



2022 Annual Report

75
YEARS
1948-2023

MyPoint
Credit Union

Statement of Financial Condition

Balance Sheet	As of December 31, 2022
Assets	
Cash	\$30,330,089
Interest Bearing Deposits	-
Held-to-Maturity Investments	\$134,187,502
Loans to Members (NET)	\$487,282,295
Accrued Interest Receivable	\$1,698,868
Prepaid and Other Assets	\$20,743,376
Property and Equipment	\$6,363,098
NCUSIF Deposit	\$6,249,531
Total Assets	\$686,854,759
Liabilities	
Members' Shares and Savings Accounts	\$603,158,250
Borrowed Funds	\$20,000,000
Accrued Expenses and Other Liabilities	\$8,816,289
Total Liabilities	\$631,974,539
Members' Equity	
Undivided Earnings	\$54,880,220
Total Liabilities and Members' Equity	\$686,854,759
Statement of Income	As of December 31, 2022
Interest Income	
Loans to Members	\$16,554,988
Investment Securities	\$2,822,246
Total Interest Income	\$19,377,234
Interest Expense	
Members' Shares and Savings Accounts	\$1,285,836
Borrowed Funds	\$248,077
Total Interest Expenses	\$1,533,913
Net Interest Income	\$17,843,321
Provision for Loan Loss	\$474,927
Net Income Interest After Provision for Loan Loss	\$17,368,394
Non-Interest Income	
Fees and Charges	\$2,593,525
Interchange Income	\$1,839,288
Gain on Sale of Mortgage Loans	\$1,115
Gain on Sale of Commercial Loan Participations	\$750,523
Total Non-Interest Income	\$5,184,451
Non-Interest Expenses	
Compensation and Benefits	\$11,850,522
Office Operations	\$4,924,458
Office Occupancy	\$1,486,839
Loan Servicing	\$938,099
Other	\$1,009,369
Total Non-Interest Expenses	\$20,209,287
Net Income	\$2,343,558
Statement of Retained Earnings	
Balance as of December 31, 2021	\$52,536,662
Net Income 2022	\$2,343,558
Balance as of December 31, 2022	\$54,880,220

Supervisory Committee Report

The Supervisory Committee is currently comprised of seven volunteers who are elected by the membership of MyPoint Credit Union to represent their interests. The Supervisory Committee represents the membership's interests by determining whether:

- Internal controls are established and effectively maintained to achieve the credit union's financial reporting objectives;
- The credit union's accounting records and financial reports are promptly and accurately prepared;
- The relevant plans, policies, and control procedures established by the board of directors are properly administered; and
- Policies and control procedures are sufficient to safeguard against error, conflict of interest, self-dealing, and fraud.

In carrying out these responsibilities, the Supervisory Committee engaged the certified public accounting firm of Doeren Mayhew CPAs to perform an independent audit of MyPoint's December 31, 2022 financial statements and to conduct a routine verification of a sample of member accounts as of December 31, 2022. In the opinion of Doeren Mayhew, the financial statements referred to above present fairly, in all material respects, the financial position of MyPoint Credit Union, as of December 31, 2022 and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Additionally, MyPoint's Internal Audit and Compliance Department assists the Supervisory Committee with its ongoing oversight responsibilities. The Internal Audit and Compliance Department performs periodic audits of the credit union's operations and regularly monitors MyPoint's internal control environment and compliance activities. Department staff meets with the Supervisory Committee regularly to report observations and recommendations.

The Supervisory Committee extends its gratitude to the members, staff, and elected officials of MyPoint. As MyPoint continues to provide members with a safe and sound financial environment, we look forward to serving you throughout 2023.

Mitchell B. Weingel

Mitchell B. Weingel, Chairman

Chairman's and President's Report

MyPoint Credit Union (MyPoint) is a member-owned not-for-profit financial institution committed to serving our members and helping them achieve their financial goals since 1948. As we enter our 75th year, our commitment to providing safe and secure financial services remains our top priority. MyPoint has been focused on this mission since the Credit Union first opened to serve employees of the Naval Electronics Laboratory located in Point Loma.

The Credit Union started as Naval Electronics Laboratory Employees Federal Credit Union in a secretary's office, with a handful of loan applications and a fishing tackle box for a till. The first month's business totaled \$1,229 in assets and 114 members. Although our field of membership and name have changed over time, we have become more diverse and inclusive in the communities we serve. Nearly 75 years later, the dedicated volunteer Board of Directors and staff proudly serve over 28,000 members and small businesses with over \$686 million in assets.

Our purpose – the reason why we exist is "We help you do." We fulfill that purpose by offering the products, services, advice, and financial education our members need to live life on their own terms. Our loans grew 8% in 2022 to \$486 million and reported loan delinquency was well below our peers. We offer affordable financing through an array of loan products including: automobile, debt consolidation, lines of credit, credit cards, first and second real estate loans, and home equity lines of credit. We also help our members save energy and money by offering our eco-friendly "Green Living Loans" to finance solar panels and systems, dual-pane windows, new heating/cooling systems, Energy Star appliances, and drought-resistant landscaping. We offer commercial and business loans for businesses of all sizes. We finance business vehicles, apartment buildings, office buildings, strip malls, industrial buildings and provide business credit cards and lines of credit.

Our members also look to us for their deposit needs. Total member shares ended the year at \$603 million. During 2022, we offered competitive term share certificates to help members offset the higher costs of inflation. We also offered San Diego's Best Checking Account – MyPoint's MyVIP checking account. Members with MyVIP checking accounts enjoy benefits such as cell phone protection, savings at local businesses, ID theft restoration aid, roadside assistance, and much more.

Another way we help our members with their financial needs is through our financial literacy programs. We partner with GreenPath Financial Wellness to give our members free, one-on-one financial counseling, debt management services, and financial education tools. We also created a "We Help You Do" workshop series to provide financial education to members, associations, businesses, and community partners in person, on the web, and via video conferencing. In 2022, we conducted 59 financial education seminars for our members and community partners. We also offered financial education by partnering with Zogo Financial Literacy. Zogo is a fun, free mobile app that enables people of all ages to navigate online financial learning modules while earning gift cards for their favorite businesses.

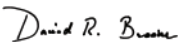
MyPoint remains dedicated to engaging all aspects of the communities we serve. During 2022, we visited, sponsored, and participated in 70 community events throughout San Diego County. We were honored to win the Financial Institution of the Year from the Filipino Chamber of Commerce of Greater San Diego and the Corporate Partner of the Year from the San Diego Equality Business Association. We also helped Ukrainian refugees integrate into the community by providing essential banking services.

Another way we give back to the community is by annually awarding college scholarships to three young members. Each recipient can earn up to \$5,500 for college. MyPoint has awarded over \$300,000 in scholarships to MyPoint members since 1998. In addition, we raised over \$13,000 for the Stephen Wampler Foundation, which provides kids with physical disabilities a free trip to a summer camp that teaches them all the things they CAN DO.

We recognize the importance of small businesses in our community. The MyPoint team is very excited for 2023. Small business owners are integral to the success of the San Diego Community and economy. We are continuing our efforts to expand our small business services as we "Celebrate Small Businesses" in the community by "Doing More Together."

We are focused on making it easier for our members to do business with us. At year-end, we relocated our Carlsbad Branch to a location with better freeway access. In April of 2023, we will move our 4S Ranch Branch closer to the heart of the business district of Rancho Bernardo. We have designed these new locations to promote interactive and productive conversations between our team and our members in an effort to better understand and fulfill their financial needs.

We are proud to be a part of San Diego, a one-of-a-kind community that is diverse and passionate. At MyPoint, we help the community – individuals, families, and local businesses – do more of the things they love in the city they call home. Our dedication to our members has resulted in a safe, sound, growing, and thriving credit union for nearly 75 years.



David R. Brooke
President/Chief Executive Officer



Jeff Goecke
Chairman, Board of Directors

Volunteers and Staff

Management

David R. Brooke, President/Chief Executive Officer

Peter S. Butler, Senior Vice President, Operations/Chief Operating Officer

Matthew G. Mower, Senior Vice President, Information Technology/Chief Information Officer

Matthew Rhead, Senior Vice President, Finance/Chief Financial Officer

Christopher Crockett, Vice President, Retail Operations

Janet Mainenti, Vice President, Human Resources

Michael Kim, Vice President, Lending

Scott Norris, Vice President, Marketing

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MyPoint
Credit Union

9420 Farnham Street, San Diego, CA 92123

Board of Directors

Jeffrey M. Goecke, Chairman
Mark R. Moeller, Vice Chairman

Jane M. White, Treasurer

Linda O. Stay, Secretary

Jo Anna Lamott

Salvatore J. Lupo

Malcolm C. McCollum

James A. Baldwin, Director Emeritus

Ellen M. Schmall, President/CEO Emeritus

Supervisory Committee

Mitchell B. Weingel, Chairman

Bryan T. Hill, Secretary

Dianna L. Ely

Stephanie B. Garcia

David W. Regenhart

Claudia Rempel

Arnold Yoon

Treasurer's Report

Despite the ongoing challenges mostly attributable to the rapid movements in interest rates, the Credit Union had a successful 2022. The Credit Union reported a net income of approximately \$2.34 million for the year ended 2022, compared to approximately \$2.45 million during 2021. This equated to a return on average assets ratio of approximately 0.34% and 0.38% for the years ended December 2022 and 2021, respectively. Total assets increased by approximately \$4.65 million (0.68%) and members' deposits decreased \$4.04 million (-0.67%). Outstanding loans to members increased by approximately \$36.16 million (8.04%). As a result of these changes, the Credit Union's loan to share ratio increased from 74.1% to 80.6% as of December 31, 2021 and 2022.

For the year of 2022, the Credit Union's interest income increased by approximately \$2.99 million (18.2%). This increase was primarily a result of a much higher interest rate environment due to seven interest rate increases by the FOMC (Federal Open Market Committee) in 2022. As a result, the Credit Union's interest income to average assets ratio increased by 31 basis points from 2.52% for the year ended December 2021, to 2.83% for the year ended December 2022.

The Credit Union's interest expense to average assets ratio decreased from 0.26% in 2021, to 0.22% in 2022. In addition, the Credit Union incurred \$248,077 in interest on borrowed funds during 2022 related to a \$10 million loan from the Federal Home Loan Bank in 2019 and a \$10 million loan from the Federal Home Loan Bank in December 2022. The credit union will pay back \$10 million in March 2023. The remaining \$10 million is due in 2024.

The Credit Union's loan portfolio remained very strong. The Credit Union's provision for loan losses expense increased from a recapture of loan losses of approximately \$608 thousand in 2021, to a loan losses expense of approximately \$475 thousand in 2022. The Credit Union's net charge-off ratio increased by 6 basis points from 0.03% to 0.09% for the years ended December 31, 2021 and 2022, respectively. The NCUA peer group average for this ratio was approximately 0.42% for 2021, and 0.21% in 2022.

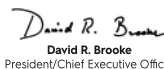
The return on average assets ratio of 0.34% during the year ended December 2022, combined with a 0.68% growth in assets, resulted in a 29 basis points increase in the Credit Union's net worth ratio from 7.70% as of December 2021 to 7.99% as of December 2022. The National Credit Union Administration classifies MyPoint Credit Union as "well-capitalized."

Despite the challenging economy in 2022, MyPoint Credit Union steadily grew its capital reserves while implementing effective operating plans in order to maintain the financial strength to serve its members. We will continue to offer competitive rates to both borrowers and savers, and we will continue to provide first-rate products and services to our entire membership. The Board of Directors, staff, and I look forward to helping MyPoint Credit Union continue to grow and prosper for many years to come.



Jane M. White, Treasurer

"We, the undersigned, have reviewed these financial statements and, based on our knowledge, certify they fairly represent, in all material respects, MyPoint Credit Union's financial condition and results of operations."



David R. Brooke
President/Chief Executive Officer



Matthew Rhead
Senior Vice President
Finance/Chief Financial Officer