



1st Advantage  
Federal Credit Union

**CELEBRATING 75 YEARS**

# ANNUAL REPORT 2026

# LETTER FROM THE PRESIDENT/CEO & CHAIRMAN OF THE BOARD

Dear Valued Members,

As we reflect on 2025, we are proud to share another year of growth, innovation, and meaningful impact at 1st Advantage. Guided by our purpose — **Driving financial success through trusted advice, solutions, and personalized service** — we remain committed to helping our members achieve their financial goals while strengthening the communities we serve.

This year, we invested over **\$77,000** into our **local community**, supporting initiatives that reflect who we are and what we stand for. Our colleagues demonstrated our core values — **dependable, driven, adaptable, accountable, and fun** — through their continued service, collaboration, and passion for giving back. These values are not just words; they shape how we show up for our members and for one another every day.

Our 1st Advantage Foundation continued to make a powerful difference in 2025. Through our annual pickleball tournament, we raised **over \$85,000**, expanding our ability to support the Foundation's mission to meet the unmet needs of our local military community. This event was a true reflection of our culture and made possible by the generosity of our sponsors, volunteers, and participants.

We also introduced new products and services designed to meet our members where they are and support them through every stage of life. These included **Debit Card Round Up**, an easy way to save with every purchase, and our **First-Time Auto Buyer Program**, helping members take confident steps toward major milestones. Each new offering reflects our commitment to being adaptable, responsive, and accountable to the evolving needs of our membership.

Our strong financial performance further positions us for long-term success. In 2025, assets surpassed **\$1.032 billion**, and our **asset ratio rose to 15.54%**, demonstrating prudent growth, stability & sound financial stewardship.

Once again, our efforts were recognized with **prestigious awards**, affirming our dependability, strong leadership, and commitment to excellence. We were honored as a **Top Workplace in Hampton Roads by Inside Business for the fourth year in a row**, received the **Doing Well by Doing Good Award from Mastercard for the second consecutive year**, and earned the **five-star superior rating from BauerFinancial, Inc.**, the nation's foremost independent rating service for financial institutions. These accolades reflect our ongoing dedication to our members, colleagues, and community.

None of this would be possible without **you, our members**. Your trust fuels our drive to continuously improve and deliver the personalized service you deserve.

Looking ahead to 2026, we are excited to further enhance the member experience through **upgrades to our online banking platform and phone system**, making it easier than ever to connect with us. We also look forward to welcoming members to our **new Yorktown Branch, coming soon**, as we continue to expand access and convenience across our communities.

Thank you for being part of the 1st Advantage family. We remain committed to serving you with trusted advice, innovative solutions, and a personal touch — today and into the future.



**Paul W. Muse**  
President/CEO

A handwritten signature in blue ink that reads "Paul W. Muse".



**Sylvester McClellan**  
Chairman

A handwritten signature in blue ink that reads "Sylvester McClellan".

# OUR HISTORY

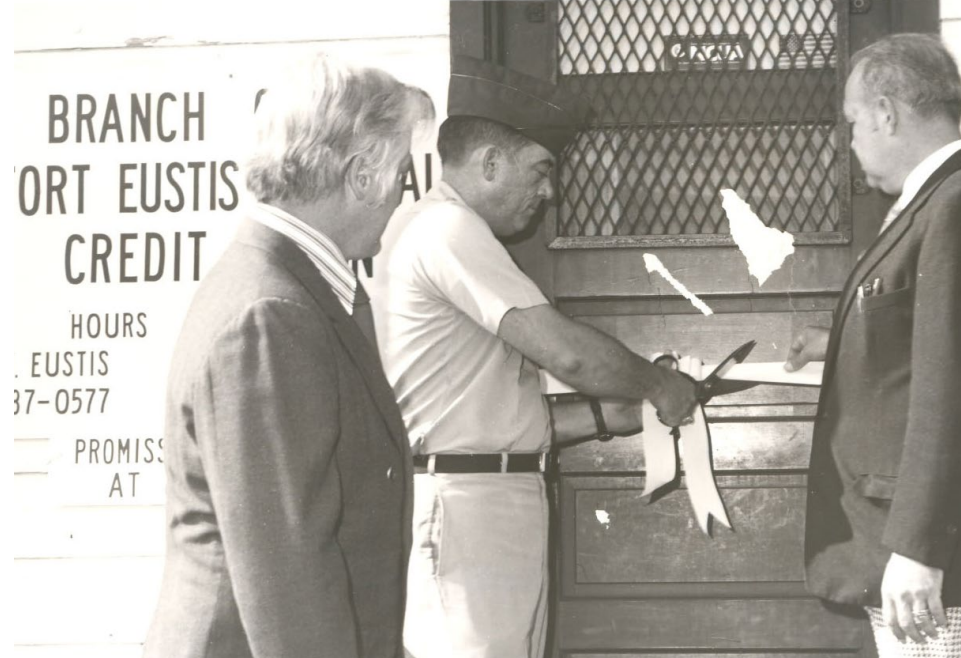
For over 75 years, 1st Advantage has long been a Virginia-based credit union focused on the member. We value being a trusted advisor to our members and working with them to secure a real advantage for them and their families.

Our history dates back to one hot August day in 1951 when the question was asked, "How can we start a credit union?" A group of civilian employees at Fort Eustis discussed the need to eliminate the high interest rates of "loan sharks" that preyed on the employees at Fort Eustis. An agreement was reached, application made, and on September 20, 1951, the charter (No. 7448) of the Fort Eustis Federal Credit Union was approved.

The Elected treasurer carried the approximate \$500, collected initially from the original charter members, in a cigar box together with the account register. Loans were made to any civilian employee of Fort Eustis without a credit check, solely on trust. This promising beginning epitomized the credit union motto, "People helping people."

1st Advantage Federal Credit Union, formerly Fort Eustis Federal Credit Union, has grown from a cigar box with \$500 to an organization with assets totaling more than one billion and over 71,000 members located around the world.

Our dedication to members extends to our surrounding communities because we're all neighbors with a vested interest in where we live. For us, that means providing financial products and services that help our members get ahead, while volunteering our time and resources to civic organizations and nonprofits that share our mission to improve life for each other.



# OUR ADVANTAGE

## OUR PURPOSE STATEMENT

Our purpose defines why we exist and how we create meaningful value for our members and community. It is the promise we work to fulfill every day and the clarity that guides us in how we serve.

**Driving financial success through trusted advice, solutions, and personalized service.**

## OUR PILLARS OF SUCCESS

Together, these pillars keep us aligned, future-focused, and committed to exceptional service and meaningful community impact.

- ▶ **Operational Excellence**
- ▶ **Sustainable Growth**
- ▶ **Education**
- ▶ **Community**

## OUR CORE VALUES

Our values are more than what we believe, they're how we work, lead, and grow together.

**ACCOUNTABLE, ADAPTABLE,  
DEPENDABLE, DRIVEN, FUN**

These five words shape our culture and guide how we show up for our members and for each other. Whether we're helping a member achieve a financial milestone or collaborating internally to solve a challenge, this is a workplace that values trust, initiative, flexibility, responsibility, and a positive spirit.

# CORE VALUES

These five words are more than just a list—they're a reflection of how we support one another and serve our members every day. In 2025, we announced and implemented our new company core values.

Whether we're helping a member achieve a financial milestone or collaborating internally to solve a challenge, this is a workplace that values trust, initiative, flexibility, responsibility, and a positive spirit.



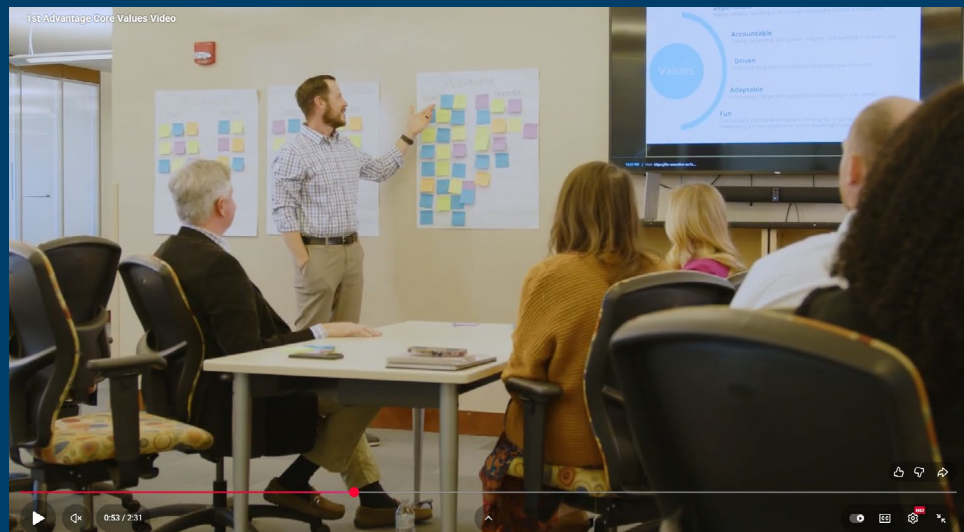
Always reliable, building trust through consistent actions & support.



Embracing change with positivity & evolving to stay ahead.



Focused on growth & delivering exceptional outcomes.



Taking ownership, acting with integrity, & earning trust every day.



Cultivating a positive environment & finding joy in our work to foster meaningful connections.



At 1st Advantage, our passion for serving extends beyond financial products. Our commitment and dedication to our local community dates back to the founding of the credit union in 1951. The credit union and its colleagues have a rich history of giving back to the local areas we serve through volunteering, donations and scholarships. To honor its heritage, the 1st Advantage Federal Credit Union Foundation supports every branch of the military in the local community, guided by their motto, **“Serving those who serve.”**

**Our Military Focus:**

- ▶ Children
- ▶ Veterans
- ▶ Families in need

The 1st Advantage Foundation is proud to announce the resounding success of its **3rd annual Pickleball Tournament**, which took place on October 17th to 19th, 2025 at the Picklr in Williamsburg, Virginia. The event **raised over \$85,000** to benefit the 1st Advantage Foundation.

The funds raised during the tournament will have a direct and lasting impact on local military families. The 1st Advantage Foundation is committed to providing crucial assistance and support to those who have sacrificed so much for our nation. The money raised will go towards essential programs and initiatives that address the unique challenges faced by military families in our community.

**To find out more about our foundation, visit [www.1stAdvantage.org/Foundation](http://www.1stAdvantage.org/Foundation)**

**302**

*Baby Bags Distributed To Local Military Bases*

**300+**

*Books Donated to Support Local Military Elementary Schools and the Armed Services YMCA*

**\$85k**

*Raised During Our 1st Advantage Foundation Pickleball Tournament To Support Local Military Families*



*Our team packed diaper bags for local military families.*



*Armed Services YMCA Hampton Roads Pre-K program.*



*General Stanford Elementary School on Fort Eustis.*

# PROVIDING DIGITAL EDUCATION TO THE COMMUNITY

Supporting our communities also means supporting our students. Together with Banzai Financial Education, we provided **960 workbooks** and brought a digital-based financial education program to **721 students** for a total of **1,278 hours of learning** across **12 local schools**. The program enabled students to practice and develop healthy financial habits through real-world scenarios and engaging educational interactions.

1st Advantage's partnership with Banzai has allowed students to learn important financial skills at no cost to the district, schools, or teachers. Our goal remains to give as many students as possible access to this crucial financial education program. The combination of knowledge, confidence, and healthy habits sets learners up for financial well-being now and in the future. These skills will undoubtedly serve students well in their journey to financial success.

## Financial topics include:

- ▶ Savings
- ▶ Insurance
- ▶ Borrowing
- ▶ Budgeting
- ▶ Life Changes
- ▶ Retirement



## 2024-2025 SCHOOL YEAR

960

*Workbooks Provided To Local Schools For Classroom Learning*

721

*Students Received A Digital-Based Financial Education*

1,278

*Hours Of Learning*

12

*Schools*

**Learn more at [1stAdvantage.org/Banzai](https://1stAdvantage.org/Banzai)**



# COMMUNITY DAY

The 19th annual 1st Advantage Community Day was a resounding success! Each year, our team steps away from their desks and into the community to volunteer their time and energy in support of local organizations and causes that make a difference. Community Day is more than just a day of service — it's a reflection of our deep commitment to helping our neighbors and strengthening the communities we proudly serve.



- ▶ Helped distribute over **1,250 pounds of food** to **17 families** through THRIVE.
- ▶ Boxed over **30 dinners and desserts** to be given out to Community Brain Injury Services members.
- ▶ Filled **71 boxes** at the Virginia Peninsula Foodbank.
- ▶ Assembled **500 lunch bags** for Love the Tree of Life Clinic, who serves the homeless & under-served communities in Hampton Roads.
- ▶ Processed **3,253 pounds of food and household goods** at the Grove Christian Outreach Center.



- ▶ Created **754 childhood cancer ribbon pins** for the Wes Strong Foundation.
- ▶ Knit and crocheted **50+ pairs of hearts** for Edmarc, a local pediatric hospice organization.
- ▶ Made **153 surgery bears** for patients at CHKD.
- ▶ Shopped for **114 toys** to be distributed to patients of CHKD.
- ▶ Made **51 blanket wraps** for Gentiva/Heartland Hospice and the Peninsula SPCA.



- ▶ Assembled **1,000 comfort bags** for the USO.
- ▶ Raised **\$330 for the 1st Advantage Foundation** through a 50/50 raffle.
- ▶ **500 books were stickered**, and **423 books were bundled** for YMCA Armed Services.
- ▶ Collected over **6,697 diapers and 18,286 wipes** for local military families through the 1st Advantage Foundation.



- ▶ Cleaned **50 mattresses** for the Gloucester United Emergency Shelter Team.
- ▶ Volunteered at Williamsburg United Methodist Church's Respite Care program and **helped with brain-stimulating group activities**.
- ▶ **Volunteered a combined 22.5 hours** to decorate the Virginia Living Museum for their annual "Night of the Living Museum" Event.
- ▶ Purchased and arranged **holiday gift bags and cards for 75 senior residents** at Newport News Nursing & Rehab.

# COMMUNITY IMPACT

Community Impact Grants are funded through our Dress Down Fund, made possible by the generosity of our colleagues. Each year, team members nominate local nonprofits they're passionate about. These grants help support organizations making a meaningful difference in the communities we serve.

In 2025, we had **24 sponsorships** and gave away **\$77,100** to organizations in the Hampton Roads community.



DONATED OVER

# \$77,100



ECONOMIC & CULTURAL



EDUCATION



COMMUNITY OUTREACH & EMERGENCY SERVICES



MILITARY & CIVIC

## Congratulations to this year's recipients:

- ▶ Abingdon Ruritan Club
- ▶ Achievable Dream
- ▶ Banzai Financial Education
- ▶ Center for Child & Family Services
- ▶ Children's Free Care Fund with CHKD
- ▶ Christopher Newport University
- ▶ Colonial Boy Scouts of America
- ▶ Community Brain Injury Services
- ▶ Gildersleeve Middle School
- ▶ Hospice House of Williamsburg
- ▶ Junior League
- ▶ Kiln Creek Dolphins Swim Team
- ▶ Kiwanis Club of Kiln Creek
- ▶ McIntosh Elementary School
- ▶ Mended Hearts
- ▶ One Tree Planted
- ▶ Peninsula Center for Independent Living
- ▶ Riverwatch Run Polar Plunge
- ▶ Rotary Club of James City County Golf Tournament
- ▶ Virginia Academy of Family Physicians
- ▶ WAVY-TV 10 Coats for Families
- ▶ Williamsburg Indoor Sports Complex
- ▶ Williamsburg Moose Lodge

# STATEMENTS OF INCOME

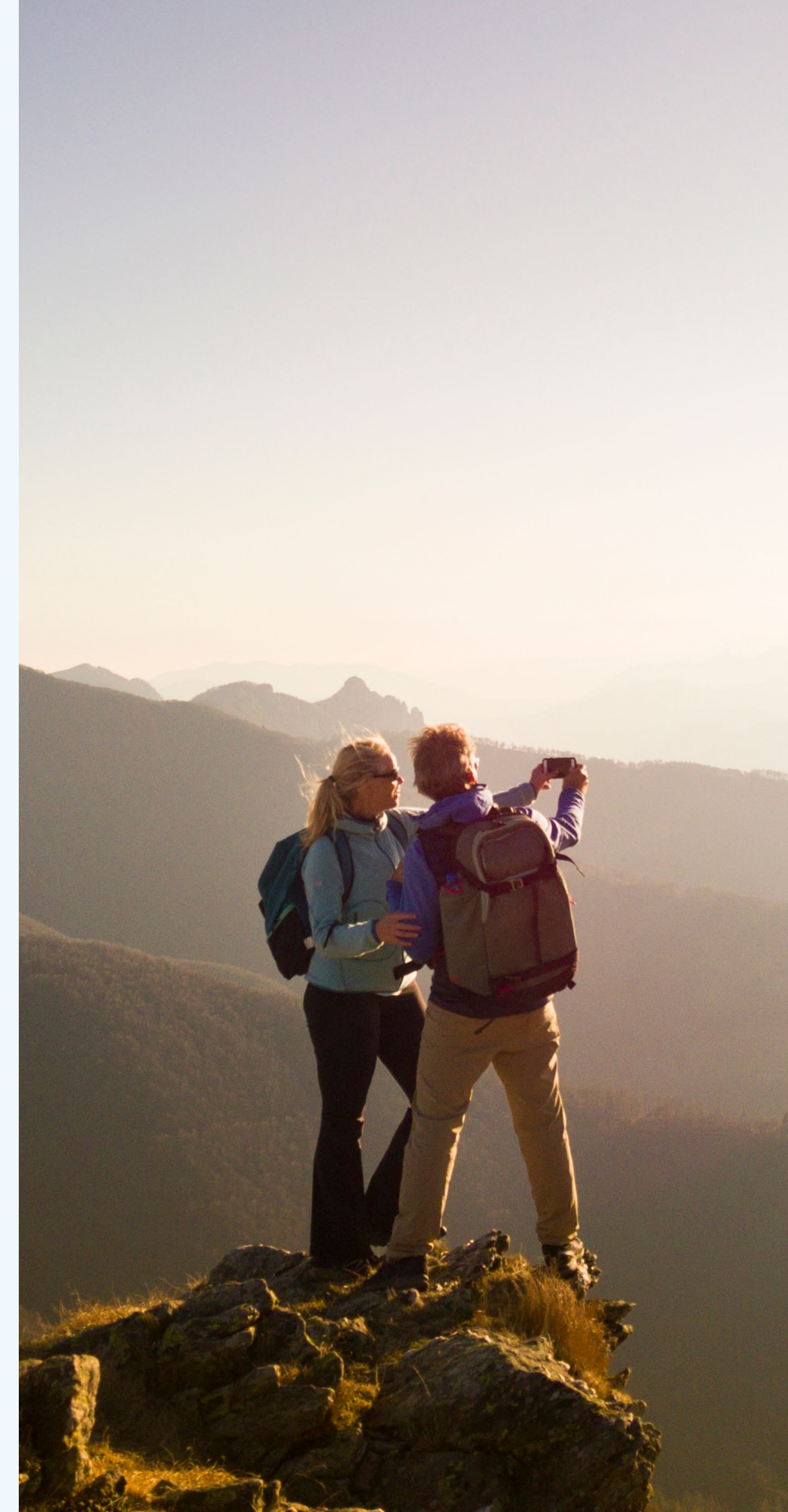
	2025	2024
<b>INTEREST INCOME</b>		
Interest on Loans Receivable	\$46,624,353	\$43,463,196
Interest on Securities	\$6,041,068	\$5,970,241
Interest on Cash Deposits	\$3,195,732	\$3,241,787
Total Interest Income	\$55,861,153	\$52,675,224
<b>Interest Expense</b>		
Dividends on Members' Share and Savings Accounts	\$9,542,079	\$8,779,265
Interest on Borrowed Funds	—	\$177,339
Total Interest Expense	\$9,542,079	\$8,956,604
<b>Net Interest Income</b>	<b>\$46,319,074</b>	<b>\$43,718,620</b>
<b>Provision for Credit Losses</b>	<b>\$3,631,003.00</b>	<b>\$3,830,196</b>
<b>Net Interest Income After Provision for Credit Loan Losses</b>	<b>\$42,688,071</b>	<b>\$39,888,424</b>
<b>Non-Interest Income</b>		
Interchange Income	\$4,776,772	\$4,737,093
Fees and Charges	\$5,947,458	\$8,192,494
Commission Income	\$484,459	\$627,545
Other Non-Interest Income	\$1,761,313	\$817,895
Total Non-Interest Income	\$12,970,002	\$14,375,027
<b>Non-Interest Expense</b>		
Compensation and Employee Benefits	\$19,971,251	\$18,516,794
Office Operations	\$8,176,875	\$7,917,945
Occupancy	\$1,851,890	\$1,795,956
Legal and Professional Expense	\$3,245,944	\$3,278,046
Loan Servicing Expense	\$1,371,594	\$1,411,221
Advertising and Promotion Expense	\$1,052,422	\$1,001,115
Operating Expense	\$706,894	\$945,700
Total Non-Interest Expenses	\$36,376,870	\$34,866,777
<b>Net Non-Interest Income</b>	<b>\$(23,406,868)</b>	<b>\$(20,491,750)</b>
<b>Net Income</b>	<b>\$19,281,203</b>	<b>\$19,396,674</b>



# STATEMENTS OF FINANCIAL CONDITION

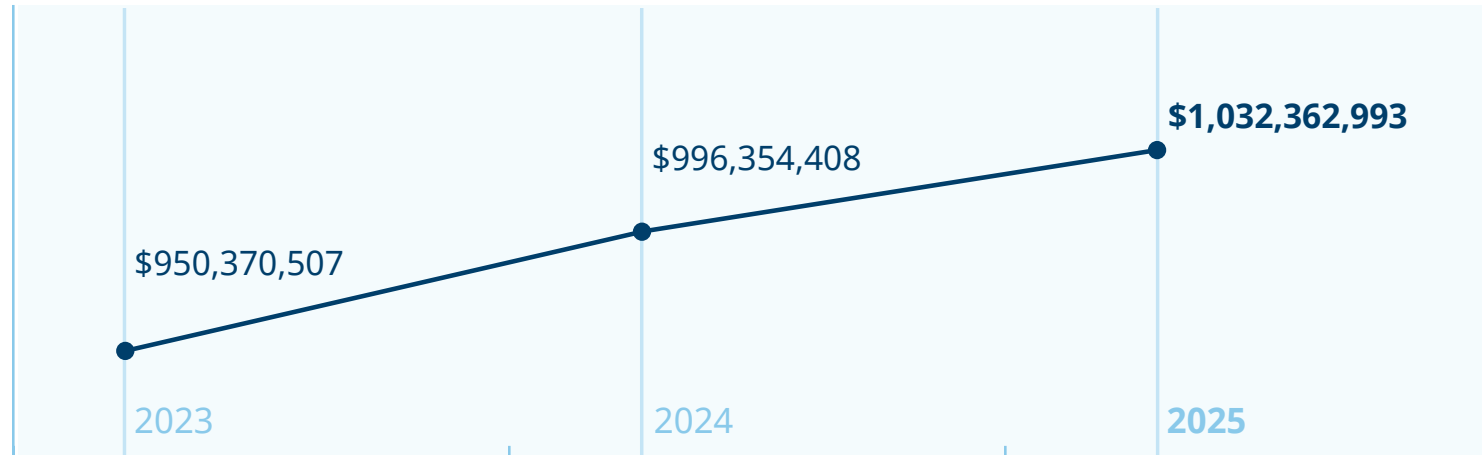
ASSETS	2025	2024
Cash and Cash Equivalents	\$83,614,283	\$86,225,770
Interest Bearing Deposits	\$10,458,000	\$15,936,000
Investments:		
Available-For-Sale Debt Securities	\$133,555,513	\$136,415,416
Loans Receivable, Net of Allowance for Loan Losses	\$761,237,025	\$715,504,245
Accrued Interest Receivable	\$4,019,016	\$4,008,455
Premises and Equipment, Net	\$14,621,930	\$14,544,491
National Credit Union Share Insurance Fund Deposit	\$8,221,338	\$8,040,561
Prepaid and Other Assets	\$16,635,888	\$15,679,470
<b>Total Assets</b>	<b>\$1,032,362,993</b>	<b>\$996,354,408</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Liabilities</b>		
Share and Savings Accounts	\$861,961,198	\$845,396,001
Accrued Expenses and Other Liabilities	\$14,485,238	\$17,858,648
<b>Total Liabilities</b>	<b>\$876,446,436</b>	<b>\$863,254,649</b>
<b>COMMITMENTS AND CONTINGENT LIABILITIES</b>		
<b>Members' Equity</b>		
Undivided Earnings	\$157,790,396	\$138,509,193
Accumulated Other Comprehensive Income (Loss)	\$(4,299,723)	\$(7,835,318)
Equity Acquired in Acquisition	\$2,425,884	\$2,425,884
Total Members' Equity	\$155,916,557	\$133,099,759
<b>Total Liabilities and Members' Equity</b>	<b>\$1,032,362,993</b>	<b>\$996,354,408</b>

The Supervisory Committee is responsible for the annual audit of the financial statements of the Credit Union. A copy of the audited financial statements, including foot notes and supplemental schedules, as of June 30, 2025, is available upon request from: 1st Advantage Supervisory Committee, P.O. Box 2327, Newport News, VA 23609-0327.

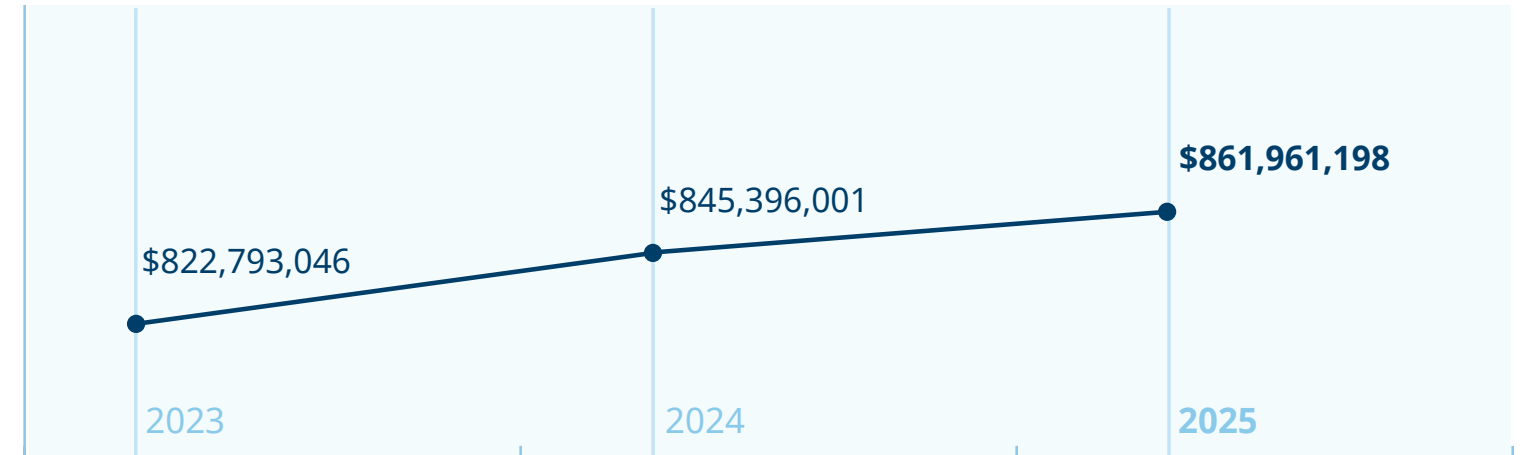


# FINANCIAL HIGHLIGHTS

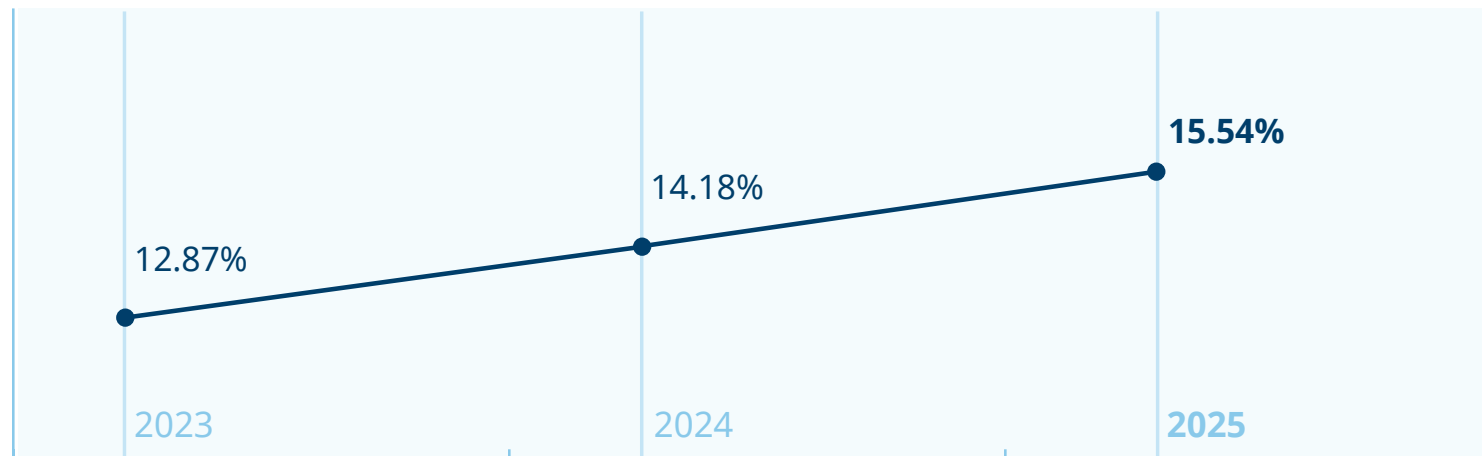
## ASSETS



## DEPOSITS



## NET WORTH



## LOANS OUTSTANDING



# BOARD OF DIRECTORS



**Paul W. Muse**  
*President/CEO*



**Sylvester McClellan**  
*Chairman*



**Andrae Via**  
*Vice Chairman*



**Laurence Smail**  
*Treasurer*



**Barbara Ballard**  
*Secretary*



**Paul J. Adamo  
(LTC, USA Ret)**  
*Director*



**Michael J. Doucette**  
*Director*



**Tamara Henderson**  
*Director*



**William Ramsey**  
*Director*



**Jacqueline Wynn**  
*Director*

**Tom O. Cameron (LTC, Ret)**  
*Director Emeritus*

**Brenda B. Dawson**  
*Director Emeritus*

**Betty L. Wiggins**  
*Honorary Director Emeritus*

# SUPERVISORY COMMITTEE

**Josephine Krantz**  
*Chairperson*

**Denise Peterson**

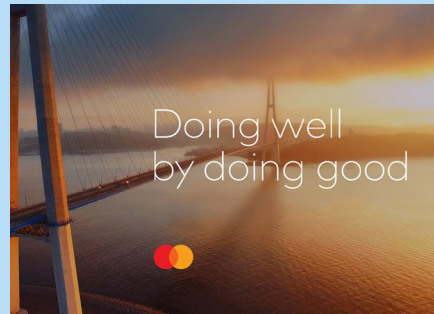
**Nicholas A. Nunes**  
*Secretary*

**Tamara Henderson**





# 2025 AWARDS



## Doing Well by Doing Good

1st Advantage has once again been honored with the Doing Well by Doing Good Award at the 6th Annual Mastercard Community Institution Segment Awards — marking our second consecutive win for 1A Community Day!



## CUNA Diamond Awards

Our Marketing team won Diamond Awards in the following categories from the CUNA Councils. The Diamond Awards are a prestigious annual competition that recognize and reward creative excellence and outstanding results.

**Social Media: Community Impact Grants**

**Ongoing Event: Pickleball Tournament**



## Top Workplace

1st Advantage has been named a Top Workplace in Hampton Roads by Inside Business for the 4th year in a row! This award would not have been possible without colleague support, participation, and feedback. Thank you for making 1A a great place to work.



## Dora Maxwell Award

Awarded First Place in the 2025 Dora Maxwell Social Responsibility Recognition Award for Community Day.

This prestigious award recognizes credit unions for their outstanding charitable efforts and contributions to their communities.

# BRANCH LOCATIONS

## Gloucester

- ▶ 6511 G. Wash. Mem. Hwy.

## Hampton

- ▶ 2014 Coliseum Dr.
- ▶ 5003 W. Mercury Blvd.

## Newport News

- ▶ 12891 Jefferson Ave.
- ▶ 12368 Warwick Blvd., Suite 112

## Richmond

- ▶ 1201 Broad Rock Blvd.,  
(Richmond VA Med. Ctr.)

## Williamsburg

- ▶ 224 Commons Way
- ▶ 4800 Courthouse St.
- ▶ 400 Sentara Cir., Suite 102  
(Sentara Wmbg. Med. Ctr.)

## Yorktown

- ▶ 110 Cybernetics Way
- ▶ 6035 G. Wash. Mem. Hwy

## Virginia Beach

- ▶ 5386 Kempes River Dr., Suite 104



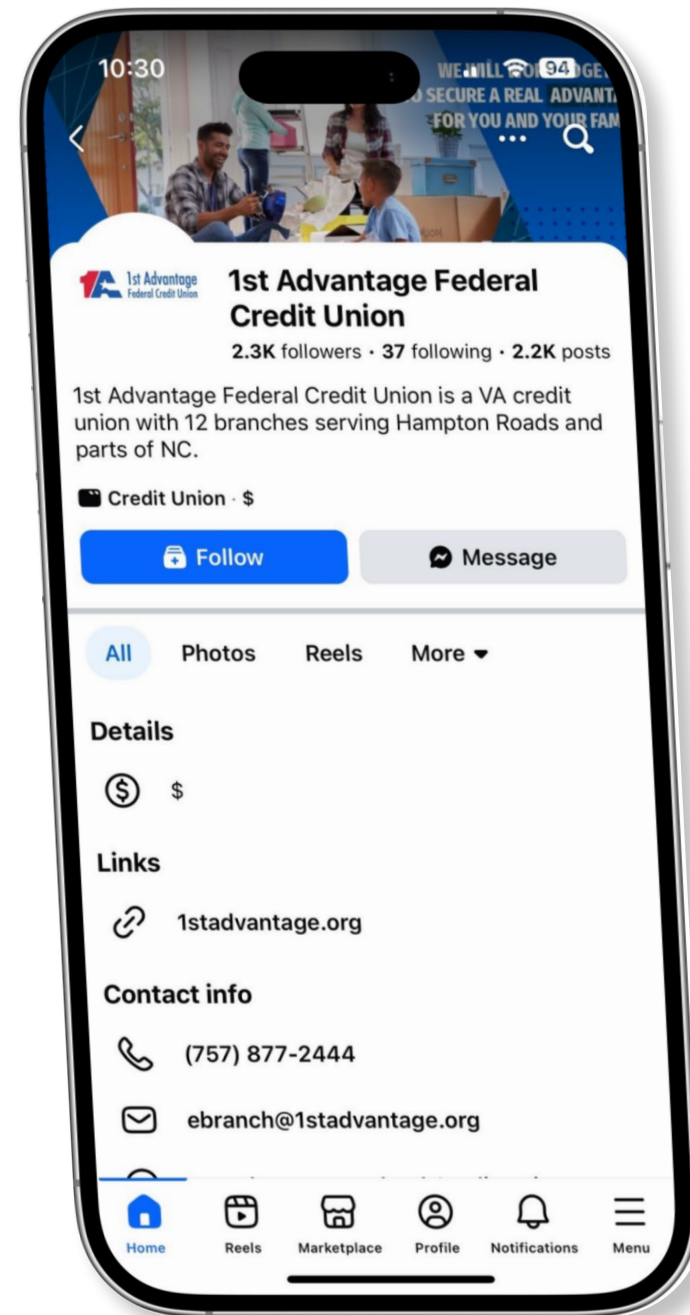
### Opening 2027

Our Grafton Branch is relocating to a new Yorktown location.

8104 G. Wash. Mem. Hwy  
Yorktown, VA



# LETS GET SOCIAL!



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Follow us on Instagram  
[@1stAdvantageFCU](#)



Like us on LinkedIn  
[@1stAdvantageFederalCreditUnion](#)



Check us out on X  
[@1stAdvantage](#)



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