



ANNIVERSARY

80 YEARS OF SERVICE - 80 YEARS OF TRUST

2024 ANNUAL REPORT

CommonWealthONE
FOR YOU • FOR LIFE





CHAIRMAN'S REPORT

As we reflect on 2024, I am proud once again to report to you that CommonWealth One remains strong, safe, resilient, and committed to our mission of serving our members through every economic cycle, for life! In a year that appears full of uncertainty -- For example, will there be Federal Reserve interest rate cuts or rising interest rates? Will there be significant inflationary pressures from the changing tariff policies of the new Federal Government Administration, or will those pressures recede as those policies either are rethought or perhaps resolved through negotiations with other countries? Regardless of how those questions and others are answered, we will stay the course on our strategic plan with a clear focus on maintaining long-term sustainability and achieving meaningful growth, as well as continuing technological innovation to enhance members' ease of use and convenience in accessing our products and services.

We closed the year 2024 with over \$560 million in assets, which is a testament to our sound financial management and the support and trust of our members.

Throughout the year, we remained dedicated to building a member centric ONE culture, grounded in service, education, operational excellence, and innovation. We expanded access to financial education and resources, empowering our members to make confident financial decisions in today's complex environment.

We also made bold investments in technology, laying the

foundation for a major core system conversion scheduled for June 2025. This upgrade is more than just a system improvement—it's a leap forward in our ability to provide seamless, personalized, and future-ready financial services.

In 2024, we also took steps to grow our physical presence, preparing to open two new Alexandria branches on Duke Street and Seminary Road in the summer of 2025.

Meanwhile, our enhanced ATM network now offers full -service, deposit-taking capabilities with convenient video conferencing features, which is another example of how we're bringing technology and human service together.

This year also marked a historic milestone—our 80th Anniversary. Since our founding in 1944, we have proudly served generations of members and built lasting partnerships across our communities. We commemorated this legacy with a special 80-day celebration, featuring exciting giveaways, appreciation events, and heartfelt moments of gratitude.

As we celebrate the past and invest in the future, we thank you—our members—for your continued trust. We look forward to writing the next chapter of our journey together, with you, for life!

Rupert J. Jennings, III
Chairman

PRESIDENT CEO'S REPORT

2024 marked 80 years of service for CommonWealth One, staying true to our mission to grow with purpose, educate with intent, and serve our members as their trusted advisor.

With a continued focus on strategic financial growth and meaningful community engagement, we experienced strong membership and deposit growth. In March, we launched Kasasa Rewards Checking, which grew to 999 members and exceeded \$15 million in deposits by year's end. Additionally, we introduced \$10 million in non-member deposits, reducing our loan-to-share ratio from 98% to 90%. High-yield share certificates contributed another \$23.7 million, marking a 28.49% year-over-year increase. We also laid the groundwork for expanding our branch network in Alexandria, with two new locations set to open in 2025—on Duke Street and Seminary Road.

We expanded access to credit with the JMU Student Credit Card, empowering James Madison University students as they embark on their financial journey. Our award-winning financial education programs, Financial Health and Future Wealth - For Life, earned First Place in both the Adult and Youth Desjardins Awards categories. Through webinars, seminars, and youth-focused initiatives like

the Summer Reading Program, we provided valuable insights on credit, home buying, investments, and legal planning.

Our community involvement remained strong, including participation in the Old Town St. Patrick's Day Parade, Buy Local Spend Local, RMH Breast Cancer Race (raising over \$50,000), Shred Day events, and the Credit Union Cherry Blossom Run, which raised \$1.1 million for Children's Miracle Network Hospitals. Our annual "JMU Punt, Pass & Kick" contest added fun and connection with students and families.

We also awarded over \$37,000 in scholarships, including the Kathryn R. Coleman, Charlotte Cash, and Archie Ford memorial scholarships, supporting students at local high schools, JMU, William & Mary, UVA, and HBCUs.

For the past 80 years and the next 80 to come, through it all, our commitment holds steady: For You. For Life.

Frank Wasson
President/CEO

1944

AAF Annex #1 Federal Credit Union.

1969

Celebrated 25th Anniversary as Gravely Point Federal Credit Union.

Kathryn Coleman becomes CommonWealth One's first official Chief Executive Officer. COFU has \$4.5 million in assets.

1973

Celebrated 30th year; our name was U.S. Army Material Command Federal Credit Union, with \$13.1 million in assets.

1992

Name changed to CommonWealth One Federal Credit Union. Extended membership to James Madison University community.

1993

CommonWealth One celebrates 50 years of service

OUR HISTORY

SUPERVISORY COMMITTEE REPORT

The Board of Directors appoints the Supervisory Committee to safeguard the assets of Commonwealth One. To meet this objective, the Committee:

- Arranges for and oversee audits.
- Ensures that federal and state regulations, as well as credit union bylaws, are followed.
- Reviews annual internal audit reports and other documentation.
- Confirms that financial reporting obligations are met.
- Checks internal control policies and procedures.

Our internal auditors, PBMares LLP, perform internal audits to ensure operations are in accordance with policies and guidelines. In addition, CPA Firm Doeren Mayhew conducted the annual audit of our Financial Statements for the year ending December 31, 2024. Based on their examination and our review of management and the Board of Directors' actions, the Supervisory Committee has determined that Commonwealth One is financially sound and that internal controls are operating effectively. In 2024, The National Credit Union Administration (NCUA) completed an examination of the financial condition of your credit union, and our compliance with applicable rules and regulations with an effective date of September 30, 2024. The Supervisory Committee thanks management, staff, and our members for their assistance and cooperation throughout 2024.

Ronald F. McGray

Chairman, Supervisory Committee

TREASURER'S REPORT

In 2024, the US economy continues to perform well despite fears of recession. The favorable economic condition enabled the Fed to cut interest rates twice with resilient consumer spending, low unemployment averaging 4%, and easing inflation.

CommonWealth One maintained its status as a stable and secure financial institution for our members. Our assets remained strong and diversified, thus providing our membership with a dependable and secure financial cooperative upon which our members can rely.

Total assets ended at \$559m, a (5%) decrease over 2023, this is moving in line with lower member shares at \$424m, a decrease (of 1%) from 2023, and Net loans to members ended at \$388m, a decrease of (7%) compared to last year. The Federal Reserve interest rate is at 4.4% as of May 2025. As interest rates remain relatively high, this has caused a slowdown in lending and shifts in shares. Net Loss for the year of (\$3.8m) is primarily due to proactive increase in loan loss reserves and falling net interest income.

CommonWealth One continued to offer value to our members through a competitive share rate and by introducing high-interest Kasasa products with no monthly fees. Despite the challenges, we ended the year with a net worth ratio of 7.58%, above the NCUA guideline for well-capitalized credit unions. We are committed to leveraging innovative technology to deliver exceptional services and enhance our members' experience in digital services.

The Board of Directors, management, and staff will continue to assist members while deploying resources to strengthen our credit union. This will ensure we meet the needs of our members and the communities we serve now and in the future. Whether loans, deposits, or financial services, Commonwealth One is "For You—For Life."

John F. Knight

Treasurer, Board of Directors



1996

John Blair becomes Commonwealth One's second Chief Executive Officer.

2012

Charlotte Cash becomes Commonwealth One's third Chief Executive Officer.

2019

CommonWealth One celebrates 75 years of service

2020

Extended membership to AB&W Credit Union

2021

Frank Wasson becomes Commonwealth One's fourth Chief Executive Officer.

2022

CommonWealth celebrates milestone \$500 million in assets

2024

80 Years of Service, 80 Years of Trust!

Supervisory Committee

Frank Q. Tedeschi, Chairman
Jessie L. Horneber, Secretary
Ashley L. Comer
Marvin T. Isom
Ronald F. McGray

Board of Directors

Rupert J. Jennings III, Chairman
Daniel R. Murray, Vice Chairman
George McAndrews, Secretary
John F. Knight, Treasurer
Mark Angel
Mark Siciliano
Mary L. Summers
Dr. Linda Thomas

Executive Team

Frank Wasson, President/CEO
Larry Flory, Vice President, Projects and Performance
Isabel Gomez, Chief Financial Officer
Jeff Klein, Chief Lending Officer
David Lane, Chief Human Resources Officer
Chris Olinick, Chief Experience Officer
Karyle Thornton, Chief Marketing Officer

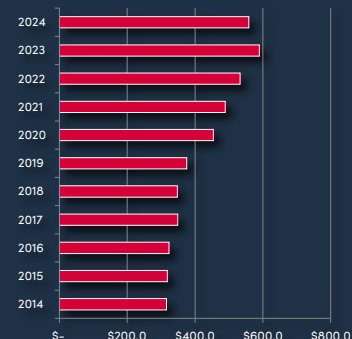
STATEMENT OF FINANCIAL CONDITION

ASSETS	2024	2023
Cash	\$ 3,098,851	\$ 7,253,364
Investments	140,879,996	121,782,434
Consumer Loans	387,557,315	417,862,001
Accrue Interest Receivable	1,892,141	1,947,714
Property & equipment, net	5,639,647	6,034,177
Other assets & prepaid expenses	19,730,765	34,724,000
Total Assets	\$558,798,716	\$589,603,690
LIABILITIES		
Share Draft	105,510,770	102,745,734
Share Certificates	115,174,019	107,208,054
Other Share Accounts	203,637,841	218,351,412
Total Member Deposit	\$424,322,630	\$428,305,200
Non Member Deposit	9,479,901	-
Total Deposits	\$433,802,531	\$428,305,200
Borrowings	80,000,000	114,500,000
Other Liabilities	6,052,202	5,075,465
Total Liabilities	\$519,854,733	\$547,880,665
MEMBER EQUITY		
Regular reserves	6,298,552	6,298,552
Undivided earnings	36,062,063	39,899,652
Unrealized Gains (Losses)	(3,416,632)	(4,475,179)
Total Equity	\$ 38,943,984	\$ 41,723,025
Total Liabilities & Equity	\$558,798,716	\$589,603,690

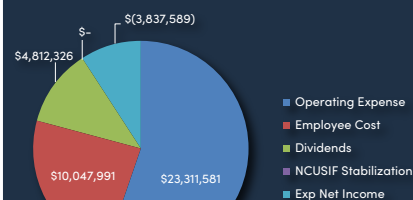
STATEMENT OF INCOME

INTEREST INCOME	2024	2023
Loan Interest Income	\$ 24,836,850	\$ 21,993,016
Investment Interest Income	2,262,219	1,784,026
Total Interest Income	\$ 27,099,069	\$ 23,777,042
INTEREST EXPENSE		
Dividend Expense	4,812,326	2,945,209
Interest Paid On Borrowed Money	5,410,415	4,853,025
Total Interest Expense	10,222,741	7,798,233
Net Interest Expense	16,876,328	15,978,809
Provision for Loan Losses (ACL)	6,426,581	2,128,891
Net Interest Income After Provision for Loan Losses	\$ 10,449,747	\$ 13,849,917
NON-INTEREST INCOME		
Service Charges and Fees	4,276,823	4,279,396
Other Operating Income	2,958,417	2,888,335
Total Non-Interest Income	\$ 7,235,240	\$ 7,167,732
NON-INTEREST Expenses		
General and Administrative	10,047,991	9,634,858
Employee Compensation and Benefits	10,572,124	9,809,815
Office Operations	902,461	\$ 929,077
Total Non-Interest Expense	\$ 21,522,575	\$ 20,373,750
NET INCOME	\$ (3,837,589)	\$ 643,899

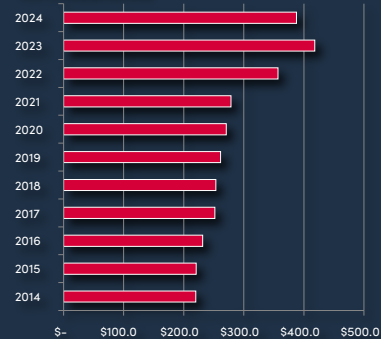
ASSETS IN MILLIONS



DISTRIBUTION OF GROSS INCOME



NET LOANS TO MEMBERS IN MILLIONS



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