

Annual Member Business Meeting

April 13, 2021



PointWest
CREDIT UNION

pointwestcu.com | 503.546.5000

A Message from Susan Brown, Board Chair



To my fellow Point West Credit Union members: your Board and Supervisory Committee have kept a watchful eye on both the safety and soundness of the credit union, as well as the safety and health of our staff and members in 2020. We wish for each person, that you have found help, and hope, for new beginnings and milestones. We listened to your stories in 2020 and are inspired, leaning into the needs of our underserved and marginalized members and small businesses, as we continue to collectively build a path forward out of the pandemic.

For over 15 years, Point West has been a financial industry thought leader, breaking barriers to provide affordable, culturally relevant products and services to our membership and community. However, 2020 has taught us that being a thought leader within the financial sector does not mean the work is done or that we are doing it right. Your Board of Directors sought counsel with community leaders regarding diversity, equity and inclusion; and we self-assessed our progress and outlook regarding our ability to serve in a truly inclusive way. The Board was inspired to form a DEI Committee, and will continue to work with management on short term goals and long term ends for the cooperative.

Point West is a Point of Opportunity for all, and 2020 was a stark reminder for why we elevated our work to serve the unbanked

in the last recession – we believe everyone deserves to make safe and sound financial choices about their future, especially during hard times. Choice means having access, and access for all is where we focus and differentiate our cooperative. Products and services are not just consumer goods – for Point West it represents a value set.

Our cooperative is stronger when we have a diverse set of voices to guide the credit union. And we have recently experienced our strongest years of net worth, safety and soundness, thanks to the diversification of our business model, uniquely designed to serve a broad spectrum of community members who need assistance accessing services. But it is not just about the business model or the numbers – it is about people helping people and truly living the credit union philosophy.

It is my honor to serve as your Board Chair, and I encourage you to join me, and consider volunteer service on the Board of Directors or Supervisory Committee. Help shape the future of Point West for decades to come. Thank you to all my fellow volunteers, staff and members – collectively you built a bright spot in 2020 that will shine resiliently for years to come.

Sincerely,

A handwritten signature in black ink that reads "Susan M Brown".

Susan Brown, Chair of the Board

A Message from Amy Nelson, CEO



When we gathered last year for our inaugural online Annual Membership Meeting, little did we know virtual meetings would become the norm. The onset of the pandemic, forest fires, social unrest, and the ongoing dynamics of COVID response at times felt unrelenting. But in the true spirit of credit union cooperatives, we rallied together. 2020 became an opportunity to demonstrate what it means to step up in the hardest of times.

From the beginning, your Point West Board worked closely with management to ensure credit union operations swiftly pivoted when stay-at-home orders took effect and did so in a way that served our most disadvantaged members with care and compassion as they navigated a multitude of financial hardships. Point West was the only credit union locally to maintain full operating hours and a COVID-safe walk-in process (no appointment needed) for the entirety of the pandemic.

Online services flourished as we helped members switch to online banking, the mobile app, electronic signature loan documents, online bill pay, remote deposit capture and more. And we did not slow down on our strategic projects. We worked all year, preparing to rollout a new core system and online banking platform, coming in 2021.

Last April, Point West shared initial COVID-response activities including a COVID-19 Emergency Loan Program, waived fees, skip-a-pays and loan workouts. Since then, Point West participated in several programs to assist small businesses. We

booked 119 PPP loans for \$1.85 million and partnered with Business Oregon to grant almost 500 businesses a total of \$2.3 million in State of Oregon and CARES Act relief funds.

As a community development financial institution (CDFI), Point West was awarded grants and afforded unique partnerships. The Oregon Community Foundation, Meyer Memorial Trust and the US Treasury's CDFI Fund combined for over \$250,000 in grants which helped Point West extend COVID response activities, reserve for potential COVID-related loan losses, continue to invest in online services, and maintain a strong net worth ratio to preserve the organization through a tumultuous year.

I am grateful for the countless quality hours our Point West staff invested with our members in 2020. The Board and Supervisory Committee provided phenomenal leadership and oversight; with both staff and volunteers addressing external challenges not faced by credit unions in modern times. And the resilience of our membership is inspiring, as we hear stories of fortitude and partnership as people rebuild. Thank you for choosing Point West as your cooperative, and keep sharing your voice, your vote, and your vision for Point West. As we have witnessed in 2020, it makes all the difference.

Cooperatively,

A handwritten signature in black ink that reads "Amy Nelson".

Amy Nelson, CEO

Supervisory Committee Report

The Point West Credit Union Supervisory Committee meets quarterly with the CEO and on an as-needed basis to lead the audit program. The Supervisory Committee members also are encouraged to and regularly attend the credit union's monthly meetings with the Board of Directors. The audit program provides the Board with information to effectively oversee and update controls, policies, and procedures for the credit union.

Each year, the Supervisory Committee also contracts with an experienced, reputable third-party accounting firm to perform an independent financial statement audit of the credit union. In 2020, the Supervisory Committee chose Moss Adams, LLP to provide those independent audit services. Due to the credit union's ability to be a CARES Act distributor of federal grant funds in 2020 to assist small businesses during the pandemic, the credit union also engaged Moss Adams, LLP to conduct a Single Audit, which is required when over \$750,000 in federal

funds are expended in a fiscal year. Point West distributed over \$2 million in CARES Act federal funds to local small businesses in need during 2020. Moss Adams, LLP, will present the financial statement and single audit reports to the Supervisory Committee in April, and we will post a copy of audited financials to the Credit Union's website following the meeting; completing an important step in ensuring the safety and soundness of our credit union. 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.

Kristy Mayer-Mejia, *Supervisory Committee Chair*

Nominees for Board of Directors



Mark Oliver

Board of Directors

Nominee, 3-year term

Mark Oliver has been providing financial capabilities services in Portland's nonprofit sector for many years, which since 2011 has taken the form of financial coaching. He is a program coordinator in the Economic Empowerment Programs at Metropolitan Family Service, a social services agency that began "moving lives forward" in the Portland metro region in 1950. In this role, he helps people transcend barriers to access the financial services that they want and need to incorporate in their lives, and in 2015 he became a member of Point West Credit Union upon learning that the credit union had a mission and passion to do this same work. He has volunteered to serve on the credit union's board since 2017.



Robin Tompkins

Board of Directors

Nominee, 3-year term

Robin has been a Point West member since 1989 and is running for a three-year term on the Board. She is the Founder/Principal of Olive Hill, a local consulting agency for non-profit executives and Board of Directors, bringing 25+ years of experience in driving organizational performance and growth, with a specific focus on legal, finance and nonprofit sectors. Her experience ranges from leading practices, divisions, programs and initiatives with the Oregon State Bar, Portland General Electric, Merrill Lynch and M.J. Murdock Charitable Trust. Robin joined Point West (then Multco Credit Union) when she worked for Multnomah County as a Deputy District Attorney, serving local government employees and their families.

Guest Speakers



Kate Hammarback, *Principal*

A Principal at Occam Advisors, Kate works closely with clients to explore, develop, execute and manage impact investing strategies that help them grow their mission and meet their financial goals. Her experience developing a pipeline for place-based lending programs and leading diligence and underwriting on community lenders, developers, and nonprofits, has supported the local deployment of millions of impact dollars in Oregon. Kate's expertise in place-based lending is also served by her ability to develop and build relationships with stakeholders from diverse, and sometimes disparate, parts of the ecosystem. Kate applies her passion for economic development and entrepreneurship to work with the Oregon Capital Scan--a comprehensive, statewide report on the types and amount of capital available to businesses in Oregon. Kate's background in program development, relationship management, project execution and fundraising spans the public, private and nonprofit sectors and gives her a unique perspective on problem-solving, collaboration, and investment. Kate graduated Phi Beta Kappa with a BA in political science from the University of Wisconsin-Madison and received her MBA and her MPA from the University of Oregon. Kate loves working with the mission-driven and talented team at Occam Advisors and enjoys spending her free time on the trails near her home in Eugene.



Shea Flaherty Betin, *Entrepreneurship and Community Economic Development Manager*

Shea serves the City of Portland as the Entrepreneurship and Community Economic Development Manager at Prosper Portland. Prior to working in city government, he worked at Portland Mercado, Hacienda CDC's affordable retail incubator project, where he oversaw the project's affordable kitchen program, cultural programming, and small business support services. Originally from Cartagena, Colombia, Shea has previously worked to support communities locally and internationally through organizations like El Programa Hispano and Amazon Watch. He holds a B.A. from U.C. Berkeley.

Income Statement

	2020	2019
INTEREST INCOME		
Interest on Loans Receivable	3,303,047	3,947,854
Interest on Investments & Interest-Bearing Deposits	138,988	298,908
Total Interest Expense (Loss)	344,317	398,627
Provision for Loan Losses	78,320	294,115
Net Interest Income After Provision	3,019,398	3,554,020
NON-INTEREST INCOME		
Service Charges & Fees	891,666	990,570
NCUSIF Distribution	424,600	44,437
Gain on Insurance Premiums Receivable	19,390	14,768
Other Non-Interest Income	176,799	82,242
Total Non-Interest Income	1,512,455	1,132,017
NON-INTEREST EXPENSES		
Compensation & Benefits	1,764,312	1,796,241
Office Operations	854,188	879,865
Professional Services	499,353	444,958
Office Occupancy	324,505	348,021
Loan Servicing Expenses	101,305	104,812
Promotional	138,401	88,721
Other Non-Interest Expenses	133,930	225,236
Total Non-Interest Expenses	3,815,994	3,887,854
NET INCOME (LOSS)	715,859	798,183

The accompanying December 31, 2020 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

	2020	2019
ASSETS		
Cash & Cash Equivalents	38,370,253	16,219,071
Interest-Bearing Deposits	3,786,000	2,719,839
Investment Securities Available for Sale, At Fair Value	423,416	571,023
Restricted Equity Securities	668,801	345,829
Loans Receivable, Net	57,209,262	68,758,484
Accrued Interest Receivable	151,586	188,660
NCUSIF Deposit	865,279	824,136
Property & Equipment, Net	2,555,652	2,738,261
Other Assets	1,018,362	826,516
Total Assets	105,048,611	93,191,819
LIABILITIES & MEMBER EQUITY		
Liabilities		
Members' Share & Savings Accounts	94,551,564	83,096,034
Borrowed Funds	600,000	800,000
Accrued Expenses & Other Liabilities	917,457	1,017,886
Members' Equity		
Regular Reserves	5,104,555	5,104,555
Undivided Earnings	3,872,264	3,156,405
Accumulated Other Comprehensive Income (Loss)	2,771	16,939
Total Liabilities & Member Equity	105,048,611	93,191,819
CAPITAL/TOTAL ASSETS (NET WORTH)	9.12%	9.66%





PointWest
CREDIT UNION

2020 Impact Numbers



663 hours¹

VOLUNTEERED BY
POINT WEST TEAM MEMBERS

\$14,330¹

COLLECTIVELY DONATED BY
POINT WEST TEAM MEMBERS



13 businesses

VOLUNTEERED AT BY
POINT WEST TEAM MEMBERS

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

April 2020 •



Point West expands community field of membership by 10 counties: Benton, Clackamas, Clatsop, Columbia, Deschutes, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Washington Yamhill.

Point West uplifts the community with COVID-19 Emergency Loans

Point West funded **62 COVID-19 Emergency loans for a total of \$172,000**. These loans carry an interest rate of 0% for 24 months with no payment due for 90 days. The COVID-19 Emergency Loan program was generously funded by Meyer Memorial trust, and run in collaboration between Point West, the Northwest Credit Union Foundation, Consolidated Community CU and Trailhead CU.

Point West provides additional support to businesses via PPP Loans

Point West assisted **119 businesses** with an average loan amount of **\$15,510.12** for a grand total of **\$1,845,704.21**.

May 2020 •



Point West receives foundation grant totaling \$100,000

Point West received a \$100,000 grant from Oregon Community Foundation for COVID-19 relief for work with Point West's ITIN members and community. The funds put towards the community helped to revitalize those in need in the trying times of 2020.

July 2020 •



Point West collaborates in State- funded COVID-19 Small Business Grant Program

In 'Round 2' of the COVID-19 Small Business Grant Program, Point West, along with Consolidated Community Credit Union, Central Willamette Credit Union and Trailhead Credit Union assisted **377 businesses**, of which **34% were *BIPOC-represented** and **63% were women-represented**. The average grant amount was **\$2,923** for a grand total of **\$1,166,488**.

October 2020 •



Point West distributes CARES Act grants for the COVID-19 Small Business Grant Program

In 'Round 4' of the COVID-19 Small Business Grant Program through Business Oregon, Point West assisted **409 businesses**, of which **42% were *BIPOC-represented** and **56% were women-represented**. The average grant amount was **\$4,891.20** for a grand total of **\$2,000,499.23**.

Point West receives **CDFI Award totaling \$125,000.

CDFI certification allows credit unions to leverage the annual Treasury awards and other grant programs that can help them provide insured, affordable financial services to unserved or underserved communities. The funds help to build the capacity of CDFIs, empowering them to grow, achieve organizational sustainability, and contribute to the revitalization of their communities.

December 2020 •



\$1,000,000 Secondary Capital from the Oregon Community Foundation

Point West received \$1,000,000 in Secondary Capital from the Oregon Community Foundation which assisted in expanding its loan portfolios, assets, and services thereby allowing the cooperative to stimulate the economies of our low-income communities.



Point West waives fees for Skip-A-Payments and Pay-By-Phone Payments

1,950 No Fee Skip-a-Payments Processed

Point West has processed approximately 1,950 60-day loan payment skips for members since the start of the pandemic through August 2020, with all fees waived for members (approximately \$40,000).

1,200+ No Fee Pay-By-Phone Payments Processed

Point West staff have processed 1,206 pay-by-phone loan payments for members through August 2020 during COVID-19, with all fees waived (approximately \$18,000).

*BIPOC: Black, Indigenous, People of Color

**CDFI: Community Development Financial Institution

Board of Directors:

Susan Brown, Chair
Marisa Danley, Vice Chair
Pete Hand, Secretary
Robert Flores, Director
Ed Guzman, Director
Mark Oliver, Director
Robin Tompkins, Director

Supervisory Committee:

Kristy Mayer-Mejia, Chair
Steff Shao, Secretary
Katherine Hart
Dana Lawrence

Leadership Team:

Amy Nelson, CEO
Steve Pagenstecher, COO
Sarah Ferguson, CFO
Ray Cornwell, VP Branch Operations & Lending



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