

THE LOUISIANA
WAY TO BANK

20
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EFCU Financial

2025 ANNUAL REPORT



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OUR MISSION

Empowering the financial well-being of our members and the communities we serve.

OUR VALUES

Foster Inclusion

Champion Service

Exemplify Integrity

Embrace Innovation

MESSAGE TO MEMBERS

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The outstanding achievements of EFCU Financial in 2025 were made possible by the dedication of our members, team, and the broader community. Our varied experiences, talents, and viewpoints came together to help us reach significant milestones that shaped this remarkable year.

More than 9,700 new members joined EFCU Financial in 2025, a testament to the difference our credit union makes in the lives of those we serve. Callahan & Associates, an independent consulting firm in Washington, D.C., measures the relational success of credit unions nationwide through its Return of the Member (ROM) Index. This index evaluates return to savers, return to borrowers, and member service. **For more than five years, EFCU Financial has proudly ranked as one of the best in Louisiana and the United States.**

Our members' trust in us was evident in 2025, with deposits growing by over \$66 million. **This share growth helped EFCU Financial surpass \$1.2 billion in assets.** We also empowered members by financing over \$241 million in auto loans, enabling them to purchase new or used vehicles, and made homeownership a reality for many, funding more than \$89 million in mortgage loans. In total, we positively impacted the community by originating over \$407 million in new loans.

Our commitment to delivering financial products and services that make a real difference remains steadfast. By focusing on accessibility, transparency, and affordability, we continue to be a trusted partner for those who need us most. EFCU Financial is committed to enhancing member experiences and supporting our communities by offering innovative products like Level-Up accounts, industry-leading CD rates, and access to more than 33,000 fee-free ATMs nationwide.

We value our team members and believe treating them well leads to better service for our members. In 2025, we were again named a Best Places to Work in Baton Rouge and, for the third consecutive year, recognized by Gallagher for our team member benefits.

Looking forward to 2026, we anticipate further growth and accomplishments that will provide value to our members, our team, and the Baton Rouge community. We appreciate your ongoing loyalty and support, and we hope to serve you at one of our locations in the near future.



Doug Vickers
Chair, Board of Directors



Tom Kuslikis
President & CEO

“OUR COMMITMENT TO DELIVERING FINANCIAL PRODUCTS AND SERVICES THAT MAKE A REAL DIFFERENCE REMAINS STEADFAST.”

TREASURER'S REPORT

EFCU Financial has continued to achieve strong financial performance and generate significant member value while dealing with a backdrop interest rate uncertainty and rising economic concerns. We have continued to do our best to manage the credit union's finances, while continuing to serve our membership and moving our financial cooperative forward. **We continue to serve you with more digital solutions, fast access to electronic deposits, low-rate borrowing options, and unwavering dedication to serving members' needs.**

We added 9,757 new members in 2025 and total assets grew 6%. We continue to look for more growth in the future, as we have proven that we are able to offer financial products and services that make a positive difference in our members' lives.

During 2025, we focused on working with our members to identify financial needs and opportunities to better our members' financial condition with our competitive loan products and our rates. Total loans to members increased almost \$75 million, a 7% increase over last year. Our loan-to-share ratio was 101%, meaning that for every dollar in deposits, members brought to the credit union, we loaned out a dollar and a penny. **Lending to our members has always been our best investment and will continue to be as we look into the future.**

Our Member Solutions Department team continued to work closely with our members to help them through normal financial challenges. We also offered loan extensions and modifications for members who were financially impacted by job instability, personal tragedies, and changes in the overall economy. During the 2025 holiday season (November and December), we ran our Skip-A-Pay Program to offer members loan payment flexibility for a small fee. We were able to grant this flexibility to 3,536 member loans.

Operating expense management continues to be a key focus, as we continuously evaluate our key vendor relationships and work to maximize the



EXCEEDED THE NCUA'S "WELL CAPITALIZED" DEFINITION BY 272 BASIS POINTS

credit union's benefit from these relationships. For 2025, our total operating expenses (not including provision for credit loss expense) were 20% higher than 2024. Most of our operating expense increase was from investing in our team, the technology that enables us to serve our members, and in key vendor relationships as we prepare for a core system and digital banking conversion in Q4 2026.

Although we are not a profit-driven organization, generating a positive bottom line is crucial to the sustainability of any business, including ours, as income is the only reliable way credit unions are able to increase net worth as they continue to grow. EFCU Financial ended the year with a net income of \$11.8 million and a strong net worth ratio of 9.72%. To put this in perspective, to be considered "well capitalized" by the National Credit Union Administration (NCUA), credit unions must have at least a 7% net worth ratio. We are pleased to report that we exceeded the NCUA's "well capitalized" definition by 272 basis points! What this means to you, our members, is **your credit union continues to be financially strong and secure today and also for the future.**

A handwritten signature in blue ink that reads "David K. Darte". The signature is fluid and cursive, with a prominent "D" at the beginning.

David Darte
Treasurer

A handwritten signature in blue ink that reads "Rick Myers". The signature is cursive and somewhat stylized, with a large "R" at the beginning.

Rick Myers
Chief Financial Officer

Statements of Financial Condition

	2025	2024
Assets:		
Cash and cash equivalents	\$ 88,427,559	\$ 105,907,284
Interest-bearing time deposits in other financial institutions	100,000	100,000
Investment securities available-for-sale	146,193	244,942
Loans receivable, net of allowance for loan losses	1,088,645,361	1,014,348,801
Accrued interest receivable	4,881,843	4,355,845
National Credit Union Share Insurance Fund deposit	10,120,156	8,315,000
National Credit Union - CLF stock - at cost	2,690,320	2,401,269
Federal Home Loan Bank stock - at cost	2,684,300	2,553,800
Investment in credit union service organizations (CUSOs)	164,254	140,157
Premises and equipment - net	19,304,173	18,538,794
Assets held for sale	1,608,215	2,170,866
Prepaid pension plan benefit cost	3,973,080	3,551,798
Employee benefit funding assets	10,689,598	-
Other assets	6,988,642	3,680,184
TOTAL ASSETS	\$ 1,240,423,694	\$ 1,166,308,740
Liabilities:		
Members' shares and savings	\$ 1,005,370,982	\$ 930,637,308
Nonmember shares and savings	74,608,063	83,042,434
FHLB advances	34,000,000	40,000,000
Subordinated Debt	14,892,673	14,833,445
Accrued expenses and other liabilities	6,459,023	4,825,429
Total liabilities	1,135,330,741	1,073,338,616
Members' Equity:		
Regular reserve	-	-
Undivided earnings	105,630,175	93,820,487
Accumulated other comprehensive loss	(537,222)	(850,363)
Total members' equity	105,092,953	92,970,124
TOTAL LIABILITIES & MEMBERS' EQUITY	\$ 1,240,423,694	\$ 1,166,308,740

Statements of Operations and Comprehensive Income

	2025	2024
Interest Income		
Loans	\$ 64,423,798	\$ 54,477,759
Investment securities	97,041	104,179
Time deposits with other financial institutions	4,177,897	3,977,679
Total interest income	68,698,736	58,559,617
Interest Expense		
Members' share and savings accounts	30,793,069	30,175,954
Nonmember shares and certificates	2,673,397	2,789,274
Borrowed funds	2,603,593	2,367,596
Total interest expense	36,070,059	32,543,550
Net Interest Income	32,628,677	26,016,067
Provision for Loan Losses	3,956,534	2,993,958
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	\$ 28,672,143	\$ 23,022,109
Non-Interest Income		
Service charges and fees	\$ 6,065,605	\$ 5,177,042
Interchange income	4,777,344	4,667,918
Other non-interest income	2,640,061	2,204,351
Total non-interest income	13,483,010	12,049,311
Non-Interest Expense		
Compensation and benefits	14,036,533	12,413,576
Occupancy and equipment	1,851,793	1,291,712
(Gain) loss on sale of sale assets	(10,619)	36,047
Operations	11,788,715	9,728,520
Professional and outside services	1,136,233	668,657
Other non-interest expense	1,542,810	1,222,918
Total non-interest expenses	30,345,465	25,361,430
NET INCOME	\$ 11,809,688	\$ 9,709,990
Other Comprehensive Income (Loss)		
Amortization of net pension loss	46,967	73,050
Net pension gain (loss)	254,975	165,877
Unrealized net holding gain (loss), arising during the period	11,199	3,947
Total Other Comprehensive Income (loss)	313,141	242,874
COMPREHENSIVE INCOME	\$12,122,829	\$9,952,864

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee thanks you, our members, for the opportunity to serve another year. Preserving the financial integrity of EFCU Financial is a shared responsibility rooted in strong governance, independent oversight, and ongoing review.

Working in partnership with the Supervisory Committee, the Internal Audit function provides independent assurance through evaluations of operations, risk management, and internal controls throughout the year. Together, these functions form a strong system of organizational checks and balances designed to safeguard members' assets and promote transparency and accountability.

Each year, under the direction of the Supervisory Committee, an independent public accounting firm is engaged to audit the credit union's financial statements. Plante Moran conducted the 2025 Financial Statement audit and issued an unmodified opinion, confirming that the financial statements are presented fairly and in accordance with generally accepted accounting principles (GAAP). This result provides confidence in the accuracy and reliability of the credit union's financial reporting.

In addition to the annual audit, the credit union successfully completed a National Credit Union Administration (NCUA) examination in 2025, further affirming its financial condition and operational soundness. We remain prepared for the next examination scheduled for late 2026.

The Supervisory Committee extends our gratitude to the membership and communities we serve, the EFCU team members and leadership team, and Board of Directors for your continued trust and confidence.

With Care and Confidence,



Slava Sotnikov

Supervisory Committee Chair

Brandi Barze

Dr. Blaine Thomas

Dr. James Hargrove

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BOARD OF DIRECTORS & COMMITTEES

Board Of Directors

Doug Vickers, Board Chair
Darrell Langlois, First Vice Chair
David Dartez, Treasurer
Celeste François, Secretary
Neal Chollette
Joyce Dunn
Neal Elkins
Jack Haynes
Jim Phillips

Supervisory Committee

Slava Sotnikov, Chair
Brandi Barze, Esq.
Dr. Blaine Thomas
Dr. James Hargove

Credit Review Committee

Joyce Dunn, Chair
Jack Haynes
Dr. James Hargove

Finance Committee

David Dartez, Chair
Jack Haynes
Dr. Blaine Thomas

Risk Committee

Darrell Langlois, Chair
Neal Elkins
Neal Chollette
Slava Sotnikov

Compensation Committee

Darrell Langlois, Chair
Neal Chollette
David Dartez
Jim Phillips

Governance & Nominations Committee

Celeste François, Chair
Joyce Dunn
Neal Elkins
Brandi Barze

SENIOR LEADERSHIP & BRANCH LOCATIONS

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Senior Leadership

Tom Kuslikis
President & CEO

Rick Myers
Chief Financial Officer

Emily Shelton
Chief Operations Officer

Billy McDonald
Chief Information Officer

Karon Musemeche
Chief Marketing Officer

Mimi Singer Lee
Chief People Officer

Adam Brice
Chief Lending Officer

Anteja Black Becton
Chief Audit Executive

Branch Locations

Shenandoah
15026 Market St.
Baton Rouge, LA 70817

Monterrey
3663 Monterrey Blvd.
Baton Rouge, LA 70814

Refinery Main Gate
3861 Scenic Hwy
Baton Rouge, LA 70805

Zachary
1804 Church Street
Zachary, LA 70791

Gonzales
1508 South Burnside Avenue
Gonzales, LA 70737

Prairieville
17235 Old Jefferson Hwy
Prairieville, LA 70769

Denham Springs
7822 Magnolia Beach Road
Denham Springs, LA 70726

Perkins
9210 Perkins Road
Baton Rouge, LA 70810

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Federally Insured by NCUA