



**SPECTRA**  
CREDIT UNION

# Built for Strength & Resilience

2025 ANNUAL REPORT






# Table of Contents

|  |           |
|--|-----------|
| <b>Chairperson &amp; CEO's Report</b> .....          | <b>3</b>  |
| <b>Notable Numbers</b> .....                         | <b>7</b>  |
| 2025 Financial Statements - Balance Sheet .....      | 8         |
| 2025 Financial Statements - Income Statement .....   | 9         |
| <b>Board of Directors &amp; Executive Team</b> ..... | <b>10</b> |
| <b>Supervisory Committee Report</b> .....            | <b>11</b> |
| <b>Suggestions</b> .....                             | <b>12</b> |

20  
25



## Chairperson & CEO's Report

# 2025 in Review and the Road Ahead

In 2025, Spectra Credit Union took a meaningful step forward—returning to profitability for the first time since 2021 and laying the groundwork for a stronger, more **vibrant future**.

Rather than pursuing rapid growth, Spectra focused on stability, strengthening our financial foundation to better serve members over the long term. This disciplined approach led to measurable improvements across the organization. **Credit quality improved significantly**, with fewer delinquent loans and stronger recovery efforts, reflecting a healthier lending environment and more sustainable practices. At the same time, operational efficiencies and thoughtful cost management helped reduce expenses while **maintaining service quality**.



**Importantly, these efforts did not come at the expense of member value.**

Spectra continued to prioritize accessibility and affordability, remaining among the lowest-fee providers in the region while enhancing tools and services to support members' financial well-being.

**THE CREDIT UNION RECEIVED A \$300,000 GRANT**

to advance our efforts toward Community Development Financial Institution (CDFI) certification, thereby expanding access to funding and resources for underserved communities. New partnerships and programs are creating additional opportunities to serve members with competitive loan options, while maintaining a strong focus on responsible lending.



## Beyond financial performance, we enhanced our overall foundation.

The credit union received **outstanding** regulatory and audit results, reflecting a commitment to sound governance and risk management. At the same time, membership continued to grow at a higher rate than our peers, a clear signal that more individuals are choosing Spectra as their financial partner.



# Looking ahead, 2026 is positioned to be a year of continued **progress.**

With a healthier financial base and improved credit performance, Spectra is well-equipped to expand lending in a thoughtful, sustainable way. The focus will remain on delivering high-quality products, deepening member relationships, and identifying new opportunities that align with the credit union's mission.

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**Momentum is building**—not through shortcuts,  
but through steady, intentional progress.

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All of this means that Spectra will continue to be a “**brilliant banking**” solution today, tomorrow, and for generations to come!

# NOTABLE NUMBERS

TOTAL ASSETS

\$556M

LOAN TO SHARE RATIO

71.97%

CAPITAL (NET WORTH)

8.49%

MEMBERSHIP GROWTH

3.98%  
29,867 MEMBERS

DELINQUENCY

0.73%

CHARGE-OFFS

0.90%

# 2025 Financial Statements

## Balance Sheet

| <b>ASSETS</b>                         | <b>2025</b>          | <b>2024</b>          |
|---------------------------------------|----------------------|----------------------|
| Cash                                  | \$28,955,681         | \$36,184,227         |
| Investments                           | \$137,375,242        | \$151,690,100        |
| Consumer Loans                        | \$112,509,961        | \$147,595,678        |
| Real Estate Loans                     | \$154,360,414        | \$165,599,921        |
| Commercial Loans                      | \$84,995,022         | \$61,839,263         |
| Allowance for Loan Losses             | \$(4,646,041)        | \$(6,157,523)        |
| Total Net Loans                       | \$347,219,356        | \$368,877,339        |
| Loans Held for Sale                   | -                    | -                    |
| Other Assets                          | \$42,133,431         | \$33,260,644         |
| <b>Total Assets</b>                   | <b>\$555,683,710</b> | <b>\$590,012,310</b> |
| <b>LIABILITIES</b>                    |                      |                      |
| Checking                              | \$115,983,267        | \$110,987,172        |
| Share Savings                         | \$130,977,395        | \$120,534,148        |
| Money Market                          | \$128,283,098        | \$132,513,807        |
| Share Certificates                    | \$113,650,351        | \$184,726,457        |
| <b>Total Member Deposits</b>          | <b>\$488,894,111</b> | <b>\$548,761,584</b> |
| Borrowings                            | \$21,000,000         | \$4,000,000          |
| Other Liabilities                     | \$11,120,851         | \$7,814,882          |
| <b>Total Liabilities</b>              | <b>\$521,014,962</b> | <b>\$560,596,466</b> |
| <b>MEMBER EQUITY</b>                  |                      |                      |
| Regular Reserve                       | \$9,356,171          | \$9,356,171          |
| Undivided Earnings                    | \$37,820,428         | \$37,813,759         |
| Unrealized Gains (Losses)             | \$(12,507,851)       | \$(17,744,086)       |
| <b>Total Equity</b>                   | <b>\$34,668,748</b>  | <b>\$29,425,844</b>  |
| <b>Total Liabilities &amp; Equity</b> | <b>\$555,683,710</b> | <b>\$590,022,310</b> |

# 2025 Financial Statements

## Income Statement

| <b>NET INTEREST MARGIN</b>           | <b>2025</b>         | <b>2024</b>          |
|--------------------------------------|---------------------|----------------------|
| Loan Interest Income                 | \$19,111,531        | \$19,493,480         |
| Investment Interest Income           | \$7,173,221         | \$5,902,897          |
| Dividend Expense                     | \$(9,264,484)       | \$(6,814,117)        |
| Interest Paid on Borrowed Money      | \$(252,040)         | \$(1,307,351)        |
| Net Interest Margin                  | \$16,768,228        | \$17,274,909         |
| Provision for Loan Losses (PLL)      | \$(1,790,859)       | \$(4,737,032)        |
| <b>Net Interest Margin after PLL</b> | <b>\$14,977,369</b> | <b>\$12,537,877</b>  |
| <b>NON-INTEREST INCOME</b>           |                     |                      |
| Fees                                 | \$829,020           | \$848,141            |
| Other Operating Income               | \$1,723,828         | \$2,114,450          |
| Non-Operating Income                 | \$371,579           | \$343,814            |
| <b>Total Non-Interest Income</b>     | <b>\$2,924,427</b>  | <b>\$3,306,405</b>   |
| <b>OPERATING EXPENSES</b>            |                     |                      |
| Salaries & Benefits                  | \$9,133,827         | \$10,086,431         |
| Office Occupancy                     | \$1,119,841         | \$1,106,729          |
| Other Operating Expenses             | \$7,641,459         | \$8,064,502          |
| <b>Total Operating Expenses</b>      | <b>\$17,895,127</b> | <b>\$18,764,857</b>  |
| <b>Net Income</b>                    | <b>\$6,669</b>      | <b>\$(2,920,575)</b> |



## EXECUTIVE TEAM

|                       |                         |
|-----------------------|-------------------------|
| <b>KRISTIN SHULTZ</b> | Chief Executive Officer |
| <b>JAMES SPEDDEN</b>  | Chief Lending Officer   |
| <b>DEBBIE FREEMAN</b> | Chief Financial Officer |
| <b>KATHY TYSON</b>    | Executive Assistant     |

# Meet the Executive Team & Board of Directors



## BOARD OF DIRECTORS

|                             |                    |
|-----------------------------|--------------------|
| <b>MARY KAPPUS</b>          | Chairperson        |
| <b>RICHARD BEVILACQUA</b>   | Vice Chair         |
| <b>JEFF BOWLES</b>          | Treasurer          |
| <b>SULEYMAN GULEYUPOGLU</b> | Secretary          |
| <b>TERRANCE "TEE" CARTY</b> | Director           |
| <b>ARTHUR MORRISH</b>       | Director           |
| <b>DEAN MATTHEWS</b>        | Director           |
| <b>DAVID GRAHAM</b>         | Associate Director |
| <b>BHANU SOOD</b>           | Associate Director |
| <b>DOROTHY SAKS</b>         | Associate Director |
| <b>UDAYA ADHIKARI</b>       | Associate Director |
| <b>VIJAYANAND KOWTHA</b>    | Associate Director |

# Supervisory Committee Report

The Supervisory Committee consists of three to five volunteers appointed by the Board of Directors. The committee is responsible for the safety and soundness of the Credit Union by ensuring compliance with the Federal Credit Union Act, the Credit Union bylaws and policies, and the regulations of the National Credit Union Administration (NCUA).

Our independent audit firm, Doeren Mayhew Assurance, examined the financial condition of Spectra Credit Union as of December 31, 2025, in accordance with generally accepted auditing standards. The results of their findings were presented to the Supervisory Committee and the Board of Directors. Their report, dated March 26, 2026, indicates that the Credit Union is operating within the bounds of sound financial practices.

Additionally, the Supervisory Committee has hired Clifton Larson Allen, LLC, to perform internal audits for the Credit Union to ensure compliance with NCUA and Spectra policies and procedures. We meet with

the internal auditors regularly to review audit reports and institute recommendations that will strengthen internal controls.

To effectively serve as your representatives, we must be aware of your concerns. You can do this formally by writing the Supervisory Committee, **5440 Cherokee Avenue, Suite 200, Alexandria, VA 22312**, or informally by contacting any committee member at **SupervisoryCommittee@spectracu.com**. The Supervisory Committee maintains a confidential relationship with all concerned members.

## SUPERVISORY COMMITTEE

**CAROL SULLIVAN** Chairperson

**RICH BARB** Secretary

**JANE SCHAUB** Member

**LAWRENCE EVANS III** Associate Member

**EDWARD LAIKIN** Associate Member

# Suggestions

**AS A MEMBER-OWNED COOPERATIVE, EVERY MEMBER IS IMPORTANT TO US, AND WE WANT TO KNOW HOW YOU THINK WE ARE DOING.**

To accomplish this, we regularly conduct surveys to measure your satisfaction with the services provided and products offered. If you would prefer not to wait for a survey, you can always submit comments and suggestions at one of our branch locations or online through the Suggestion Box on our website.



Submit comments & suggestions at one of our branches or online at **[SpectraCU.com/Contact](https://SpectraCU.com/Contact)**



**BRILLIANT BANKING.**

