



# Leadership Report

In 2025, we took action across Alaska. Every decision we made was guided by a single focus: strengthening our service to our member-owners and expanding access to meaningful financial opportunity.

## From new branches to new technology and partnerships, this was a year defined by growth with purpose.

We entered three new branch communities in 2025: Kotzebue, Wasilla and Skagway. Two of these branches are in communities underserved by traditional financial institutions, and these investments were highly intentional. We believe access to safe, affordable financial services should be available to everyone. By establishing a physical presence in these communities, we are supporting opportunities for Alaskan families, individuals and businesses.

In 2025, we also announced plans to merge with our neighbor, MAC Federal Credit Union. This merger reflects one of the core principles of the credit union movement: cooperation among cooperatives. By coming together under the Credit Union 1 name, we hope to strengthen our collective impact, preserve local service, and ensure that members of both institutions benefit from expanded resources, enhanced technology and long-term sustainability.

This year marked the launch of our business lending program, a major step forward in strengthening our local economy. Small businesses are the backbone of our communities, and we are proud to provide them with access to responsible financing. By keeping capital local, we also help create a ripple effect of economic impact that benefits all our members.

We also significantly upgraded our digital card management tools in 2025 and fully integrated them into Online Access and our mobile app. Members can now manage their debit and credit cards – including controls, alerts and security features – without downloading or navigating to a separate app.

Credit Union 1 experienced **3.14% membership growth** throughout 2025, meaning our membership grew by **2,904** members, year over year. As of December 31, 2025, Credit Union 1 is the credit union that **95,518** members trust to improve their financial wellbeing! Throughout 2025, the credit union originated **\$415.4 million** in loans for members all over Alaska. These loans help our local community members make progress toward their financial goals through homes, businesses, vehicles, recreation toys and more.

Our momentum continues into 2026. We look forward to opening our 16<sup>th</sup> branch – the Homer Branch – while enhancing our systems and processes to make banking simpler, faster and more reliable. We're investing in technology with a strong focus on service and security, to ensure we meet our members' needs while delivering the exceptional service you expect from CU1.

**But none of this progress happens without people.** To our dedicated employees: thank you for leading these efforts with professionalism, care and a commitment to service. Your work turns strategy into action every day.

And to our member-owners: thank you for your trust and engagement. We exist because of you. Every expansion, enhancement and partnership is rooted in our promise to serve your financial well-being. Together, we are building something stronger in support of thriving communities across Alaska.

## Board of Directors



**Jennifer Bernard**  
Chair



**Marietta "Ed" Hall**  
Vice Chair



**Yuliya Mitchell**  
Secretary



**Colin Baxter**  
Treasurer



**Joe Towslee**  
Director



**Andre Horton**  
Director



**Carol Gore**  
Director

## Executive Management



**Mark Burgess**  
President/CEO



**Erika Smith**  
Chief Operating Officer



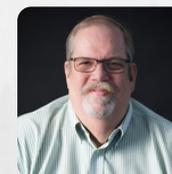
**Travis C. Frisk**  
Chief Financial Officer



**Tina Narron**  
Chief Lending Officer



**Ben Craig**  
Chief Administrative Officer



**Steve Cavin**  
Longtime Board Member

## Honoring a Legacy

In 2025, we honored the life and service of Steve Cavin, a volunteer member of our Board of Directors for more than 30 years. Steve's dedication, wisdom and compassion left a lasting impact on our organization and the members we serve. We are deeply grateful for his decades of leadership and service. His legacy will continue to guide our mission and inspire our work for years to come.

# Community Report

At Credit Union 1, showing up for our communities is part of who we are. Across Alaska in 2025, our employees continued to build meaningful connections through hands-on service, local partnerships, and a shared commitment to making a positive impact.

In 2025, CU1 employees gave their time and resources in a big way — contributing 5,120 volunteer hours and more than \$213,405 in donations to 70+ nonprofit organizations across the state. The national value of volunteer time in 2025 was \$34.79 per hour, meaning our volunteer efforts equate to another \$178,125. While these numbers matter, what matters most is the care behind them. Our teams stepped up in communities large and small, supporting causes that strengthen Alaska every day.

## Here are just a few of the organizations and communities impacted:

- ◆ Anchorage – Katie’s Handprint
- ◆ Nome – Nome Preschool Association
- ◆ Fairbanks – Breast Cancer Detection Center
- ◆ Wasilla – The Children’s Place
- ◆ Ketchikan – PATH Shelter
- ◆ Soldotna – Kenai Watershed Forum
- ◆ Kodiak – Hospice and Palliative Care of Kodiak
- ◆ Eagle River – FOCUS
- ◆ Skagway – Skagway Child Care Council
- ◆ Kotzebue – Boys and Girls Club of Kotzebue

Our roots as the Anchorage Teacher’s Credit Union continue to shape how we invest in the future. Education remains a key focus of our community efforts, and in 2025, we awarded \$35,000 in scholarships through the Bill Countryman Scholarship Fund in support of 17 statewide Alaskans as they pursue their education goals and give back to their communities. We also coordinated 13 Get REAL Financial Reality Fairs in schools across Alaska, reaching 520 students. Through these hands-on simulations, students practiced real-world budgeting and gained practical skills to build a strong financial future.

Taken together, these efforts reflect something bigger than any single program or number. They speak to a shared belief in people, in possibility, and in the strength of Alaska’s communities.

## A TRUSTED PARTNER

investing in communities and unlocking potential across Alaska.

**\$ 213,405**  
70+ ALASKA  
NONPROFITS

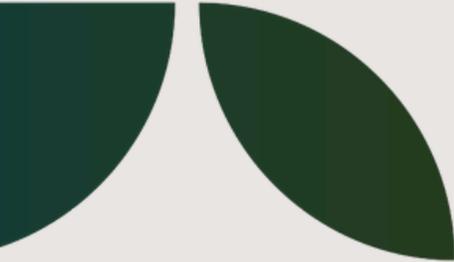
**\$ 35,000**  
AWARDED VIA  
17 SCHOLARSHIPS

**5,120**  
VOLUNTEER HOURS  
WORTH \$178,125

**10**  
LOCALLY SELECTED  
LEADING CHANGE  
PARTNERS

**520**  
STUDENTS IMPACTED  
WITH FINANCIAL  
EDUCATION

**13 STATEWIDE**  
FINANCIAL  
LITERACY FAIRS



# Supervisory Committee Report

Credit Union 1's Supervisory Committee (the "Committee") is appointed by our Board of Directors and is responsible for ensuring the financial statements of the credit union are accurately and fairly presented by management. The Committee has the responsibility of providing an independent appraisal of the safety and soundness of the activities of the credit union to ensure that operational practices and procedures are sufficient to safeguard our members' assets. These duties are required by federal and state regulations. The Committee also assists Credit Union 1's Board of Directors in fulfilling its oversight. State of Alaska statutes summarize the Committee's responsibilities as follows:

"The Supervisory Committee shall conduct an annual audit of the accounts of the credit union and submit a report of the audit to the Board of Directors and a summary of the audit to members at the next annual members' meeting of the credit union. The Supervisory Committee may conduct supplementary audits as it considers necessary or as ordered by the commissioner and submit reports of the supplemental audits to the Board of Directors."

In carrying out this responsibility, the Committee i) oversees the Internal Audit Function, which reports to the Committee; ii) monitors the policies established by the Board of Directors and ensures compliance with them; iii) evaluates the adequacy and effectiveness of the system of internal controls established by Credit Union 1 management; and iv) investigates and responds to written member inquiries referred to the Committee.

The Committee appoints an independent certified public accounting firm and reviews the policies and procedures for the audit engagement, including its scope, fees, and auditor independence matters. The Committee itself does not prepare financial statements or perform audits, and its members are not the certifiers or auditors of Credit Union 1 financial statements.

The Committee engaged the independent certified public accounting firm of Baker Tilly US, LLP to render an opinion as to whether the Credit Union 1 financial statements for the period January 1, 2025 through December 31, 2025 are fairly presented in all material respects. Baker Tilly US, LLP completed their audit, which was performed in accordance with generally accepted auditing standards, and issued an unqualified opinion.

The Committee reviewed and discussed Credit Union 1's 2025 audited financial statements with Baker Tilly US, LLP, the credit union's President/CEO Mark A. Burgess and Chief Financial Officer Travis C. Frisk. The Committee believes that appropriate internal controls are in place at Credit Union 1 and that the 2025 financial statements accurately reflect the strong financial position of this credit union.

# Treasurer's Report

As of December 31, 2025, Credit Union 1's total assets increased to \$1,526,130,736. This is a \$57.3 million increase that was primarily driven by a \$63.4 million increase in member deposits. Member loans increased by \$63.8 million. This activity, combined with the reduction of \$28.6 million in outstanding borrowings by the credit union, helped increase overall equity of the credit union by \$22.5 million. The 5.4% member deposit increase was primarily due to increasing term and spending account deposits.

Net income for the 12 months that ended December 31, 2025 was \$15.8 million. As a member-owned financial cooperative, 100% of this income is returned to member owners with lower loan interest rates, higher dividends, enhanced services and fewer fees for our Credit Union 1 members.

Income earned by a financial institution is measured as a percentage of total assets. For the 12 months that ended December 31, 2025, Credit Union 1's return on average assets was 1.05%. These earnings have helped build equity within the institution and secure our ability to serve the long-term needs of our members. Equity also insulates and protects the credit union during periods of economic downturn, so that we can best serve our members when they experience difficult financial times. When local and national economies fluctuate, our credit union is well-positioned to navigate these changes while providing the financial support that our members rely on in times of need.

At the end of 2025, the credit union's equity (or "capital") was \$211.6 million (13.87%) of total assets, as reported in our audited financial statements. As such, Credit Union 1 is designated as "well-capitalized" by the National Credit Union Administration (NCUA). Credit Union 1 members directly benefit from this designation because it allows us to enhance services, upgrade facilities, maintain a strong workforce and expand our lending ability in support of Alaskans statewide.



**Colin Baxter**  
Treasurer

## Supervisory Committee



**Jeff Wood**  
Chair



**Vincent Schmoyer**  
Secretary



**Ross Risvold**  
Member

**Our Mission:** To help members achieve their financial goals through excellent service and value.

# Financial Statement (in thousands)

## Assets

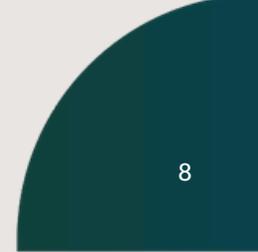
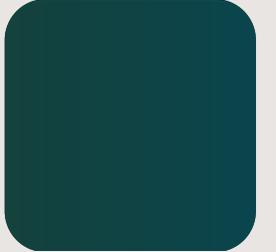
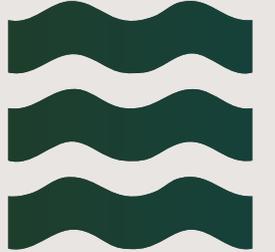
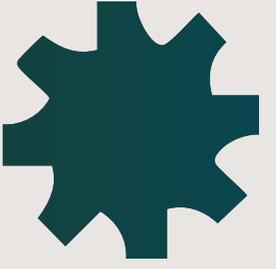
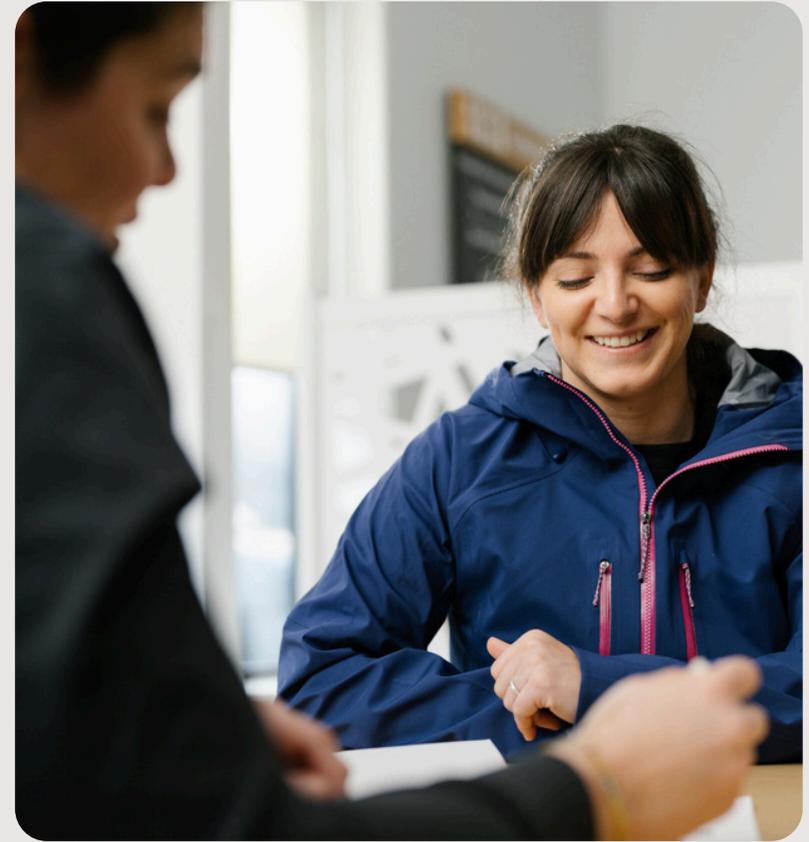
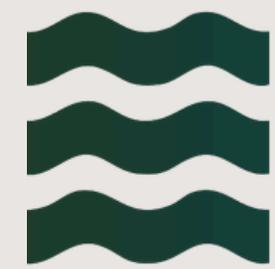
	2025	2024
Cash and Cash Equivalents	133,831	110,702
Certificates of Deposit	112	269
Investments	158,194	188,895
Loans (Net)	1,149,705	1,085,859
Fixed Assets (Net)	42,351	42,286
Other Assets	41,938	40,783
<b>Total</b>	<b>1,526,131</b>	<b>1,468,794</b>

## Total Liabilities and Members' Equity

	2025	2024
Members' Shares	1,229,306	1,165,870
Borrowings	75,000	108,000
Liabilities	22,267	17,859
Members' Equity	199,558	177,065
<b>Total</b>	<b>1,526,131</b>	<b>1,468,794</b>

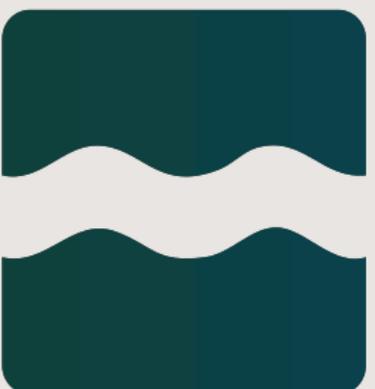
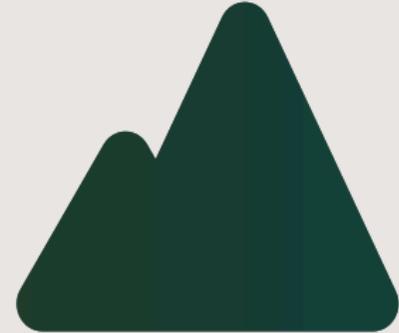
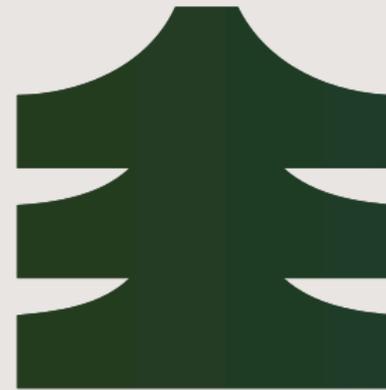
## Income Statement

	2025	2024
Loan Interest Income	75,592	66,486
Investment Interest Income	8,664	11,913
Other Interest Income	304	0
<b>Interest Income</b>	<b>84,560</b>	<b>78,399</b>
Dividends Expense	10,434	9,008
Other Interest Expense	4,085	7,024
<b>Interest Expense</b>	<b>14,519</b>	<b>16,032</b>
<b>Net Interest Income</b>	<b>70,041</b>	<b>62,367</b>
Provision for Credit Losses	12,514	8,513
<b>Net Interest Income After Provision for Credit Losses</b>	<b>57,527</b>	<b>53,854</b>
Noninterest Income	24,867	22,299
Noninterest Expense	66,641	62,093
<b>Net Income</b>	<b>15,753</b>	<b>14,060</b>



# Celebrating Milestone Moments

Thank you, everyone!





# **Credit Union 1**

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**Insured by NCUA**