

IRON SHARPENS IRON

PROVERBS 27:17



ANNUAL REPORT
2022

PRESIDENT/CEO REPORT

As I continue my journey here as the President and CEO at America's Christian Credit Union (ACCU), I can see God walking with us, and His guidance provides a path with each challenge we face. With confidence, I state that this Credit Union is firmly in His hands -- and He blesses us daily as we continue to stand with Christian ministries, families, and Christian-owned businesses across this country. He steadily navigates us through the waves of this world. When reflecting on His provisions during 2022, Psalm 16:8 clearly comes into focus: "I know the LORD is always with me. I will not be shaken, for he is right beside me."

Speaking on behalf of the Board of Directors, Supervisory Committee, Executive Management, and the ACCU staff, we count it our blessing to serve a great congregation of witnesses — our membership — who all work together to strengthen one another through this cooperative ministry. Simply proving what Solomon so wisely declared in Proverbs 27:17 "As iron sharpens iron, so one person sharpens another."

For the glory of the Kingdom, and by His grace, your ACCU staff, 2022 earmarked another year of measured growth and accomplishments. In alignment with our core mission, lending to our membership increased 20% year-over-year from \$370M in 2021 to \$444M in 2022. Compared to other lending options, our loan fundings often equate to millions of dollars

in savings on interest over the life of the loan providing resources that are deployed into Kingdom Building endeavors.

- Of note, loans provided to our organizational members have expanded by 54% since 2019, equipping ministries and Christian-owned businesses to live out their purpose – whether through spreading the gospel or bringing new life and vitality to communities through Christian real estate development.
- The Christian business loan portfolio grew 112% from \$70.6M in 2021 to \$149.6M in 2022. Product development played a vital role in this segment, with new offerings deployed in 2022 and more on our 2023 planning horizon to report at the next annual meeting.
- The radical change in all aspects of modern life brought about by the 2020 pandemic was evident throughout 2022. However, there were also great opportunities to serve our membership, ensuring they are on an even stronger footing post-pandemic. In addition to the \$85 million provided in PPP funds in our last report, we have helped facilitate another \$50 million in Employee Retention Tax Credits.
- As many of our members contemplated our nation's education landscape, we

envisioned how to enhance the 16,000+ hours of opportunity from kindergarten to 12th-grade graduation that Christian school choice provides for greater discipleship. Coming alongside Christian School associations and legislative influencers, we are excited to have begun the endeavor of supporting a generation to ensure more Christian schools form, expand, and are within reach financially for families.

Luke 16:10 tells us whoever is faithful in the little things is also faithful with much. Therefore, we want to ensure our ability to serve and steward faithfully as we grow. 2022 marked a year of investment into product development, process, and infrastructure improvements. During 2022 the board approved provisions for enhancements in crucial areas and accomplishing the rollout of:

- Enhanced speed in the onboarding of new members.
- Implementing innovative technologies to accelerate deposit & loan processing times – making adoption easier for members.
- Updating our online banking platform to become more attuned to customer needs and provide pre-approved loan offers inside online banking.
- Implementing "Autobooks" in online banking as a digital invoicing and payment

solution for our small business and ministry members.

- Enhanced business intelligence capabilities to identify portfolio opportunities, which help us maximize benefits for our membership.

Top of mind, for many since late 2022, was the abrupt and continuous increases from the Federal Reserve. So our membership could enjoy competitive deposit offerings, we quickly raised our rates. In addition, we continued lending, delaying increases in lending rates to the latest possible extent. While the rates rose, your credit union adeptly prepared for potential liquidity risks.

- While the action taken by the Fed caused turmoil within the banking system, as headlined by Silicon Valley Bank and Signature Bank, to name a few, it also provided a moment of clarity. Whether by the added assurance of our excess deposit insurance or the solace of a faith-based credit union that only invests directly in the mission of our members – certainly not riskier and never in financial instruments that have not yet stood the test of time – we were blessed to see an uptick from your confidence in us. This came through new memberships, deposits – and, ultimately, liquidity. Providentially, ACCU

had positioned itself to handle every single one of these new members and deposit requests, had anticipated the liquidity challenges, and was fully prepared, allowing our members to recognize the value of a spiritually stable ACCU compared to these recent bank failures.

For 2022, I am pleased to report the state of your credit union as "well capitalized," provided by the National Credit Union Administration and California's Department of Finance and Innovation's examinations.

We earned, with your support, a record \$5.7 million net income in 2022 through God's provision. Additionally, ACCU achieved a healthy increase in our net worth from 8.50% in 2021 to 9.59% in 2022. In return, ACCU reinvested in our members and their collective mission by way of:

- Lower rate loans.
- Higher yield deposit products.
- Enhanced services.
- Excess deposit insurance up to \$450,000 for individuals and \$350,000 for organizations.

As a closing thought, please continue to consider where you bank. You have a choice where you bank, and it matters! Unlike a typical financial institution, ACCU is anchored by a

Statement of Faith. Funds on deposit here are part of the missional endeavor of Christians supporting one another and the Kingdom. Similarly, our banking services provide a safe harbor for our Christian members with uninterrupted access to deposit accounts & loan services versus other banking institutions subject to man's profit motive and moral relativism.

In Christ's service,



Vicki VannBerstein, MBA
President/CEO



REPORT FROM THE CHAIR

Greetings in the name of the One who calls us by our name! It is with great pleasure that, as the Board Chair, I get to officially welcome you to the 65th anniversary of America's Christian Credit Union!

65 is when some think of slowing down or coasting, but **ACCU is just hitting its stride!**

Since May 22, 1958, when five Nazarene Ministers pooled \$135 together, forming the foundation of what would be ACCU, it has been dedicated to the vision of "Christians financially equipped to serve God's world" by providing lending and banking services to Churches, Ministries, and the individuals they employ and serve.

Your officials are solidly committed to laying another equally and solid footing as the founders had — whose shoulders we now stand on. To this aim, each board member has committed to individual development to expand our knowledge and gain a broader perspective on the financial services industry. By so doing, we can better serve you and the leadership by asking more informed questions and providing new views on perplexing issues. Our stance is fitting given the theme of "Iron Sharpening Iron" as we continue to prepare ourselves for operating now and for the next 65 years and beyond.

Along with our **third generation** of executive leadership, we have etched out a long-term

strategy for ACCU deeply anchored in our revitalized and expanded mission:

"To understand the financial needs of American Christians **[Reach]**, prioritize the member experience **[Serve]**, and produce solutions that improve members' future financial outlook **[Teach]**."

The board has every confidence in our CEO, Vicki VannBerstein, and each of her competent leaders who bring deep experience and commitment to ensuring a solid and stable financial institution. Your officials have committed to pray for Vicki's team collectively and individually each week, understanding that our God can speak and direct us. Many of the fruits of their culture shaping and three-fold emphasis on people, process, and key performance metrics have resulted in year-over-year record results. While the financial challenges in the marketplace were — and are — unpredictable, we rest assured that we serve the One who is not surprised and walks with us even in these uncertain times.

Before the initial economic stressors of 2022, ACCU's staff played a vital role in deploying needed financial relief to our members, ministries, and businesses. We are most grateful for being known as the Credit Union that cares for our members by praying for them as they journey through difficult times. Moreover, we were able to refinance many loans during a low-rate season, which provided maximum cash

flow to families, churches, and businesses in the hopes of assisting all to be better positioned for the unforeseen economic challenges.

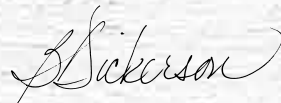
Yet, despite any geo-political or economic forces which may be at play — now or in the future — we take solace in knowing our God is in control. Upon reflecting on scripture, the praise provided by Daniel in chapter 2 of his namesake book is a fitting reminder to us:

"Praise the name of God forever and ever, for he has all wisdom and power. He controls the course of world events; he removes kings and sets up other kings. He gives wisdom to the wise and knowledge to the scholars. He reveals deep and mysterious things and knows what lies hidden in darkness, though he is surrounded by light. I thank and praise you, God of my ancestors."

- Daniel 2:21 - 23a (NLT)

On behalf of the officials of ACCU, do know that we are here to serve on your behalf in pursuit of stronger Christian: ministries, communities, and families.

In His Service,



Barbara Dickerson, PhD
Board Chair

TREASURER'S REPORT

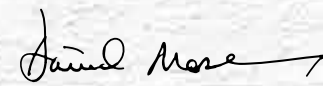
I am pleased to report that ACCU finished 2022 in excellent financial condition. Our net income was \$5.7 million, representing a return on assets of 0.92% with a capitalization net worth ratio of 9.59%. The Financial Statement shows the detailed results for 2022.

In the face of high inflation and rising interest rates, ACCU has stayed true to our core values in all we do to help build stronger futures, families, communities, and ministries.

ACCU was able to continue to grow membership from across the nation. Our assets increased by 1.81%, deposits by 2.33%, and loans by 20.40%.

Our goal is to provide a safe and sound credit union for our members while enhancing the value of our membership as we all continue to adjust to an ever-changing financial landscape.

We remain committed to our mission and fundamental principles, which shine brightly through in all we do today: we are here "To Reach, Serve, and Teach". The more we provide our members with the products and services at ACCU, the greater the benefit to each other. Thank you to our members for your continued support of ACCU's success.



David Morse,
CPA (Retired), MST
Board Treasurer

BOARD OF DIRECTORS



BARBARA DICKERSON, PhD
BOARD CHAIR



DAVID MORSE,
CPA (Retired), MST
TREASURER



SYLVIA NASH
DIRECTOR



GEOFFREY FELLOWS
DIRECTOR



LISA PENBERTHY, MBA
VICE CHAIR



JASON TAVAREZ, JD
SECRETARY



NATE SHINE
DIRECTOR

SUPERVISORY COMMITTEE

KYLE RODGERS
SUPERVISORY CHAIR

DALE BEST, CPA
SECRETARY

ADELE HARRISON, MBA, PHD
MEMBER

ADAM DAVIDSON
MEMBER

MICHELLE NORMAN, CPA
MEMBER

GETTING RICH RIGHT BY DR. JOHN THORNTON

Partnered with Dr. John Thornton, "Getting Rich Right", a series of Biblical financial literacy resources, downloads, and video lessons available to K-12 students and teachers for free was produced

SCHOOL CONSTRUCTION LENDING PODCAST

Co-hosted a podcast entitled "What To Do When Banks Say No: Construction Financing for Private Schools" in partnership with the National Catholic Educational Association (NCEA)

**"TRAIN UP
A CHILD IN
THE WAY HE
SHOULD GO;
EVEN WHEN HE
IS OLD HE WILL
NOT DEPART
FROM IT."**

PROVERBS 22:6 (ESV)

STRONGER FUTURES

ACCS PARTNERSHIP

2022 marked ACCU's first year as an official partner of the Association of Classical & Christian Schools (ACCS), a fast-growing network of schools with more than 400 member institutions across the country.



Azusa Pacific University President Adam Morris engages with students around the newly built fire pit sponsored by ACCU



Frank Clement, ACCU's Director of Strategic Partnerships, and David Goodwin, head of ACCS

\$68,000

provided in support + partnership funds

\$5,000,000+

invested in student lending

\$25,500,000+

invested in school campus financing since program inception

\$70,000,000+

invested in home financing and personal loan support to members as of year-end 2022

\$46,800,000+

invested in adoption financing since program inception

\$1,800,000+

invested in breaking the cycle of debt as of year-end 2022

ACCU Employees volunteer at the Children's Hunger Fund



Partnering with FreeWill to help members create wills and other estate planning documents free of charge

CHILDREN'S HUNGER FUND

ACCU employees visited the Children's Hunger Fund and learned about the lives of children in Guatemala, Haiti, Nepal, and Romania. They also assembled 1,500 food kits (equating to 6,000 meals) that were distributed to local churches.



STRONGER FAMILIES

**"LEARN TO DO
GOOD; SEEK
JUSTICE, CORRECT
OPPRESSION;
BRING JUSTICE TO
THE FATHERLESS,
PLEAD THE
WIDOW'S CAUSE."**

ISAIAH 1:17 (ESV)

FREEWILL LAUNCH

Partnered with FreeWill to provide free estate planning services. FreeWill works with individuals on drafting important documents such as a will, revocable living trust, financial power of attorney, and more — all at no cost to members.

2,200+ ADOPTION LOANS TO DATE

The Adoption Financing Program originally premiered in 2009. Since its origination, this program has helped over 2,200 children find loving, forever homes.

**“AND LET US
CONSIDER HOW
TO STIR UP
ONE ANOTHER
TO LOVE AND
GOOD WORKS.”**

HEBREWS 10:24 (ESV)

TITLE SPONSOR AT FISHFEST

For the 2nd year, ACCU was the title sponsor for the Christian music festival FishFest, with headliners Jeremy Camp and Tauren Wells. ACCU staff members connected with 15,000+ believers and offered giveaways such as a chance to win Chick-fil-A for a year!

INTERNATIONAL CREDIT UNION DAY

To celebrate the work and achievements of credit unions across the globe, ACCU offered local members of the community a one-day, walk-in-only special term share certificate with a fixed, high rate and term.



*ACCU staff members at the
Glendora Mayor's Prayer Breakfast*

GLENDORA FARMERS & ARTISANS MARKET

Hosted the Glendora Farmers & Artisans Market at the Credit Union's headquarters, connecting local small businesses with members of the community.

GLENDORA
FARMERS & ARTISANS
MARKET

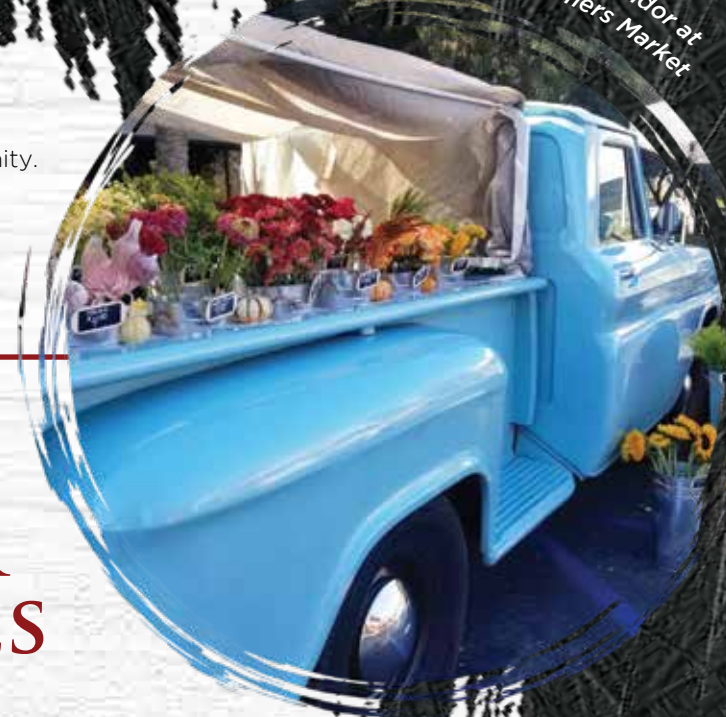
STRONGER COMMUNITIES

8,000+
people assisted through
donations & drives

\$72,000,000+
invested in Christian-owned
businesses in 2022

\$875,000,000+
in transactions facilitated for
Christian Healthcare Sharing in 2022

*A local flower truck vendor at
the Glendora Farmers Market*



*ACCU celebrates the 100th
Thankful Thursday with KKLA*

\$50,000,000+
in Employee Retention Tax Credit (ERC)
funds facilitated since program inception

\$59,000,000+
invested in church financing in 2022

\$152,000+
provided in partner ministry support in 2022

STRONGER MINISTRIES

100TH THANKFUL THURSDAY WITH KKLA

After nearly 3 years, ACCU reached its 100th week of Thankful Thursdays in partnership with Christian talk radio station KKLA, celebrating the youth pastor and staff at SeaCoast Grace Church in Cypress, CA.

**99.5
KKLA**

EMPLOYEE RETENTION TAX CREDIT (ERC)

Worked with a partner to help ministries maximize the ERC. As the only federal tax credit available to nonprofits, ACCU's efforts helped get tens of millions of dollars to dozens of Christian organizations still reeling from the effects of the COVID-19 pandemic.

AUTOBOOKS LAUNCH

2022 ushered in the launch of new digital invoicing and payment suite. Autobooks allows users to send customizable invoices, accept online payments all from within Online Banking.



*Dexter De Mesa and Vicki VannBerstein
meet with leaders from the Wesleyan
Holiness Connection in Columbus, Ohio*

**“AND HE SAID TO
THEM, ‘GO INTO
ALL THE WORLD
AND PROCLAIM
THE GOSPEL
TO THE WHOLE
CREATION.’ ”**

MARK 16:15 (ESV)

2022 MVPs

MISSION & VALUES PERSONIFIED

Each quarter, America's Christian Credit Union recognizes an employee who personifies our mission to "Reach, Serve and Teach." During 2022, these upstanding individuals faithfully and sacrificially blessed our members and assisted their co-workers.



MINESH PATEL
Q1 MVP

"It is a great honor and privilege to receive this recognition from my fellow co-workers. I am very blessed to be part of such a brilliant team."

KYLE HARRIS
Q2 MVP

"I am so grateful to be at ACCU and to work with a team of people committed to serving so many amazing individuals, churches, and ministries."

MARISSA LLORICO
Q3 MVP

"All glory, honor, and praise be to God! I thank Him for ACCU, who counts me as a valued member of the team. May He richly bless ACCU. Forever grateful!"

PRISCILLA FLORES
Q4 MVP

"It is not only a blessing and honor to work with such amazing people but to also be recognized by them. I cannot fully express my appreciation. I am truly touched!"

FINANCIAL STATEMENT/SUPERVISORY REPORT

STATEMENT OF FINANCIAL CONDITION

Presented in thousands. As of December 31, 2022 (unaudited)

<i>(in thousands)</i>	
Loans to Members, net	\$ 440,550
Cash and Investments	\$ 133,985
Fixed Assets	\$ 13,644
All Other Assets	\$ 34,005
TOTAL ASSETS	\$ 622,184
<hr/>	
<i>(in thousands)</i>	
LIABILITIES AND MEMBERS' EQUITY	
Notes Payable	\$ 21,000
All Other Liabilities	\$ 5,768
TOTAL LIABILITIES	\$ 26,768
<hr/>	
TOTAL MEMBERS' SHARES	\$ 552,069
Undivided Earnings	\$ 43,347
TOTAL MEMBERS' EQUITY	\$ 595,416
<hr/>	
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 622,184

Federally Insured by

NCUA ASI

This credit union is federally insured by the National Credit Union Administration. Added savings protection is provided by American Share Insurance (ASI) on qualifying member's accounts in excess of that provided by NCUA. ASI is a credit union owned-share guaranty corporation. See a credit union representative for details.

STATEMENT OF INCOME & EXPENSE

For the year ended December 31, 2022 (unaudited)

<i>(in thousands)</i>	
Interest Income	\$ 19,230
Dividends and Interest Expense	\$ (3,126)
Provision for Loan Losses	\$ 362
Net Interest Income	\$ 16,466
Non-Interest Income	\$ 7,124
TOTAL INCOME	\$ 23,590
<hr/>	
TOTAL OPERATING EXPENSE	\$ (17,907)
<hr/>	
NET INCOME TO UNDIVIDED EARNINGS	\$ 5,683

One of the most critical duties performed by the Supervisory Committee is the review of the financial condition of the Credit Union and its related financial statements and reporting. Related to this process is the completion of a verification of accounts. The last review was completed to the satisfaction of the Committee with an effective date of March 31, 2022. The committee engaged the independent firm of Clifton Larson Allen, LLP. America's Christian Credit Union also meets state and federal requirements for safety and soundness and remains in good standing with the California Department of Financial Protection & Innovation and the National Credit Union Administration.

Respectfully submitted,

Kyle Rodgers
Chair, Supervisory Committee



**“AS IRON SHARPENS IRON,
SO ONE PERSON SHARPENS ANOTHER.”**

PROVERBS 27:17

AmericasChristianCU.com