



2025

ANNUAL REPORT

acu
ONLY THE GREATEST

Management Report

On behalf of the Board of Directors and the staff of America's Credit Union (ACU), I would like to thank our members for their continued trust, loyalty, and engagement. As we reflect on 2025, we are proud of the progress we have made strengthening our financial foundation, advancing our digital capabilities, and deepening our commitment to the communities we serve throughout the South Puget Sound region.

ACU remains a strong, well-capitalized, and financially sound credit union. Throughout 2025, we maintained a disciplined approach to balance sheet management, capital preservation, and risk oversight. Our net worth ratio continued to remain comfortably above regulatory well-capitalized thresholds, providing stability and flexibility as we invest in long-term growth, technology, and member experience.

As the financial services landscape continues to evolve, ACU advanced its "mobile-first" philosophy in 2025 while preserving the value of personalized, local service. Member adoption of digital banking tools continued to grow, allowing us to expand self-service options, enhance security features, and improve overall convenience. At the same time, we evaluated our branch model to ensure our physical locations complement digital engagement and align with how members prefer to bank today.

A major milestone in 2025 was the opening of our Tumwater branch, which now serves as a key anchor for Thurston County. Designed with flexibility and community in mind, the branch supports financial education, mortgage lending, small business services, and community partnerships. Relationships with South Puget Sound Community College, the Craft District, and other South Sound organizations allow us to meet members where they are and support economic growth across the region.



KENNETH S. LEONARD
Chief Executive Officer, Board Member

Lending activity in 2025 reflected improving market conditions and sustained member demand. As interest rate pressures eased, we experienced steady growth across several loan categories. Mortgage and home equity lending remained a core focus, supported by our continued commitment to VA and FHA programs serving active-duty military members, veterans, and their families. Consumer lending benefited from streamlined processes and strategic partnerships, while Business Services continued to represent a meaningful portion of ACU's total loan portfolio, reinforcing our role as a trusted financial partner for local businesses.

On the funding side, we navigated a competitive deposit environment by emphasizing relationship-based growth, product value, and financial education. Our focus on data-driven deposit strategies and member engagement helped position ACU for long-term balance sheet stability as market conditions normalized.

Operationally, 2025 was a year of investment and execution. We enhanced fraud prevention and security capabilities, advanced automation and analytics, and continued upgrades to online and mobile banking platforms. These efforts improved efficiency, strengthened protection of member information, and allowed our employees to focus more time on high-value member interactions.

Since our founding in 1954, America's Credit Union has proudly served those who serve and the broader South Puget Sound community. While member needs and delivery channels continue to evolve, our purpose remains unchanged: to provide trusted financial solutions with a personal touch. As we look ahead, ACU is well positioned to build on its legacy of service, innovation, and financial strength.

Thank you for your membership and for allowing us to be part of your financial journey.

"As technology continues to evolve, we invest with purpose – enhancing systems that make banking simpler, safer, and more accessible for our members. And when members choose to visit a branch, our commitment is the same: to deliver thoughtful, accurate, and exceptional service every time."

Chairman's Report

As Chairman of the America's Credit Union Board of Directors, it is my honor to serve on behalf of our membership. Our volunteer Board remains committed to providing strong, ethical, and forward-looking governance that protects the safety and soundness of the credit union while supporting long-term growth and member financial well-being.

The year 2025 continued to present a complex operating environment for credit unions nationwide. Key challenges included ongoing economic pressures on households, heightened cybersecurity risks, rapid advances in digital and artificial intelligence technologies, and an evolving regulatory landscape. These conditions reinforced the importance of disciplined oversight, prudent risk management, and thoughtful strategic investment.

In response, ACU remained focused on supporting members through competitive pricing, enhanced financial education, and tools that promote informed decision-making. Investments in technology and infrastructure strengthened our digital delivery channels while maintaining high standards for security, privacy, and reliability. The responsible adoption of automation and AI has helped improve efficiency and expand access to service, allowing members to engage with ACU conveniently while preserving the option for personalized, in-branch support.

The Board of Directors continues to prioritize governance that ensures ACU operates safely, ethically, and in full compliance with applicable laws and regulations. Strong compliance and risk oversight are essential to protecting member assets, sustaining financial strength, and maintaining the trust our members place in the credit union.

Throughout 2025, ACU advanced initiatives designed to meet the needs of an increasingly digital society. Enhancements to mobile and online banking platforms, continued improvements to the Member Contact Center, and ongoing investments in cybersecurity and fraud prevention all contributed to a more secure and seamless member experience.

National recognition received in recent years reflects the confidence members place in ACU, but the Board recognizes that continued relevance depends on sustained growth in membership, deposits, and engagement – particularly among younger generations. The credit union's cooperative mission requires us to evolve alongside our community while remaining grounded in service, value, and trust.

Our vision to be the financial engine of the South Puget Sound continues to guide strategic decisions. A well-balanced loan portfolio – including business, mortgage, and consumer lending – supports economic activity across the region while helping ACU remain resilient through changing market conditions.

The opening of the Tumwater branch in 2025 represents an important step in expanding ACU's presence in Thurston County. This location strengthens access for existing members, introduces ACU to new communities, and supports deeper partnerships with local organizations, businesses, and educational institutions.

On behalf of the Board of Directors, I extend my sincere appreciation to our members for their continued confidence and to ACU's management and staff for their dedication and professionalism. Together, we remain committed to ensuring America's Credit Union continues to serve as a trusted financial partner today and for generations to come.

"Strong governance is about protecting what our members have built while positioning the credit union for the future. The Board remains committed to thoughtful oversight, sound decision-making, and ensuring ACU continues to serve with integrity and purpose."



KYLE LENTZ
Board Chairman

Supervisory Committee Report

The Supervisory Committee is responsible for independently ensuring that ACU operates in a safe and sound manner and in the best interests of its membership. On behalf of the members, the Committee provides oversight of financial reporting, internal controls, regulatory compliance, and audit activities.

Throughout 2025, the Committee worked to ensure the Board of Directors and management continued to act in a manner consistent with ACU's cooperative mission and fiduciary responsibilities. In coordination with independent audit firms and internal resources, the Committee oversaw audits and reviews designed to confirm that financial statements accurately reflect the credit union's financial condition and that appropriate systems of internal control are in place to safeguard member and credit union assets. Required member verification procedures were conducted in accordance with regulatory standards.

The Committee also monitored compliance with applicable local, state, and federal laws and regulations. Oversight included follow-up on regulatory examinations, review of audit findings, and monitoring of management's corrective actions where applicable. As ACU continues to expand its digital capabilities and enhance security measures, the Committee remained focused on ensuring risk management practices evolved appropriately to protect member information and maintain operational integrity.

Based on the results of its oversight activities in 2025, the Supervisory Committee is confident that America's Credit Union continues to demonstrate financial stability, sound controls, and a strong commitment to compliance. The Committee remains dedicated to protecting members'

interests while supporting the credit union's ability to deliver reliable, secure, and high-quality service.



LARINDA MORSON
Supervisory Committee Chairperson

The Supervisory Committee is comprised of volunteer members who meet regularly and as needed to fulfill their responsibilities. The Committee extends its appreciation to ACU's staff, management team, and Board of Directors for their cooperation, professionalism, and dedication throughout the year.



September 18, 2025
ACU Tumwater Branch officially opens with ribbon cutting by ACU CEO, Ken Leonard

"The Supervisory Committee's role is to protect the trust our members place in America's Credit Union. Through independent oversight and disciplined review, we remain focused on safeguarding member assets and ensuring the credit union operates with integrity and accountability."

Service Highlights

2025 was a year of continued investment in facilities, technology, and service delivery as America's Credit Union focused on improving access, efficiency, and the overall member experience. Through collaboration across operations, information technology, marketing, and the Member Contact Center, ACU delivered a number of meaningful enhancements throughout the year.

Tumwater Branch

The opening of the Tumwater branch represented a significant milestone in ACU's expansion within Thurston County. Designed to support modern banking preferences, the branch provides flexible space for member service, lending, financial education, and community engagement. The location strengthens convenience for existing members while expanding ACU's presence in a growing market.

Interactive Teller Machines (ITMs)

Interactive Teller Machines were expanded to support a more flexible branch model. ITMs allow members to interact directly with ACU staff through secure, real-time video assistance, combining digital convenience with personalized service and extended access beyond traditional teller hours.

Lobby Management

Lobby Management technology was implemented across branches to improve the in-branch experience. This system helps manage wait times, routes members to the appropriate service area, and supports a more efficient flow of member traffic – allowing staff to deliver more focused, timely assistance.

Appointment Manager

The Appointment Manager was introduced to allow members to schedule in-branch and remote appointments in advance. This enhancement reduces wait times, improves staff preparedness, and supports more personalized and efficient member interactions.

Zelle®

Zelle® was rolled out to provide members with a fast, secure way to send and receive money with trusted contacts.

Integrated into ACU Mobile Banking, Zelle® supports everyday payments and adds another convenient digital payment option for members.

EasyVest Your Choice

ACU expanded its investment services with EasyVest Your Choice, offering members additional flexibility and access to professionally managed investment options. This enhancement supports long-term financial planning and aligns with ACU's focus on financial wellness.

DocuSign® Notary Services

DocuSign® Notary Services were implemented to streamline document execution and notarization. This secure digital solution improves turnaround times, supports remote and hybrid service delivery, and enhances convenience while maintaining compliance standards.

Digital Signage and Branch Technology

New digital signage and branch display technology were deployed to support clearer communication, improved wayfinding, and timely messaging within branch locations. These enhancements contribute to a more engaging and informative in-branch environment.

Virtual Branch and Member Contact Center Enhancements

Operational improvements in 2025 further integrated branch and contact center services, including support for ITM staffing and expanded virtual service capabilities. These efforts help ensure consistent service quality regardless of how members choose to engage with ACU.

Continued Digital and Operational Improvements

Additional enhancements throughout the year included refinements to internal systems, service workflows, and digital tools that support staff efficiency and improve the member experience. Together, these investments reinforce ACU's commitment to secure, accessible, and member-focused banking.



SEAN AGUSTIN
Chief Experience Officer

"Every enhancement we deliver is guided by how our members want to bank – conveniently, securely, and on their terms.

In 2025, we focused on blending technology with personal service to create experiences that are both seamless and meaningful."

Consolidated Statement of Financial Condition

Unaudited — As of December 31

	2025	2024
Assets		
Cash and Cash Equivalents	\$31,780,183	\$27,968,735
Investments	58,175,770	67,702,027
Loans to Members	554,930,651	545,369,484
Allowance for Loan Losses	(5,573,739)	(5,288,692)
Premises and Equipment	27,295,117	20,241,098
Liabilities & Members' Equity		
Borrowings and Other Liabilities	\$81,052,905	\$53,774,196
Total Shares and Deposits	555,354,478	578,859,937
Total Liabilities	\$636,407,383	\$632,634,133
Members' Equity	69,665,749	64,294,635
Total Liabilities & Members' Equity	\$706,073,132	\$696,928,768

Consolidated Statement of Income

Unaudited — For the Years Ended December 31

	2025	2024
Interest on Loans	\$29,647,282	\$28,455,186
Investment & Other Interest Income	2,642,196	3,280,565
Total Interest Income	\$32,289,478	\$31,735,751
Dividend Expense	6,702,863	6,759,487
Interest on Borrowings	2,661,603	2,774,424
Total Dividend & Interest Expense	\$9,364,466	\$9,533,911
Net Interest Income	\$22,925,012	\$22,201,840
Total Fee & Other Noninterest Income	12,021,793	10,919,145
Compensation & Employee Benefits	16,834,441	16,493,812
Operating Expenses	11,733,943	10,889,561
Office Occupancy	2,372,778	1,966,114
Total Operating Expense	\$30,941,162	\$29,349,487
Provision for Loan Loss	2,216,821	2,510,087
Net Income	\$1,788,822	\$1,261,411

Amounts are presented in whole dollars. Negative amounts shown in parentheses.

ACU Foundation Report

In 2025, the ACU Foundation continued its mission of supporting military members, veterans, and local communities throughout the South Puget Sound region. Building on its longstanding commitment, the Foundation expanded both the reach and depth of its community impact through financial contributions, partnerships, and volunteer service.

During the year, the ACU Foundation approved nearly \$60,000 in contributions supporting a broad range of military-focused and community-based initiatives. A significant portion of these funds was directed toward programs serving military families, including support for Santa's Castle, JBLM Fisher House, and Operation Home through the ASYMCA. Additional contributions supported healthcare advocacy and crisis relief efforts through organizations such as the Madigan Foundation and Patient Advocates, as well as veteran support and suicide prevention initiatives.

The Foundation also invested in education and youth-focused programs, including a major sponsorship benefiting the JBLM Children's Museum. Support extended to local schools and scholarship programs through contributions to Bush Middle School, Dollars for Scholars, and the Tumwater Education Foundation. Community organizations addressing food insecurity, housing stability, and family support – including The Honor Foundation and Together Thurston County – also received funding and in-kind support.

In addition to financial contributions, ACU Foundation volunteers dedicated significant time to community service throughout 2025. Staff and volunteers supported outreach efforts, donation drives, educational programs, and community events, reinforcing the Foundation's hands-on commitment to service and engagement.

The ACU Foundation's work reflects the values of America's Credit Union and the generosity of its members.

"The ACU Foundation exists to turn compassion into action for the people and communities we serve. Every contribution reflects our deep commitment to supporting military families, veterans, and local communities when they need it most."

These efforts would not be possible without the continued support of the membership and the dedication of employees and volunteers who give their time and talents to strengthen the communities ACU serves.

The Foundation looks forward to continuing its mission of service, partnership, and positive impact in the years ahead.



March 31, 2025
ACU Foundation proudly donates \$15,000 to the JBLM Children's Museum



AMBER YOUNG
ACU Foundation Chairperson

Board of Directors

KYLE LENTZ

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President, Neptune Seafood Inc.,
President / CEO, Chelsea Farms

FRED CRASE

Board Vice-Chair,
Business Owner, Express Storage

COLLEEN OCZKEWICZ

Board Treasurer,
Chief Financial Officer, South Sound YMCA

KENNETH CHAPMAN

Board Secretary,
Contract Specialist, Dept. of Veteran Affairs

KENNETH LEONARD

Board Member,
Chief Executive Officer, ACU

WILLIAM HARVEY

Board Member,
Ret. U.S. Army Family Morale and Recreation

THAD COLLARD

Board Member,
Program Manager, Army Reserve

PAT GEIGER

Board Associate,
Retired Educator

CHUCK MCSWAIN

Board Emeritus,
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PAT HORAN

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AMY SAKSON

Chief Administrative Officer

DYLAN MATHEWS

Chief Information Officer

SEAN AGUSTIN

Chief Experience Officer

Supervisory Committee

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Supervisory Chairperson,
Software Engineer, Boeing Co.

HERBERT STUMPF

Supervisory Vice-Chair,
Retired Veteran

JENNIFER SHAMOON

Supervisory Member,
CPA

SUSANNAH WILLIAMSON

Supervisory Member,
Integrated Prevention Specialist
Deputy for Department of War



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