



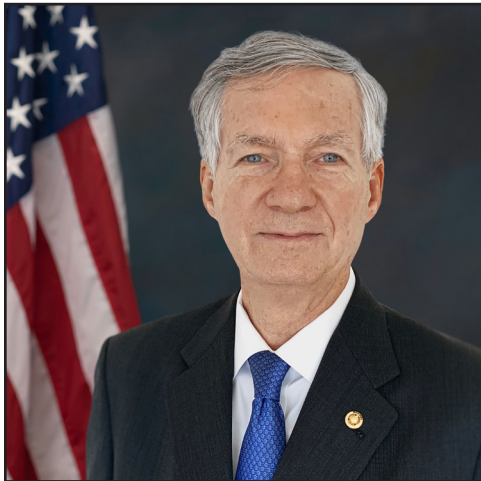
UNITED STATES
SENATE FEDERAL
CREDIT UNION®

20

24

ANNUAL
REPORT

EXECUTIVE REPORT



To Our Valued Members,

As we celebrate the achievements and challenges of 2024, we are excited to share the annual report on behalf of the United States Senate Federal Credit Union (USSFCU). This year is particularly special as we mark our 90th anniversary. In 1935, nine United States Senate employees, including one Senator, came together to pool \$45 and establish this credit union. We take immense pride in our legacy of providing affordable financial services and lifelong solutions to our members.

Throughout 2024, we experienced significant growth and demonstrated resilience as we navigated an evolving economic landscape. Despite these changes, our commitment to serving our members with integrity and excellence has remained steadfast.

Financial Performance

Our financial health remains strong, reflecting our dedication to stability and member satisfaction:

- » **Total Assets:** As of December 31, 2024, our total assets reached \$1.52 billion, representing a 4.25% increase from 2023.
- » **Net Income:** Although our net income has been positive for the past decade, in 2024, we made the strategic decision to write off a loan pool, which temporarily affected our income. However, this move positions us well for 2025, ensuring our ability to reinvest in member services and strategic initiatives.
- » **Loan Growth:** Our loan portfolio remains robust, closing the year at \$1.13 billion, reflecting our commitment to lending to our members.
- » **Member Growth:** Our membership base grew by 0.47%, reaching 62,443 members, a testament to our efforts in community outreach and engagement.

Key Initiatives

Enhanced Digital Services:

As part of our 2024-2026 strategic plan, we continue expanding our digital platforms to deliver innovative products and services to our members. This includes planning for a virtual branch, enhanced payment solutions, and a mobile app that provides easy access to accounts, improved security, and personalized financial insights. Our upgraded online banking platform has also seen increased user engagement.

Financial Education Programs:

We have expanded our financial literacy programs to empower members in making informed financial decisions. Hundreds participate in weekly webinars and workshops covering topics such as budgeting, youth savings, college planning, wealth management, credit management, retirement planning, and more.

Community Engagement:

Our commitment to service goes beyond financial products. We actively participated in community outreach programs and invested over \$100,000 in local charities and educational initiatives, making a positive impact on our community. We are proud to have been recognized as a finalist for the Luminaries Award, voted on by the Credit Union Times, for our outstanding community efforts.

Challenges & Opportunities

The year 2024 presented several challenges, including fluctuating interest rates and evolving regulatory requirements. However, we adapted our strategies to enhance our resilience and seize opportunities. Our proactive approach to risk management and compliance ensures we maintain the highest standards of service and security for our members. I am pleased to report that the NCUA views our credit union as well-managed and well-capitalized.

Future Outlook:

Looking ahead, our focus for 2025 will center around the four pillars of our 2024–2026 strategic plan: (1) growing to \$2 billion in assets, (2) digital transformation, (3) preserving our people-centric culture, and (4) organizational safety and soundness.

Expanding Our Digital Services: We aim to integrate more personalized features into our digital offerings, utilizing artificial intelligence (AI) to enhance the online loan application process and improve our membership application platform for instant access.

Diverse Product Offerings: We will explore innovative products, including AI avatars that provide enhanced service to our members 24/7, ensuring we are always available when our members need us.

Strengthening Member Relations: We will emphasize member feedback to guide service improvements and product development, maintaining relevance and responsiveness. Additionally, we have added the position of Chief Experience Officer to optimize member satisfaction at every touchpoint across the organization.



USA Today and Washington Post Top Workplace

We extend our heartfelt gratitude to our dedicated employees, whose hard work and commitment drive our success. For the second consecutive year, we have been recognized as a top workplace in the nation across all industries, an honor that reflects genuine feedback from our employees. This recognition is based on a third-party scientific survey process, highlighting our organization's positive culture.

Together, we look forward to a bright future, continuing the spirit of cooperation and community that defines the United States Senate Federal Credit Union. On behalf of the Board of Directors, Management, and all staff, thank you for being an integral part of our success. Without you, none of our achievements would be possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy L. Anderson".

Timothy L. Anderson
President & CEO

A handwritten signature in black ink, appearing to read "Jay Moore".

Jay Moore
Chairman of the Board

SUPERVISORY COMMITTEE REPORT



The Supervisory Committee, appointed by the Board of Directors, is responsible for ensuring the integrity of USSFCU's financial reporting, the adequacy of internal controls, and compliance with applicable laws and regulations. In accordance with federal requirements and industry standards, the Committee acts independently of management to provide oversight of the credit union's audit functions and risk management practices.

Financial Audit

To fulfill our statutory responsibility for financial oversight, the Committee engaged the independent audit firm Doeren Mayhew to conduct the credit union's 2024 financial statement audit. Doeren Mayhew has indicated that an unmodified opinion—meaning the financial statements are fairly presented, in all material respects, in accordance with generally accepted auditing standards (GAAS).

Internal Audit

The Committee oversees the internal audit program, which is a critical component of the credit union's risk management framework. In 2024, we continued our engagement with Crowe LLP as our internal audit partner. This engagement followed a strategic rotation of auditors to enhance objectivity and maintain a high standard of audit quality. The change was not prompted by concerns with prior service, but reflects best practice in audit governance.

Throughout the year, Crowe completed eight internal audit engagements, while our previous auditor, RSM, finalized three additional audits initiated during their tenure. These audits focused on high-risk operational and compliance areas and were made possible through strong collaboration with credit union management and staff.

The Supervisory Committee reviewed all findings and recommendations in detail with both the auditors and management. We are satisfied that management has either appropriately addressed

or is actively working to address each item in a timely and effective manner. These efforts reflect a strong culture of accountability and continuous improvement.

Member Ombudsman Role

In addition to our audit and oversight responsibilities, the Supervisory Committee serves as an independent channel for member concerns. If you have an unresolved issue or a matter requiring further review beyond standard service channels, we encourage you to contact the Committee directly:

USSFCU Supervisory Committee
Attention: Supervisory Committee Chair
P.O. Box 77920, Washington, DC 20013-8920

On behalf of the Supervisory Committee, I extend our gratitude to the USSFCU staff and the Board of Directors for their continued support of our initiatives to ensure financial stability and integrity for the benefit of our members.

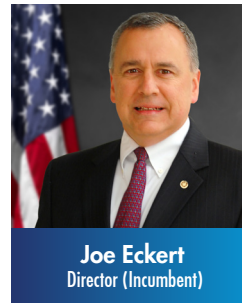
Thank you,

A handwritten signature in black ink, appearing to read 'Clint Trocchio'.

Clint Trocchio

Chair, Supervisory Committee

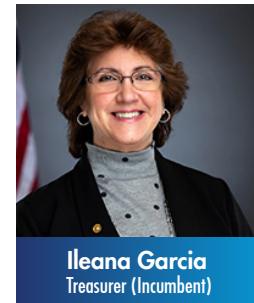
NOMINATING COMMITTEE REPORT



Joe Eckert
Director (Incumbent)



Margaret P. Rushing
Director (Incumbent)



Ileana Garcia
Treasurer (Incumbent)

This year, three (3) seats on your United States Senate Federal Credit Union (USSFCU) Board of Directors are due to expire.

Pursuant to Article V of our Bylaws, the Board Chair appointed a Nominating Committee consisting of Board Director Josef Martens, volunteer Milton Salvador, and I.

Three members submitted applications for nomination to the Board. The Nominating Committee reviewed the applications. Each of the candidates, Board of Director Incumbents, have met the USSFCU volunteer service requirements and were found to be members in good standing as well as highly qualified for Board service. The committee recommends all three for election to the Board.

Nominations for expiring seats and vacancies could also have been made through signed petitions by obtaining the signatures of one percent (1%) of the USSFCU membership (approximately 500 members in good standing). Petitions filed under this procedure had to be submitted to the Nominating Committee as of the close of business on April 7, 2025. As of that date there were no petitions submitted.

Since the number of nominees equals the number of expiring terms, a ballot election is not necessary, and the nominees named above will be elected by acclamation.

Please join me in congratulating the three nominees as they continue to volunteer their time and talent in the service of each of you, the valued members of our United States Senate Federal Credit Union!

Sincerely,

A handwritten signature in black ink that reads "Anthony J. Zagami". The signature is fluid and cursive.

Anthony J. "Tony" Zagami
Chair, Nominating Committee

TREASURER'S REPORT



I am pleased to report that the financial performance of USSFCU continues to be very strong.

As of December 31, 2024, Total Assets were \$1.525 billion.

Our net loan portfolio ended the year at \$1.13 billion and \$289.5 million in loans were approved; this was an approved loan decrease of \$76.9 million, compared to 2023. The member demand for mortgage and home equity loans decreased in 2024 with the rising interest rate environment. Our loan delinquency and charge-offs have remained low during this reporting period and lending continues to remain a high-level strategic goal.

Management's calculation of USSFCU's allowance for credit loss was reviewed by our internal and external audit firms, in addition to the National Credit Union Administration (NCUA). They have all indicated that our loan loss reserves continue to be adequately stated to meet potential loan losses as of December 31, 2024.

In 2024, deposits ended the year at \$1.41 billion.

Your Board has continued to measure the strength of your financial institution by means of total capital. USSFCU completed the year with a very strong capital position (and Net Worth Ratio) of 7.50% of assets or \$106.8 million; therefore, USSFCU remains well capitalized.

Management remains dedicated towards the accuracy and integrity of our financial statements and accompanying footnotes. Our financials are prepared in conformity with the United States' generally accepted accounting principles. USSFCU's independent auditor, Doeren Mayhew CPAs and Advisors, has completed the 2024 audit and again issued a favorable opinion. Audited 2024 financial statements are available at ussfcu.org/financials.

We continue to extend our thanks to you, our valued members, for placing your trust in the safety and soundness of USSFCU.

Ileana Garcia
Board Treasurer

2024 Total Assets \$1,524,523,188 (As of December 31, 2024)

CONDENSED BALANCE SHEET (AUDITED)

● Loans & Leases to Members, Net ● Cash & Cash Equivalents ● Investments ● Property & Equipment, Net ● National Credit Union Share Insurance Fund Deposit ● Other Assets



CONDENSED BALANCE SHEETS (AUDITED)

	As of December 31,	
	2024	2023
Assets:		
Cash and Cash Equivalents	\$ 267,331,016	\$ 176,836,585
Loans and Leases to Members, Net	1,132,224,016	1,148,961,277
Investments	61,829,900	76,461,746
Property and Equipment, Net	26,753,832	26,747,035
National Credit Union Share Insurance Fund Deposit	13,013,652	10,284,331
Other Assets	23,370,772	18,041,685
Total Assets	\$1,524,523,188	\$1,457,332,659
Liabilities and Members' Equity:		
Members' Share Accounts	\$1,408,237,145	\$1,334,904,860
Accrued Dividends and Other Liabilities	9,498,500	10,305,347
Total Liabilities	1,417,735,645	1,345,210,207
Total Members' Equity	106,787,543	112,122,452
Total Liabilities and Members' Equity	\$1,524,523,188	\$1,457,332,659

CONDENSED INCOME STATEMENTS (AUDITED)

	As of December 31,	
	2024	2023
Interest on Loans	\$ 71,213,978	\$ 65,832,891
Interest on Investments	16,069,214	4,523,264
Total Interest Income	87,283,192	70,356,155
Interest Expense	(42,603,347)	(25,585,217)
Provision for Loan and Lease Losses	(18,257,524)	(12,053,677)
Net Interest Income after Provision Expense	26,422,321	32,717,261
Non-Interest Income	4,469,598	4,998,676
Non-Interest Expense:		
Compensation and Benefits	(18,973,462)	(17,967,511)
Office Operations	(6,384,654)	(5,648,347)
Other	(11,923,697)	(11,379,784)
Total Non-Interest Expenses	(37,281,813)	(34,995,642)
Net Income/(Loss)	\$ (6,389,894)	\$ 2,720,295

These condensed financial statements do not constitute a complete presentation. The complete set of audited financial statements, including the statements of cash flows and changes in members' equity, and notes to financial statements, are available at the Credit Union office during normal hours of operation or through our website at ussfcu.org/financials.

USSFCU'S LEADERSHIP

BOARD OF DIRECTORS

Jay Moore
Chair

Anthony J. "Tony" Zagami
1st Vice Chair

Deborah Yarborough
2nd Vice Chair

Ileana Garcia
Secretary/Treasurer

Joe Eckert
Director

Danielle McLean
Director

Josef Martens, Ph.D
Director

Judy Rainey
Director

Margaret P. "Margo" Rushing
Director

EXECUTIVE COMMITTEE

Jay Moore
Chair

Ileana Garcia

Deborah Yarborough

Anthony J. "Tony" Zagami

ALCO

Danielle McLean
Chair

Timothy L. Anderson

David Cape

Kathy Dalfrey

Don DiMatteo

Ileana Garcia

Andrew Grimaldi

Josef Martens

Laura Parker

Ricardo Pineres

NOMINATING COMMITTEE

Anthony J. Zagami
Chair

Josef Martens, Ph.D

Milton Salvador

SUPERVISORY COMMITTEE

Clint Trocchio
Chair

Vikram Kulkarni

Maureen McLaughlin

Judy Rainey

John Thornburg

IT ADVISORY COMMITTEE

Audie Hopkins
Chair

Jack Anderson

Mark Fournier

Laura Robertson

Jay Moore

EXECUTIVE MANAGEMENT

Timothy L. Anderson
President & CEO

Kathy Dalfrey
CFO & SMO

Don DiMatteo
*Chief Lending
Officer*

Ricardo Pineres
*Chief Risk
Officer*

Mark Fournier
*Chief Information
Officer*

Arthur Green
*Chief Experience &
Marketing Officer*

Heather Mansour
*Chief Human
Resources Officer*

SENIOR MANAGEMENT

Angela Collier
SVP, Lending

Troy Ferguson
VP, Retail Services

Sylvia Galo
VP, Deposit Products & Support Services

Nagaraj Reddi
VP, Information Technology

Sue Ruiz
SVP, Risk Management

James Ruley
VP, Business Services

April Christian
Director, People & Culture

Pete Gotthold
Director, Financial Accounting

Ashley McCoy
Director, Risk Management

Stefanie Mortenson
Director, Total Rewards

Kelli Pacilio
Director, Real Estate Lending

Christian Rodriguez
Director, Products

Elton Roshi
Director, Consumer Lending

Rahel Young
Director, Retail Operations & Compliance

2024 ACCOMPLISHMENTS



President and CEO Timothy L. Anderson was honored as one of **The Most Influential CEOs Making a Difference for 2024 by CIO Views**, recognizing his visionary leadership and dedication to the credit union movement.

Recognized nationally as a **2024 Top Workplaces Winner by USA TODAY**, ranking #76 out of more than 1,500 organizations.



Honored as a **Top Workplace by The Washington Post**, reflecting our commitment to employee well-being, job satisfaction, and a positive workplace culture.



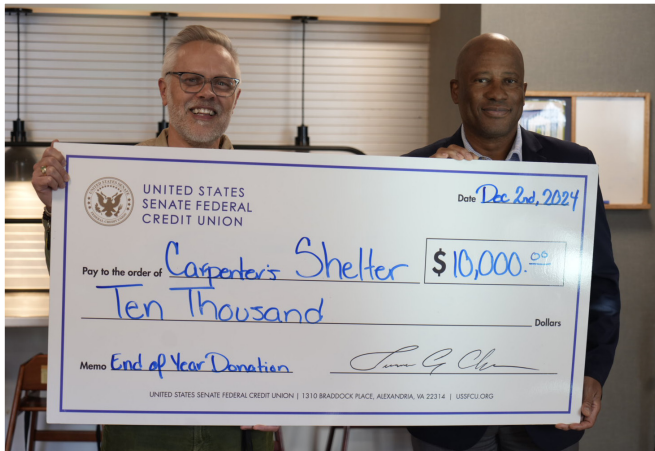
Demonstrated our commitment to the community by distributing **\$65,000 in charitable contributions** to local and regional nonprofits, including the SOME (So Others Might Eat) and Mattie Miracle Cancer Foundation.



Appointed Ricardo Pineres as **Chief Risk Officer**, bringing over 15 years of experience in legal, compliance, and regulatory matters to strengthen our leadership team.

Showcased innovative use of private artificial intelligence (AI) at **VMware Explore 2024**, enhancing member experience and streamlining banking operations while ensuring data security.







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