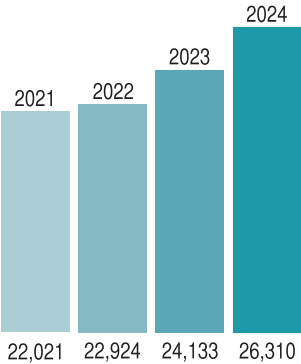


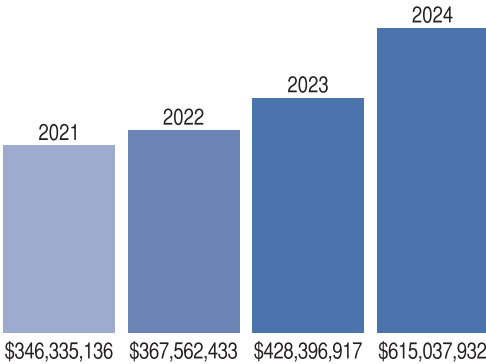
STATEMENT OF FINANCIAL CONDITION

Description	2023	2024
ASSETS:		
INVESTMENTS:		
AVAILABLE-FOR-SALE	\$ 1,337,840	\$ 19,112,240
OTHER	26,465,416	88,346,124
LOANS RECEIVABLE	371,329,334	448,770,625
LESS ALLOWANCE FOR LOAN LOSSES	(1,551,290)	(1,984,216)
PROPERTY AND EQUIPMENT, NET	11,855,482	19,433,914
NCUSIF DEPOSIT	3,260,775	5,326,439
REPOSSESSED ASSETS	326,600	802,586
OTHER ASSETS	15,372,760	35,230,220
TOTAL ASSETS	\$ 428,396,917	\$ 615,037,932
LIABILITIES:		
MEMBERS' SHARE AND SAVINGS ACCOUNTS	\$ 382,571,275	\$ 554,883,729
ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES	6,300,855	18,485,686
TOTAL LIABILITIES	\$ 388,872,130	\$ 573,369,415
MEMBERS' EQUITY	\$ 35,168,384	\$ 39,130,827
NET INCOME	4,356,404	2,537,690
TOTAL MEMBERS' EQUITY	\$ 39,524,788	\$ 41,668,517
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 428,396,918	\$ 615,037,932

MEMBER GROWTH



TOTAL ASSETS



STATEMENT OF INCOME

Description	2023	2024
INCOME:		
INTEREST INCOME ON LOANS	\$ 18,759,231	\$ 23,727,342
INTEREST INCOME ON INVESTMENTS	725,114	4,203,031
TOTAL INTEREST INCOME	\$ 19,484,345	\$ 27,930,373
INTEREST EXPENSE	4,420,966	11,380,920
NET INTEREST INCOME	\$ 15,063,379	\$ 16,549,453
PROVISION FOR LOAN LOSS	1,460,028	1,965,840
INTEREST INCOME AFTER PROVISION	\$ 13,603,351	\$ 14,583,613
NON-INTEREST INCOME	\$ 7,138,534	\$ 7,141,339
GAIN/(LOSS) ON ASSETS	45,237	233,465
INCOME BEFORE OPERATING EXPENSES	\$ 20,787,122	\$ 21,958,417
EXPENSES:		
SALARIES & EMPLOYEE BENEFITS	\$ 8,347,309	\$ 10,413,595
VOLUNTEER & EMPLOYEE RELATIONS	284,488	224,621
OFFICE OCCUPANCY	749,008	849,400
OFFICE OPERATIONS	3,467,661	3,993,534
MARKETING & MEMBER RELATIONS	473,602	557,196
LOAN SERVICING	936,067	908,022
PROFESSIONAL & OUTSIDE SERVICES	\$ 2,172,585	\$ 2,473,557
TOTAL EXPENSES	\$ 16,430,720	\$ 19,419,925
NET INCOME	\$ 4,356,402	\$ 2,538,492

BOARD LEADERSHIP TRANSITION



With deep gratitude, we bid farewell to **Rob Fernandez**, whose service and leadership have shaped Innovations for more than two decades. Throughout his tenure, Mr. Fernandez held key leadership roles, including Chairman of the Board of Directors and Supervisory Committee, always guiding with integrity and dedication. His impact on our credit union and community is immeasurable. Thank you, Mr. Fernandez, for your unwavering commitment and years of service!

With appreciation and gratitude, we say farewell to **Kristopher McLane** for his dedicated service on the Board of Directors. As Treasurer and ALM Chairperson, his leadership and financial stewardship played a vital role in Innovations' success. His commitment to our credit union and members has made a lasting impact. Thank you, Mr. McLane, for your years of service and dedication to Innovations!



ANNUAL REPORT

2024



2024 Chairman & CEO Report



Summary

In 2024, Innovations Financial Credit Union navigated a transformative year marked by growth, technological advancements, and strategic decisions that set the stage for future success. The year was shaped by both planned initiatives and unexpected challenges, but through it all, Innovations remained focused on delivering exceptional service to our members and enhancing our operational capabilities.

FNB Acquisition

The acquisition of First National Bank Northwest Florida (FNB) was a major milestone, though it came with unexpected challenges. Originally set for Q1, the transaction was finalized on August 31, 2024, after extended regulatory reviews. Despite the delay, the transition has been smooth, with strong engagement from FNB’s customers. Full rebranding and operational updates will continue into 2025. Our 23rd Street East branch is operating as an Operations Center, while the Middle Beach branch is already serving members, ensuring uninterrupted service and a seamless integration into the Innovations family.

Technology

Innovations made significant advancements in technology to enhance efficiency and improve the member experience. The rollout of Spark, our AI-powered phone assistant, was a major success, boosting automation rates from under 20% to over 60% after a generational AI upgrade. This has streamlined service while allowing staff to provide more personalized member support.

Beyond AI, Innovations launched key digital upgrades in 2024, including a redesigned website with improved functionality and a more intuitive online banking interface, making account management easier and more efficient for members.

Expansion

In 2024, Innovations achieved significant physical and digital growth. The opening of our Chipley branch in Washington County

was a major milestone, welcomed warmly by the community and reinforcing our commitment to expanding financial services in underserved areas. Additionally, the approval of our field of membership expansion into Okaloosa, Franklin, and Liberty counties broadened our reach, creating new opportunities for growth.

Financials

Despite challenges from the delayed acquisition, Innovations took a strategic, conservative approach to managing loan and deposit growth. While we didn’t meet our original targets, our proactive risk management kept delinquency and charge-off rates well below expectations, ensuring financial stability. Looking ahead, we remain focused on long-term success, leveraging our strong foundation to drive future growth.

Community

In 2024, Innovations received several prestigious accolades, reinforcing our commitment to excellence. We were awarded a Community Development Financial Institution (CDFI) grant to expand financial services to underserved communities. This will allow us to provide small business loans for new and expanding businesses, which are the backbone of our community. We also earned a 5-star rating from Bauer Financial, further validating our financial strength and operational soundness. These achievements were complemented by our ranking as the #4 Best Credit Union to Work For by the American Bankers Association, an honor that highlights our commitment to creating a positive, supportive workplace culture.

Locally, we earned the Bay County Chamber Expansion Award for our contributions to the economy. Our community involvement remained strong, from local parades to the successful reinvestment of our golf tournament, which raised over \$20,000 for the Gulf Coast Children’s Advocacy Center. These achievements underscore our deep commitment to both financial excellence and community impact.



David A. Southall
President/CEO



Craig Ellis
Chair/Board of Directors

Board of Directors

Nancy Luther
Vice Chair

Josh Scribner
Secretary

Anita Broughton
Director

Kenneth White
Director

Gerald Steinbaum
Director

Kenneth White
Director

Audit Committee

Blaine Cook
Chairman

Lisa Barker
Member

Jose Baron
Member

Don Gedeon
Member

Branch Locations

23rd Street

512 West 23rd Street
Panama City, Florida 32405

Back Beach

17900 Panama City Beach Parkway
Panama City Beach, Florida 32413

Callaway

123 North Tyndall Parkway
Panama City, Florida 32404

Chipley

976 Main Street
Chipley, Florida 32428

Harrison Avenue

1038 Harrison Avenue
Panama City, Florida 32401

Lynn Haven

2250 South Highway 77
Lynn Haven, Florida 32444

Middle Beach

12501 Hutchison Boulevard
Panama City Beach, Florida 32407

Thomas Drive

910 Thomas Drive
Panama City Beach, Florida 32408

Operations Center

101 East 23rd Street
Panama City, Florida 32405



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Federally Insured by NCUA | Equal Opportunity Lender
We Do Business In Accordance With The Federal Fair Housing Law
and The Equal Credit Opportunity Act