

# 2025 ANNUAL REPORT



*For Moments That Matter*

ArizonaFinancial.org | 602-683-1000



# PRESIDENT'S REPORT

**Amy Hysell**  
President & CEO

As we look back on 2025, I'm filled with gratitude and pride – gratitude for the trust you place in Arizona Financial, and pride in what we accomplished together. This past year brought meaningful progress in how we serve you: more ways to borrow and save, more tools to bank securely and conveniently, and continued branch expansion to meet you where life happens. Through every initiative, our focus stayed the same – helping you do more with your money and supporting the moments that matter most.

### New ways to serve your financial needs

In 2025, we introduced several new accounts and services designed to meet members' needs in real time – whether you're managing monthly cash flow, planning for the unexpected, or building for the future.

We expanded flexible payment options through **Buy Now, Pay Later** offers that give you greater control over larger purchases. We also launched **CashPlease® short-term loans**, an affordable option designed to provide quick access to funds up to \$1,000, usually within 24 hours. And because

financial wellbeing includes protecting what matters most beyond day-to-day banking, we added an online **Wills and Trusts service** – an affordable, convenient way for members to create essential documents, protect their families, and secure their legacy. In addition, we enhanced our **business lending** capabilities to better serve entrepreneurs and business owners across Arizona with solutions built for growth.

### Technology enhancements to streamline your banking

Your time and peace of mind matter – that's why we simplified your banking experience by retiring our standalone CardPower® app and moving our **Card Controls** features directly into our primary mobile app for consumer accounts. That means fewer logins and a more seamless way to manage your cards – right where you already do your everyday banking. If you misplace your card, you can quickly turn it off and back on, set travel notices, and manage additional controls and preferences that save you time and help you bank with confidence.



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## Branch expansion continues

We also continued to invest in expanding our branch network to make access easier and more convenient across the Valley. In April 2025, we opened our new **Chandler Pecos Branch** with a full-service lobby and convenient drive-thru services. We also began construction on our **Phoenix Biltmore Branch**, scheduled to open in early 2026, and started planning for a future **Queen Creek** location, currently targeted for late 2026 or early 2027. These investments reflect our commitment to offering both the digital convenience you expect and the in-person service you value – wherever you prefer to connect with us.

## Financial update

Because we're a member-owned financial cooperative, strong financial performance is critical to our success because it allows us to reinvest in you: better rates, better tools, better service, and long-term stability. I'm pleased to share that 2025 was one of the most successful years in our history. Assets grew 10.79% to nearly \$3.8 billion, total loans to members grew 8.83%, and our capital ratio stood at 11.92%, underscoring the safety and soundness of your credit union. In practical terms, these results mean Arizona Financial is well-positioned to continue serving you through changing economic conditions while still investing in new services, improved technology, and expanded access.

## Looking ahead to 2026

To kick off the new year, we will be introducing our new **Loyalty Rewards and Relationship Discounts** programs – designed to recognize and reward the ways you bank with us and the relationship you've built over time. Based on initial projections, we anticipate these programs will **return up to \$4.0 million in annual value back to members**. We're also preparing to celebrate a major milestone: **Arizona Financial's 90th Anniversary**. This anniversary is more than a number – it's a reminder of what's possible when generations of members come together to build something lasting. We're honored to be your credit union, and we're energized by the opportunity to keep evolving in ways that serve you even better.

Thank you for your membership, your loyalty, and the trust you place in us. On behalf of our Board of Directors, leadership team, and every employee who serves you each day, thank you for choosing Arizona Financial. We don't take your trust for granted and we look forward to serving you in 2026 and for many years to come.

With gratitude,

**Amy L. Hysell**  
President & CEO



# CHAIRMAN'S REPORT



**David Albertson**  
Board Chairman

*At Arizona Financial, our purpose is rooted in people – our members, our employees, and the communities we proudly serve. In 2025, we continued to build on that purpose by delivering strong financial performance, expanding our community impact, and earning national recognition for excellence. Guided by our cooperative values, we remain focused on creating meaningful, long-term value for our members while strengthening the communities that trust us every day.*

## Introduction of Arizona Financial Foundation

A significant milestone in 2025 was the launch of Arizona Financial Foundation, a 501(c)(3) nonprofit governed by a board of directors and informed by community leaders. Through this new organization, Arizona Financial is positioned to expand its charitable giving and deepen its impact across four key areas aligned with our mission and values:

- > Financial literacy & education
- > Support for first responders
- > Domestic violence awareness & assistance
- > Community engagement

## \$300,000 awarded in community grants

Through the **Local Causes debit card giveback program**, the Foundation awarded **\$300,000 in grants to 21 Arizona nonprofits** in 2025. Each time members use their *Local Causes* debit card, Arizona Financial makes a donation to the Foundation to support these grants. Since the program's launch in 2020, we have awarded over **\$800,000 to more than 100 Arizona nonprofits**, demonstrating the collective power of our members to make a difference.

## National recognition highlights our success

Our commitment to excellence was also recognized nationally. For the second consecutive year, Forbes named Arizona Financial a Best-in-State Credit Union, based on a survey

of more than 26,000 individuals and an analysis of online ratings and reviews. We also earned a 5-Star Superior Rating from BauerFinancial, recognizing our strong financial health, and were named by Newsweek as one of America's Best Credit Unions for 2025 for the second year in a row. We are honored by this recognition and proud to serve our members with distinction.

## #1 SBA Lender in Arizona

In support of Arizona's small business community, Arizona Financial was also recognized by Ranking Arizona as the #1 Small Business Administration lender in the state for the fourth consecutive year. As the only Arizona-based credit union with SBA Preferred Lender status, we offer a streamlined lending process for faster loan decisions that support our business members' growth objectives.

## Arizona Credit Union Week

Finally, we continued our collaborative efforts through **Arizona Credit Union Week**, joining 18 locally based credit unions for a third year to support local businesses with "pay-it-forward" events, volunteer projects at local nonprofits, and financial education in our communities. We look forward to expanding these partnerships in 2026.

On behalf of the Board of Directors, thank you to our members for your trust and participation in our financial cooperative.

**David Albertson**  
Board Chairman

## SUPERVISORY COMMITTEE REPORT



**Charles Carter**  
Supervisory Committee  
Chairman

*The five-member Supervisory Committee is appointed by the Board of Directors to oversee the policies, procedures, and practices in place to safeguard members' assets and meet all required financial reporting obligations.*

### **The functions of the Supervisory Committee include:**

- > Ensuring internal controls are established and effectively maintained to protect members and the credit union
- > Monitoring the timely preparation and accuracy of accounting records and financial reports
- > Contracting for an independent verification of financial reporting and member accounts
- > Overseeing the proper administration of and adherence to the rules and regulations guiding credit unions

The Supervisory Committee and Legal, Compliance & Audit Department work closely together to confirm internal

controls provide sufficient safeguards. In addition, they participate in regularly scheduled Supervisory Committee meetings, Board of Directors meetings, planning sessions and special committees to assist with the decision-making in support of credit union initiatives.

As part of this committee, Jessica Frary, Sarah Freeman, Tammy Meeks, Manny Verdugo, and I remain committed to you, our members, and the mission, vision and values that form the foundation of Arizona Financial Credit Union.

**Charles Carter**  
Supervisory Committee Chairman

## CUSO REPORT

A Credit Union Service Organization (CUSO) is established to primarily serve the needs of its credit union owner. Its business relates to the daily operations of the credit union it serves. Arizona Financial owns two CUSOs – Western States Financial Group, LLC (WSFG) and Arizona Federal Insurance Solutions, LLC (AFIS). Both are wholly-owned subsidiaries of Arizona Financial. Through these subsidiaries, we provide valuable services that complement our core services. Currently, we operate Members Auto Center (MAC) through WSFG and The Arizona Group (TAG) through AFIS.

### **Western States Financial Group**

MAC is a partnership of WSFG and Centennial Leasing and Sales, Inc. This service was designed to provide members with a more convenient car buying experience. MAC allows members to shop for and purchase a vehicle, complete all title and registration

paperwork, and even have their new car delivered to their home or office – all without visiting a dealership.

MAC continues to be a great option for members. In 2025, members purchased 1,098 vehicles through MAC, generating more than \$24.93 million in additional loans for the credit union.

### **Arizona Federal Insurance Solutions**

Through the insurance professionals at TAG, members have access to a full suite of insurance services, including automobile, homeowners, business, life, Medicare products, and health insurance policies. With access to many insurance providers, TAG can match members' individual needs to a policy that provides the best solution for coverage and value. In 2025, a total of 267 new policies were purchased through TAG. At the end of the year 1,615 members held a total of 2,979 policies.

# TREASURER'S REPORT



**Zeek Ojeh**  
Treasurer

Arizona Financial performed well in fiscal year 2025. Following are some of the noteworthy highlights:

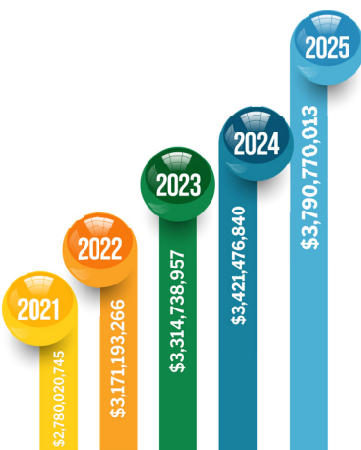
- > Total assets: \$3.79 billion (10.79% increase from 2024)
- > Total Members: 176,643 (net increase of 2.77% from 2024)
- > Net operating income: \$31.37 million (9.44% increase from 2024)
- > Total net worth: \$451.71 million (7.46% increase from 2024)
- > Total loans to members: \$2.04 billion (8.83% increase from 2024)
- > Loan delinquency: 0.38% (0.16% increase from 2024)
- > Total member deposits: \$3.33 billion (9.69% increase from 2024)

Arizona Financial remains well-capitalized with an 11.92% net worth ratio, significantly above the 7.0% requirement to be considered well-capitalized by our state and federal regulators. These results continue to showcase our commitment to financial strength and the goals of the Board of Directors to maintain a stable and sound financial institution that will protect members' assets for years to come.

As Treasurer, I would like to thank the management and staff for their hard work and their dedication to excellence. I am confident we will continue to maintain Arizona Financial's sound financial status and look ahead to growth in 2026 and beyond.

**Zeek Ojeh, CPA**  
Treasurer

## Total Assets



## Capital Ratio/Net Worth

