



ANNUAL REPORT

2022

Letter from the PRESIDENT/CEO & BOARD CHAIR

The past few years have been some interesting times. The Board of Directors is proud to share that even with much going on in the economy and in the financial industry, your Credit Union remains healthy and strong. Downey Federal Credit Union (DFCU) has a Net Worth (capital) ratio of 10.38%. This is considered to be “Well-Capitalized” by our federal regulator. The Board of Directors is committed to acting in a safe and sound manner to protect the assets of our members.

Last year we discussed the core system conversion in March of 2022. After a successful conversion, we spent the rest of 2022 implementing changes that enhanced our member experience, thanks to the core system upgrade. The objective was to have a more up-to-date system that will be flexible enough to meet the changing needs of our members for many years to come.

In 2022, we made the decision to convert our online banking provider, this months-long project is scheduled to culminate in May 2023. This move will provide members a modern online banking experience, with tools that have become necessities in today’s environment. Tools like Zelle, Debit Card management, and the ability to chat with a DFCU representative when logged in to online banking will be available in the months following conversion. While these technology upgrades take time to plan and implement, we are truly excited at the possibilities for 2023 and beyond.

As the effects from the pandemic have settled down, DFCU has begun to step up efforts to assist in the community. We have hosted a number of Bite of Reality (financial education) events where students get some “real-life” exposure to budgeting. In addition, DFCU has participated in a number of events including the Bell Gardens Financial Literacy Series, Paramount Parks Concert Series, Children Striving Together backpack giveaway in Compton, Santa Fe Springs T.E.E.N.S Program Financial Literacy seminars, and more!

Thanks to our team’s effort and our member’s trust in us, we generated more loans in 2022 than any other single year in our history. A record we are coming for in 2023!

	2022	CHANGE FROM 2021
Loan Balances	\$126,007,117	+ 11.70%

We have also been preparing for a couple of retirements in early 2023. Doug Nigbor, Vice President of Operations, retires after seven years at DFCU and over four decades in the financial services industry. Jackie Sweida, VP of Special Projects, spent 25 years at DFCU. Jackie served our members in multiple capacities during her tenure, from branch operations to interim CEO for a brief stint. Jackie was a staple of DFCU, cultivating many meaningful relationships with staff and members throughout the years. We offer our sincere thanks to Doug and Jackie, we wish them health and happiness in the next chapter of their lives!

We are grateful for the DFCU team and thankful for their effort, nothing we do would be possible without our members. On behalf of the Board of Directors, Supervisory Committee, Management and Staff, thank you for your support!



**RAY
MESLER**

PRESIDENT/CEO



**LAURA
KRAMER**

BOARD CHAIR



STATEMENT OF FINANCIAL CONDITION* ASSETS | 2022

LOANS (NET)	\$126,007,117
INVESTMENTS	\$133,915,648
OTHER ASSETS	\$7,447,351
LAND & BUILDING	\$6,853,013
CASH & CASH EQUIVALENTS	\$15,663,609
FIXED ASSETS	\$4,485,363
TOTAL ASSETS	\$294,372,101

LIABILITIES AND EQUITY | 2022

MEMBERS' SHARES AND CERTIFICATES	\$276,585,234
RESERVES AND UNDIVIDED EARNINGS	\$12,965,283
OTHER LIABILITIES	\$4,821,584
TOTAL LIABILITIES AND EQUITY	\$294,372,101

STATEMENT OF INCOME | 2022

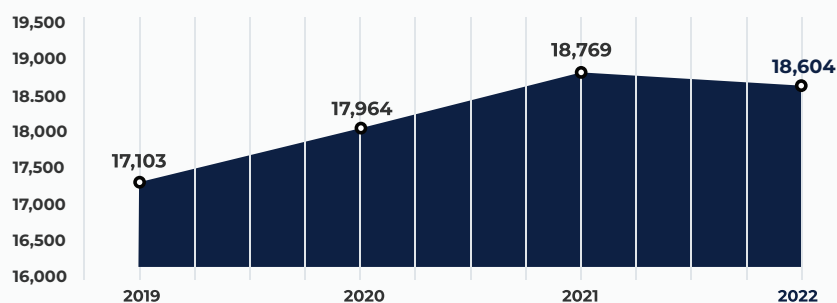
INTEREST ON LOANS	\$5,327,088
INCOME FROM INVESTMENTS	\$2,477,221
MISCELLANEOUS INCOME	\$2,301,636
TOTAL OPERATING INCOME	\$10,105,944

EXPENSES | 2022

PERSONNEL	\$4,888,629
OFFICE OPERATIONS	\$2,567,163
PROFESSIONAL/OUTSIDE SERVICES	\$746,889
PROVISION FOR LOAN LOSSES	\$574,950
EDUCATION/PROMOTION	\$239,616
OTHER EXPENSES	\$191,171
NON-OPERATING EXPENSE	\$0
TOTAL EXPENSES	\$9,208,417
NET INCOME BEFORE DIVIDENDS	\$897,527
DIVIDENDS	\$475,963
NET INCOME	\$421,564

*Year Ended December 31, 2022. Unaudited numbers listed.

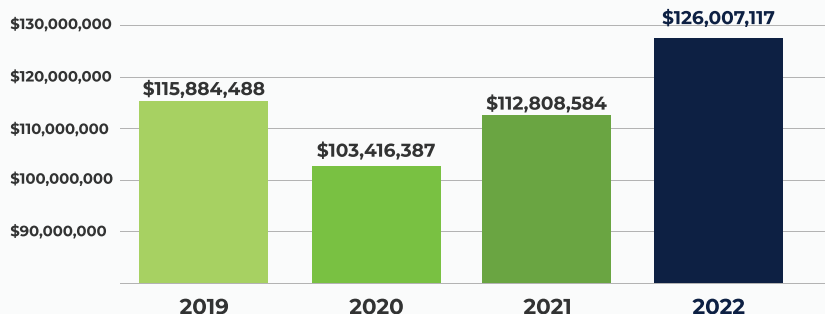
MEMBERSHIP GROWTH



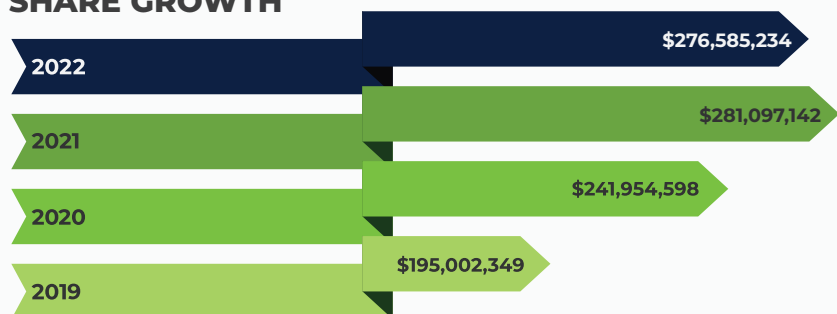
ASSET GROWTH



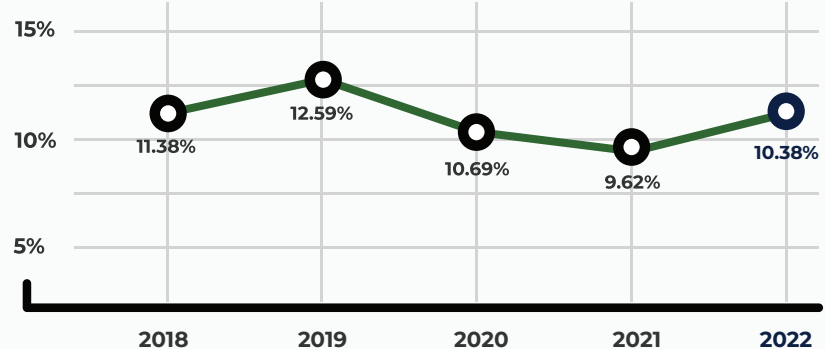
LOAN GROWTH



SHARE GROWTH



NET WORTH



BOARD MEMBERS

BRIAN BROWN

ROBERT BECKER

STAN HANSTAD

LAURA KRAMER

RAUL LOPEZ

GIOVANNA SAAB

BRIAN SAYLORS

SUPERVISORY COMMITTEE

RAY BROWN

JIM MOGAN

BOBBIE SAMPERI

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SERVING THE
COMMUNITY SINCE
1957