

Annual Member Business Meeting

May 10, 2022

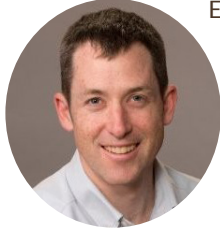


PointWest
CREDIT UNION

pointwestcu.com | 503.546.5000



A Message from Pete Hand, Board Chair



Enduring institutions are built on strong and vibrant communities. Although 2021 continued to present challenges to our credit union, society and individual members, we leave 2021 and embrace 2022 in a strong financial and operating position due to the continued diligence of our staff, the contributions of our volunteers and the ongoing engagement of the membership. As volunteers, the stories of our members successfully

building assets and impacting our community in positive ways continues to drive our excitement and participation in the Point West Credit Union. While this is an exciting time for the credit union, I also want to extend my thoughts to any members who has suffered from the COVID pandemic, which has been difficult for so many.

Since 1934, Point West has been built by, and worked with members to achieve their financial goals and act as a sound financial services provider. In addition to hitting record highs in terms of assets and record lows in terms of loan losses during 2021, the staff at Point West worked hard to continue building connections to the broader community and extend the infrastructure of the credit union. The Point West strategy focuses on member service and the ability to foster success in a diverse community of members. Diversity, Equity, and Inclusion training (DEI), Community Development Financial Institution (CDFI) certification and coalition building by our executive staff across credit unions, government entities and non-profit partners have built a strong reputation for Point West that creates resources through grants and partnerships to drive the credit union and benefits for us as members. In 2021, the capstone achievement of these efforts was a Treasury grant for \$1.6 million dollars which is a major achievement.

In terms of infrastructure, thanks to everyone's combined efforts and the patience of our members, Point West completed its Core and Online Banking Conversion in May. While there are notable visible changes,

this two-year project to upgrade our technology infrastructure is critical to support our future endeavors. It couldn't have been done without the team's hard work and dedication, including numerous hours on weekends. This commitment resulted to as smooth a transition as possible.

Moving from technology to our lending programs, the Treasury grant and the upgraded technology infrastructure position Point West to extend upon the nationally recognized success of our ITIN Lending program. Lending programs are a success when they help members to achieve their goals, which typically involves building assets and careers. Over the course of 2022-2023, staff is carefully reviewing processes to extend the ITIN program into mortgage lending as well as an alternative mechanism to provide shorter term personal loans. If these might be helpful in your financial journey please talk to one of the staff members at the branch, by phone or other electronic means.

The volunteers of the board of directors and supervisory committee stand proudly with the Point West team and members. You are a member-owner of Point West. This is a cooperative of the members that derives its strength from the member community. Based on the financial performance we are a strong and vibrant community. As always, the volunteers are here as member representatives; your honest feedback through surveys, emails and in-person conversations help mold the future of Point West Credit Union. Thank you all for your continued membership.

Sincerely,

Pete Hand, Chair of the Board

A Message from Amy Nelson, CEO



To our loyal members, partners and communities of Point West: thank you for utilizing and contributing to this credit union, and making 2021 a year of connection, support and growth. Our sincere appreciation for your feedback via the membership survey, service surveys, focus groups, and timely guidance during our core conversion and online banking conversion in May 2021. Actively engaging in your credit union by

sharing your voice, is a key success factor for any thriving credit union, and has been integral to evolving Point West.

This level of innovation and inspiration requires not just your voice, but your utilization of Point West, and personal fiscal responsibility to keep this cooperative's financial foundation healthy. As a result, net worth has remained strong throughout the pandemic, posting at 9.68% for December 2021. Net income was \$427,649, and loan delinquency and charge-offs remained low, finishing 2021 at .23% and .02% respectively. With our numbers in check and a well-timed federal grant to buoy growth and innovation, we look forward to introducing a full spectrum of affordable lending products for borrowers over the next 24 months which will include enhanced auto-buying services, alternative loan options for payday and short term loans that may be accessed 24/7, and ITIN product expansion. These services are provided via online rails and credit union partnerships, ensuring we reach the four corners of our 14-county footprint which was expanded by 10 counties mid-2020 to better serve the community during the pandemic.

We sincerely appreciate your voice and vote as a member of Point West, as this means you are also advocating for your fellow members of this

cooperative. Volunteerism with our Board of Directors and Supervisory Committee are additional avenues of engagement and advocacy we encourage you to consider. If you are interested in volunteering, please reach out via contact@pointwestcu.com.

Finally, an exuberant thank you to the volunteers and staff of Point West. They have led and operated this credit union with heart, and a fierce dedication to financially empower our members and communities. Collectively they have worked to position Point West as a point of opportunity, where access to safe, affordable products and services is recognized as a human right.

Cooperatively,

Amy Nelson, CEO

A Message from Steff Sweeney, Supervisory Committee Chair



The Point West Credit Union Supervisory Committee meets quarterly with the CEO and on an as-needed basis to provide oversight of the financial reporting process, the audit process, the company's system of internal controls, and compliance with laws and regulations.

The Supervisory Committee members are also encouraged to and regularly attend the credit union's monthly meetings with the Board of Directors.

This oversight allows the Supervisory Committee to provide the Board with insight to effectively oversee and update policies and procedures for the credit union.

As part of this oversight, each year, the Supervisory Committee contracts with an experienced, reputable third-party accounting firm to perform an independent financial statement audit of the credit union.

In 2021, the Supervisory Committee chose Moss Adams, LLP to provide those independent audit services. In addition, Moss Adams, LLP performed an audit of the credit union's core conversion system that occurred in 2021.

In summary, there were no audit findings for both the financial and core conversion audits. Moss Adams, LLP, provided its independent audit report to the Supervisory Committee, which showed that Point West Credit Union's 2021 operations and cash flows ended in conformity with generally accepted accounting principles (GAAP).

I would like to thank the Supervisory Committee members for their time and expertise. On behalf of the committee, we would like to thank the Board of Directors for giving us the opportunity to serve our members in this capacity. We would also like to thank Amy Nelson, President/CEO and the entire staff of Point West Credit Union for their efforts to provide safe, sound and inclusive financial services to all the credit union's members.

Steff Sweeney, *Supervisory Committee Chair*

2021 Point West Impact Numbers



380 hours¹

VOLUNTEERED BY POINT WEST TEAM MEMBERS



\$7625¹

COLLECTIVELY DONATED BY POINT WEST TEAM MEMBERS



12 Businesses

VOLUNTEERED AT BY POINT WEST TEAM MEMBERS

¹Data obtained from the credit union's internal tracking and reporting platforms

As a member-owned cooperative, we're proud to be governed by a board of dedicated volunteers directly elected by you, our loyal members. This year, we have five well-qualified nominees who have been vetted by our Board Nominations Committee, for the open board positions.

In accordance with our credit union bylaws, all nominees who are approved for election by the Nominations Committee, may be Elected by Acclamation at the Annual Meeting, if there is only one nominee for each vacancy. Election by Acclamation is defined as an oral vote of approval taken without formal ballot. Per bylaws, no nominations shall be made from the floor at the Annual Meeting. In 2022, five candidates are running for Director positions on the Point West Board.

Roberto Flores



Nominee - Board of Directors

Re-Running | 3 Year Term

Roberto Flores is a community advocate through and through. He served on the Board of Directors at the Hispanic Metropolitan Chamber for nearly seven years and has demonstrated a strong history of working in the civic and social organization industry. Roberto graduated from Portland State University with a Social Science degree focused in Sociology & Political Science and boasts skills in sales, health care reform, team building and insurance. Roberto currently serves as the Director of Inclusion, Equity Diversity and Learning Culture at Salem Health and is actively pursuing his degree in Master of Studies in Law from Wake Forest University School of Law. He brings a passion for serving the underserved and thoroughly understands and appreciates the responsibility that comes with it. Roberto has been a Point West member since 2018 and currently serves as the Secretary of the Point West Board of Directors.

Pete Hand



Nominee - Board of Directors

Re-Running | 3 Year Term

Pete Hand has spent much of his career working on different financial problems in asset management for a multitude of organizations. Upon graduating from Princeton University with a BA in Economics and Politics, Peter consulted on several start-up businesses and projects before beginning a career at Aperio Group, LLC. He served as the Director of Quantitative Strategies for six years before stepping away to find his next project. In addition to his strong data analysis and asset management skills, Peter has traveled extensively, including teaching economics in Kazakhstan and volunteering as a technical assistant in Bosnia, Albania and Morocco. Peter has been a Point West member since 2018, and currently serves as the Chair of the Point West Board of Directors.

Kristy Mayer-Mejia



Nominee - Board of Directors

Appointed Interim | 1 Year Term

Kristy Mayer-Mejia has worked across industries, including financial services, economic development, and energy efficiency. Her passion lies with creating sustainable social impact and she loves working at organizations that move quickly and value impact. She served as the Director of Analytics & BI at Simple Finance where she founded analytics, data science and BI teams that tested new product and marketing ideas, built customer-facing data science models, generated insights to improve Simple's product and marketing, and built Simple's data self-service infrastructure. She currently serves as the Director of Product, Marketplace at Kiva where she helps run a global marketplace for crowd-funded micro-loans to serve the financially excluded in sectors such as education, water, clean energy, and refugee resettlement. Kristy has been a Point West member since 2018 and currently serves on the Point West Board of Directors.

Oscar Porras



Nominee - Board of Directors

New Nominee | 1 Year Term

Oscar Porras started his career in the credit union industry over 20 years ago, working in operations and community impact for three credit unions. He has primarily worked with community members of modest needs, credit union professionals of diverse backgrounds, and emerging markets with a focus on the Hispanic community in Oregon and California. He currently serves as a Senior Consultant for Diversity, Equity and Inclusion at Humanidei + O'Rourke, and has experience in branch operations, lending, and community outreach. Oscar spent four years as the Remote Branch Manager at Point West where he helped create, develop, and implement products and services that have helped guide immigrant community members and those of modest means into mainstream financial services. From working with youth, professionals, and board members, Oscar is driven by the belief that everyone deserves an opportunity. Oscar is a certified International Credit Union Development Educator and has also received a certification from Georgetown University in Advancing Diversity, Equity, and Inclusion in the Workplace. Oscar has been a Point West member since 2017.

Lori Van Dyke



Nominee - Board of Directors

Appointed Interim | 3 Year Term

Lori Van Dyke is a strategic leader passionate about breaking down barriers to ignite results. She previously served as the CFO of Special Olympics Oregon where she led a complete financial restructure and rebuild of an organization burdened with debt. Lori has also held the position of Director at Kuenzi Accounting Solutions in which she provided CFO and Operational consulting services to CPA firm clients. She currently serves as Consulting CFO, Principal at Riverview Advisory Group. Lori is a turnaround specialist with a proven history of guiding organizations, teams, and projects to successful outcomes. She's a pragmatic problem solver driven to inspiring others to achieve optimal solutions. Lori has been a Point West member since 2021 and currently serves on the Point West Board of Directors.

Income Statement

	2021	2020
INTEREST INCOME		
Interest on Loans Receivable	2,709,965	3,303,047
Interest on Investments & Interest-Bearing Deposits	110,280	138,988
Total Interest Expense (Loss)	302,026	344,317
Provision for Loan Losses	0	78,320
Net Interest Income After Provision	2,518,219	3,019,398
NON-INTEREST INCOME		
Service Charges & Fees	833,185	891,666
NCUSIF Distribution	575,400	424,600
Grant Income	426,000	-
Gain on Insurance Premiums Receivable	30,908	19,390
Other Non-Interest Income	177,957	176,799
Total Non-Interest Income	2,043,450	1,512,455
NON-INTEREST EXPENSES		
Compensation & Benefits	1,894,484	1,764,312
Office Operations	854,501	854,188
Professional Services	514,440	499,353
Office Occupancy	336,122	324,505
Loan Servicing Expenses	164,143	101,305
Promotional	135,316	138,401
Other Non-Interest Expenses	235,014	133,930
Total Non-Interest Expenses	4,134,020	3,815,994
NET INCOME (LOSS)	427,649	715,859

The accompanying December 31, 2021 condensed financial statements have been derived from financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. Audited statements will be available upon request by contacting the credit union at 503.546.5000. **Federally insured by NCUA.**

Balance Sheet

	2021	2020
ASSETS		
Cash & Cash Equivalents	43,720,798	38,370,253
Interest-Bearing Deposits	7,948,000	3,786,000
Investment Securities Available for Sale, At Fair Value	346,558	423,416
Restricted Equity Securities	682,901	668,801
Loans Receiveable, Net	54,456,719	57,209,262
Accrued Interest Receivable	143,775	151,586
NCUSIF Deposit	957,021	865,279
Property & Equipment, Net	2,381,049	2,555,652
Other Assets	980,400	1,018,362
Total Assets	111,617,221	105,048,611
LIABILITIES & MEMBER EQUITY		
Liabilities		
Members' Share & Savings Accounts	98,820,489	94,551,564
Borrowed Funds	1,400,000	600,000
Deferred Grant Revenue	1,400,000	-
Accrued Expenses & Other Liabilities	591,389	917,457
Members' Equity		
Regular Reserves	5,104,555	5,104,555
Undivided Earnings	4,299,913	3,872,264
Accumulated Other Comprehensive Income (Loss)	875	2,771
Total Liabilities & Member Equity	111,617,221	105,048,611
CAPITAL/TOTAL ASSETS (NET WORTH)	9.68%	9.12%



Board of Directors:

Pete Hand, Chair
Mark Oliver, Vice Chair
Roberto Flores, Secretary
Kristy Mayer-Mejia, Director
Lori Van Dyke, Director
Robin Tompkins, Director

Supervisory Committee:

Steff Sweeney, Chair
Dana Lawrence, Secretary
Katherine Hart
Ali Hussain
Cynthia Novelo

Leadership Team:

Amy Nelson, CEO
Steve Pagenstecher, CInO
Sarah Fergason, CFO
Ray Cornwell, VP Lending & Branch Operations



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