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OLYMPIA
CREDIT UNION

Embracing the Human Difference



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Annual Report
2025

YOUR COMMUNITY.
YOUR CREDIT UNION.
YOUR HOME TEAM.



President's Report

As we reflect on 2025, I am honored to share my first annual update as your CEO. This past year has been one of both progress and transition—for our credit union and the broader economy.

The economic environment in 2025 remained uncertain, with elevated interest rates and continued pressure on household finances. Many consumers chose to be more cautious, delaying borrowing decisions and focusing on financial stability. Despite these challenges, your credit union remained strong, stable, and committed to serving you.

I am proud to report that Olympia Credit Union remained profitable in 2025, earning \$102,071 compared to \$1,754 in 2024. We experienced steady asset growth of 5.5%, reaching \$870,616 in new growth, while maintaining a healthy capital ratio of 8.13%. We also returned \$441,015 to members in dividends, even as our cost of funds increased from 0.59% to 0.82%, reflecting the rising rate environment.

At the same time, we saw signs of a softer economy, as loan demand slowed and net charge-offs rose to over \$440,000—the highest in our history. While these results reflect broader economic conditions, we are actively strengthening our risk management practices to support more sustainable performance moving forward.

This year also marked leadership transitions. I stepped into the CEO role while continuing to transition from my previous responsibilities as CFO, and I appreciate your patience as we realign workloads and strengthen our leadership structure. We also welcomed a new Board Chair, Steve Vessey, who previously served as Vice Chair. Larry Lufkin, who served as Board Chair since May 2003, has transitioned to a Director role. We extend our sincere gratitude to Larry for 22 years of dedicated leadership.

We made meaningful investments in technology and member experience in 2025. We introduced online membership applications, enhanced our lending process with greater automation, and expanded digital banking capabilities to allow existing members to apply for loans online. Behind the scenes we transitioned our network to the cloud and enhanced security with new surveillance systems—all to better serve and protect our membership.

As a locally rooted financial institution, our loyalty extends beyond our members to the broader community that drives our regional economy. By providing responsible lending, supporting local events, and keeping resources invested here at home, we play a direct role in strengthening the communities we serve. In 2025, we continued that commitment through partnerships with Chambers Elementary as a Partners in Education school, events such as Pride, Cops Cars N Kids, and the Doug Beaulieu Golf Tournament, and sponsorships of organizations like Pizza Klatch.

Looking ahead, our focus is clear. We are committed to strengthening financial performance by reducing loan losses, improving operational efficiency, and reviewing vendor relationships for cost savings. We will continue enhancing digital banking, including new card controls and exploring additional payment options such as tap-to-pay and expanded transfer capabilities.

Internally, we are focused on building a strong, sustainable team. We are investing in staff development, training, and internal growth opportunities to better serve you now and into the future.

Thank you for your continued trust and membership. We remain committed to serving you with integrity, stability, and a focus on your financial well-being—and to strengthening the local communities and businesses that make our region thrive.

Jana Ayres, CEO

Supervisory Report

We have had another busy and successful year here at Olympia Credit Union. Currently, the credit union has been working on projects that were outlined by DFI after the exam on financials as of June 30th, 2025. The Supervisory Committee continues to work with Daren B. Tanner, CPA to conduct audits. We appreciate the time he and his crew took to help support our credit union and we are looking forward to working with them in the future. The last financial audit was as of September 30th, 2025. This was a busy time for all the employees, and I really appreciate everyone's hard work.

It is important that these audits take place to ensure that the credit union is working properly and following regulations. During these audits there were minor areas of improvement and action was taken on site to correct them.

Currently the committee consists of six members: Ric Ordos, Sandy Jenkins, Jodi Petersen, Mary Orazem, Charles Richardson, and Dottie LaRonge. We are excited to have a team of six members who are all dedicated to their volunteer roles with the credit union. As the year continues, we will be performing loan reviews, teller audits, reviewing bank reconciliation reports, paid-ahead loans, closed accounts, reviewing no mail accounts, IT risk assessment, and other various tasks.

Our committee is looking forward to working with the credit union and ensuring another year of success. We want to thank management, staff, and the Board of Directors for all their support and work. We look forward to the year 2026 as we continue to work as a team.

Thank you,

Sandy Jenkins, Chair

Board Chair Report

I'm writing to you on behalf of your Board of Directors. We're a group of volunteer members who live and work in this same community, and we're proud to help guide Olympia Credit Union and keep it strong for the people who rely on it.

2025 was another year shaped by a challenging economy. Interest rates stayed high, and many families and local businesses continued to be careful with spending and borrowing. Even in that environment, Olympia Credit Union stayed financially steady and focused on what matters most—serving members and staying rooted in this community.

This year also brought an important leadership transition. Jana Ayres stepped into the CEO role at the beginning of 2025. Having already served as our Chief Financial Officer, she knows the credit union well, and the Board has confidence in her leadership as we continue moving forward.

We also had some changes on the Board this year. I'm honored to serve as Chair after previously serving as Vice Chair. We want to recognize Larry Lufkin for his 22 years of service as Board Chair. That kind of long-term commitment has helped shape this credit union in a meaningful way, and we're grateful he continues to serve as a Director. We also welcomed Shana Oliver as Vice Chair and Dan Hillard as a new Board member this year.

At the Board level, our focus doesn't change much—we're here to make sure the credit union stays financially strong, manages risk responsibly, and makes decisions that support members now and into the future.

Membership ended the year at 3,712, compared to 3,789 in 2024. While that's a slight decrease, it's something we continue to pay attention to as we think about how we grow and stay connected to members across the community.

Looking ahead, we'll continue working with management to keep Olympia Credit Union strong, modern, and relevant—while still holding onto the local, community-focused values it was built on. That means staying financially responsible, improving how we serve members, and making sure we keep pace with changes in technology and banking needs.

At the end of the day, this is a local credit union serving local people—and that's something we're proud to be part of.

Thank you for your trust and membership. We don't take it for granted.

Respectfully submitted
Steve Vessey, Chair

Loan Committee Report

In 2025, total loans decreased by \$3,286,234, from \$40,411,106 to \$37,124,872.

As part of our ongoing strategy to maximize returns on member deposits, we continued investing in loan participations with other credit unions. In February 2025, we purchased \$2,000,000 in participations, enhancing portfolio yield compared to traditional low-yield investments.

Our lending team remained highly active, processing over 1,008 loan applications during the year—demonstrating our continued commitment to meeting members' financial needs.

Net charge-offs for 2025 totaled \$443,895.65, representing 1.21% of loans, compared to 0.51% and \$201,084 in 2024. While this reflects an increase, our loan loss reserve remains strong and well-positioned to absorb potential losses. We will continue to maintain a prudent reserve level heading into 2026.

Looking ahead, we anticipate challenges from lower loan interest rates and ongoing market uncertainty. Despite these conditions, we remain focused on working closely with members to identify effective financial solutions. Our team is committed to providing personalized support—whether assisting with new loans, debt management, or credit improvement—reinforcing the member-first philosophy that sets us apart.

For the ninth consecutive year, OCU partnered with CUDL, a dealer indirect lending network that facilitates vehicle financing at dealerships. This program continues to support loan growth and member convenience. As of December 31, 2025, OCU held 701 CUDL loans totaling \$15,758,929, with relationships across approximately ten dealerships.

We continue to offer a full range of real estate lending products, including 10- and 15-year fixed-rate first mortgages, home equity lines of credit (HELOCs), and both short- and long-term second mortgages, all at competitive rates.

Unlike many financial institutions, we retain servicing and ownership of our loans in-house. This allows us to provide consistent, personalized service and maintain strong connections with our members and community.

In 2025, we completed Phase II of our MeridianLink implementation, improving loan processing efficiency and enhancing the overall member experience.

We thank our members for their continued trust and support. Your commitment to OCU helps keep resources invested in our local community.

Respectfully submitted
Your Loan Committee

Statement of Financial Condition 2024

Assets

Net Loans	\$40,178,723
Cash	\$4,716,382
Investments	\$6,469,991
Other Assets	\$998,204
Total Assets	\$52,363,300

Liabilities and Equity

Shares and Deposits	\$47,757,489
Other Liabilities	\$251,670
Regular Reserves	\$653,799
Undivided Earnings	\$3,700,343
Total Liabilities and Equity	\$52,363,300

Income and Expense

Interest Income	\$2,612,446
Interest Expense	\$32
Provision for Loan Loss	\$410,803
Other Operating Income	\$619,996
Operating Expense	\$2,508,370
Gain/Loss on Liquidation of Collateral	\$0
Other Non-Operating Income/Expense	\$1
Net Earnings	\$313,236

Distribution of Net Earnings

Paid to Members	\$311,482
Increase to Undivided Earnings	\$1,754
Net Earnings	\$313,236
Total Members	3789
Total Loans	2106

Statement of Financial Condition 2025

Assets

Net Loans	\$36,745,062
Cash	\$7,228,154
Investments	\$10,254,435
Other Assets	\$1,006,269
Total Assets	\$55,233,920

Liabilities and Equity

Shares and Deposits	\$50,609,122
Other Liabilities	\$168,586
Regular Reserves	\$653,799
Undivided Earnings	\$3,802,414
Total Liabilities and Equity	\$52,233,920

Income and Expense

Interest Income	\$2,820,555
Interest Expense	\$51
Provision for Credit Loss	\$375,745
Other Operating Income	\$614,686
Operating Expense	\$2,516,358
Gain/Loss on Liquidation of Collateral	\$0
Other Non-Operating Expense	\$0
Net Earnings	\$543,087

Distribution of Net Earnings

Paid to Members	\$441,016
Increase to Undivided Earnings	\$102,071
Net Earnings	\$543,087
Total Members	3712
Total Loans	1968