

2025 Annual Report



Dedicated to building life-long relationships to help you reach and manage your personal financial goals.

Directors' Report



I am privileged to have served on TopLine's Board of Directors for the past 25 years, serving as your board chair for the last four years, and representing the voice of nearly 70,000 member-owners. It has been a true honor to carry on our cooperative tradition of "people helping people." For 30 years, I have proudly called TopLine my credit union and lifelong financial partner, who has helped to guide me and generations of my family with all of our banking needs, just as we strive to do for all our members throughout their financial journeys.

TopLine's volunteer board, elected by the credit union membership, is composed of eleven individuals with diverse backgrounds, experience, and expertise. Together, we provide strategic direction, sound governance and forward-thinking guidance to the credit union's President and Chief Executive Officer. Our role is to protect your interests as member-owners while ensuring the long-term growth and strength of the organization. By meeting regularly and leveraging our collective insights, we work to prioritize member value, exceptional service, and expanded convenience while safeguarding your accounts and supporting your evolving financial needs.

Our success is attributed to the trust you place in us, and our talented leaders who are dedicated to our tradition of being passionate about helping people financially thrive. This is reflected in our "People First" philosophy, our unwavering commitment to care, connect and contribute to the financial well-being for all. Our dedicated TopLine family works diligently to provide accessible, affordable financial services while helping individuals and families build strong financial habits through expanded financial wellness education and guidance.

In 2025, TopLine continued to embrace the cooperative spirit by strengthening community connections and supporting those in-need through a variety of philanthropic initiatives. Employees generously shared their time, talent, and resources through volunteerism, charitable giving, and in-kind donations while also serving as a trusted financial education resource for members, schools, colleges, and community organizations.

We are proud to partner with numerous local and national non-profit organizations, providing financial support, volunteer assistance, and in-kind contributions. These organizations include: ACBC Food Shelf & Clothing, African Education and Health Initiative, American Cancer Society, Avenues for Youth, Children's Miracle Network & Gillette Children's Healthcare, Community Emergency Assistance Program, Family Alternatives Foster Care, Hope 4 Youth, Karen Organization of Minnesota, Keystone Community Services, Union Gospel Mission, and YMCA Youth & Family Services.

In 2025, we are deeply grateful for the generosity of our members, employees, and communities. We donated over \$133,000, awarded \$41,500 in scholarships, and volunteered over 670 hours. Additionally, donations included nearly 600 pounds of food, 1,300 pounds of clothing, 2,300 personal care items, 1,000 school supplies, 700 winter gear items, and 140 holiday gifts. And, our talented TopLine Knitters created nearly 100 scarves to provide to foster care children. These contributions made a meaningful difference for many individuals and families in need.

Thank you to everyone for your compassion and generosity.

TopLine's commitment to improving members' financial lives is evident in our financial education efforts. During the year, we reached more than 400 individuals through adult and youth financial education classes. In addition, through our partnership with LSS Financial Counseling Services, members reduced unsecured debt by more than \$64,000 and by over \$3.9 million over the last 15-years.

As we look ahead, your financial well-being remains at the heart of our mission. We remain committed to serving you – our valued member-owners – while ensuring the continued strength and prosperity of our credit union for generations to come.

On behalf of the entire Board of Directors, thank you for your trust, your business, and your continued support...and for being a part of our TopLine family. We appreciate your feedback and look forward to remaining your trusted financial partner and an important part of your financial journey.

Paul Jacobsen

Chair

Board of Directors

President's Report



It is an honor to serve as your credit union's President and Chief Executive Officer. With over 20 years at TopLine, I appreciate the trust you place in me and for being a valued member of our TopLine family. Our member-owners, employees, and communities inspire everything we do.

In 2025, we were extremely proud to celebrate our 90th milestone anniversary. TopLine has been serving you, our member-owners, since 1935 when seven employees of the Bell System pooled \$35 to create Minneapolis Telco Credit Union—and we've been growing ever since. Today we serve nearly 70,000 members and manage over \$1.1 billion in assets, making us the 9th largest credit union in Minnesota. We were honored to celebrate our 90th year with over 200 members this past summer at our Member Appreciation event held at our Arbor Lakes location. Additionally, TopLine's leadership team was thrilled to meet many more members at our "Coffee & Connections" events held at our Coon Rapids and St. Francis branches.

Our growth and success are driven by your trust and the dedication of our talented team and volunteers, who are committed to our tradition of connecting with our members. Our tagline, "Connected, We All Do Better," honors our credit union's telephone workers heritage and reaffirms our dedication to building lifelong relationships to help our members reach and manage their financial goals. Today, our employees continue our legacy by delivering exceptional service and making a meaningful impact in the communities we serve.

We are proud of the many accomplishments we achieved in 2025. Our most significant achievement was completing our systems conversion, which integrated all former Anoka Hennepin Credit Union members into TopLine's core processing and online banking systems. We also rebranded five branches to operate under the TopLine brand. This transition expanded our team to 183 employees, enabling us to serve a broader community across 15 counties in the metro and northern suburbs, and allows us to provide a consistent experience across 11 branch locations.

We are also pleased to have opened our new full-service Maple Grove – West branch in June at 7015 Alvarado Lane North (next to Hy-Vee). This location increases our presence in a dynamic community, broadens access to affordable financial services, and demonstrates our ongoing commitment to helping communities achieve financial goals, like home ownership, higher education, retirement, or starting a small business. Additionally, we introduced a new online chat feature for convenient member access, launched an alternative auto-leasing program, formed a partnership to provide Medicare assistance, and continued strengthening account security to protect against fraudulent activity.

As of December 31, 2025, TopLine's capital reserves remain strong, with a net worth of 9.9%, reflecting our financial stability. Net income reached \$7.3 million, while delinquencies and losses were well below industry averages. Loan growth increased by 2% or \$17.3 million for the year, and deposits grew by 4.2% equating to a \$39 million increase in 2025.

In 2025, the U.S. economy saw moderate but consistent growth despite policy headwinds and uneven performance in several areas. Real GDP expanded at an annual rate of roughly 2%, supported by strong AI-linked business investment even as consumer spending slowed and a 43-day government shutdown created a modest drag on activity. Unemployment edged higher to an average of 4.3%, reflecting softer labor demand, while headline CPI inflation settled near 2.7% which prompted the Federal Reserve to

be cautious in rate cuts and hold the federal funds rate in the 3.75%–4.00% range for much of the year before signaling further easing. The result was tech and investment sectors thrived, but our members faced cost pressures and a tightening jobs market.

The economic conditions in 2025 created both opportunities and responsibilities for TopLine and our members as we carefully managed loan and deposit rates. Members benefited from competitive loan and deposit rates in a falling-rate environment with continued access to affordable mortgages and auto financing, and TopLine’s longstanding emphasis on free financial education. With delinquencies remaining well below industry averages and capital ratios staying strong above 9%, TopLine provided a stable, member-owned buffer against moderating economic growth helping families navigate higher living costs, maintain homeownership, and build savings even as national labor conditions softened.

Our team’s commitment to making a positive difference was recognized with several honors, including being named Best Credit Union in Minnesota by Twin Cities Business and awards for our financial education, social responsibility, and marketing initiatives. We were also recognized for our ongoing efforts to serve members and communities through a non-profit partnership that helps make homeownership more affordable and for our employees who have earned the Certified Credit Union Financial Counselor designation, reflecting our commitment to providing expert guidance and personalized financial resources that help members achieve greater financial wellness.

TopLine partnered with the Federal Home Loan Bank of Des Moines to award \$40,000 in grants to four community partners, and TopLine’s foundation contributed over \$133,000 to support our communities.

We are proud of our 90-year history of helping consumers and members achieve financial success. Our “People First” philosophy remains the cornerstone of our operations and has guided our longevity, financial stability, and strong reputation.

Thank you for your ongoing support and trust you place in our TopLine family. At the heart of everything we do is you, our member-owners, and we remain dedicated to building lifelong relationships to help you reach and manage your personal financial goals.

Mick Olson
President & CEO

Supervisory Committee Report



TopLine Financial Credit Union's Supervisory Committee performed its primary duties by supervising and reviewing the activities of the internal auditor and directing the external audit firm responsible for the 2025 Annual Opinion Audit.

The Committee is also responsible for ensuring policies and procedures exist to adequately protect credit union resources, for providing reasonable assurance that governing regulations and policies and procedures are properly followed, and ensuring that the financial statements reflect the credit union's results of operation.

On behalf of the Committee, I am pleased to report that the results of these activities and audits performed during 2025 confirm that TopLine is a sound and well managed credit union that conducts its operations in accordance with U.S. Generally Accepted Accounting Principles.

The Committee wishes to extend our thanks to TopLine's staff for their assistance and professionalism in helping us perform our duties. I would like to express my personal gratitude to fellow Committee members Bill Akuma, Miles Edmundson, Beth Ketelsen, and Mary Texer for their volunteer commitment to TopLine throughout 2025. The Committee would also like to recognize and thank our staff contact, Vice President of Audit Services, Carla Hansen, for her invaluable experience.

Diane Smith

Chair

Supervisory Committee

Statements of Financial Condition

	2025	2024
Assets		
Cash & Cash Equivalents	\$ 74,639,549	\$ 67,394,359
Investment Portfolio	76,699,653	94,509,614
Net Loans	871,785,922	855,027,746
Property & Equipment	29,459,027	22,134,172
Other Assets	64,250,766	68,141,670
Total Assets	<u>\$ 1,116,834,917</u>	<u>\$ 1,107,207,561</u>
Liabilities & Equity		
Savings Accounts	\$ 961,284,578	\$ 922,314,032
Accrued & Other Liabilities	45,672,173	83,705,328
Total Liabilities	<u>1,006,956,750</u>	<u>1,006,019,360</u>
Members' Equity	109,878,167	101,188,201
Total Liabilities & Equity	<u>\$ 1,116,834,917</u>	<u>\$ 1,107,207,561</u>

Statement of Income

Interest Income	\$ 56,688,642	\$ 45,556,714
Interest Expense	(17,263,734)	(17,128,565)
Net Interest Income	<u>39,424,908</u>	<u>28,428,149</u>
Provision for Loan & Lease Loss	(3,577,864)	(2,390,161)
Other Revenue	11,860,172	9,994,521
Operating Expenses	(40,389,616)	(29,624,816)
Net Income (Loss)	<u>\$ 7,317,600</u>	<u>\$ 6,407,694</u>

Board of Directors

Paul Jacobsen
Chair

Joan Molenaar
Vice Chair

Bill Hnath
Treasurer

Kelly Breit
Secretary

Jim Caldwell

Stacy Gerrety

John Jacobs

Therese Kieffer

Todd Proulx

Mike Rogosheske

Mary Texer

Supervisory Committee

Diane Smith
Chair

Beth Ketelsen
Secretary

Bill Akuma

Miles Edmundson

Mary Texer

Senior Management Staff

Mick Olson
President & Chief Executive Officer

Alan Sonnenburg
Executive Vice President & Chief Revenue Officer

Jeremy Ebert
Senior Vice President & Chief Financial Officer

Vicki Erickson
Senior Vice President & Chief Marketing Officer

Colleen Jakes
Senior Vice President & Chief Information Officer

Branch Locations

Bloomington
900 American Boulevard West
Bloomington, MN 55420

Brooklyn Park
9790 Schreiber Terrace North
Brooklyn Park, MN 55445

Champlin
11681 Theatre Drive North
Champlin, MN 55316

Circle Pines
4 South Pine Drive
Circle Pines, MN 55014

Como Park
976 North Lexington Parkway
St. Paul, MN 55103

Coon Rapids
3505 Northdale Boulevard
Northwest
Coon Rapids, MN 55448

Corporate Office
9353 Jefferson Highway
Maple Grove, MN 55369

Forest Lake
1452 Lake Street South
Forest Lake, MN 55025

Maple Grove — Arbor Lakes
11121 Fountains Drive
Maple Grove, MN 55369

Maple Grove — West
7015 Alvarado Lane North
Maple Grove, MN 55311

Plymouth
4190 Vinewood Lane
Plymouth, MN 55442

St. Francis
23280 St. Francis Boulevard
Northwest
St. Francis, MN 55070

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TopLine[®]
Financial Credit Union