



FEDERAL CREDIT UNION

2025 ANNUAL REPORT





Steven J. Berkowitz,
MBA, CPA,
Chairman of the Board
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Rick Wieczorek,
President & CEO
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Chairman's and President's Report

This past year was unique in many ways, earmarked by a series of rare circumstances that kept us quite busy! However, even with such events and challenges, 2025—our 85th anniversary year—was one of our finest in recent years. Our financial performance remained exceptionally strong, member service scores have never been higher, and we continue to improve our products and services offerings. Among some of our notable successes were:

- For members who experienced hardship due to the federal government reduction in force (RIF) actions and the subsequent shutdown, NIH Federal Credit Union (NIHFCU) launched its Federal Work RIF program and reestablished our SAFE Loan to help provide much-needed financial relief.
- Our new CompleteCare Checking account launched, featuring a unique bundle of benefits such as ID theft protection services, cell phone protection, roadside assistance, early direct deposit, instant travel & leisure deals, and many more values and perks.
- Our website (nihfcu.org) was fully redesigned to provide users with a more intuitive, efficient, and modern experience. Additionally, our online Fraud & Security Hub was introduced with an array of information and tools to support your financial wellness.
- We expanded our residential lending programs beyond our traditional Mid-Atlantic region. We now provide mortgages in forty-four states (and DC) helping members across the nation achieve their home ownership and equity goals.

In 2025, NIHFCU was also the proud recipient of numerous awards and recognitions, among them being:

- Newsweek's Best Credit Unions in America. We were one of just four credit unions in Maryland to receive this incredible honor, reserved for those committed to providing reliable access to everyday banking services and powering local economies.
- Numerous workplace achievement honors, including American Banker's Best Credit Unions to Work For award, The Washington Post's Top Work Places award, and Best Companies Group's America's Best Workplaces and Best Places to Work for Women awards.

Your support allows us to stay true to our mission of providing members with exceptional service, financial advice, and banking solutions that exceed expectations and enhance their lives. Whether you joined us this year or have been with us for decades, you are the reason the NIHFCU continues to grow and thrive.

Thank you for being part of our credit union family. We remain grateful for your continued trust and partnership.

Board of Directors

Your Board of Directors is a volunteer group elected by the membership and is responsible for the strategic direction of the Credit Union, including developing goals and establishing policy. The Board members are dedicated individuals who are committed to ensuring a high level of service to members and enhancing the financial position of the Credit Union. By providing a full range of financial products and exceptional service, your Board of Directors strives to promote the fundamental ideals of the credit union movement.



Board of Directors members from left to right:

Steven J. Berkowitz (Chairman of the Board), MBA, CPA; Kimberly Allen, MA; Donald Christoferson, Ann Fitzpatrick, Laura Gent, MPH, MBA; Kalpana Ramiah, DrPH, MBA, MSc; Tim Tosten, MPA; Lynda Wellen, MFin, CPA; Signe Yock, MBA.

Asset Liability Management Committee

The members of the Asset Liability Management (ALM) Committee are dedicated to managing the inherent risks in the Credit Union’s balance sheet. They accomplish this through the establishment and oversight of a wide variety of financial policies. Guidance from these policies meet all relevant regulatory risk compliance mandates and provide management with a sound foundation for maintaining sustainable earnings and adequate capital levels for the Credit Union.

Asset Liability Management Committee members:

Donald Christoferson (Treasurer & Chairman), Jason Donaldson, MBA; Laura Gent, MPH, MBA; Kalpana Ramiah, DrPH, MBA, MSc; Weston Ricks, Victoria Ward.



Highlights from 2025:

CompleteCare Checking debuts

NIHFCU’s new CompleteCare Checking debuted on September 1st loaded with extraordinary value, benefits, and perks to help you Protect, Save, Enrich and Relax.



Treasurer's Report

The NIH Federal Credit Union had another successful year with strong profitability and continued excellence in meeting members' financial needs despite an uncertain economic and political landscape. In 2025 we earned \$3.8 million on \$804.4 million in total assets compared to \$1.5 million on \$793.4 million of assets in 2024.

The improvement of earnings was driven by higher interest income from various consumer, real estate, and business loans we provided our members throughout the year, better investment returns, significantly reduced credit losses, and disciplined expense management.

Operating expenses were \$30.4 million in 2025 reflecting an increase of just 4.1% compared to 2024. This increase was necessary to help support staffing needs, technology enhancements, and to address elevated fraud experience. The investment portfolio, including overnight liquidity, remained at appropriate levels throughout the year, providing flexibility amid members' spending patterns and job security concerns.

Total deposits ended the year at \$735.8 million, essentially the same as 2024. Members moved a portion of their funds from checking and savings accounts to higher rate certificates. As a result, certificates of deposit (CDs) rose to \$173.8 million, or 3.3% while non-maturity deposits experienced modest declines. In September we introduced Complete Care Checking, which provides valuable benefits. We waived fees associated with this new product for two months to assist members impacted by the government shutdown.

Throughout 2025, NIHFCU met member credit needs as evidenced by our growing the first trust mortgage portfolio by 4.1% to \$233 million through adding \$39 million of fixed and variable rate fundings. We also experienced another highly successful year in commercial lending, originating \$22 million of loans to businesses to help provide long-term sustainable revenue to the Credit Union. And finally, our Home Equity loan portfolio grew 19.2% to \$64 million. These loans are designed to help members meet their various financial and lifestyle goals by allowing them to consolidate debt, make home renovations, or pay for large expenses. In response to the government shutdown, NIHFCU launched its member-centric Special Assistance for Federal Employees (S.A.F.E) Loan Program in October. These loans helped support federal employees who experienced a temporary loss or reduction of pay during the shutdown.

In 2025 NIHFCU was able to reduce its allowance for credit loss account by \$1.0 million, to \$5.0 million. This account represents NIHFCU's estimated net charge offs over the life of the loan portfolio and is required by our regulator, the National Credit Union Administration (NCUA). NIHFCU regularly evaluates and maintains this account to protect against future credit losses.

As your Treasurer, I can assure you that our **Credit Union continues to remain safe, secure, and well capitalized**, consistent with the standards set by the NCUA. With over \$800 million in assets and a Regulatory Net Worth Ratio of more than 8%, we are well positioned to continue supporting the financial health and well-being of our members.

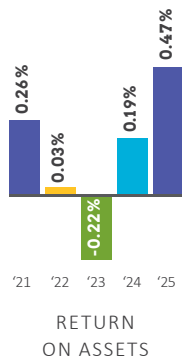
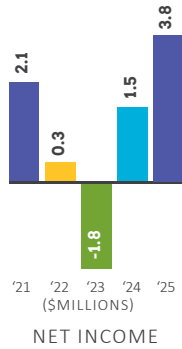
Donald Christoferson, Treasurer

National Institutes of Health Federal Credit Union

Statements of Income

Years Ended December 31, 2025 and 2024
(UNAUDITED)

	2025	2024
INTEREST INCOME:		
Loans	\$26,713,654	\$25,730,988
Investments	<u>8,673,463</u>	<u>7,354,081</u>
Total interest income	35,387,117	33,085,068
INTEREST EXPENSE:		
Members' deposits	6,162,870	6,263,172
Borrowings	<u>1</u>	<u>0</u>
Net interest income	29,224,246	26,821,896
Provision for loan losses	<u>1,696,645</u>	<u>2,510,650</u>
Net interest income after provision for loan losses	27,527,601	24,311,246
NONINTEREST INCOME:		
Fees and service charges	5,418,954	5,789,384
Net mortgage asset gains	(324,531)	161,065
Gain on sale of participations	0	0
Gain on sale of investment securities	0	0
Other	<u>1,499,589</u>	<u>394,282</u>
Total noninterest income	6,594,012	6,344,732
NONINTEREST EXPENSE:		
Compensation and employee benefits	15,798,475	15,060,252
Office operating costs	1,878,434	2,045,735
Computer expenses	4,200,556	4,183,128
Marketing expenses	834,073	912,623
Professional and outside services	3,616,081	3,136,162
Miscellaneous expenses	<u>4,036,930</u>	<u>3,822,744</u>
Total noninterest expense	30,364,549	29,160,645
Net income (loss)	<u>\$3,757,064</u>	<u>\$1,495,333</u>



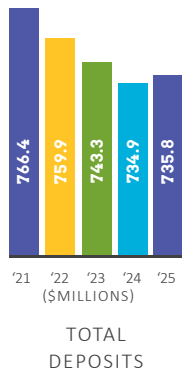
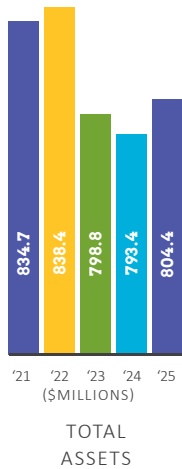
The above financial statements are unaudited. A complete set of audited financial reports for the twelve months ending June 30, 2025 are available upon request.

National Institutes of Health Federal Credit Union

Statements of Financial Condition

December 31, 2025 and 2024
(UNAUDITED)

	2025	2024
ASSETS:		
Cash and cash equivalents	\$75,762,046	\$66,361,919
Investment securities available-for-sale	188,229,242	191,247,071
Investment securities held-to-maturity	502,680	534,779
Other investments	3,015,500	2,872,061
Loans held for sale	0	1,523,000
Allowance for credit losses	(4,958,737)	(5,958,044)
Deferred loan costs	442,695	298,673
Loans receivable	492,847,657	488,161,019
Accrued interest receivable	2,740,264	2,847,954
Foreclosed and repossessed assets	0	0
Premises and equipment, net	8,837,815	9,682,289
NCUSIF deposit	6,751,554	6,715,775
Prepaid expenses and other assets	30,271,842	29,126,599
Total assets	<u>\$804,442,558</u>	<u>\$793,413,093</u>
LIABILITIES:		
Members' deposits	\$735,811,402	\$734,851,209
Accrued expenses and other liabilities	15,970,661	17,698,346
Notes payable	0	0
Total liabilities	<u>751,782,063</u>	<u>752,549,555</u>
MEMBERS' EQUITY:		
Regular reserve	0	0
Undivided earnings	63,189,455	59,432,391
Accumulated other comprehensive loss	(10,528,959)	(18,568,854)
Total members' equity	<u>52,660,496</u>	<u>40,863,538</u>
Total liabilities and members' equity	<u>\$804,442,558</u>	<u>\$793,413,093</u>



The above financial statements are unaudited. A complete set of audited financial reports for the twelve months ending June 30, 2025 are available upon request.

Supervisory Committee Report

The Supervisory Committee, in accordance with the Federal Credit Union Act, ensures the NIH Federal Credit Union management has in place:

- Practices and procedures to safeguard members’ assets.
- Controls so that financial reporting objectives have been met.

The Committee oversees the Internal Audit function where regular audits are completed. The Committee meets monthly to ensure internal controls are established and effectively maintained, and applicable laws and regulations are followed, and member concerns are resolved.

In addition, the Committee employs the certified public accounting firm of Turner, Warren, Hwang & Conrad AC (TWHC) to assist them in performing an annual independent audit of the Credit Union’s financial statements. TWHC has issued an opinion on the Credit Union’s financial statements for the audit period ending June 30, 2025.

Along with the audits performed by TWHC, the NIHFCU is examined by the National Credit Union Administration (NCUA). The NCUA has exclusive authority governing the operation of federally chartered credit unions. We are pleased to report that the NIHFCU is financially sound.

It is the goal of the Committee to ensure the integrity and financial strength of the NIHFCU while continuing the highest level of service to our membership. The Committee is here for your benefit.

Supervisory Committee members:

Lynda Wellen (Chairwoman), MFin, CPA; Dexter Collins, MPA; Rick Phillips, MBA; Shawn Ward.

Highlights from 2025:

Awards and Recognition

NIHFCU was proud to be recognized by Newsweek at the end of 2025 as one of America’s Best Credit Unions. NIHFCU was also recognized by The Washington Post, Best Companies Group and-for the fourth year in a row-by American Banker as one of America’s top places to work for.



Executive Committee (EC)

The EC is responsible for establishing the agenda for the monthly Board of Directors' meetings, reviewing strategic priorities and addressing sensitive topics in advance of the meetings. The Committee acts as a resource for NIHFCU's President & CEO on all matters pertaining to the Credit Union's strategic and operational activities.

Executive Committee members:

Steven J. Berkowitz (Chairman), MBA, CPA; Laura Gent (Vice-Chair), MPH, MBA; Donald Christoferson (Treasurer), Ann Fitzpatrick (Secretary).

Board Governance/ Strategic Planning Committee (BGSPC)

The BGSPC assists the Board of Directors and NIHFCU management in developing the planning process of the Credit Union's strategic plan. The Committee also monitors progress towards achieving the goals and objectives outlined in the plan. The Committee also provides oversight to the Code of Ethics and various NIHFCU policies as needed.

Board Governance/Strategic Planning Committee members:

Kimberly Allen (Chairwoman), MA; Steven J. Berkowitz, MBA, CPA; Jason Donaldson, MBA; Collins Odongo, PhD, MA; Kalpana Ramiah, DrPH, MBA, MSc; Tim Tosten, MPA.

Highlights from 2025:

The new NIHFCU.org launches

NIHFCU's new website featuring a new look, easier navigation and a more intuitive design went live in December.



Member Experience Committee (MEC)

The MEC is responsible for enhancing the Credit Union’s brand value among our members and targeted communities. It is the primary advisory body collaborating with NIHFCU management to identify and develop strategies to develop new products, enrich member experiences, and enhance member loyalty and participation in the Credit Union.

Member Experience Committee members:

Diana Rutberg (Chairwoman), MBA; John Jarman, MBA; Brian Rabin, MEd, MBA; Signe Yock, MBA.

Information Technology Steering Committee (ITSC)

The ITSC assists the Board of Directors in fulfilling its corporate governance and oversight responsibilities for the Credit Union’s investments, operations and strategy in relation to technology and information systems. The committee is responsible for helping to maintain the balance between IT budgetary constraints and business priorities.

Information Technology Steering Committee members:

Laura Gent (Chairwoman), MPH, MBA; Ann Fitzpatrick, Naga Madugula, Javier Negron.



Highlights from 2025:

What our members are saying:

In 2025, members gave us a stellar 4.8 out of 5-star rating on website rating sites. Here are some remarks:

- *“If you’re looking to expand your relationships with credit unions and banking, NIHFCU is your next destination!”*
- *“NIH Federal Credit Union is the best banking institution in the DMV!”*
- *“By far the best credit union in the country. An institution that really cares about its customers.”*



NIH Federal Credit Union
 P.O. Box 6475
 Rockville, Maryland 20849-6475

Website and Online Banking

● nihfcu.org

Mobile Banking

● nihfcu.org/remote

E-mail

● nihfcu@nihfcu.org

National Call Center

● 301.718.0208
 ● 800.877.6440 (TTY 711)



Locations:

The NIH Federal Credit Union serves its members through a network of branches and ATMs throughout the Washington, DC metro area. Members can also enjoy convenient nationwide access to their accounts at over 30,000 network ATMs and 5,000 shared branch locations in addition to a wide range of 24/365 remote services.

Visit nihfcu.org/locations to search for any branch or ATM location.

Members of the Senior Leadership Team:

Rick Wieczorek—President & Chief Executive Officer

Jesse Boyer—EVP, Chief Operating Officer

Frank P. Amantia—SVP, Chief Lending Officer

Christiana Anderson—SVP, Chief Human Resources Officer

Timothy Duvall—SVP, Chief Financial Officer

Miglena Doncheva—VP, Lending

Craig Edelin—VP, Internal Audit

Matt Jones—VP, Member Business Lending

Ashok Khadka—AVP, Associate Controller

Steven Levin—VP, Marketing & Brand Strategy

Christopher Newell—VP, Information Technology

Steven Peschin—VP, Finance & Investments

Michael Stottlemyer—VP, Risk Management

Stacie Strickland—VP, Retail Development & Business Development

Michael Torcisi—AVP, Loss Mitigation & Administration

Taneka Walton-Courtney—AVP, Payments Support