

# STATEMENT OF FINANCIAL CONDITION

Period Ending December 31, 2022

ASSETS	
Loans	26,340,308
Allowance for Loan Loss	(209,523)
Cash	897,684
Investments	56,635,000
Fixed Assets (Net)	422,379
NCUSIF	801,420
Other Assets	892,325
<b>TOTAL ASSETS</b>	<b>\$85,779,594</b>

LIABILITIES & NET WORTH	
Accounts Payable	68,210
Dividends Payable	956
Other Liabilities	382,863
Member Share Accounts	75,201,401
Member Certificates	3,443,308
Regular Reserve	0
Undivided Earnings	6,682,856
<b>TOTAL LIABILITIES &amp; NET WORTH</b>	<b>\$85,779,594</b>

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### Service Center

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  [BayCities.org](http://BayCities.org)



# STATEMENT OF INCOME & EXPENSE

Period Ending December 31, 2022

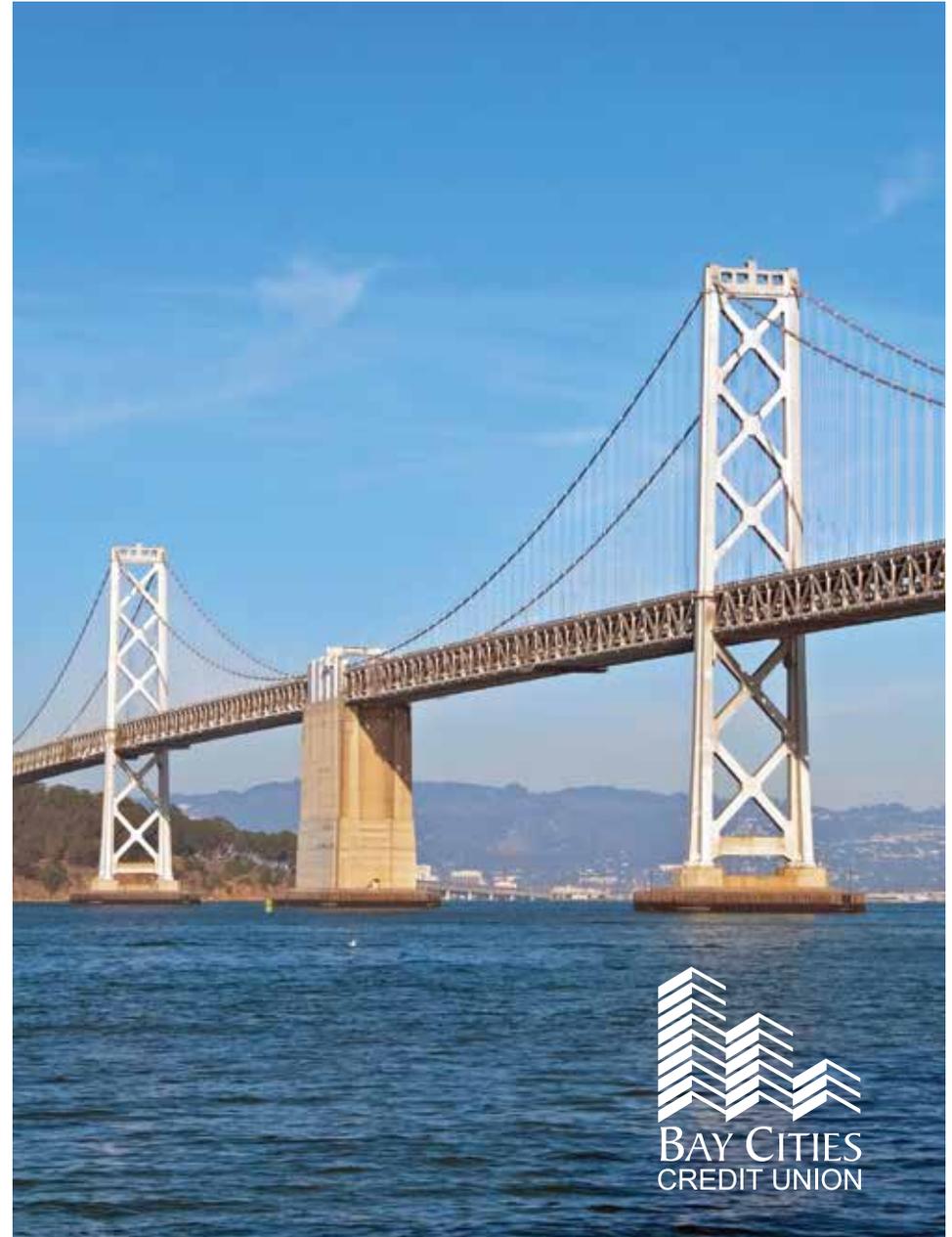
INCOME	
Interest on Loans	1,454,239
Income from Investments	545,921
Fee Income	265,262
Other Income	517,942
<b>TOTAL INCOME</b>	<b>\$2,783,364</b>

OPERATING EXPENSES	
Salaries & Benefits	1,267,201
Training & Conference	8,053
Association Dues	5,074
Office Occupancy	197,679
Office Operations	1,044,104
Advertising	39,881
Loan Servicing	70,356
Professional/Outside Services	231,503
Operating Fee	14,292
Interest on Borrowed Funds	3,993
Annual Meeting	758
Miscellaneous	16,880
<b>OPERATING EXPENSES</b>	<b>\$2,899,774</b>
Provision for Loan Loss	26,686
<b>TOTAL OPERATING EXPENSES</b>	<b>\$2,926,460</b>
Dividend Expense	14,496
Non-Operating Gain/Loss	(43)
<b>NET INCOME</b>	<b>(157,636)</b>



# 2022

## Annual Report



## PRESIDENT'S *Report*

As was to be expected, 2022 was yet another whirlwind of a year. We were faced with a new set of challenges and COVID-19 outbreaks, but all of us at Bay Cities Credit Union persevered and triumphed, which is not an accomplishment we take lightly. We could not have done it without our members, and your patience and support were greatly appreciated as we worked towards mitigating pandemic-related difficulties while still providing our members with the best service.

Now that we've discussed the difficulties of the year, let's move on to the positives. Despite the challenges we were faced with this year, we worked towards implementing valuable enhancements to your banking convenience and experience, including:

**Launch of remote deposit** – We implemented a remote deposit system, making it easier for our members to deposit their checks without having to visit one of our ATMs.

**Upgraded mortgage lending** – We are working on offering our members the ability to apply for their first mortgage directly through Bay Cities Credit Union. With this new capability, our local lenders, and great rates, we're making it simple for our members to finance and buy their homes with ease.

**Integration of an online auto-buying shop** – Through our commitment to deliver only the best to our auto-buying members, we are continuing our efforts to integrate a car-buying platform accessible through our website that will streamline the car-buying process. Through this platform, members will be able to view a variety of makes, models and dealers; connect with dealers directly; apply for a loan and more. Our goal is to take the stress out of car-buying, making the process convenient and efficient, so you can start enjoying your new ride.

The implementation of these enhancements, along with our efforts to maintain our low rates, will greatly enhance the experience of our members and allow them to find the best deals and services their Credit Union has to offer. Despite the lingering challenges of COVID-19, we maintain our commitment to providing our members with the best deals and services possible.

At Bay Cities Credit Union, we couldn't be more grateful for our members' patience and understanding as we made our way through yet another whirlwind year of the pandemic. Nor could we be prouder of our dedicated staff who, despite all the challenges the year posed, worked hard to continue providing you, our members, with the same great service. We are eager to see where the future takes us and are renewed in our commitment to providing you – our members – with the best products and services possible.

Wishing you all the best,

**Norman Weisbrod**  
President, Board of Directors

## SUPERVISORY COMMITTEE'S *Report*

The main responsibilities of Bay Cities Credit Union's Supervisory Committee are to retain services for an annual examination of the financial condition of the Credit Union, coordinate the verification of member accounts, monitor the review of internal controls and ensure compliance with laws and regulations. Through these roles, the Supervisory Committee evaluates the soundness of Bay Cities Credit Union's operations and helps ensure that members' assets are safeguarded.

To help accomplish these important tasks, the Supervisory Committee engaged the accounting firm of Financial Standards Group to perform a certified audit in accordance with regulatory requirements. Their audit results, along with the 2022 audit completed by the Department of Financial Protection and Innovation (DFPI), indicate that Bay Cities Credit Union has kept accurate and timely accounting records, is in compliance with laws and regulations and is being managed in a safe and sound manner. Based upon the information gathered from these external audits, as well as our own internal audits to verify that controls are effectively maintained and adequately protect members, volunteers, management and staff, it is the Supervisory Committee's opinion that the Credit Union is financially sound, and the interests of its member-owners are being well-served.

The Supervisory Committee would like to thank Bay Cities Credit Union's management, staff, Board of Directors and members for their assistance and cooperation throughout 2022.

**Stacy Murphy**  
Chairman, Supervisory Committee

