

**2025**



**ANNUAL REPORT**



# ABOUT US

Aurora Federal Credit Union was founded in 1968 by nine employees of the City of Aurora representing fire, police, water, finance, engineering, parks, library, equipment and management departments. Since that time, we have grown to include other employers in the Aurora community. In 2004, we merged with Rural Electric Credit Union and serve REA cooperatives in Colorado, Wyoming, Kansas and New Mexico. As a not-for-profit financial cooperative, we are member-owned and led by a volunteer Board of Directors who are all members. Profits are given back to members in the form of competitive rates and lower fees.

This credit union is federally insured by the National Credit Union Administration. Your deposits are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government.



## EXCEPTIONAL PERFORMANCE CREDIT UNION

For the 15th consecutive year, Aurora Federal Credit Union earned the 5-Star Rating for safety and soundness by BauerFinancial, Inc., the nation's premier credit union and bank rating firm, and was given the distinction of an "Exceptional Performance Credit Union."

# FOR OUR COMMUNITY

## AND THOSE WHO SERVE, SUPPORT AND PROTECT IT

- We support all City of Aurora employees, their families and the greater Aurora community.
- We give back to Aurora police and fire organizations, including sponsoring fundraising events for the Aurora Police Foundation and Firefighters of Aurora Benevolent Fund. We also speak to fire and police academy recruits, showing our support and appreciation — as well as providing financial education.
- We sponsor breakfast at the City of Aurora's weekly new hire orientation meetings, welcoming in all new employees.
- We provide lunch for Falck Rocky Mountain ambulance during their monthly new hire training sessions.
- We support higher education locally through the Community College of Aurora Foundation and extending gift cards to students in need of emergency assistance funds.
- We partner with more than 80 select employee groups including the City of Aurora, Aurora Police Department and Association, Aurora Fire Rescue, Aurora Mental Health and Recovery, Medical Center of Aurora, Falck Rocky Mountain, regional homeowners associations and rural electric associations.

One of the many events we support and sponsor in the community is the Aurora Fire Foundation's National Night Out with local police officers, firefighters and first responders engaging with their neighborhood.



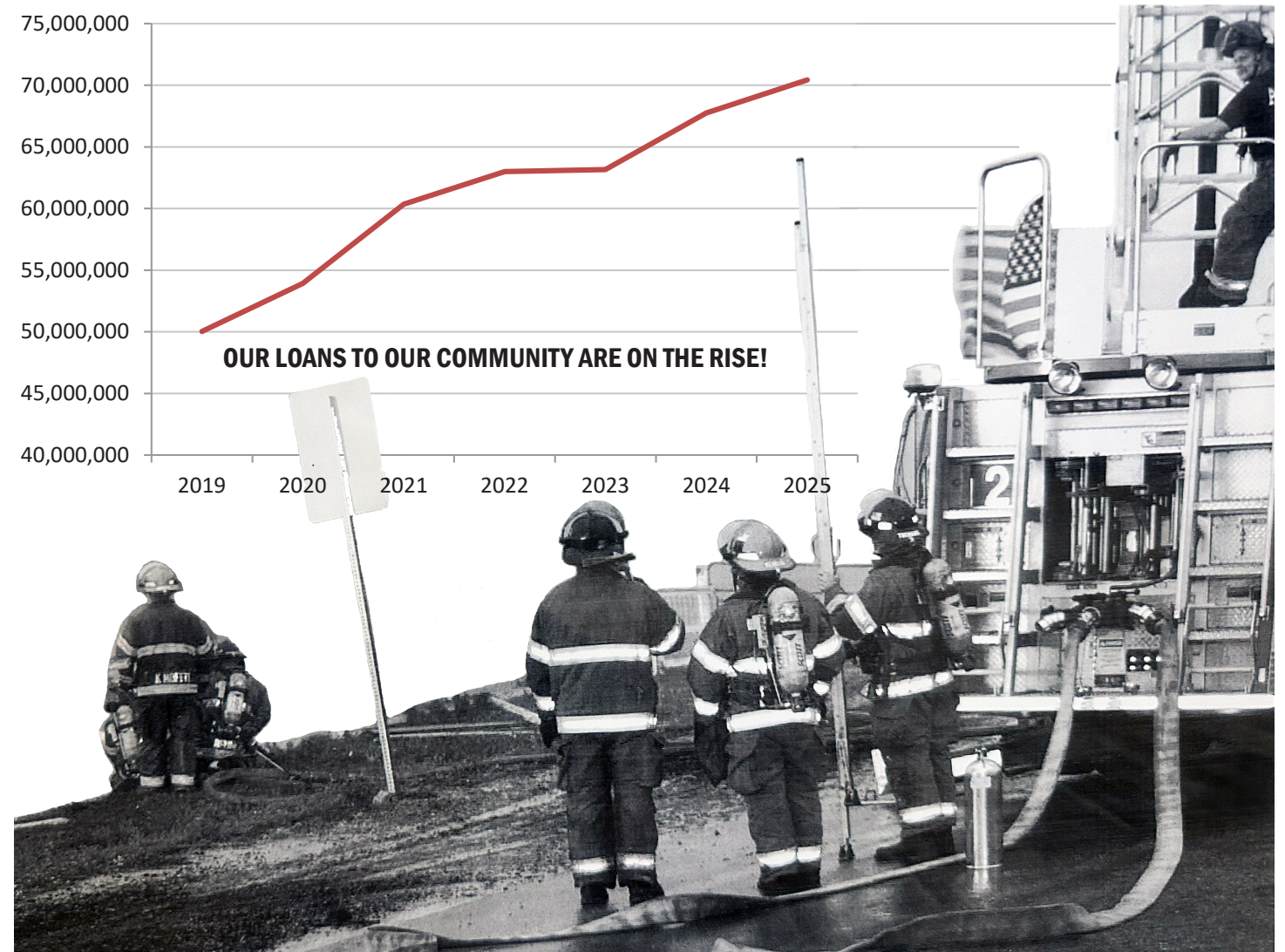
# WE ♥ AURORA + OUR MEMBER OWNERS!

Aurora Federal Credit Union celebrated its 58th Anniversary in January! Members were treated to 0.58% auto loan rate discount and 0.58% savings rate boost on new share CDs for the occasion.

We held our Member Appreciation Day on Saturday, September 20, 2025, with free food trucks, face painting, prizes, games and our largest crowd yet. This member party gets bigger and better every year. See you again in September!

# 58<sup>th</sup>

## ANNIVERSARY





# BOARD CHAIR & PRESIDENT REPORT

Dear Valued Members,

We had a successful year at Aurora Federal Credit Union in 2025 growing our credit union and serving our members and our community.

### Financial Performance

We had exceptional growth in 2025:

- **Asset Growth:** Our credit union grew by 8.00% based on Total Assets, reflecting our competitive rates and strong member support and loyalty.
- **Loan Growth:** We experienced strong growth in our loan portfolio of 3.95%. This growth was driven by our competitive loan products and rates.
- **Member Growth:** We outpaced our peers in 2025 with strong new member growth.
- **Safety and Soundness:** For the 15th consecutive year, we earned the 5-Star Rating for safety and soundness by BauerFinancial, Inc and the “Exceptional Performance Credit Union” distinction.

### Community Impact

We are committed to support our Aurora Community:

- **Supporting Aurora Employees and First Responders:** We support our City of Aurora new hires with weekly orientation breakfasts. We also provide monthly lunches for Aurora Fire Rescue, Aurora Police Department, and Falck Rocky Mountain EMS new hire academies.
- **Community Support:** We donated over \$40 thousand to local charities and community fundraising, increasing our community involvement and partnership.

### Expanding Member Access

We are taking big steps to expand access for our members including:

- **New Branch Construction:** Our new branch is under construction at 21885 E. Quincy Avenue in southeast Aurora. We look forward to opening and serving members in early 2027.
- **Drive-Up Expansion:** We completed the expansion of our Main Branch Drive-up from 1 to 3 lanes and added a new ATM. This expansion offers members much quicker drive-up service.
- **Phone Interactive Voice Response (IVR):** We are working to implement a phone system IVR this year to reduce phone hold times and serve you quickly.

### Appreciation

We want to thank our members, our volunteer Board and Supervisory Committee, and our staff for your support of our credit union. We look forward to another great year in 2026!

Sincerely,

Charlie Watts  
President/CEO

Mark Stephenson  
Chairman



## SUPERVISORY COMMITTEE REPORT

The Supervisory Committee’s primary responsibilities are:

1. Ensure the financial condition of the Credit Union is accurately and fairly presented in the Credit Union’s financial statements.
2. Ensure the Credit Union’s practices and procedures are sufficient to safeguard member assets while complying with Credit Union policies established by the Board of Directors.
3. Ensure management and the Board are doing what is fiscally responsible for the members.

To meet those responsibilities the Supervisory Committee develops a comprehensive annual work plan that includes working with management, internal auditors, external auditors and the National Credit Union Administration to review current credit union practices and procedures.

The Supervisory Committee has retained the services of SingerLewak LLP for the annual Supervisory Committee Audit, periodic internal audits, and other required audits. Additionally, we have retained the services of CoNetrix Security for IT Audit and Vulnerability Assessment. These partners work with the committee to review records for accuracy and to satisfy annual audit requirements under current federal regulations. The committee is proud to report the Credit Union has responded to all audit and regulatory exceptions in 2025.

We look forward to the challenges of the upcoming year and the continued economic well-being at Aurora Federal Credit Union.

Matt Jad  
Chairman, Supervisory Committee

## MEET THE LEADERSHIP TEAM

### BOARD OF DIRECTORS

MARK STEPHENSON ..... CHAIRPERSON	ROBIN PETERSON..... BOARD MEMBER
DEIDRE WARNER..... VICE CHAIRPERSON	DAVID PATTERSON..... BOARD MEMBER
MATT JAD ..... SECRETARY	VICTOR OGUNMODEDE..... BOARD MEMBER
TERRY TESKE..... TREASURER	

### SUPERVISORY COMMITTEE

MATT JAD ..... CHAIRPERSON	MOLLY MARKERT ..... COMMITTEE MEMBER
DENISE BALKAS ..... SECRETARY	LAURA WARNER ..... COMMITTEE MEMBER

### MANAGEMENT TEAM

CHARLIE WATTS ..... PRESIDENT AND CEO	JACOB INIGUEZ ..... OPERATIONS & TRAINING MANAGER
BLAKE SMITH..... VP OF IT & RISK MANAGEMENT	
ANDREA SARGIC ..... VP OF LENDING	TROY SURRETT ..... DIRECTOR OF MARKETING & BUSINESS DEVELOPMENT
SARAH HENDERSON ..... VP OF FINANCE	

## BANKING FOR YOUR FUTURE SERVING & REACHING MORE

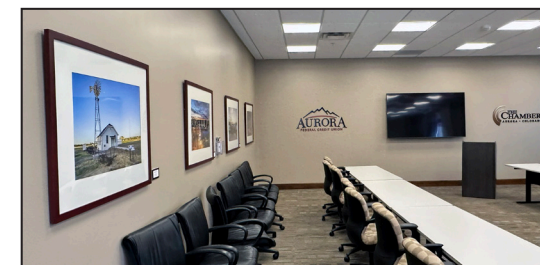


### New Branch Under Construction

We're coming to you soon, SE Aurora! Construction is underway at our new branch near Quincy Ave. and Picadilly St. west of E-470. It is a great location in a growing area and just down the street from the City of Aurora Public Safety Training Center for police/fire training and the new Aurora Water operations facility.

### Drive-Up Expansion

Our main branch drive-up was expanded last year and now includes three lanes and an upgraded ATM for member convenience.



### Community Room Upgrades

With our neighbors at The Chamber, we've enhanced our shared Community Room for hosting events – filling it with Aurora history, landmarks and recognition of service to our city.

### Neighborhood Team Ups

We partner with local organizations like Sēb's Recreation Center and collaborate with ambassadors like Miss Aurora – reaching more within our community and supporting shared causes.



# 2025 FINANCIAL SUMMARY

## BALANCE SHEET

As of December 31, 2025	2025	2024	Difference	Percent Change
<b>ASSETS</b>				
LOANS	70,434,931	67,763,316	2,671,615	3.94%
LESS: Allow Loan Loss	(1,467,118)	(725,127)	-741,991	102.33%
<b>NET LOANS</b>	<b>68,967,813</b>	<b>67,038,189</b>	<b>1,929,624</b>	<b>2.88%</b>
CASH AND EQUIVALENTS	16,154,928	8,086,194	8,068,734	99.78%
OTHER INVESTMENTS	41,188,073	40,729,029	459,044	1.13%
<b>TOTAL INVESTMENTS</b>	<b>57,343,002</b>	<b>48,815,223</b>	<b>8,527,779</b>	<b>17.47%</b>
FIXED ASSETS	7,042,250	6,698,852	343,398	5.13%
NCUSIF DEPOSIT	1,035,617	956,730	78,887	8.25%
ALL OTHER ASSETS	506,536	1,395,706	-889,171	-63.71%
<b>TOTAL ASSETS</b>	<b>134,895,218</b>	<b>124,904,701</b>	<b>9,990,517</b>	<b>8.00%</b>
<b>LIABILITIES AND EQUITY</b>				
ACCOUNTS PAYABLE	25,163	36,317	-11,154	-30.71%
OTHER LIABILITIES	406,163	387,512	18,650	4.81%
<b>TOTAL LIABILITIES</b>	<b>431,326</b>	<b>423,829</b>	<b>7,496</b>	<b>1.77%</b>
SHARES TO MEMBERS	31,661,046	31,991,616	-330,569	-1.03%
OTHER SHARES	2,952,949	2,481,835	471,114	18.98%
HEALTH SAVINGS ACCOUNTS	154,754	223,396	-68,642	-30.73%
CHECKING ACCOUNTS	19,750,580	19,083,329	667,251	3.50%
MONEY MARKETS	20,944,436	21,846,766	-902,330	-4.13%
SHARE CERTIFICATES	29,110,570	18,828,799	10,281,770	54.61%
IRA ACCOUNTS	5,950,420	5,644,056	306,363	5.43%
<b>TOTAL SHARES</b>	<b>110,524,754</b>	<b>100,099,798</b>	<b>10,424,956</b>	<b>10.41%</b>
REGULAR RESERVES	1,826,611	1,826,611	0	0.00%
UNDIVIDED EARNINGS	22,172,729	22,585,161	-412,433	-1.83%
UNREAL. INVEST G/L	(60,201)	(30,697)	-29,504	96.11%
<b>TOTAL EQUITY</b>	<b>23,939,138</b>	<b>24,381,074</b>	<b>-441,936</b>	<b>-1.81%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>134,895,218</b>	<b>124,904,701</b>	<b>9,990,516</b>	<b>8.00%</b>

# 2025 FINANCIAL SUMMARY

## INCOME STATEMENT

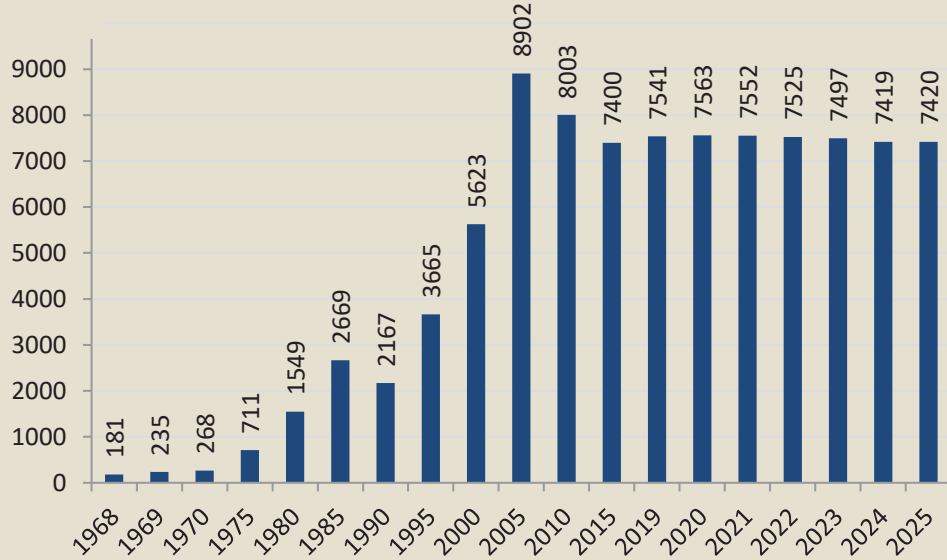
For the years ended December 31, 2025	2025	2024	Difference	Percent Change
<b>OPERATING INCOME</b>				
INTEREST ON LOANS	4,885,398	4,096,736	788,662	19.25%
INVESTMENT INCOME	2,378,879	2,132,854	246,025	11.54%
NON-INTEREST INCOME	867,137	807,173	59,964	7.43%
<b>TOTAL OPERATING INCOME</b>	<b>8,131,414</b>	<b>7,036,763</b>	<b>1,094,651</b>	<b>15.56%</b>
<b>EXPENSES</b>				
PROVISION FOR LOAN LOSSES	1,894,457	367,890	1,526,567	414.95%
NON-INTEREST EXPENSES	4,767,544	4,225,062	542,482	12.84%
<b>TOTAL NON-INTEREST EXPENSES</b>	<b>6,662,001</b>	<b>4,592,952</b>	<b>2,069,048</b>	<b>45.05%</b>
<b>DIVIDEND &amp; INTEREST EXPENSES</b>				
DIVIDENDS ON SHARES AND DEPOSITS	1,841,592	1,333,771	507,821	38.07%
INTEREST ON BORROWED FUNDS	0	0	0	0%
<b>TOTAL DIVIDEND &amp; INTEREST</b>	<b>1,841,592</b>	<b>1,333,771</b>	<b>507,821</b>	<b>38.07%</b>
<b>NET OPER. INCOME/(LOSS)</b>	<b>(372,178)</b>	<b>1,110,040</b>	<b>-1,482,218</b>	<b>-133.53%</b>
<b>NON-OPER. INCOME/(LOSS)</b>	<b>43,040</b>	<b>14,347</b>	<b>28693.36</b>	<b>0%</b>
GAIN (LOSS) ON INVESTMENTS	0	0	0	0%
GAIN (LOSS) ON ASSET DISPOSITION	(83,294)	(131,165)	47,871	-36.50%
<b>NET INCOME/(LOSS)</b>	<b>(412,433)</b>	<b>993,221</b>	<b>-1,405,653</b>	<b>-141.52%</b>

## KEY FINANCIAL RATIOS

As of December 31, 2025	Aurora FCU	\$100M-\$500M Peers (based on total assets)	Difference
<b>Return on Assets</b> (Profitability)	-0.32%	0.54%	-0.86%
<b>Cost of Funds</b> (Interest Paid)	1.42%	1.51%	-0.09%
<b>Operating Expenses</b>	3.43%	3.57%	-0.14%
<b>Delinquency Ratio</b>	2.05%	0.95%	1.10%
<b>Loan Charge-Offs</b>	1.65%	0.44%	1.21%
<b>Net Worth</b> (Capital Ratio)	17.79%	11.88%	5.91%
<b>Loan Growth</b>	3.95%	3.05%	0.90%
<b>Member Growth</b>	0.01%	-1.42%	1.43%

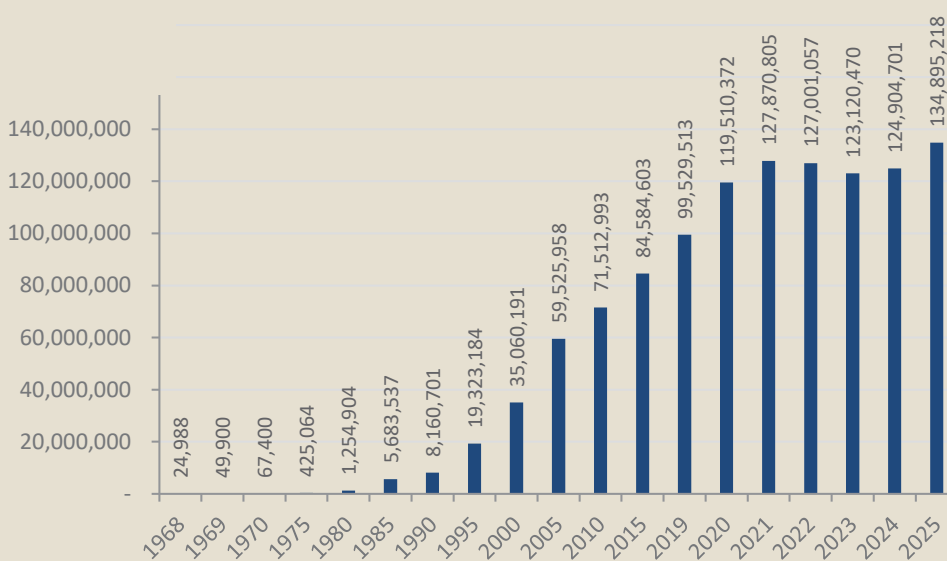
# MEMBERS AND ASSETS HISTORICAL TOTALS

## TOTAL MEMBERS



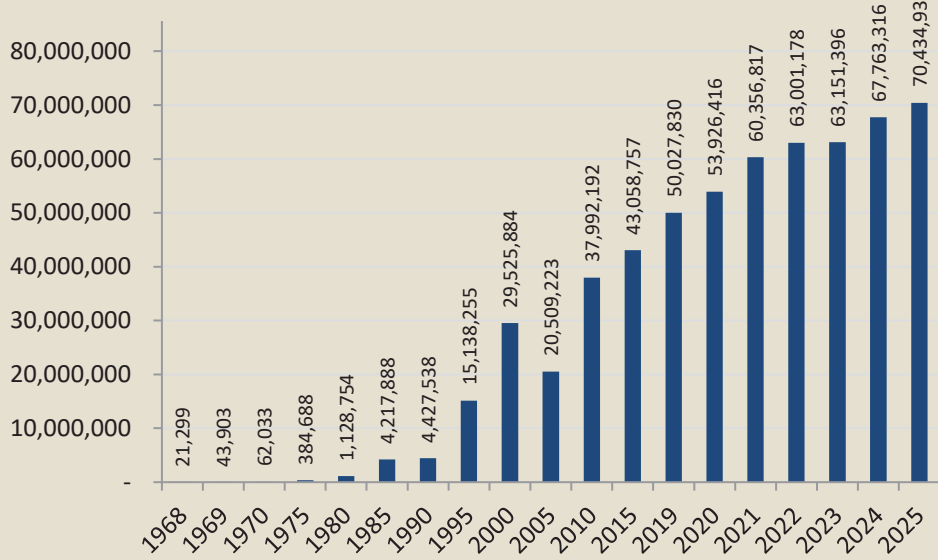
Note 1: Membership decline after 2005 was due to a methodology change in accounting for total memberships following Rural Electric CU merger, where method was changed from total accounts at par to total individual persons.

## TOTAL ASSETS

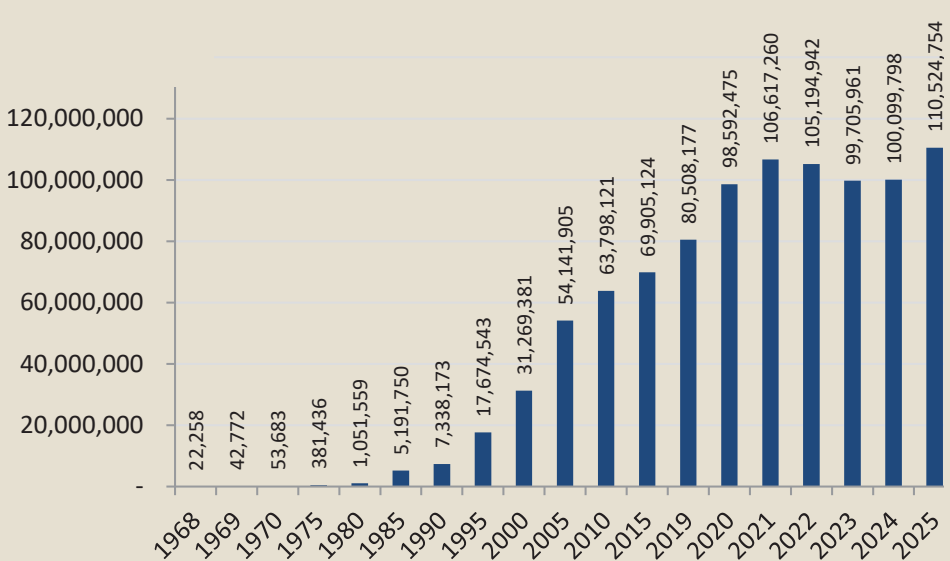


# LOANS AND SHARES HISTORICAL TOTALS

## TOTAL LOANS



## TOTAL SHARES



We had another successful year at Aurora Federal Credit Union.  
Looking forward to exciting developments and new opportunities ahead!



**Main Branch**  
610 S. Abilene Street  
Aurora, CO 80012



**COA Municipal Building Branch**  
15151 E. Alameda Parkway  
Aurora, CO 80012



**Opening Soon • SE Aurora**  
21885 E. Quincy Avenue  
Aurora, CO 80018

