



# Annual Report 2025

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## **Our Mission**

To improve the lives of our members and the communities we serve.

## **Our Purpose**

To create financially healthy employees and members.

## **Our Core Values**

- We passionately embrace our mission and purpose.
- We are servant leaders.
- We are unique individuals committed to one team.
- We are lifetime learners.
- We own our decisions and actions.

A Message from The

## Board of Directors and CEOs



**Steve Dunn**

Chair - Board of Directors



**James Nastars**

Chief Executive Officer



**Carlos Pacheco**

Chief Executive Officer

As we pause to reflect on the past year, it is clear our focus remains on our Mission - to improve the lives of our members and the communities we serve. In 2025, Meritrust became a multi-state credit union, proudly serving over 200,000 members, with 650 employees, 33 branch locations in communities throughout Kansas and Colorado, and more than \$4 billion in assets.

We would like to take a moment to express our gratitude to you and all our members who are truly the heart of our organization. Your trust and engagement energize and inspire us to continually find better ways to support your financial well-being journey.

We also want to acknowledge the role our employees play in driving our purpose forward. For all of us, 2025 was the beginning of a new chapter. We created new teams and new responsibilities in our endeavor to expand the reach of our Mission. Every day, Meritrust employees provide exceptional service, personalized expertise and solutions to support your financial well-being.

Looking at the year ahead, we recognize we will have many opportunities to continue to show our commitment to you as we open new branches and expand our products and services. Thank you for your continued trust and engagement with Meritrust. This is an exciting time for us, and we're thankful you're a part of it.



## Audit Committee Report

The Audit Committee, part of the Board of Directors, oversees the effectiveness of internal controls, adherence to established policies and procedures, compliance with regulatory requirements and propriety of financial accounting and reporting. We work with credit union management, Certified Public Accounting (CPA) firms, the Colorado Division of Financial Services (DFS), and the National Credit Union Administration (NCUA). We review findings from internal and external audits, along with any member concerns to ensure appropriate follow-up and resolution.

Doeren Mayhew, a CPA firm, completed a comprehensive 2025 year-end financial audit. I'm pleased to report Meritrust received an unmodified opinion on the propriety of our financial statements.

2025 was a year of significant change. We completed a credit union merger with Meritrust Federal Credit Union in Kansas, doubling our asset base and allowing for more diversification in deposit and loan portfolios. The Audit Committee includes representation from both credit unions as we continue our oversight role to protect the financial integrity of Meritrust to ensure our members' trust.



**Gary Horton**  
Chair - Audit Committee

## Treasurer Report

Financially, 2025 was a very successful year highlighted by the completion of the merger of two successful credit unions into Meritrust Credit Union. The credit union ended the year with a total of \$4.07 billion in total assets, net income of \$11.3 million, driven by strong loan demand.

With a strong market presence in Colorado and Kansas, auto, real estate and business lending increased in 2025 with total loans ending the year at \$3.03 billion.

Meritrust Credit Union continues to be a safe and sound financial institution that is committed to delivering strong financial results for its members. We remain well capitalized with \$363 million in owner's equity, bringing our net worth ratio to 8.17%. The credit union's Risk-Based Capital Ratio ended 2025 at 11.76%.

Loan delinquencies and charge-offs for the credit union continue to be below the industry average and we are well-positioned to add value and serve our members in 2026.

Meritrust is making significant investments in technology and the branch network that will be visible to members throughout 2026. We continually strive to provide our membership with banking services and resources that help individuals increase their sense of financial well-being. The increased resources of the merged credit unions will allow us to continue to increase member value in the coming years.



**Hector Cortez**  
Treasurer - Board of Directors

## Credit Officer Report

Meritrust Credit Union has successfully navigated the challenge of merging two institutions' loan portfolios and all that entails. Total loan portfolio grew by 5.20% or \$149.8 million, reporting a year-end balance of \$3.03 billion. The Credit Union originated 33,364 loans with a total value of \$1.362 billion. This growth is a direct result of our team's ability to produce loans despite tough competition.

Meritrust keeps a pulse on macroeconomic trends to ensure strategies align with current market pressures. In 2025, the Federal Reserve implemented three rate cuts totaling 75 basis points. This reflected an easing of monetary policy and less aggressive approach than was expected at the beginning of the year. The U.S. economy experienced a slowdown with 2025 Annual GDP growth of 2.1%. All indications point to a healthy economy moving into 2026, although political unrest on the global stage could influence outcomes.

The loan portfolio has performed as expected with reportable delinquencies at .43% of total loans, well below the peer average of .88%. Net charge-offs for the year were .60%, just above peer average of .59%. The combined delinquency and charge off rate was 1.03% compared to 1.47% for peers. These results reflect a commitment to our risk management efforts while also fulfilling our mission of creating financially healthy members. Allowance for Credit Losses and Leases finished the year at \$26.8 million.

Meritrust remains committed to responsible loan growth and risk management of the portfolio to ensure long-term success.

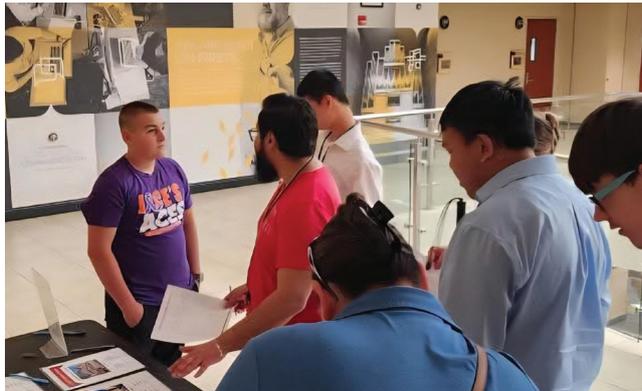


**Karen Callaway**  
SVP Chief Credit Officer

# Financial Education

## Education Courses for Athletes

Meritrust is proud to be the Official Financial Well-Being Partner of Kansas, Kansas State and Wichita State Athletics. Last year, we taught a variety of classes to student athletes that covered topics such as the importance of saving, buying vs leasing cars, credit and budgeting. In addition to these courses, we hosted several Meritrust Reality Stores, which taught student athletes about real-life spending through simulated experiences.



## Financial Camp with Envision

The Financial Well-Being team is grateful for the opportunity to partner with Envision to teach classes during their weeklong summer financial camp for visually impaired students. This five-day camp teaches students topics like goal setting, budgeting, saving, debit vs credit and planning for the future.



## Summer Financial Camp

In the summer of 2025, Meritrust hosted our twenty-first annual Summer Financial Camp, which is free for students in grades four through nine. Each year, students learn financial skills such as budgeting, goal setting and methods of payment. Our return students tell us that they appreciate learning these important life skills in such a fun environment.



# Merger: United for You

## Building a Stronger Future, Together

In 2025, we reached one of the most important milestones in our credit union's history. We continued the work of bringing two strong credit unions together to form one unified organization. Since the merger was announced in October 2024, our focus has been on aligning our people, systems, and processes so we can continue to deliver on our commitment of service to our members and employees.

This merger is about more than combining technology and daily operations. It is about creating new opportunities for our members and employees, expanding our products and services and building a shared culture that supports mission and purpose.

Throughout the integration process, teams across the organization have worked closely to keep us moving toward a fully united credit union. This work includes a coordinated effort to bring our systems and services together in a thoughtful way. Everything we are doing is designed to give members a seamless, consistent experience today and in the years to come.

## Putting Members and Employees First

Every step of the merger has been focused on bringing more value to our members. This includes expanded access and service options under a unified brand and experience.

Internally, we have worked hard to keep employees informed and prepared, making it easier for teams to support our members and each other through the transition.



## Looking Ahead

The progress we made in 2025 reflects the dedication of teams across our organization. Our work supports one clear goal: continuing to maintain a strong, capable credit union for our members.

With each milestone, we move closer to a future where our combined strengths create more access, more innovation and more opportunities to serve you. As one unified team, we are building the smartest, strongest organization possible for employees, members and the communities we serve.



## Milestones & Celebrations:

**May 27, 2025**

Meritrust receives merger approval from the National Credit Union Administration.

**July 28, 2025**

Meritrust members vote to approve the merger.

**August 1, 2025**

A unified Meritrust officially begins in Kansas and Colorado, expanding the organization to over 200,000 members and 33 branches.

## Kansas Community Impact



### Rock the Block with Habitat

Habitat for Humanity's Rock the Block Piatt project brought volunteers together to help remodel 16 homes in the neighborhood. Meritrust was glad to be part of it, spending three days on site and giving back through hands-on service and team building.

### Angel Tree Volunteer Day

Meritrust brought 55 employees to a fun, festive day of giving back. Supporting the Salvation Army South Central Kansas Angel Tree program, our team sorted and bagged gifts, helping ensure local families feel the joy of the season.



### WSU Tech "Pull a Plane"

Pull a Plane is a team competition to see who can pull a restored B-29 airplane "Doc" the fastest. Team Meritrust competed alongside more than 20 teams from aviation manufacturers, suppliers and community partners. Event proceeds support the WSU Tech Foundation and the Doc Education Center, preparing students for careers in manufacturing and engineering.

# Colorado Community Impact



## Mile High United Way

Meritrust sponsored the 31st Annual Day of Caring with Mile High United Way. It was a great chance for Meritrust employees to join other volunteers in supporting community projects across Metro Denver — including everything from education and academic success to economic opportunity and more.

## Community Food Share

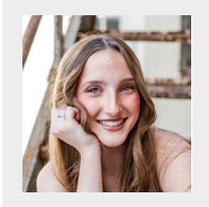
Meritrust Colorado and Kansas employees came together at Community Food Share in Louisville to volunteer in the food bank warehouse. They bagged items and helped arrange crates and pallets for distribution to food pantries and organizations in the area. We also presented CFS with a check to support the work they are doing to reduce food insecurity.



## Castle Rock Starlighting

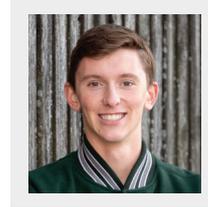
Meritrust joined the Castle Rock community to kick off the holiday season at their annual Starlighting event. Team Meritrust spent the day engaging attendees of all ages and promoting the Meritrust brand in the Colorado market.

# Awarded Scholarships



**Addyson Maddux**

University of Kansas



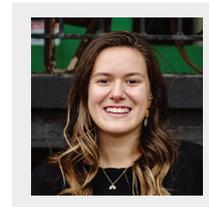
**Jacob Huerter**

Kansas State University



**Allan Tullis**

Wichita State University



**Kessa Case**

Manhattan Christian  
College

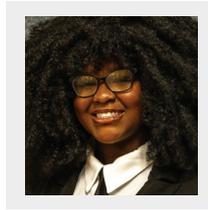
## Meritrust Scholarship Winners

Meritrust is proud to recognize this year's winners of the Meritrust Scholarship. Each student received scholarship funds for their education expenses in the 2025-2026 school year.



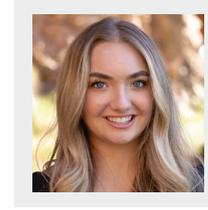
**Chanda Kumar**

University of California,  
Berkeley



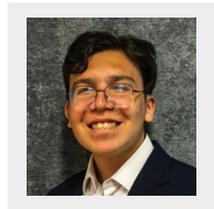
**Fortunate Madueke**

Rice University



**Taryn Petruncola**

University of San Diego



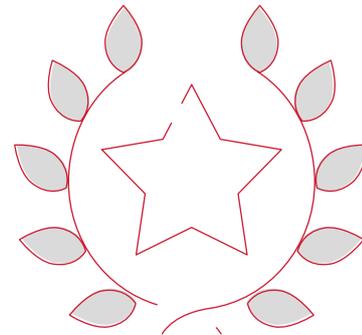
**Raphael  
Hernandez-Guerrero**

Pitzer College



**Shobhit Joshi**

Undecided



# Culture at Meritrust



## Stepping Forward Together

Team Meritrust marked the official first day as a unified organization on August 1. We celebrated the merger and what this milestone means for our employees and members. Leaders ordered lunch and cake for all employees across all locations — and the gesture definitely brought smiles. It was an occasion that commemorated our bright future as a united credit union!

## Synching Strategy with Purpose

Team Meritrust gathered for their first quarterly employee Sync Up — a dedicated time for teammates to connect, learn and align on the work that drives our mission forward. CEOs James Nastars and Carlos Pacheco shared their vision for the year ahead. They highlighted how our Mission, Purpose and Core Values continue to guide and inspire us as we serve our members and communities. The presentations energized employees as we closed out the year.





## Highlighting What Makes Us Meritrust

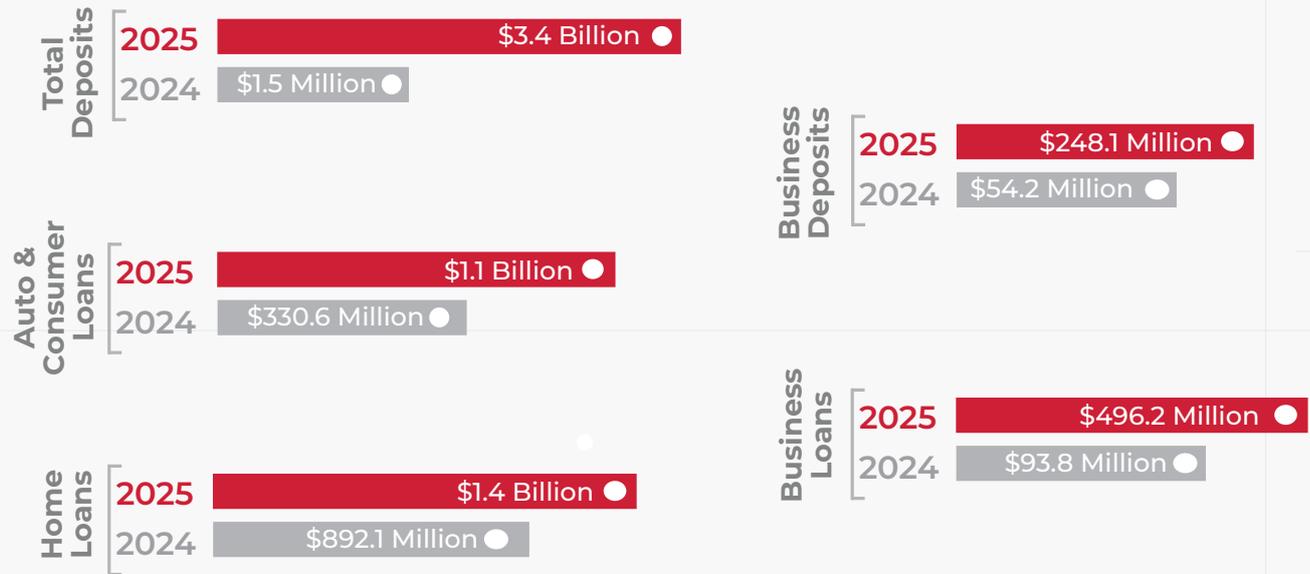
Meritrust was proud to be named a 2025 Best Places to Work finalist in the Extra-Large Company category by the Wichita Business Journal. This recognition served as an opportunity to pay homage to how our people have driven our longstanding commitment to our members and communities. Our mission-focused culture and employees were highlighted in a video, and we celebrated alongside other leading employers in Wichita at a recognition luncheon.

## A Time to Show Our Gratitude

In November, Meritrust launched five Days of Thanksgiving as a special way to show appreciation for employees' hard work and dedication during a milestone year. Leaders delivered special treats and meaningful gifts to employees in all locations. It was a great way to connect with employees and reinforce our culture of recognition and gratitude.



## Deposit & Loan Balances



2025 financial statements are unaudited and reflect the combined operations of Meritrust Credit Union, including merger accounting adjustments impacting both the income statement and balance sheet. 2024 results reflect legacy Premier Members Credit Union only.

## Balance Sheet

### Assets

	2024	2025
Loans to Members	\$1,316,588,684	\$3,001,939,810
Investment Securities	\$268,305,969	\$470,737,998
Interest Bearing Deposits	\$122,939,871	\$270,474,305
Fixed Assets	\$38,171,220	\$64,273,278
Other Assets	\$66,053,720	\$266,975,717
<b>TOTAL ASSETS</b>	<b>\$1,812,059,465</b>	<b>\$4,074,401,108</b>

### Liabilities and Equity

Savings Accounts/Total Member Equity	\$1,472,041,878	\$3,410,351,432
Other Liabilities	\$199,717,862	\$301,124,333
Owner's Equity	\$140,299,725	\$362,925,344
<b>TOTAL LIABILITIES</b>	<b>\$1,812,059,465</b>	<b>\$4,074,401,108</b>

### Statement of Equity

Regular Reserves	\$4,115,507	\$17,430,129
Undivided Earnings	\$92,921,153	\$269,359,112
Other Equity	\$71,155,736	\$95,869,937
<b>TOTAL EQUITY</b>	<b>\$168,192,396</b>	<b>\$382,659,178</b>

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## Statement of Income

Interest Income	2024	2025
Interest on Loans	\$73,015,923	\$180,112,559
Interest on Investments	\$13,477,854	\$30,058,905
<b>Interest Expense</b>		
Dividends on Deposits	\$28,728,762	\$77,253,224
Interest on Notes Payable	\$6,908,360	\$10,156,864
<b>NET INTEREST INCOME</b>	<b>\$50,856,654</b>	<b>\$122,761,376</b>
Provision for Loan Losses	\$7,426,457	\$9,077,620
Operating Expenses	\$49,604,230	\$140,732,322
<b>TOTAL OPERATING EXPENSES</b>	<b>\$57,030,687</b>	<b>\$149,809,942</b>
Other Operating Income	\$10,832,318	\$41,073,972
Non-Operating Gain (Loss)	\$(611,405)	\$(2,738,364)
<b>NET INCOME</b>	<b>\$4,046,880</b>	<b>\$11,287,042</b>

Total  
Assets

2025

\$4,074,401,108 ●

2024

\$1,812,059,465 ●

Total  
Members

2025

206,803 ●

2024

78,341 ●

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# Our Purpose in Action

## In 2025 our teams:



Booked  
**756**  
financial counseling  
appointments,  
including bilingual  
options



Taught  
**94**  
financial  
well-being  
courses



Reached  
**2,349**  
students through  
community  
classes



Certified  
**50**  
additional employees  
as Credit Union  
Financial Counselors  
(CCUFC) out of 104



Welcomed  
**385**  
new business deposit  
relationships for non-profit,  
for-profit, and individually  
owned businesses

## We helped:



**909**  
families make  
their dream  
home a reality



**875**  
families tap into their home  
equity for home improvements,  
debt consolidation or extra  
spending money



A total of  
**28,872**  
families received  
reliable transportation  
this year

## Board of Directors



**Steve Dunn**

Chair



**Michael Meyers**

Vice Chair



**Hector Cortez**

Treasurer



**Brian Gisi**

Secretary



**Brian Cox**

Director



**Joel Duty**

Director



**Misty High**

Director



**Gwen Horsch**

Director



**Gary Horton**

Director



**Sheuch-fong Hsu**

Director



**Peter Jansky**

Director



**Harvey Kamionka**

Director



**Brian Middleton**

Director



**Joanne Tilley**

Director

## Audit Committee



**Gary Horton**

Chair



**Sheuch-fong Hsu**

Secretary



**Gwen Horsch**

Director



**Brian Cox**

Director



**Hector Cortez**

Director

# Principal Officers



**James Nastars**

Chief Executive Officer



**Carlos Pacheco**

Chief Executive Officer



**Ken Boteler**

EVP/Chief Human  
Resource Officer



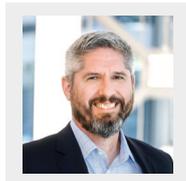
**Wade Bruendl**

EVP/Chief Business  
Transformation Officer



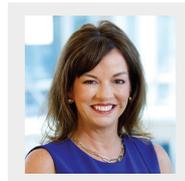
**Jamie Harrison**

EVP/Chief Growth Officer



**Jess Howard**

EVP/Chief Financial  
Officer



**Joley Riley**

EVP/Chief Banking  
Officer



# Meritrust CREDIT UNION<sup>SM</sup>



Official Financial Well-Being  
Partner of Wichita State Athletics



Official Financial Well-Being  
Partner of Kansas Athletics



Official Financial Well-Being  
Partner of Kansas State Athletics

## Thank You

Meritrust Annual Report 2025  
[www.meritrust.org](http://www.meritrust.org)  
[www.colorado.meritrust.org](http://www.colorado.meritrust.org)

Federally insured by NCUA. Subject to approval.