

ANNUAL REPORT

2025

Letter to the

The Members

Redstone Federal Credit Union remains firmly focused on one purpose: improving the financial well-being of our members and communities. That purpose guides every decision we make and every service we deliver. Over the past year, we strengthened that commitment through trusted advice, diverse choices, and solutions that help families thrive.

We returned \$30 million to members through givebacks, card rebates, and new-member incentives. We supported more than 670 community organizations, invested in education through scholarships, addressed food insecurity through giving, and honored neighbors through our Community Champions initiative. We expanded financial education by opening our 10th student-run branch at Mae Jemison High School, the first within Huntsville City Schools, helping students gain skills and financial confidence.

We also stood by our members during the record-breaking 43-day government shutdown. Redstone funded 1,166 loans totaling \$5.54 million. Our employees participated in a two-day community resource event for impacted federal workers, and more than 150 members received personalized support from financial counselors for loan modifications and budgeting guidance.

Looking ahead, growth is evident. Redstone will open three new branches and launch innovative tools and services designed to make managing money easier. These enhancements advance our goal of equipping members with financial tools and clear guidance so they can make confident decisions that build resilient families and communities.

As Redstone celebrates its 75th anniversary, we reflect on a legacy built on trust, strength, and service. Thank you for your confidence in Redstone Federal Credit Union. We are honored to serve you, and we look forward to shaping a brighter future together for all.

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'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, Baker Tilly US, LLP, to perform the financial statements audit for the year ending June 30, 2025. 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.

During 2025, Redstone Federal Credit Union made Forbes' list of 'Best-In-State Credit Unions', and was recognized by Newsweek as one of 'America's Best Regional Banks and Credit Unions'. Redstone's industry recognition included another superior 5-star rating by Bauer-Financial, Inc. This 5-star rating means Redstone 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 contributes to the economic success of the region and to all the members who trust us as their financial partner.

Respectfully submitted,



William "Bill" Andrews
Chair, Supervisory Committee

Leadership



Joseph H. Newberry
President
Chief Executive Officer



Terri Bentley
Senior Executive VP
Chief Operating Officer



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



Brian McAllister
Vice President
Technology



Diana McCafferty
Vice President
Controller



Mike Panesi
Vice President
Tennessee 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

Redstone was built on creating value and opportunities for its members, always striving to deepen relationships and deliver exceptional value. We continually look for ways to give back to our membership, with resources reinvested to help members keep more of their money while accessing convenient, high-quality financial products and personalized support.

Dividends Returned
to **Members** in 2025

\$97M

New **Members**
in 2025

39,492

Member Giveback in 2025

\$30,561,930

\$22,812,473

Credit Card
Rebates

\$2,852,367

Debit Card
Cash Back

\$730,678

HELOC
Closing Costs

\$4,166,413

Other
Promotions



769,324
Phone Calls



32,226
Emails



96,682
Chat & Video Sessions



22,471
Surveys



427,746
ITM Sessions



2.4M
Teller Transactions

Financial Well-Being

One way that Redstone fulfills its mission of improving the financial well-being of our members and communities is by helping members manage their money and build a strong financial foundation.

At a Glance



17,628

Youth and adults taught financial education



\$93,000

Scholarships awarded to 24 students



20,156

New youth accounts opened for kids



\$122,454

Cash paid out to schools, colleges and non-profit educational organizations through Redstone's affinity debit card program



1,500+

High school students that participated in Reality Fairs in Morgan County

Impacting the Community

Our commitment to our members and communities guides every decision we make. We continue to invest in projects that strengthen financial well-being and support long-term community health. For decades, we have stood beside our members, responded to their needs, and invested in the communities we call home. That commitment continues to guide us as we work together for a brighter future.

By the Numbers



1200

Lunches provided to first responders in Alabama and Tennessee



\$353,978

Contributed by Redstone employees to United Way or other local charities



809

Organizations supported with over \$1 million in donations and advertising



\$53M

Business and commercial loans closed



\$230,000

In grants supporting groups that drive change and address critical needs

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, 2025	June 30, 2024
Assets		
Cash and Cash Equivalents	\$ 455,913	\$ 502,391
Investments in Available-for-Sale Debt Securities	3,572,603	2,962,845
Allowance for Credit Losses – Securities	(1,113)	(1,312)
Equity Securities, at Fair Value	102,301	63,052
Loans Held for Sale	9,720	4,266
Loans, Net of Deferred Fees and Costs	3,709,172	3,797,168
Allowance for Credit Losses - Loans	(38,623)	(44,919)
Accrued Interest Receivable	23,420	20,480
Property and Equipment, Net	216,386	198,281
National Credit Union Share Insurance Fund (NCUSIF)	66,003	62,874
Other Investments	6,265	5,665
Net Pension Asset	54,754	47,581
Other Assets	51,874	42,334
Total Assets	\$ 8,228,675	\$ 7,660,706
Liabilities		
Members' Shares	\$ 7,315,799	\$ 6,907,148
Accrued Expenses and Other Liabilities	61,641	91,393
Total Liabilities	7,377,440	6,998,541
Members' Equity		
Retained Earnings	1,083,811	981,171
Accumulated Other Comprehensive Gain/(Loss)	(232,576)	(319,006)
Total Members' Equity	851,235	662,165
Total Liabilities and Members' Equity	\$ 8,228,675	\$ 7,660,706
Income		
Interest Income	\$ 380,797	\$ 361,792
Noninterest Income	144,929	172,670
Total Income	525,726	534,462
Expenses		
Interest Expenses	102,521	88,422
Provision for Credit Losses	30,433	43,830
Noninterest Expenses	290,132	284,742
Total Expenses	423,086	416,994
Net Income	\$ 102,640	\$ 117,468

