

ANNUAL REPORT

2024

Letter to the

The Members

Redstone Federal Credit Union remains steadfast in our mission to improve the financial well-being of our members and communities by offering trusted advice, diverse choices, valuable opportunities, and tailored solutions. Over the past year, we have driven positive change by fostering economic growth, improving financial literacy, and enhancing the quality of life for those we serve.

As part of our commitment, Redstone returned over \$28 million to members through givebacks, including credit and debit card rebates and new member incentives. Additionally, we proudly sponsored more than 900 community organizations; helped to further education through our scholarship program; addressed food insecurity and helped families through our corporate and employee donations to United Way; and recognized those in our communities doing great work with our Community Champions initiative.

Looking ahead, 'Convenience' is the word for 2025 as Redstone prepares to open three new branches and launch innovative products and services designed to make your financial life easier. These enhancements will further our goal of providing trusted financial tools and guidance, enabling our members to make informed decisions that strengthen their families and build resilient, thriving communities.

Together, we are shaping a brighter financial future for our members and communities alike.

Sincerely,



Joseph H. Newberry
President/CEO



Dave Hargrove
Chair, Board of Directors

Report from --- The Supervisory Committee

The Supervisory Committee, in compliance with the Federal Credit Union Act and Redstone Federal's bylaws, independently evaluates the soundness of Redstone Federal's operations and activities. The Committee provides assurance that the board and management are meeting required financial reporting objectives and establishing practices and procedures sufficient to safeguard members' assets by implementing sound internal controls.

In accordance with these responsibilities, the Committee hired an independent CPA (certified public accountant) firm, Moss Adams LLP, to perform the financial statements audit for the year ending June 30, 2024. The full report of the Independent Auditors can be found on the credit union's website. A condensed consolidated statement of financial condition and income of the Credit Union appears in this Annual Report.

Industry recognitions received by Redstone Federal Credit Union during 2024 included a superior 5-star rating by Bauer-Financial, Inc. This five-star rating means Redstone Federal Credit Union is a safe, financially sound credit union that operates well above the National Credit Union Administration's (NCUA) required capital. The Credit Union has maintained this rating since June 1996 and has been named a 'Best of Bauer Credit Union'.

Based on the results of internal audits, the financial statements audit, and the outstanding regulatory examination report by the NCUA, conducted during the past year, it is the opinion of the Supervisory Committee that Redstone Federal Credit Union continues to be financially secure and operates in a safe and sound manner.

Redstone's financial strength creates the foundation for the member benefits and community service it proudly provides.

Respectfully submitted,



William "Bill" Andrews
Chair, Supervisory Committee

Leadership



Joseph H. Newberry
President
Chief Executive Officer



Terri Bentley
Senior Executive VP
Chief Operating Officer



Wayne Sisco
Senior Executive VP



Jan Bias
Executive VP
People & Culture



Mike Rodgers
Executive VP/Chief Compliance
Officer/General Counsel



Sam Sohi
Executive VP
Chief Financial Officer



Yvette Banks
Senior VP
Alabama Retail



Ericka Gorman
Senior VP
Chief Lending Officer



Kevin Hall
Senior VP
Alabama Market Executive



Lisa Whitt
Senior VP
Chief Information Officer



Wendy Edmonds
Vice President
Human Resources



Keith Greene
Vice President
Chief Audit Officer



Joel Guske
Vice President
Marketing & Innovation



Jonathan Kirby
Vice President
Security & Investigations



Diana McCafferty
Vice President
Controller



Mike Panesi
Vice President
TN Market Executive



Tara Perez
Vice President
Consumer Lending



Mitch Peters
Vice President
Information Security



Raj Prasad
Vice President
Data Science & Analytics



Stephen Simpson
Vice President
Finance



Dave Hargrove
Chair



Dawn C. Stanley
Vice Chair



Richard L. Morris
Secretary



Steve Fisher
Treasurer



William Andrews
Director



Charlene Brueggeman
Director



Rick Hempstead
Director



Kathleen Leonard
Director



Willie Love
Director

Vision

Helping members, their families, and our communities achieve their financial dreams.

Mission

Improving the financial well-being of our members and communities by offering trusted advice, choices, opportunities, and solutions.

Guiding Principles

- Grow accessibility to our cooperative and its financial solutions.
- Be the go-to provider for high-quality financial products and services.
- Create unparalleled value for our members.
- Be the catalyst for positive change in our communities.

Impactful Membership

We appreciate our members and look for ways to add value to your membership. We meet members where they are regardless of their financial circumstances and offer trusted advice.

- 573 current membership partners added in 2023-2024, totaling 2,439
- Early access to your funds with Early Pay for direct deposit
- New branches in Scottsboro High School and Siegel High School to boost financial literacy, totaling nine high school student-run branches

Dividends Returned
to **Members** in 2024

\$81M

New **Members**
in 2024

30,708

Member Giveback in 2024

\$28,109,980

\$21,615,569

Credit Card
Rebates

\$2,627,667

Debit Card
Cashback

\$1,124,348

HELOC
Closing Costs

\$2,742,396

Other
Promotions



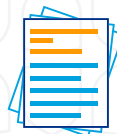
886,746
Phone Calls



37,476
Emails



89,575
Chat Sessions



21,487
Surveys



4.3M
ITM Sessions



2.4M
Teller Transactions

Financial Well-Being

Impacting Financial Wellness

Redstone's Financial Education team leads the efforts to improve the financial wellness of our communities. Whether it is the Schools Program, which establishes student-run branches in high schools or colleges; the Game of Life Reality Fairs; or the financial literacy classes at First Stop and The Arc of Madison County, Redstone helps more than 51,000 youth and adults each year with money management skills.

Financial Education Facts



\$91,000

Awarded in scholarships in 2024 and \$89,000 in 2023



12

Student-run high school and college branches



22

Students have been hired full-time after working at a school branch



\$16,418

Deposited by elementary school students in their savings accounts during special deposit days at their schools



950

Hours spent teaching financial literacy in schools and with community groups by Redstone team members this year

Impacting the Community

Redstone supports hundreds of community organizations and non-profits each year. These organizations help meet the needs of residents in the areas of health care, education, food insecurity, culture, family and childcare.

Thriving communities create jobs, promote economic growth, and improve the quality of life in our communities. From the Lincoln County Fair and Panoply of the Arts, to Huntsville's Jazz In The Park, Redstone helps to make these popular events possible.

In 2023, Redstone donated **\$1.2 million** in community sponsorships and advertising. In 2024, that amount totaled **\$1.4 million**.

By the Numbers



983

Organizational sponsorships facilitated throughout North Alabama and Middle Tennessee



150+

New job opportunities generated through small business loans for retailers, convenience centers, fast food restaurants, and more



\$86.5M

Closed in commercial loans in 2023 and 2024



\$4.5M

Awarded in contracts to women-owned small businesses, with additional purchases to 53 Amazon-certified diverse suppliers

Redstone Federal Credit Union and Subsidiaries

Condensed Consolidated Statements of Financial Condition and Income (in thousands)

The summary financial information below is unaudited and was prepared from the audited financial statements. For a full copy of the Report of Independent Auditors and Consolidated Financial Statements for Redstone Federal Credit Union and Subsidiaries, please visit redfcu.org/about.

	June 30, 2024	June 30, 2023
Assets		
Cash and Cash Equivalents	\$ 502,391	\$ 283,390
Investments in Available-for-Sale Debt Securities	2,962,845	2,990,364
Allowance for Credit Losses – Securities	(1,312)	-
Equity Securities, at Fair Value	63,052	55,981
Loans Held for Sale	4,266	133,621
Loans, Net	3,797,168	3,648,905
Allowance for Credit Losses - Loans	(44,919)	(41,226)
Accrued Interest Receivable	20,480	17,241
Property and Equipment, Net	198,281	180,113
National Credit Union Share Insurance Fund (NCUSIF)	62,874	64,039
Other Investments	5,665	4,182
Net Pension Asset	47,581	37,506
Other Assets	42,334	29,681
Total Assets	\$ 7,660,706	\$ 7,403,797
Liabilities		
Members' Shares	\$ 6,907,148	\$ 6,805,613
Accrued Expenses and Other Liabilities	91,393	75,201
Total Liabilities	6,998,541	6,880,814
Members' Equity		
Retained Earnings	981,171	873,673
Accumulated Other Comprehensive Gain/(Loss)	(319,006)	(350,690)
Total Members' Equity	662,165	522,983
Total Liabilities and Members' Equity	\$ 7,660,706	\$ 7,403,797
Income		
Interest Income	\$ 361,792	\$ 293,663
Noninterest Income	172,670	139,395
Total Income	534,462	433,058
Expenses		
Interest Expenses	88,422	46,412
Provision for Loan Losses	43,830	36,518
Noninterest Expenses	284,742	263,255
Total Expenses	416,994	346,185
Net Income	\$ 117,468	\$ 86,873

