div></div> | OTHER | 4% |

HISTORICAL GROWTH ANALYSIS

(In Millions)



FINANCIAL CONDITION



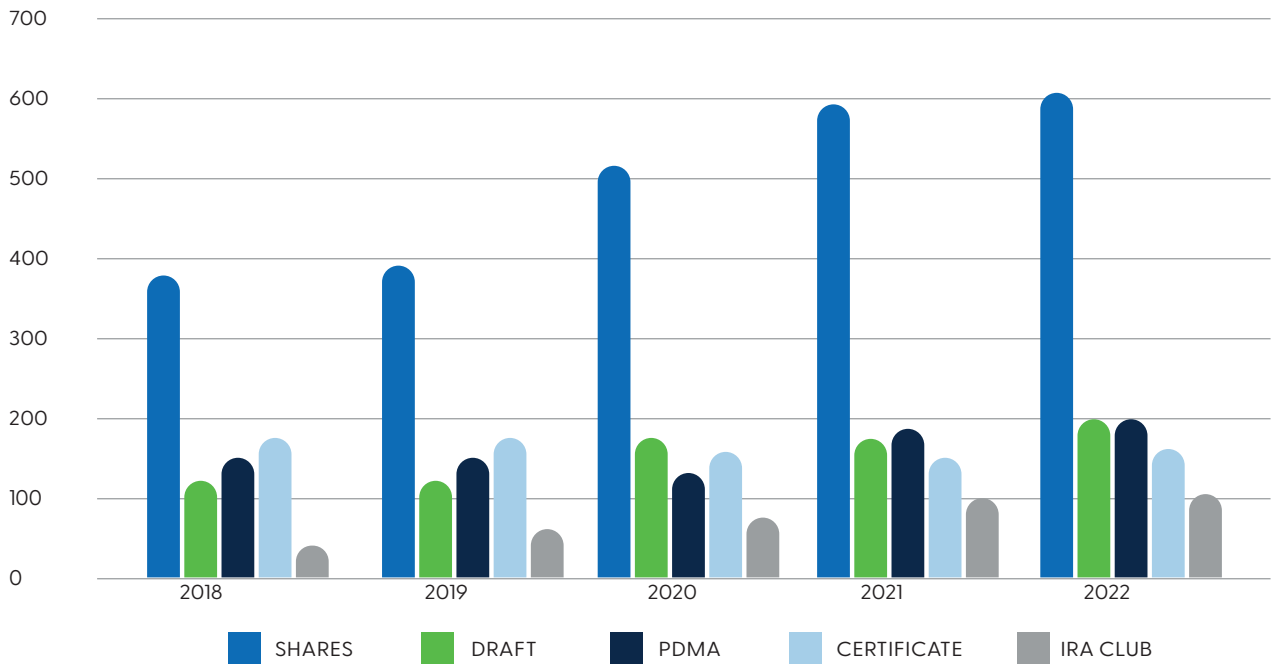
SHARE ACCOUNT ANALYSIS

December 31, 2022

| | |
|-------------|-----|
| SHARE | 48% |
| CERTIFICATE | 12% |
| DRAFT | 16% |
| PDMA | 16% |
| IRA CLUB | 8% |

SHARE ACCOUNT GROWTH

(In Millions)



ANNUAL HIGHLIGHTS 2022

\$1.4B
in Assets



108,867+
Members

1.1M
Social Media
Post Reach



76
NET
PROMOTER
SCORE

\$127M

Net Loan Growth

5,784

Hours of Associate
Training

203,604+

Members Served via
Our Contact Center



65 YEARS OF SERVICE

18TH

Largest Credit Union in FL

11.91%

Net Worth Ratio

WELCOME TO LAWRENCEVILLE

NEW BRANCH OPENING IN GEORGIA

In August of 2022, Publix Employees Federal Credit Union opened its new branch in Lawrenceville, GA! We're near Publix Super Markets in the Village Shoppes of Sugarloaf, and most importantly, we're close to where many Publix associates call their home. The Publix associates who live and work nearby will find it much easier to drop by for a visit.

We're so excited to serve our members in this newly designed branch! The Lawrenceville branch provides a drive-thru, a 24-hour ATM, and other self-service options. Throughout the building, Publix associates who work and live nearby can clearly see the PEFCU brand etched in the design and décor—and in our associates' friendly, familiar faces, of course!





COMMUNITY IMPACT

Publix Employees Federal Credit Union endeavors to offer more than just a stellar financial experience. We aim to be a responsible and caring neighbor and help those in our local communities live their best lives.





BRANCH HOURS

Mon., Tues., Thurs., Fri. 8:30 a.m. - 5:00 p.m.

Wed. 10:00 a.m. - 5:00 p.m.

Lakeland Main Branch

3005 New Tampa Highway | Lakeland, FL 33815
24/7 ATM Access

Mailing:

PO Box 1000 | Lakeland, FL 33802-1000

Altamonte Springs Branch

482 East Altamonte Drive, Suite 1010 | Altamonte Springs, FL 32701

Jacksonville Branch

101 Scholars Way | Jacksonville, FL 32216

Lawrenceville Branch

3340 Sugarloaf Parkway | Lawrenceville, GA 30044
24/7 ATM Access

Pembroke Pines

219 North University Drive | Pembroke Pines, FL 33024
24/7 ATM Access

Royal Palm Beach Branch

11957 Southern Boulevard | Royal Palm Beach, FL 33411
24/7 ATM Access

Sarasota Branch

3564 Clark Road | Sarasota, FL 34231
24/7 ATM Access

Lakeland: 863-683-6404 | Toll Free: 800-226-6673
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