



## ANNUAL MEETING MINUTES, May 9, 2023

Founded in 1934

**Call to Order:** Board Chair Pete Hand called to order the Annual Meeting of the Members of Point West Credit Union at 3:30 PM, May 9, 2023. Chair Hand expressed thanks to members, volunteers, business partners, community partners and staff for their continued support of the cooperative and for attending the annual membership meeting. He reviewed the agenda and virtual format.

**Quorum:** Chair Hand determined a quorum of the membership was present.

**Agenda Review:** Without objection, the agenda was approved.

**2022 Annual Meeting Minutes:** The 2022 Annual Meeting of the Membership minutes were approved.

**Volunteer Recognition:** Chair Hand introduced the other volunteers in attendance. Board of Directors: Vice Chair Oscar Porras; Secretary Roberto Flores; Directors Kristy Mayer-Mejia, Robin Tompkins, Cynthia Novelo and Fernando Velez. Supervisory Committee Chair Steff Shao; Supervisory Committee Secretary Dana Lawrence; Supervisory Committee Members Katherine Hart, Ali Hussain, and Samantha Downing.

**Board Elections:** Chair Hand announced there are four open Board positions and four candidates to fill these seats. Each candidate brings a valuable skill set and knowledge base to the credit union. The candidate slate presented was: Kristy Mayer-Mejia re-running for a three-year term on the Board; Oscar Porras re-running for a three-year term; Cynthia Novelo running to complete a former board member's term, with one year remaining; and Fernando Velez running to complete a former board member's term with two years remaining. In accordance with the credit union's bylaws, nominees were elected by acclamation. Chair Hand welcomed returning and new volunteers to the Board of Directors. Mr. Flores and Ms. Tompkins will also continue to serve on the Board in the coming year. Chair Hand noted the following Supervisory Committee members will be re-appointed for another year of service at the next board meeting: Steff Shao, Dana Lawrence, Katherine Hart, and Ali Hussain.

**Board Chair's Report:** Chair Hand opened his remarks, stating Point West has been a strong and reliable institution built and maintained by the membership since 1934. Through 2022 and into early 2023, the contributions of staff, members and volunteers continued this long tradition of a vibrant community powering the cooperative and thanked everyone for their contributions this past year. He highlighted economic headwinds of inflation, the lingering COVID pandemic and troubles in commercial banking. Point West maintained a strong and historic net worth position, a resilient balance sheet buoyed by increasing lending and a \$1.8M grant from the Treasury – all positioning Point West for continued success as a cooperative.

Chair Hand relayed the improved financial performance allowed several new and exciting programs to support our members. These include expansion of auto loans to the community and prospective members through the CUDD auto lending platform, the introduction of a payday alternative loan called QCash, which provides automated funding of 24/7 personal loans of up to \$2,500, and the addition of Credit Mountain, a member education platform which helps members improve credit and set financial goals.

Chair Hand stated the Board of Directors engaged several board governance initiatives over the past year, updating the governance systems, integrating Diversity, Equity, and Inclusion into all processes, modernizing the Nominations process, and enhancing avenues for receiving member feedback. Chair Hand noted the volunteers are here as member representatives and requested honest feedback through surveys, emails and in-person conversations to help shape the future of Point West Credit Union.

Chair Hand concluded, thanking volunteer Mark Oliver for his six years of service on the Point West Board, his ability and focus on financial wellness, programs, products, and methods to help people achieve financial empowerment. Chair



Hand thanked the members for their continued membership and introduced Steff Shao to give her report.

**Supervisory Committee Report:** Supervisory Committee Chair Steff Shao stated the 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. She reported the committee contracted with an experienced, reputable third-party accounting firm to perform an independent financial statement audit of the credit union. Moss Adams, LLP, provided its independent audit report to the Supervisory Committee, which showed that Point West Credit Union's 2022 operations and cash flows ended in conformity with generally accepted accounting principles (GAAP).

In closing, Chair Shao thanked the Supervisory Committee members for their time and expertise. On behalf of the committee, she thanked the Board of Directors for the opportunity to serve Point West members in this capacity. She thanked 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. Ms. Shao introduced Ms. Nelson to give her report.

**CEO/Treasurer's Report:** CEO Nelson shared highlights of 2022 which were both challenging and rewarding, and all of which laid a strong foundation for 2023. Point West received significant grant dollars over the last 12 months: In 2022, the Community Development Financial Institutions (CDFI) Fund awarded Point West \$213K through the Small Dollar Loan Program (SDL) aiding in the implementation of the QCash platform to enhance and expand deployment of the Boost Loan – a product for members to utilize for emergency and short-term loans. In 2023, Point West received over \$3.7M from the CDFI fund through the Equitable Recovery Program (ERP) allowing the organization to lay the foundation in 2023, for expanded lending and investment activities in low or moderate-income communities and to borrowers with new products and services commencing in 2024. The CDFI grant will allow the credit union to build organizational capacity, acquire technology, staff, and other tools necessary to serve members and the community. CEO Nelson thanked the credit union staff and volunteers for their dedication and daily efforts to meet member lending needs which resulted in Point West earning this grant.

CEO Nelson summarized the financial status of the credit union, sharing 2022 ended with a well-capitalized net worth ratio of 10.78%, and 93 basis points of ROAA (Return on Average Assets), beating budget forecasts by 53 basis points and 27 basis points, respectively. She stated 52% of total loans funded went to members that make less than \$50,000 and 32% of total loans funded went to ITIN holders, providing needed access to affordable vehicles for families, and capital for small businesses. The year-end charge-off ratio of .27 basis points (48 points below forecast) demonstrates member commitment to their debt obligations and the cooperative. CEO Nelson concluded by thanking the volunteers, members and staff for their continued support and participation in the cooperative which has lasting impact for the credit union and community.

CEO Nelson returned the meeting to Chair Hand, who concluded the 2023 Annual Meeting with the following actions:

- **Old Business:** There was no old business.
- **New Business:** There was no new business.
- **Adjourn Business meeting:** The meeting was adjourned at 4:11 PM.