



2025 ANNUAL REPORT



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Here for yours.*

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CHAIRMAN AND PRESIDENT'S REPORT

This past year was a strong year for Philadelphia Federal Credit Union (PFCU). We owe our continued success to the dedication and expertise of our employees and the support and loyalty of our members. Our philosophy of "people helping people" is at the heart of everything we do, and we strive to always improve our products and services and find new ways to uplift our members and community.

Learn about PFCU's dedication to our membership and community:

FOR THE MEMBERSHIP

New Branch – Adding to our service locations, we opened a new branch in Glenside, PA, our 13th branch for the Credit Union and the first location in the suburbs of Philadelphia. The branch offers our members amenities such as a greeter station for quick assistance and direction, a drive-thru lane, full-service ATM, safe deposit boxes and a free coin counting machine.

Virtual Assistant – We introduced our new virtual assistant, Betsy, on our online and mobile platforms. She is customized to our members' needs and our products. Betsy is trained to provide the best answer possible and escalate to a service advisor at the appropriate time, providing all participants with a seamless experience.

Increased Dividends – We increased the dividend rates on our savings products to provide a greater return on our members' money.

Expanded Youth Products – To expand upon our suite of products, we announced a partnership with Greenlight, the debit card and money app for kids and teens. Best of all – it's free to PFCU members when they use their PFCU account as the funding source. PFCU families can learn to earn, save and spend wisely together.

Increased Services and Offerings – PFCU expanded our offerings to our community in new ways.

- We introduced a nine-month savings certificate to our offering of savings products.
- We continued to offer the special Home Equity Line of Credit (HELOC) introductory rate of 3.99% APR for the first 12 months.

Educational Resources – In order to provide our members with the tools and knowledge to take control of their financial health, we promoted several free educational resources.

- We continued to promote Credit Score, which is conveniently built right into our online and mobile banking platforms.
- We provided informational articles for our members each month through our MoneyLine Blog.
- We continued to create MoneyLine in a Moment educational videos that are featured monthly on our Facebook and Instagram pages.
- We educated our members on the importance of their account security with ongoing communication and guidelines to avoid identity theft and scams.

Better Payment Convenience – An upgrade was made to our loan system, allowing our members to make Automated Clearing House (ACH) payments from another financial institution. In addition, debit cards are now available for all EZ Pay payments. Members can conveniently access the service through a single sign-on from our online banking system and mobile app.

Overdraft Protection – We introduced free Overdraft Protection, allowing members to designate up to two savings accounts in a priority order to help prevent overdrafts on checks or ACH withdrawals and avoid fees by automatically transferring available funds to their checking account. Overdraft Protection can also cover ATM and debit card transactions.

Enhanced Savings – PFCU worked to give back to our members in a variety of ways.

- We partnered with Working Advantage to offer an incredible savings platform for our members. Through a one-step enrollment process, they have instant access to discounts as well as savings on entertainment, travel, shopping and more!
- Member Referral Promotions were held during the year that offered a \$100 cash incentive to the referring member and new member.
- We continued to waive the application fee on our mortgage loans, saving our members \$325 to use towards their closing costs.
- We offered our members affordable auto, home and life insurance options through the TruStage® Insurance Agency.

Member Appreciation – To show our appreciation for members and to display our commitment to strengthening their financial well-being, PFCU hosted a member appreciation contest throughout the month of April that awarded cash prizes ranging from \$100 to a grand prize of \$500.

Easy Account Opening – We unveiled a new Account Services Portal within our online and mobile platforms that features easy navigation and self-service options for account requests.

Scholarships – We awarded eight \$2,500 scholarships to deserving student-members. PFCU created the Scholarship Program in keeping with our philosophy of giving back to members and the communities in which we serve. Our commitment to the young leaders in our communities demonstrates a firm belief in their ability to pursue their life's desires and dreams.

FOR THE COMMUNITY

University Sponsorship – We formed a new partnership with Saint Joseph's University, becoming the official credit union of Saint Joseph's University Athletics and the official banking institution of the Saint Joseph's University Alumni Association. Through this partnership, PFCU will support a financial literacy program for Saint Joseph's student-athletes, sponsor key University events and provide resources for men's and women's athletic programs that began with the 2025 season. The financial literacy program covers critical topics such as credit building, financial decision-making, saving, budgeting and fraud prevention, helping student-athletes develop smart financial habits.

Student Workshops – Our Financial Educator led personal finance workshops for Temple University and Saint Joseph's University student-athletes. She covered the basics of managing money, an important lesson to help set these young leaders up for future success.

Financial Education in Action – PFCU's financial education program continued using our online platform to connect to our members and the community. Our Accredited Financial Counselor conducted 144 seminars with attendance totaling 2,233. She shared her insights on several topics such as Creating Money Habits, Setting Goals and Saving, Investing and Retirement Basics, Money Management: Balancing Income and Expenses, and Identity Theft and Fraud Prevention.

Local Support – PFCU continued to show our support to our communities by making donations and participating in numerous community events, including Morris Animal Refuge's Annual Fur Ball, the Cedar Park Jazz Series, the 19th Annual Juneteenth Festival, University City District's Movies in Clark Park, the MS: City to Shore Ride and the East Falls Fest, to name a few.

Social Expansion – We expanded our community ties through Facebook, X, LinkedIn and YouTube and increased our followers on those platforms. We featured videos that promoted the home-buying process as well as various promotions and webinars that were held throughout the year.

Community Participation – We had the pleasure of participating in a variety of events that connected us with partners, schools and organizations across our communities. From educational seminars and artistic collaborations to festivals and foundation support, we are proud to continue investing in the people and neighborhoods that make our city so special.

Employee/Volunteer-Sponsored Events – PFCU employees and staff sponsored fun events, including the Philadelphia St. Patrick's Day Parade, PFCU Night at Citizens Bank Park, PFCU Day at Temple and Bloomsburg universities, and HMS Community Day, to name a few.

Season of Giving – This year, we partnered with Uplift Philly, an organization that provides compassionate, no-cost support and essential resources to grieving youth and families across Philadelphia. Many of the families they serve experience especially difficult times during the winter season, facing increased food insecurity and rising heating costs. PFCU employees and our Board of Directors came together to make a sizeable donation to this cause in addition to gift cards, non-perishable food and various winter items.

Thank you to everyone who contributes to PFCU. Through working hard with a cooperative spirit and focusing on what's best for our community rather than for profit, we're able to celebrate the success of our Credit Union. We look forward to the unique opportunities that 2026 will bring and to celebrating our 75th Anniversary, a milestone we are proud to share with our members and dedicated staff.

BERNARD B. LESTER
Chairman

PATRICIA A. CRAVEN
President/CEO



INDEPENDENT AUDITORS' REPORT

We have audited the accompanying consolidated statements of financial condition of Philadelphia Federal Credit Union and its subsidiaries, which comprise the consolidated balance sheets as of September 30, 2025, and 2024, and the related consolidated statements of income, comprehensive income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements. These consolidated financial statements are the responsibility of the Credit Union's management.

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Philadelphia Federal Credit Union and its subsidiaries as of September 30, 2025, and 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CONNOLLY, GRADY & CHA, P.C.

Certified Public Accountants
Springfield, Pennsylvania

BALANCE SHEET

	September 2025	September 2024	Net Change 2025-2024	% Change
ASSETS				
Cash and Cash Equivalents	\$262,182,903	\$179,829,538	\$82,353,365	45.80%
Investment Securities (Available for Sale)	260,519,685	325,049,817	(64,530,132)	-19.85%
Loans Receivable	1,192,745,832	1,070,369,393	122,376,439	11.43%
Accrued Interest Receivable	4,768,582	4,201,453	567,129	13.50%
Premises & Equipment	14,897,376	14,743,931	153,445	1.04%
Restricted Stock - FHLB Pittsburgh	822,100	760,500	61,600	8.10%
Prepaid Expense & Other Assets	16,224,933	14,514,163	1,710,770	11.79%
Prepaid Pension Obligation	62,550,870	53,239,305	9,311,565	17.49%
Insurance Funding Receivable	26,937,407	26,235,406	702,001	2.68%
Operating Lease Right-of-Use Assets	3,907,686	2,986,104	921,582	30.86%
Foreclosed Assets	1,401,292	971,507	429,785	44.24%
NCUSIF Deposit	15,071,400	13,820,410	1,250,990	9.05%
Total Assets	\$1,862,030,066	\$1,706,721,527	\$155,308,539	9.10%
LIABILITIES & EQUITY				
LIABILITIES				
Members' Shares & Savings Accounts	\$1,621,437,955	\$1,494,145,461	\$127,292,494	8.52%
Accounts Payable & Accrued Expense	5,734,682	5,811,353	(76,671)	-1.32%
Advance Payments by Borrowers for Taxes & Insurance	2,248,739	2,132,449	116,290	5.45%
Other Liabilities	350,851	398,008	(47,157)	-11.85%
Operating Lease Liabilities	4,037,373	3,069,382	967,991	31.54%
Total Liabilities	1,633,809,600	1,505,556,653	128,252,947	8.52%
EQUITY				
Regular Reserves	4,172,269	4,172,269	0	0.00%
Undivided Earnings	238,906,600	227,332,639	11,573,961	5.09%
Accumulated Other Comprehensive Loss	(14,858,403)	(30,340,034)	15,481,631	-51.03%
Total Equity	228,220,466	201,164,874	27,055,592	13.45%
Liabilities & Equity	\$1,862,030,066	\$1,706,721,527	\$155,308,539	9.10%

INCOME & DISTRIBUTION

	September 2025	September 2024	Net Change 2025-2024	% Change
INCOME				
Interest on Loans	\$71,828,737	\$59,844,744	\$11,983,993	20.03%
Investment Income	11,897,579	10,950,383	947,196	8.65%
Fee Income	23,876,280	23,876,280	0	0.00%
Gain on Sale of Premises	799	0	799	0.00%
Gain on Sale of Loans	194,800	50,556	144,244	285.32%
Other Income	1,380,496	1,380,496	0	0.00%
Gross Income	\$109,178,691	\$96,102,459	\$13,076,232	13.61%
DISTRIBUTION OF INCOME				
Dividends to Members	\$32,787,634	\$24,844,816	\$7,942,818	31.97%
Provision Loan Losses	8,874,366	7,581,259	1,293,107	17.06%
Operational Expenses	55,398,266	53,856,792	1,542,791	2.86%
Non-Operational Expenses	524,208	404,963	119,245	29.45%
Undivided Earnings	11,573,961	9,394,373	2,179,588	23.20%
Total Distribution	\$109,178,691	\$96,102,459	\$13,076,232	13.61%

BOARD OF DIRECTORS

BERNARD LESTER

Chairman

PAULETTE CHAMBERS

Vice Chairman

JOSEPH F. McHUGH, JR.

Treasurer

ELIZABETH SEES

Secretary

CAROLYN DALEY BRADY

Member

BRIDGET TIERNEY BROWN

Member

VINCENT COLABERDINO

Member

SHAWN HAGERTY

Member

KATHLEEN MEYER

Member

MICHELE WILLMUNDER

Member

CHARLES ZACNEY

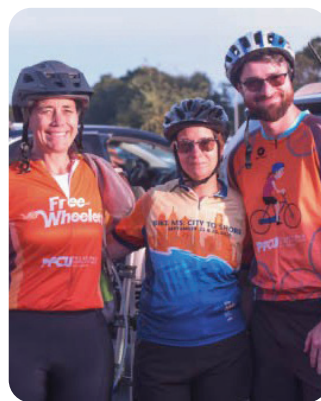
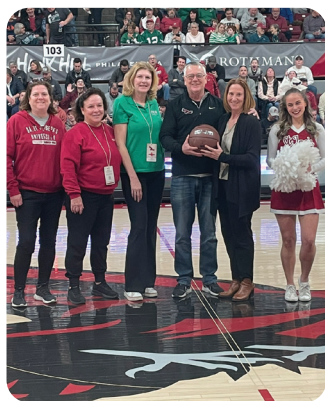
Member

MICHAEL J. McALLISTER, ESQ.

Emeritus

ELOUISE THOMAS

Emeritus



TREASURER'S REPORT

Each year is a fresh experience with both exciting opportunities and difficult challenges, yet Philadelphia Federal Credit Union (PFCU) remained resilient and focused on growth during 2025. I am pleased to report that PFCU remained financially strong. We are proud of the dedication of our institution, staff and members through good times and bad.

We experienced a 9.10% increase in assets this year, ending 2025 with an impressive portfolio of assets totaling \$1,862,030,066. In addition, we closed the year with member shares reaching a total of \$1,621,437,955, an increase of 8.52% from 2024. Loan growth increased from \$1,070,369,393 to \$1,192,745,832, an 11.43% increase, while our gross income increased by 13.61% to \$109,178,691. This impressive growth resulted in \$32,787,634 in dividends paid to our members, up 31.97% from last year.

Thank you to the PFCU Board, management and staff that serve our Credit Union and keep it resilient every year. We appreciate our loyal members who continue to place their trust in us and support our mission of serving our community. As a member-owned, not-for-profit institution, we can thrive because of the dedication of our members, staff and volunteers. We look forward to many more years of serving our members.

JOSEPH F. McHUGH, JR.
Treasurer

SUPERVISORY COMMITTEE'S REPORT

Philadelphia Federal Credit Union's Supervisory Committee is responsible for reviewing the audit function of the Credit Union to ensure that PFCU's financial strength is fairly represented.

The committee oversees the internal and external auditors, who make sure that the Credit Union's financial controls are operationally sound and functioning in accordance with the mandated guidelines and policies set forth by all governing bodies.

An external audit was conducted in 2025 by the Certified Public Accounting firm of Connolly, Grady and Cha, P.C. These examinations of PFCU's financial statement and practices, along with audits conducted by the Internal Audit Department, have found Philadelphia Federal Credit Union to be in excellent condition, both financially and administratively.

Due in part to the efforts of the Supervisory Committee and auditors throughout the credit union movement, credit unions as a whole are very sound financial institutions. Each year, more individuals are choosing credit unions due to their cost-effective services and, more importantly, because these individuals know that their money is safe.

The Supervisory Committee is dedicated to ensuring that these well-founded beliefs and principles are steadfastly maintained for our members' benefit. The committee welcomes all comments and suggestions from our members. You are invited to use the following address:

PFCU Supervisory Committee
P.O. Box 21004
Philadelphia, PA 19114

TIMOTHY LEDERER
Chairman

PFCU
PHILADELPHIA
FEDERAL CREDIT UNION

Not here for our profit.

Here for yours.

MAILING ADDRESS

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Philadelphia, PA 19154-1003

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24-HOUR ACCOUNT ACCESS

Teller Phone: 877-835-7328

Online Banking: Enter through pfcu.com

WEBSITE

pfcu.com

