

2025

Annual Report



**FORT
FINANCIAL**

LEADERSHIP REPORT

The accomplishments of 2025 reflect another year of meaningful progress for our credit union and the members we proudly serve. Throughout the year, our focus remained on strengthening relationships with our membership, enhancing the member experience and positioning the credit union for continued success in an evolving financial environment.

As consumer needs continue to change, we remained committed to delivering convenient, reliable and personalized financial services. Investments in technology, operational improvements, and employee development allowed us to better support our members while continuing to operate from a position of stability and resilience.

Significant time and resources were dedicated during 2025 toward evaluating and preparing for a potential merger opportunity. This process included aligning technology platforms, operational strategies, and structure to improve efficiency and organizational readiness regardless of the outcome. Ultimately, our membership expressed overwhelming confidence in the future of Fort Financial to stay independent. While we will remain Fort Financial, the work completed throughout this process created greater alignment and focus as we continue pursuing growth and innovation in 2026. Even amid this period of transition and evaluation, the credit union continued to achieve positive financial and operational results.

Our lending programs experienced continued momentum during the year as more members turned to the credit union for home financing, credit solutions, and everyday banking needs. This ongoing growth reflects both the trust our members place in us and the dedication of our staff in providing exceptional service and sound financial guidance.



Milestones

Bringing financial goals to life one member at a time

23,589

Members

\$371M

Assets

\$110M

New Loans

\$17.8M

New Business
Loans

\$44M

New Mortgage
Loans

LEADERSHIP REPORT

At the same time, we continued to reinforce the financial foundation of the organization. Solid earnings performance and healthy loan quality enabled the credit union to expand its capital position while returning significant value directly back to members through dividends. The overall condition of the balance sheet places us in an excellent position to continue investing in future opportunities and member-focused initiatives.

One of the most encouraging achievements of 2025 was the continued improvement in the quality and performance of our loan portfolio. Careful underwriting practices and proactive member support contributed to lower credit losses and reinforced the overall financial health of the institution.

Behind every successful year is a dedicated team of employees who remain committed to our mission. We are grateful to our Board of Directors for their leadership and strategic guidance, and we sincerely thank our employees for the care and professionalism they demonstrate every day in serving our members.

Most importantly, we thank our members for the confidence and trust they place in the credit union. Your loyalty continues to drive our success and inspires us to remain focused on delivering value, strengthening communities, and helping members achieve financial well-being.

As we look ahead to 2026, we remain optimistic about the future and committed to building upon the solid foundation established this year

Sincerely,

Jeff Leichty, Board Chairman
Steve R. Collins, President and CEO

Board of Directors

Jeff Leichty, Chair
Shelly Musolf, Vice Chair
Tammy Long, Treasurer
Sarah Delgadillo, Secretary
Steve Collins, Member
Darius Darling, Member
Bryan Sharp, Member
Greg Martin, Associate Member

Executive Team

Steve Collins, President & CEO
Chris Mulkey, EVP & Chief Lending Officer
Michael Stratton, CFO/VP of Strategic Services
Rob Anderson, VP of Information Technology
Jessica Davis, VP of Member Experience
Lyndee Warner, VP of Marketing

TREASURER'S REPORT

As we review our performance for the fiscal year ending December 31, 2025, we are pleased to report a year of robust growth and financial stability. Your continued trust has allowed us to strengthen our balance sheet and deliver significant value back to our membership.

Financial Strength and Growth

Our total assets grew to **\$371.7 million**, representing an 8.3% increase over 2024. This growth was primarily driven by our lending programs, which help our members achieve their financial goals:

- **Real Estate Loans:** Increased over \$13 million to a total of \$114.8 million.
- **Credit Card Loans:** Rose significantly to \$26.5 million.
- **Member Deposits:** Total deposits reached \$325.3 million, with notable growth in certificates, reflecting your confidence in our long-term stability.

Operational Performance

It was a productive year for our operations. Total **income rose to \$26.2 million**, bolstered by healthy interest income from our loan portfolios and investments.

While **operating expenses increased to \$18.1 million, reflecting our investment in staff, technology, and improved member services**, we maintained a disciplined approach to cost management. Most notably, our Provision for Loan Losses decreased substantially from the previous year, signaling a very healthy and high-performing loan portfolio.

Delivering Results to You

The true measure of our success is the value we return to you. In 2025, we distributed **\$3.7 million in dividends back to our members' accounts**, a 10.8% increase over last year.

After all distributions and expenses, we achieved a **Net Income of \$4.13 million**. These undistributed earnings are reinvested into our equity capital, which now stands at **\$41.8 million**, ensuring we remain a strong and secure institution for years to come.



Strengthening Our Team

Fortifying our employees and service to you

95

Employees

8

Employee
Promotions

1,772+

Professional
Development Hours

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is responsible for the continued review of credit union activities, ensuring that financial records are accurate and internal controls are in place to protect the credit union and our member's assets. The Committee accomplishes this by overseeing various audits, financial analysis, and procedural reviews.

The credit union engaged with an outside CPA auditing firm to conduct an audit of December 31, 2025, financial statements. Their previous audit did not disclose any material discrepancies and indicated that accounting records are maintained in accordance with generally accepted accounting principles and federal credit union guidelines.

We appreciate our members' involvement and commitment to Fort Financial Credit Union. The Committee pledges to remain current on credit union issues and respond to questions in 2026.



Community Engagement

Proudly serving in all of our communities

328.6

Community
Service Hours

\$89,782.37

Partnerships and
Sponsorships

58

Community Organizations
Supported

FINANCIAL STATEMENT

Assets

	2025	2024
Credit card loans	26,460,448	20,663,632
Real estate loans	114,848,851	101,492,580
All other loans	151,791,187	145,946,355
Allowance for loan loss	(3,683,514)	(4,572,666)
Cash on hand	2,685,035	2,973,505
Investments	45,077,176	41,857,444
Land and building	20,657,619	21,742,912
Other assets	13,886,759	13,016,215
Total Assets	371,723,561	343,119,977

Equity and Liabilities

	2025	2024
Liabilities		
Certificates	84,118,756	60,007,611
Share drafts	67,993,063	63,457,168
IRAs	15,524,783	15,753,814
All other deposits	157,619,116	162,555,128
Total Deposits	325,255,718	301,773,748
Other liabilities	4,631,071	4,617,319
Equity capital	41,836,772	36,728,910
Total Equity and Liabilities	371,723,561	343,119,977

OPERATING STATEMENT

Income	2025	2024
Interest on credit cards	1,969,510	1,879,077
Interest on other loans	15,850,179	15,210,209
Income on investments	2,009,578	1,879,187
Miscellaneous income	6,355,671	5,874,044
Other gains or losses	-	543,778
Total Income	26,184,938	25,386,295

Expenses	2025	2024
Salaries (wages)	6,467,884	6,192,739
Benefits	2,268,999	2,205,041
Travel & conference	340,396	258,349
Association dues	25,839	41,647
Office occupancy	1,232,625	1,164,282
Office operations	5,147,746	4,688,729
Loan servicing	1,398,683	1,561,045
Outside services	1,114,453	843,961
Operating fee (NCUA)	65,433	62,116
Miscellaneous	(8,428)	(135,756)
Total Operating Expenses	18,053,630	16,349,231

Distribution of Income	2025	2024
Dividends (all accounts)	3,707,851	3,345,053
Provisions for loan losses	293,082	2,739,412
Interest on borrowed money	-	14
Net Income to Undistributed Earnings	4,130,375	2,419,663



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