



# OUR MEMBERS



NIKKEI  
credit union



MABUHAY  
credit union  
A DIVISION OF NIKKEI CREDIT UNION

# 2022 ANNUAL REPORT

# PRESIDENT'S MESSAGE

As we emerge from a worldwide event that took control of our lives these past three years, let us remember the lessons learned and continue growing stronger for the future. I would like to thank the Nikkei and Mabuhay Staff and Volunteers for their hard work and endless dedication this past year. We finished the year with a strong financial position with over 11% in capital. This allows us to continue to find ways to better serve Members, like you, and to give back to our community. Since the pandemic, Nikkei and Mabuhay generated almost \$5.5M in Consumer Loans and \$45.6M in Real Estate Loans. In addition, we donated hundreds of meals to Frontline Workers, made multiple contributions to local colleges for homeless students, and continued to share financial education through workshops and seminars.

This year we have a tough economy ahead of us with high inflation and high interest rates. Our Members will remain at the forefront of our decisions as we navigate into the future. We blasted into this year with a competitive 4% rate for our Promotional Share Certificate to help our Members launch their Savings. We are pleased to share this drew a lot of interest and we opened over 115 Share Certificates totaling over \$3.9M.

The pandemic highlighted the demand for remote services, therefore, Nikkei and Mabuhay decided to convert to a new core system in the first quarter of 2024. Our new core system will allow us to serve our Members better both remotely and in person. Please look out for more information about this exciting new fintech upgrade!

We appreciate your positive feedback from our surveys awarding us over 95% on both branch and lending service satisfaction as well as a 4-star rating on several online review platforms. In addition, we continued to receive a 5-star rating from Bauer Financial, an independent bank research firm.

On behalf of the Board of Directors, Committee Members, Management, and Staff thank you for your continued support and for allowing us to serve your financial service needs.

Arigato Gozaimasu.  
Salamat and Mabuhay,

Sincerely,  
*Jon Hernandez*  
President & CEO



# CHAIRMAN'S MESSAGE

For over 70 years, our Credit Union has helped our Members achieve their financial goals and dreams.

Our commitment to exceptional member service has enabled us to become the largest Japanese American and Filipino-American Credit Union. We continue to be profitable while strengthening our financial position for the uncertain future.

I want to thank the Management and Staff's dedication to serving the needs of the Members and our Volunteers' commitment. Most of all, I thank you, our valued Members, for your understanding and support through the pandemic.

Sincerely,  
*Gary Nakata, Board Chair*

# TREASURER'S REPORT

Nikkei Credit Union posted a net income of \$601,330 while keeping our operation expense ratio at 2.36%, return on assets of 0.67%, and maintained our strong capital ratio of 11.26% as of December 31, 2022. Our strong capital will allow us to continue offering innovative financial products and services. We remain optimistic for 2023. Nikkei's Board of Directors, Committee Members, Mabuhay Advisory Council and Management are dedicated to investing our resources on improvements to our product offering while maintaining a high level of member service for you and your family.

We appreciate your continued support and patronage.

Sincerely,  
*Glenn Matsushima, Board of Directors Treasurer*

# SUPERVISORY COMMITTEE REPORT

The Supervisory Committee provides an independent evaluation of Nikkei Credit Union's operations and compliance with the applicable laws and regulations. In 2022, the Committee commissioned several audits and evaluations of Nikkei's operations; in September 2022, Richards and Associates CPA, an audit firm specializing in credit unions, conducted an opinion audit of the credit union's financial statements and operations for the audit period ending June 30, 2022. The firm's opinion indicates that Nikkei's financial statements were fairly stated in all material respects.

We welcome any questions, concerns or other feedback Members may have.

Sincerely,  
*Karen Yoshimura, Supervisory Committee Chair*





## MANAGEMENT & STAFF

President/CEO	Jon Hernandez
Vice President	Jay Lee
Administrative & HR Manager	Michiyo Tateley
EFT & Accounting Coordinator	Monica Seng
EFT & Cards Processor	Krystina Kuba

### NIKKEI BRANCH STAFF

Branch Coordinator	Tess Nambu
Loan Sales Representative	Kaori Suzuki
Financial Service Representative	Kaulani Peters
Financial Service Representative	Tiffany Manalang
Financial Service Representative	Song Kadoi

### MABUHAY BRANCH STAFF

Branch Coordinator	Fred Docdocil
Loan Sales Representative	Jamie Valenzuela
Loan Service Representative	Phoebe Tan
Financial Service Representative	Jennifer Andal
Financial Service Representative	Justine Alcantara

## BOARD OF DIRECTORS

Chair	Gary Nakata
Vice Chair	Ryan Iwamoto
Treasurer	Glenn Matsushima
Secretary	Ryan Suzuki
Director	Alyssa Tanaka

## SUPERVISORY COMMITTEE

Chair	Karen Yoshimura-Oto
Member	James Kawashima
Member	Kenneth Matsuno
Member	Masahide Nakagawa

## MABUHAY ADVISORY COUNCIL

Elito Macapagal Santarina	Katherine Chicas
Evelyn Machan Andamo	Lemuel Guiyab
Frank Aurelio Yokoyama	Moises "Jun" Aglipay
Dr. Henrick Macalintal	Ted Benito
Jesus "Alex" Cainglet	

## SUMMARY STATEMENT OF FINANCIAL CONDITION

ASSETS	12/31/22	12/31/21
Consumer Loans	\$10,103,665	\$9,783,751
Real Estate Loans	\$22,262,284	\$18,584,131
HELOC	\$33,634,632	\$17,750,493
Loan Participations	-	-
TOTAL LOANS	\$66,000,581	\$46,118,375
(Less Allowance for Loan Losses)	\$(50,834)	\$(47,364)
Cash	\$3,617,362	\$17,953,392
Investments	\$18,523,823	\$20,148,400
Unrealized Gain/(Loss)	\$(313,652)	\$38,288
Fixed Assets	\$708,604	\$813,653
Other Assets	\$1,541,342	\$1,013,799
<b>TOTAL ASSETS</b>	<b>\$90,027,226</b>	<b>\$86,038,543</b>
LIABILITIES & EQUITY	12/31/22	12/31/21
TOTAL LIABILITIES	\$383,409	\$330,678
Member Deposits	\$79,508,832	\$75,822,270
Non-Member Deposits	-	-
TOTAL DEPOSITS	\$79,508,832	\$75,822,270
Regular Reserves	-	\$1,349,581
Undivided Earnings	\$10,448,637	\$8,497,726
Unrealized Gain/(Loss)	\$(313,652)	\$38,288
TOTAL RESERVES	\$10,134,985	\$9,885,595
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$90,027,226</b>	<b>\$86,038,543</b>
OPERATING INCOME	12/31/22	12/31/21
Income from Loans	\$2,104,731	\$1,605,531
Income from Investments	\$411,831	\$487,077
Income from Fees	\$282,719	\$252,688
Income from Miscellaneous	\$52,414	\$55,971
<b>TOTAL OPERATING INCOME</b>	<b>\$2,851,695</b>	<b>\$2,401,267</b>
OPERATING EXPENSES	12/31/22	12/31/21
Operating Expenses	\$2,120,813	\$1,921,289
Dividend Expenses	\$154,214	\$171,087
<b>TOTAL OPERATING EXPENSES</b>	<b>\$2,275,027</b>	<b>\$2,092,376</b>
NON-OPERATING INCOME/LOSS	\$24,662	\$40,15
<b>TOTAL NET INCOME/(LOSS)</b>	<b>\$601,330</b>	<b>\$349,046</b>

*“Advancing Prosperity for Nikkei and Mabuhay Communities”*

## OUR CORE VALUES

- One Team. One Goal.
- Empower Yourself through Knowledge
- Treat Everyone with Respect, Sincerity, and Compassion
- Inspire Trust, Be Ethical: Do the Right Thing
- Safeguard Member's Privacy & Financial Interests
- Be Passionate About Delivering Exceptional Experiences
- Strive for Excellence—Embrace Change
- Kodomo No Tame Ni—For the Sake of the Children

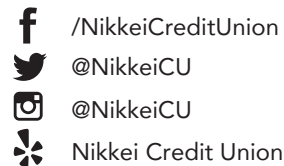


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Gardena, CA 90248

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

**Email**  
[info@nikkeicu.org](mailto:info@nikkeicu.org)



**Mabuhay Branch**  
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Carson, CA 90745

888.MABUHAY (888.622.8429)

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