

**U. S. Postal Service FCU
91st Annual Meeting Agenda
August 27, 2025**

Official Attendance: In attendance: 8 employees, 3 in-person Board members, 6 virtual Board members, 2 Supervisory Committee members, 17 virtual members, and 3 in-person members for a total of 36 attendees.

Participants:

MICHAEL MCCARTNEY, TOM DALE, GIL FORD, RICHARD STRASSER, STEVE CIMINO, AND CONNIE PARHAM

WELCOME

[CONNIE PARHAM]

Good afternoon, I am Connie Parham. On behalf of the Board of Directors, I would like to welcome all of you to the 91st Annual Meeting of the U. S. Postal Service Federal Credit Union.

This year we are proud to celebrate 91 years of service, value, and trust.

Please allow me to introduce those seated at the head table.

**CHAIRMAN OF THE BOARD MR. MICHAEL MCCARTNEY
SECRETARY TREASURER, MR. THOMAS DALE
DIRECTOR, MR. GIL FORD
SUPERVISORY COMMITTEE MEMBER, MR. RICHARD STRASSER
AND CEO MR. STEVE CIMINO**

I'd also like to welcome the other Board and Committee members who are joining us virtually.

To get things started, we would like to draw a couple of winners who will receive a two hundred- and fifty-dollar one-year share certificate.

[STEVE ROLLS TUMBLER AND SELECTS WINNERS ANNOUNCES NAMES. THE VIRTUAL WINNER IS BILL BATTERTON AND THE IN-PERSON WINNER IS BETTY MYERS. STEVE GIVES BETTY CERTIFICATE VOUCHER AND PAUSES FOR PICTURE.

[CONNIE PARHAM]

Thank you, Steve.

At this time, I would like to welcome Chairman Michael McCartney to call the U. S. Postal Service Federal Credit Union's 91st Annual Meeting to order.

CALL TO ORDER

[MICHAEL MCCARTNEY]
[CALLS MEETING TO ORDER]

I would like to call the 91st Annual Meeting of the U.S. Postal Service Federal Credit Union to order.

On behalf of the Board of Directors, welcome to our hybrid Annual Meeting.

For those of you joining us in person, welcome and thank you for being here. We would also like to welcome all the members who are joining us virtually, thank you for attending.

The first order of business is the Chairman's Report.

Let me begin by thanking you for being a member of the U.S. Postal Service Federal Credit Union. There is no Credit Union without its member-owners, and we know you have many choices when deciding where to conduct your financial affairs. On behalf of the Board of Directors, thank you for your trust, loyalty, and continued support as members of the U.S. Postal Service Federal Credit Union.

This past year was one of measured growth, thoughtful innovation, and operational resilience. As the financial services landscape continues to evolve, our Credit Union remains committed to delivering exceptional value to our members, upholding cooperative principles, and maintaining strong financial soundness.

The Credit Union ended the year in a healthy financial position. Our total assets increased by \$12.4 million. At the same time, our Net Worth remained strong at 10.7%, which is well above the National Credit Union Administration (NCUA) requirements, ensuring that we remain a safe and sound institution.

Thanks to prudent financial management, we were able to return value to our members in the form of very competitive rates on loans and deposits. Despite offering attractive loan rates, our loan volume was down due to economic conditions. However, the Credit Union was able to grow member deposits through highly competitive pricing, especially with our certificate and IRA products. The savings growth contributed significantly to exceeding our liquidity financial target, which will help support our members' borrowing needs as economic conditions improve.

The Credit Union remained focused on innovation and service enhancements. This past year, we successfully launched a new website along with an enhanced version of our AI-powered online Web Bot to improve navigation. The new site now features options for fillable PDF electronic forms, further enhancing the member experience. Another service added was early direct deposit, which now allows members to receive their direct payments two days before the actual payday.

The Credit Union continues to strengthen its technology infrastructure, having enhanced data encryption across its Clinton, MD Headquarters and branch

system. The Credit Union also relocated our Disaster Recovery Site to Ashburn, VA, which offers more robust capabilities to better handle disaster scenarios.

We are not only committed to our members, but we are also committed to the communities in which we serve. We are active in providing webinars on financial wellness, awarding member scholarships, and supporting local events and charities. In 2025 the Credit Union supported Children's Hospital with participation and sponsorship of various events like the Annual Credit Union Cherry Blossom 10K Run and MDDCCUA Golf Tournament Fundraiser. Sponsorships and donations were provided to the Single Parent Achievers, UPMA Wisconsin Chapter, A-PLUS, PERF, and FESA. We partnered with the Postal Employee Relief Fund, and Second Baptist Church of SW, DC to provided support.

For the remainder of 2025 and into 2026 we are committed to remain focused on strategic growth, technology enhancements, and member engagement. We will continue exploring opportunities to expand our field of membership, develop new partnerships, and invest in innovations that support long-term sustainability. We are also committed to strengthening our cybersecurity infrastructure and ensuring compliance with evolving regulations to protect your information and maintain your trust.

Thank you for your continued loyalty and participation. You are the reason we exist, and we remain committed to serving you with integrity, respect, and excellence. We are dedicated to continual improvement and are confident in our strategic direction, ensuring that we continue to deliver trust to you and remain your trusted financial partner for years to come.

Even though the economic outlook of our country remains cloudy, the Credit Union team sees opportunities to continue our progress in delivering convenient quality service and products that enhance the financial lives of our members. The Credit Union is well capitalized, and because we continue to put in time and effort to chart our path forward. Your Board and I are confident in our future and our ability to continue serving U.S. Postal Service Federal Credit Union's member-owners for many years to come!

MINUTES:
[CONNIE PARHAM]

Thank you, Mr. McCartney.

Now, we will move on to the next item of business, approval of the minutes.

The minutes of the last Annual Meeting have been posted on our website. If you are a virtual attendee and you have a correction, just click on the raise hand icon and enter your response by clicking the question icon.

We will pause to give the virtual attendees time to respond. While we are waiting, Treasurer, Mr. Tom Dale will deliver the Treasurer's Report.

After the report, we will check online responses and see if there are any comments from the live audience.

Mr. Dale, please proceed with your report.

[Tom Dale]

[TREASURER'S REPORT]

Thank you, Connie.

It is my privilege to present the Treasurer's Report for the year ending December 31, 2024.

USPS FCU remained financially strong throughout the year despite continued challenges in the broader economy. Inflationary pressures and economic uncertainty impacted businesses and consumers. In 2024, the Fed trimmed rates slightly after 16 months of rate hikes that increased rates by 5.25%. The pace of the rate hikes had not been seen since 1980.

The impact of a turbulent economic environment and an evolving financial service landscape necessitated careful planning and sound financial management. I am pleased our Credit Union continues to grow in strength, stability, and service to our members.

Total Assets ended the year at \$269 million, which was flat growth compared to 2023. However, member share deposits increased by over \$13 million or 5.8% compared to 2023, which helped drive our liquidity well above regulatory levels. The Credit Union focused on remaining competitive without jeopardizing the safety and soundness of the balance sheet. Our deposit stability reflects continued confidence and loyalty from our members.

Economic conditions impacted loan growth at our Credit Union, as well as at the national level. Despite lower demand, loans to members totaled \$33M for 2024, supporting thousands of members with affordable financing for autos, homes, and personal needs.

Unfortunately, Net Income for 2024 was in the red by \$679K, due to economic conditions that caused higher-than-average loan losses for our Credit Union, as well as financial institutions nationally primarily in used auto and VISA credit card portfolios. Despite the Net Income loss we incurred, our strong level of capital reserves allowed us to maintain a Net Worth position of 11.02% which is well above the NCUA standard for a well-capitalized Credit Union.

Despite negative earnings in 2024, there were many highlights throughout the year. The Credit Union continued to invest in technology, security, and services to improve member experience. We expanded access through digital enhancements, competitive loan and deposit products, and financial education resources. Our focus remains on providing members with safe and affordable financial services. USPS FCU remains well-positioned to continue to serve members in the years ahead.

On behalf of the Board of Directors and staff, thank you for your trust and support. Together, we will continue building on our proud tradition of service and financial strength.

This concludes the Treasurer's Report and financial overview for today's meeting.

[CONNIE PARHAM]

Thank you.

We will now resume approval of the minutes.

There were no objections from our virtual audience. Are there any objections from the live audience? [PAUSE]

Seeing none, the minutes are approved as posted.

We will now continue by selecting two more winners.

[STEVE ROLLS TUMBLER AND SELECTS WINNERS ANNOUNCES NAMES. THE VIRTUAL WINNER IS WILLIAM PETITE AND THE IN-PERSON WINNER IS SHEILA SCOTT. STEVE GIVES SHEILA CERTIFICATE VOUCHER AND PAUSES FOR PICTURE.

[CONNIE PARHAM]

Thank you, Steve.

Now we will move on to the Supervisory Committee report.

I would like to introduce Supervisory Committee member, Mr. Richard Strasser, to deliver the Supervisory Committee report.

[SUPERVISORY COMMITTEE REPORT]

[Richard Strasser]

This past year, your Supervisory Committee consisted of Chairperson Carol Morgan, and members Lee Green, Megan Stoner, and me, Dick Strasser.

During 2025, the Committee engaged the CPA firm Doeren Mayhew to audit the accompanying financial statements of the USPS Federal Credit Union which comprise the statement of financial condition as of December 31, 2023, and 2024, and related statements of income, changes in members' equity, comprehensive income, and cash flows.

In their opinion, the financial statements present fairly, in all material respects, the financial position of the USPS Federal Credit Union in accordance with accounting principles generally accepted in the United States of America.

We would like to thank the Credit Union staff and management for their cooperation with the Supervisory Committee and our external auditors during the past year.

This coming year, we do have two vacancies on the Supervisory Committee. I encourage anyone interested in volunteering to contact the Credit Union to apply or seek additional information regarding our role and responsibilities.

The Credit Union is about its members, and we welcome your perspective, guidance and talent.

This concludes the Supervisory Committee Report. Thank you.

[NOMINATING COMMITTEE REPORT]

[CONNIE PARHAM]

Thank you,

I would like to introduce Board Member Mr. Gil Ford.

[GIL FORD]

The next item of business will be the report of the Nominating Committee.

There were four (4) vacancies for the Board of Directors and only one person nominated for each position.

The nominees' biographical information was published in the April 2025 Special Edition of Postscripts, which can be viewed on our website.

There were no additional candidates. Therefore, by acclamation, election of the following four (4) individuals to the Board of Directors, each to serve a two-year term is as follows: Thomas Dale, Incumbent; Richard Gatewood, Incumbent; Charles McCullough the second, Esquire, Incumbent; and John Rosato, Incumbent.

This concludes the Nominating Committee report.

NEW BUSINESS

[CONNIE PARHAM]

Thank you, this concludes the reading of the reports.

The Board has no unfinished business to report to this assembly. Is there any new business to come before the assembly?

If you are a virtual attendee and you have new business to present click on the raise hand icon and enter your response by clicking the question icon.

We will pause to give the attendees time to respond. While we are waiting Board Member Mr. Gil Ford will announce our 2025 Frederick J. Hinen scholarship award recipients.

SCHOLARSHIP WINNERS

[GIL FORD]
Thank you.

I will move to the next item of business the announcement of the winners of this year's Frederick J. Heinen Scholarship, which honors Fred Heinen who served this Credit Union faithfully and unselfishly as Chairman, Vice Chairman, Secretary/Treasurer, Director and mentor for twelve years.

The content and quality of the essays were exceptionally well written this year and the judges agreed on the following winners for 2025.

- First place goes to Emmanuel Alonge. He is the recipient of one thousand dollars in scholarship money. Congratulations Emmanuel!
- We had a tie for second place. Each recipient will receive a seven hundred and fifty dollar scholarship. The awards go to Madeleine Lucius and Mark Phelps. Congratulations Madeleine and Mark!
- Third place goes to Ariel Cole. She is the recipient of a five-hundred-dollar scholarship. Congratulations, Ariel!

The following entries earned a honorable mention award in the amount of one hundred dollars.

Congratulations to Alyssa Brittingham, Amanda Jett, Giselle Bridgett and Hailey Shiu.

The winners have been notified, and the funds have been deposited in his or her Credit Union Savings Account.

Let's return to Connie to see if there is any New Business.

[CONNIE PARHAM]
Congrats to all of our winners.

I would like to share that virtual attendees did not report any new business. Is there any new business from the audience members present? Seeing none we will continue with the final certificate drawing.

[STEVE CIMINO]

[STEVE ROLLS TUMBLER AND SELECTS WINNERS ANNOUNCES NAMES. THE VIRTUAL WINNER IS JOSEPH CRAIG AND THE IN-PERSON WINNER IS NORMA

ANDERSON. STEVE GIVES NORMA CERTIFICATE VOUCHER AND PAUSES FOR PICTURE.

CALL TO ACTION: Volunteer

[CONNIE PARHAM]

Thank you for joining us today online and in-person.

Your presence here today matters AND your involvement is essential in maintaining the strength of your Credit Union.

I want to emphasize the incredible opportunity that lies before us—one that allows you to serve your community and shape the future of our Credit Union.

All of the board and committee members here today are all volunteers. As a member of USPS FCU, you're part of a cooperative—a community of individuals who share a common bond. And with that membership comes a unique chance to actively contribute. Volunteering isn't just about giving your time; it's about making a difference.

If you are looking for an opportunity to let your expertise, passion, and commitment truly shine please consider volunteering as a Credit Union leader. For those online, a link to more information has been added to the chat. For those joining in-person please stop by the volunteer table to learn more.

Thank you for considering these volunteer opportunities.

At this time I would like to re-introduce our Chairman of the Board, Mr. Michael McCartney to deliver today's closing remarks.

CLOSING REMARKS

[MICHAEL MCCARTNEY]

Thank you Connie,

In closing, the Board of Directors, the Supervisory Committee, and all the employees of U. S. Postal Service Federal Credit Union appreciate your interest and attendance.

There being no other business, the meeting will adjourn.

Be safe and stay well. And thank you for being a member!