CABRILLO CREDIT UNION

2025 ANNUAL REPORT

AMERICA'S BEST REGIONAL BANKS AND CREDIT UNIONS 2026
Newsweek
PLANT-A INSIGHTS GROUP

Our Mission:

TO ENRICH THE LIVES OF OUR MEMBER-OWNERS, ONE RELATIONSHIP AT A TIME.

CABRILLO
CREDIT UNION

CELEBRATING 70 YEARS

70 Years ANNIVERSARY 1955 - 2025

In 1955, a group of U.S. Border Patrol agents in San Diego came together with a shared mission: to create a financial institution that truly understood the unique challenges faced by Border Patrol agents and their families. Out of that mission, Border Federal Credit Union was born — a cooperative built on trust, resilience, and community.

Seven decades later, that same spirit continues to define Cabrillo Credit Union. From those humble beginnings, Cabrillo has grown into a full-service, award-winning financial institution serving thousands of members across San Diego County and beyond, including generations of Border Patrol agents, retired officers, and members of the Fraternal Order of Retired Border Patrol Officers (FORBPO).

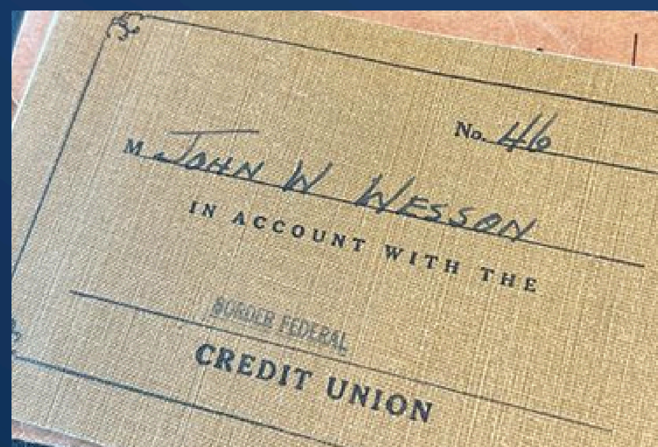
That legacy of service was on full display during the recent government shutdown, when Cabrillo quickly activated its C.A.R.E. (Personal Line of Credit) program to help federal employees weather the uncertainty of missed paychecks. Within days, Cabrillo granted access to over $30 million in emergency relief loans, providing critical financial support and peace of mind to members who dedicate their lives to serving the nation.

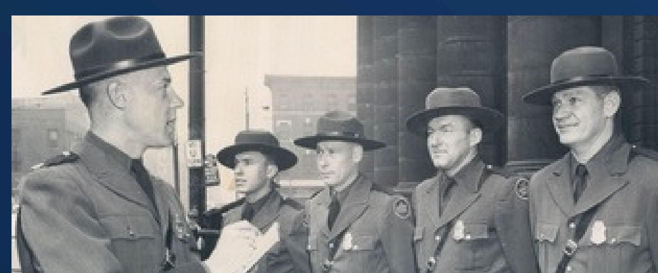
This proactive response wasn't just about financial assistance, it was about community. Cabrillo stood shoulder-to-shoulder with its members, ensuring they could cover essential expenses, care for their families, and maintain peace of mind during a difficult time.

Under the leadership of CEO Kevin Posey, Cabrillo Credit Union continues to build on its 70-year foundation with renewed focus on innovation, digital transformation, and member well-being. Posey's vision emphasizes the importance of combining cutting-edge financial tools with the personal connection that has defined Cabrillo since its founding — proving that while technology evolves, compassion and service remain timeless.

As Cabrillo celebrates 70 years of service, it honors its roots and the Border Patrol agents who built it, the retired officers who continue to support it, and every member who carries its mission forward.

Cabrillo Credit Union remains committed to its founding promise: to enrich the lives of its member-owners, one relationship at a time.





CABRILLO CREDIT UNION

SUPERVISORY COMMITTEE REPORT

Michael Baranic
SUPERVISORY COMMITTEE CHAIR

The Supervisory Committee serves as an independent body of volunteer members responsible for overseeing the financial integrity, internal controls, and regulatory compliance of Cabrillo Credit Union. Our role is to help ensure the credit union continues to operate in a safe, sound, and responsible manner on behalf of the membership.

To support these responsibilities, the committee oversees both external and internal audit activities throughout the year. Cabrillo Credit Union again engaged Turner, Warren, Hwang & Conrad AC (TWHC) to perform the annual independent audit of the credit union's financial statements in accordance with Generally Accepted Auditing Standards and Generally Accepted Accounting Principles (GAAP). TWHC issued an unmodified opinion, concluding that the financial statements fairly present the financial condition and results of operations of Cabrillo Credit Union in all material respects.

In addition to regular internal and external audits, Cabrillo Credit Union is subject to periodic regulatory examinations conducted by the California Department of Financial Protection and Innovation (DFPI), the most recent of which was for the period ending December 31, 2025.

Cabrillo Credit Union closed fiscal year 2025 in a stable and financially sound position. As of December 31, 2025, the credit union reported net income of approximately $3.7 million and maintained a strong net worth ratio of 9.24%. Return on assets finished the year at 0.76%, reflecting continued operational performance in a challenging economic and interest rate environment. Asset quality metrics also remained healthy, with a delinquency ratio of 0.75% and a charge-off ratio of 0.45%.

The Supervisory Committee appreciates the continued dedication of the Board of Directors, management team, and employees in supporting the long-term strength and stability of Cabrillo Credit Union. Most importantly, we thank our members for their continued trust and confidence.

Respectfully submitted,
Michael Baranic
Supervisory Committee Chairman

CHAIRPERSON AND CEO REPORT

Kevin Posey
PRESIDENT AND CEO

Frank Miranda
CHAIRMAN

Dear Cabrillo Credit Union Members,

We are pleased to present the 2025 Chairman and CEO Report, highlighting a year of strong growth, resilience, and continued investment in the future of Cabrillo Credit Union. None of these accomplishments would have been possible without the dedication of our employees, the support of our Board of Directors, and most importantly, the trust and loyalty of our members.

Financial Strength and Growth

2025 was a transformational year for Cabrillo. Total assets grew from $403 million to $571 million — an impressive 42% increase driven by both strong organic growth and our successful merger with North County Credit Union.

While our net worth ratio declined from 10.41% to 9.24%, the decrease was largely the result of this rapid growth. Importantly, Cabrillo remains well above the National Credit Union Administration's 7% "well-capitalized" threshold, reflecting our continued financial strength and disciplined management. Our delinquency ratio remained manageable at 0.75%, while return on assets stayed solid at 0.76%, despite ongoing economic pressures and significant strategic investments throughout the year.

Supporting Members When It Matters Most

One of the clearest examples of Cabrillo's purpose came during the 43-day federal government shutdown that began in October 2025. Through our C.A.R.E. Program, Cabrillo extended more than $30 million in support to impacted members, helping families continue paying bills and supporting loved ones during a very uncertain time.

We are incredibly proud of how our employees responded — moving quickly, showing compassion, and living out the credit union philosophy of people helping people.

Major 2025 Initiatives

North County Credit Union Integration

The successful integration of North County Credit Union expanded Cabrillo's reach, resources, and capabilities while bringing together two organizations with a shared commitment to member service. We are excited about the opportunities this partnership creates for our members, employees, and communities.

CABRILLO CREDIT UNION

Digital Banking Conversion
Much of 2025 was spent preparing for our new digital banking platform, which launched in February 2026. While conversions of this size are always challenging, our team did an outstanding job supporting members through the transition and responding quickly to issues along the way.
The new platform is already delivering significant value through enhanced digital tools, integrated card controls, financial wellness resources, and stronger fraud monitoring capabilities that improve both the member and employee experience.

Investing in the Future
As Cabrillo continues to grow, we remain focused on providing our members and employees with the best tools and technology available. From digital enhancements and fraud prevention tools to process improvements and employee technology investments, we are committed to building a secure, innovative, and member-focused organization prepared for the future.

Looking Ahead
As we move forward, Cabrillo remains committed to balancing growth with financial strength, operational excellence, and personalized service. Our mission remains clear: to enrich the lives of our member-owners, one relationship at a time.

In Closing
Thank you for your continued membership, trust, and support of Cabrillo Credit Union. We are honored to serve you and grateful for the confidence you place in us every day. We look forward to building an even stronger future together.

Warm regards,
Frank Miranda, Chairman
Kevin Posey, President & CEO

BOARD OF DIRECTORS

Frank Miranda
CHAIRMAN

Kristopher Whitworth
VICE CHAIRMAN

Richard Amezcua
SECRETARY

Chris Russo
TREASURER

Randi Larsson
DIRECTOR

Marcella Serrano-Gomez
DIRECTOR

Manuel Bayon
DIRECTOR

Dave Rodriguez
ADVISORY BOARD MEMBER

Kevin Posey
PRESIDENT & CEO

Michael Baranic
SUPERVISORY COMMITTEE CHAIR

Tina Paisley
SUPERVISORY COMMITTEE

Joel Lara
SUPERVISORY COMMITTEE

CABRILLO CREDIT UNION

FINANCIAL REPORT

Income/Expense	YTD	
Figures in thousands ('000)	**December 2025**	**December 2026**
INCOME AND EXPENSES		
Total Loan Interest Income	$14,614	$19,221
Total Cash Deposit Income	$1,032	$1,981
Total Investment Income	$1,032	$4,005
TOTAL INTEREST INCOME	**$18,135**	**$25,207**
Dividends	$3,173	$6,477
Total Borrowings	$577	$1
Cost of Funds	$3751	$6,478
NET INTEREST INCOME	**$14,384**	**$18,728**
Total Income Fee	$1,937	$1,965
Misc Income	$7,279	$4,354
TOTAL OTHER OPERATING INCOME	**$9,216**	**$6,320**
Total Compensation	$6,614	$7,903
Total Employee Benefits	$1,315	$1,568
Total Travel, Confn & Assoc	$450	$527
Association Dues	$46	$51
Total Office Occupancy	$955	$1,069
Total Office Operations	$820	$955
Total Share Draft Exp	$62	$78
Total ATM FSCC	$1,588	$1,641
Total IT	$1,942	$2,156
Branch Bus Dev	$53	$46
Loan Servicing	$798	$562
Outside Servicing	$1,473	$1,377
Miscellaneous	$200	$278
TOTAL OPERATING EXPENSE	**$16,828**	**$18,808**
Non-Op Loss/Gain	$463	($241)
TOTAL EXPENSE/LOSS	$17,291	$18,568
Provision for Loan Loss	$1,317	$2,795
NET INCOME	**$4,992**	**$3,686**
ASSETS		
Net Loans	$240,239	$370,348
Total Cash	$43,411	$42,920
Prepaid Expenses	$998	$1,846
Accrued Income	$1,204	$1,457
Investments	$101,499	$126,259
Other Assets	$15,859	$27,726
TOTAL ASSETS	**$403,211**	**$570,555**
LIABILITIES & EQUITY		
Non-Int Liab	$6,514	$7,973
Deposits	$361,419	$512,609
Total Borrowings	$16	$0
Equity	$35,262	$49,973
TOTAL LIAB & EQ	**$403,211**	**$570,555**

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WELCOME NORTH COUNTY CREDIT UNION

In 2025, Cabrillo Credit Union proudly announced and received approval for its merger with North County Credit Union, marking an important milestone in our continued growth and commitment to serving communities across San Diego County. With final integration planned for 2026, this partnership represents a shared vision centered on strengthening member relationships, expanding financial opportunities, and building a stronger future together.

The approved merger brings together two organizations with a long-standing dedication to personalized service, financial wellness, and community impact. By joining forces, Cabrillo Credit Union will expand its presence into North County while increasing access to enhanced banking technology, additional financial products and services, expanded branch access, and greater long-term value for members.

This partnership reflects more than growth. It reflects a continued investment in the future of our members and the communities we serve. Together, we are creating a stronger and more connected credit union equipped to meet the evolving financial needs of members through modern digital tools, enhanced convenience, and continued relationship-focused service.

As we move toward finalization in 2026, both organizations remain committed to delivering a seamless transition while preserving the trusted relationships and personalized support members have come to know and value. Members will continue to receive ongoing communication and updates throughout the integration process as we prepare for this exciting next chapter.

Guided by our mission to enrich the lives of our member-owners, one relationship at a time, this merger positions Cabrillo Credit Union for continued innovation, expanded service capabilities, and long-term growth across San Diego County.

NORTH COUNTY
CREDIT UNION
A DIVISION OF CABRILLO CREDIT UNION

IN THE COMMUNITY

GOVERNMENT SHUTDOWN SUPPORT - C.A.R.E. (PLOC)

During the 2025 government shutdown, Cabrillo Credit Union remained committed to supporting members impacted by delayed federal payrolls through its Cabrillo Advanced Relief Effort (C.A.R.E.) Personal Line of Credit program. As financial uncertainty affected families, Cabrillo responded quickly with financial support to help members manage everyday expenses during interrupted pay periods. In 2025, C.A.R.E. (PLOC) accounts grew 31% year over year, increasing from 3,375 to 4,410 accounts. During October alone, 829 new accounts were opened to support impacted federal employees, with balances peaking at more than $7.2 million in November 2025.

2025 PARTNERSHIP SUMMIT

Cabrillo Credit Union proudly hosted its annual Partnership Summit, recognizing valued Select Employer Groups, business partners, and community relationships that support the credit union's growth and mission. The multi-day event brought partners together to strengthen relationships, celebrate collaboration, and create networking opportunities. The summit included a networking reception, golf tournament, and banquet dinner focused on connection, appreciation, and partnership.

RADYS CHILDREN'S HOSPITAL

Rady Children's Hospital continued to be an important community partner for Cabrillo Credit Union as we proudly supported initiatives that help provide care, comfort, and critical resources to children and families across San Diego County. Giving back remains an important part of Cabrillo's mission, and our continued support reflects our commitment to strengthening the communities we serve and making a positive impact beyond banking.

BRANDED BRANCH EXPERIENCE

To further enhance the member experience and strengthen brand consistency across all locations, Cabrillo Credit Union introduced updated branch uniforms and standards in 2025. The refreshed look reflected Cabrillo's focus on professionalism, culture, and creating a welcoming environment for members. Employees were also equipped with branded lanyards featuring personalized QR codes, providing members with quick access to resources, digital tools, and review opportunities.

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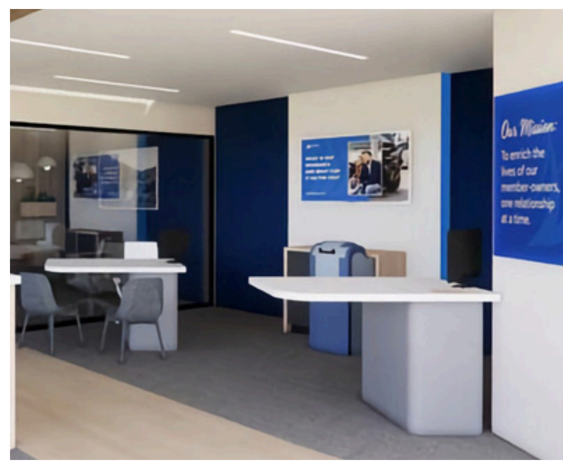
LOOKING AHEAD

As Cabrillo Credit Union looks toward the future, continued growth and investment in the member experience remain a key focus. In 2026, Cabrillo plans to expand its footprint with the opening of its new Carmel Mountain branch, reflecting the organization's ongoing commitment to accessibility, convenience, and relationship-driven service.

A NEW HOME FOR SCRIPPS RANCH

The new Carmel Mountain location will serve as the future home of the Scripps Ranch branch, bringing members a modern banking environment designed to better support both in-person and digital experiences. The branch represents Cabrillo's continued investment in creating spaces that feel welcoming, efficient, and connected to the communities they serve.



DESIGNED FOR THE FUTURE OF BANKING

Planned features include Express Pods for quick everyday transactions, a dedicated Loan Lounge for personalized lending conversations, upgraded ATM access, and flexible member-focused spaces designed around convenience and accessibility. Throughout the planning and development process, teams across the organization collaborated to create one of Cabrillo's most innovative branch experiences to date.

Digital Banking Made Simple

Your Money, All in One Place

Download our mobile app today:

Bank anywhere, anytime, with the Cabrillo mobile banking app.

Download on the App Store

GET IT ON Google Play

Download Today!

CABRILLO CREDIT UNION

★★★★★

“I have been with Cabrillo for over 25 years and they have always taken great care of me. From the lowest interest rates on all my auto loans to the lovely staff, Cabrillo is top notch!”

- Amy C.

Our Mission:

To enrich the lives of our member-owners, one relationship at a time.

CabrilloCU.com
800.222.7455 | 858.547.7400

Member Support Hours
Mon. – Thur., 7:30 am - 5 pm
Fri., 7:30 am – 6 pm

BRANCH LOCATIONS

La Mesa
5454 Grossmont Center Drive
Suite C
La Mesa, CA 91942-0655
Mon. – Fri., 9 am – 5 pm

Carmel Mountain
12156 Carmel Mountain Rd
Suite #308
San Diego, CA 92128
Mon. – Fri., 9 am – 5 pm

Chula Vista (Terra Nova)
358 East H Street
Suite #603
Chula Vista, CA 91910-7565
Mon. – Fri., 9 am – 5 pm

Downtown (Federal Building)
880 Front Street
Suite #2295
San Diego, CA 92101-8897
Mon. – Fri., 8:30 am – 4 pm

Rancho Bernardo
17045 Via Del Campo
San Diego, CA 92127
Mon. – Fri., 9 am – 5 pm

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