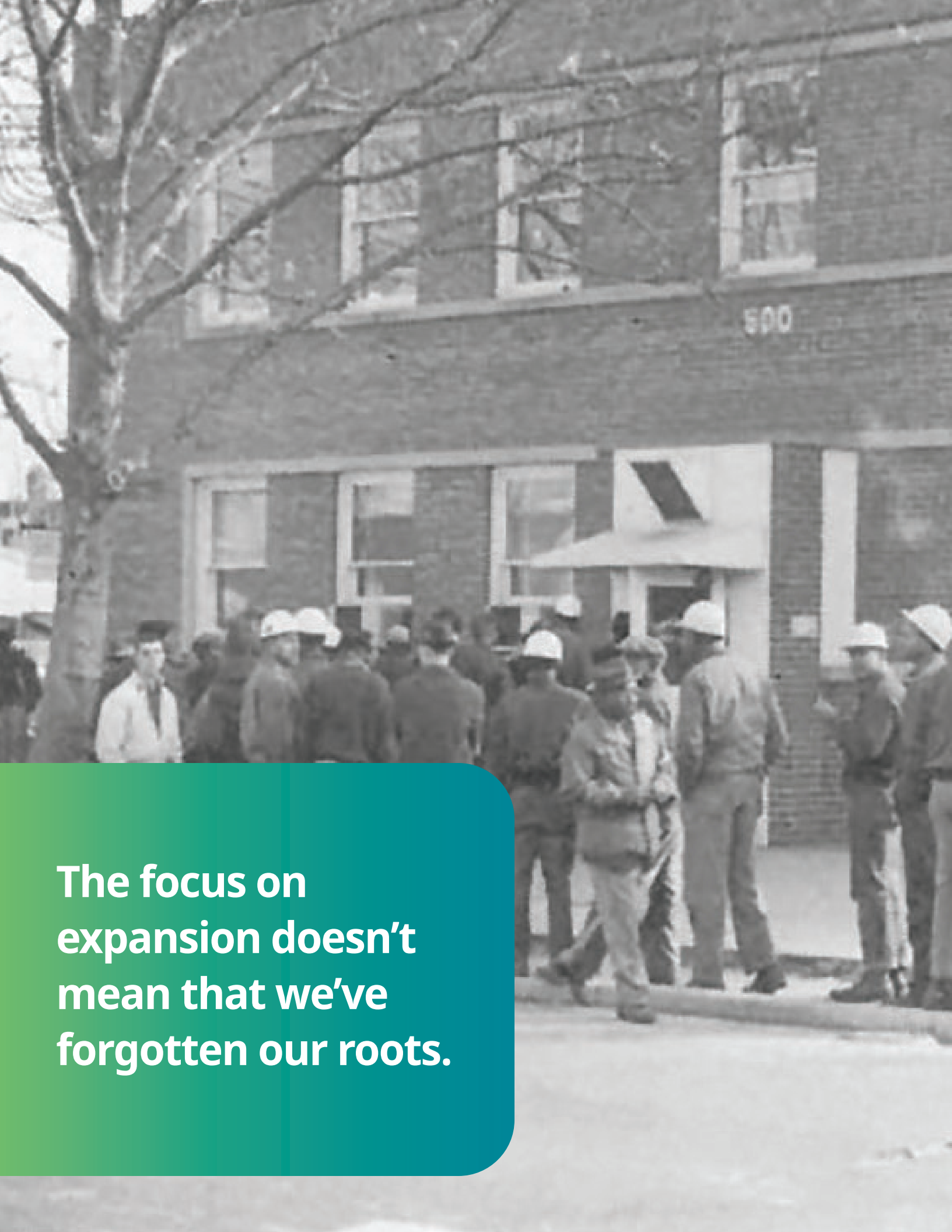




# 2024 Annual Report





**The focus on  
expansion doesn't  
mean that we've  
forgotten our roots.**



# Meeting Agenda & Table of Contents

Tuesday, February 18, 2025, 7:00 p.m.

## 2025 ANNUAL MEETING BROADCAST AGENDA

- ✓ Call to Order
- ✓ Invocation
- ✓ Pledge of Allegiance
- ✓ Welcome
- ✓ Introduction of the Board of Directors
- ✓ Roll Call
- ✓ Quorum Established
- ✓ Introduction of 2024 Annual Report
- ✓ 2024 Minutes Approved by Committee
- ✓ Appointment of Committee to Approve 2025 Minutes
- ✓ Report of the Chairman
- ✓ Report of the President/CEO
- ✓ Report of the Nominating Committee
- ✓ Adjournment

## 2024 ANNUAL REPORT TABLE OF CONTENTS

- 01 Board of Directors
- 03 Message from the Chairman and President/CEO
- 05 Minutes
- 07 Nominees for the Board of Directors
- 08 Supervisory Committee Report
- 11 Financial Statements



# Credit Union Board of Directors



Maureen H. Davis  
*Chairman*



Suzanne M. Beckstoffer  
*First Vice Chairman*



Pamela J. Rowe PMP®  
*Second Vice Chairman*



Jennifer M. Miller  
*Secretary/Treasurer*



LeMeshia M. Steele  
*Assistant Secretary*



Ray C. Bagley



Mary L. Cullen



Darlene W. Graham



Dinetta D. Hill



Craig Holley, Jr.



Thomasina R. Wright

# 2024 Highlights

*As we look forward to our 98th year of business, our mission, vision, and core values remain faithful to the credit union philosophy of “People Helping People.”*



**FEDERAL CHARTER  
VOTE APPROVED**



**SECOND \$500,000 ACT  
GRANT AWARDED TO FUND  
NEWPORT NEWS PUBLIC  
SCHOOLS' NEW TEACHER  
INSTITUTE PROGRAM**



**5TH YEAR WINNING IN  
ALL FOUR CATEGORIES  
OF THE VACUL SOCIAL  
RESPONSIBILITY AWARDS**



**WE OPENED OUR SECOND  
NORFOLK BRANCH,  
LOCATED AT  
2014 GRANBY STREET**





# Message from the Chairman and President/CEO

Dear Valued Member:

Community-based banking has been the mission of BayPort Credit Union for over 95 years. In 1928, we were formed as Newport News Shipbuilding Employees' Credit Union by 12 shipyard workers, with the shared goal of creating a financial institution to serve the needs of shipyard workers and their families. Today, we have opened our membership to serve the entire Greater Hampton Roads community. We continue to grow and have a lot of good news to share.

BayPort continues our 34-year tradition of being a 5-Star Superior-rated credit union from BauerFinancial for financial strength and stability.

In 2024, our member savings grew 5.6% to nearly \$2.2 billion, our total loans to members grew 13% to \$2 billion, and our total assets now stand at \$2.6 billion – putting us in the top 4% of credit unions nationwide by asset size.

We returned over \$40 million to our members through dividends paid on competitively priced deposit accounts, including savings, checking, money market, IRA accounts, and Certificates of Deposit. We originated over \$145 million in mortgage loans and provided nearly \$275 million in vehicle loans, plus we grew our business loan portfolio to nearly \$288 million.

Last year, BayPort members approved the change from a state charter to a federal charter. Converting to a federal charter expands opportunities for BayPort to offer new services to our members and welcome new member groups. A federal charter allows us to meet our members where they are and expand the benefits of membership to new markets outside of Hampton Roads. Converting to a federal charter results in little to no impact on BayPort's existing products and services for our members. You will still be able to transact business in the same way you always have. We expect the full process of converting to a federal charter to be completed later this year.

In 2024, BayPort continued our expansion on the Southside, reaffirming our commitment to bringing the benefits of BayPort membership to everyone in the Hampton Roads market. We opened our second Norfolk branch, located at 2014 Granby Street, at the corner of Granby and 21st, in the historic Ghent district. As at all of our branch locations, the drive-thru features BayPort's YourTeller® interactive teller machines, which allow members to perform complex banking transactions from the comfort and safety of their vehicles.

The focus on expansion on the Southside doesn't mean that we have forgotten our roots. In 2025, we will renovate BayPort's very first branch located on 37th Street and Huntington Avenue. Construction will include two drive-thru YourTeller® interactive teller machine lanes and two walkup ITMs and will bring the teller and the member service functions together creating a more convenient, easier to navigate experience for our members who use this location.

In 2024, we introduced our first-ever Credit Score Member of the Month program. This new program encourages members to grow their credit score by 5 or more points to be entered to win \$1,000 towards paying down their existing BayPort debt. Since the program launched in mid-2024, we have celebrated monthly winners and are excited to continue awarding winners throughout the new year.

We want to mention the work we accomplished last year through the BayPort Foundation, our philanthropic arm. Since launching the Foundation in 2020, we have raised over one million dollars to invest back into our local communities.

This past year, BayPort, in partnership with Ferguson, Newport News Shipbuilding, and Virginia Natural Gas, launched our second half-million-dollar, three-year, step-down grant called Accelerating Change Together—or the ACT Grant. The ACT Grant intends to address needs and gaps in Education and Workforce Development in Hampton Roads.

We are excited to share that the 2024-2026 \$500,000 ACT Grant has been awarded to the Newport News Education Foundation to support the Newport News Public Schools' New Teacher Institute program. The grant will provide the funding necessary to answer the regional call to build a workforce pipeline to expand its new first- and second-year teacher programs. BayPort and our ACT Grant business partners understand that by addressing the education and workforce gaps now, we can contribute to the growth and stability of our communities to meet the needs of today and the challenges of tomorrow.

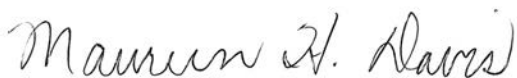
Annually, BayPort's philanthropic arm, the BayPort Foundation awards \$100,000 in tuition assistance. Our Scholarship Program is unique because we allow funds to be applied to not only colleges and universities, but trade and vocational schools as well. BayPort now offers 12 different scholarship types to 36 high school seniors, college students, and full-time working adults. The submission deadline for all scholarships for the 2025-2026 academic year is close of business on March 31, 2025.

BayPort is proud to partner with over 60 Hampton Roads schools to provide in-class education, reward students for saving, and support high school work-based learning programs, as well as college, career, and civics readiness credits. In addition to our student outreach, BayPort provides grants to assist local teachers in creating new financial education programs. In 2024, we recognized the efforts of 15 local teachers with \$15,000 in grants.

Every year, BayPort's staff volunteer their time and money to several local nonprofit partners, most notably the American Cancer Society, the Alzheimer's Association, and the Virginia Peninsula Foodbank. In 2024 alone, our staff raised over \$40,000 for these organizations through fundraising campaigns, events, and drives.

We want to mention BayPort's 2024 industry accolades. For the fifth straight year, we have won in all four categories of the Virginia Credit Union League's Social Responsibility Awards. BayPort is recognized for our youth and adult financial education outreach, member services, and community activities. BayPort was also honored with a Diamond Award by America's Credit Unions for creative excellence in public relations for our ACT Grant news and media results.

As we look forward to our 98th year of business, our mission, vision, and core values remain faithful to the credit union philosophy of "People Helping People." We will continue doing our very best work for our members and communities in 2025 and beyond.



Maureen H. Davis  
Chairman of the Board



James B. Mears  
President/CEO

# Minutes of the 96th Annual Meeting

## 1. Call to Order

The 96th Annual Meeting of shareholders of the Newport News Shipbuilding Employees' Credit Union doing business as BayPort Credit Union was called to order virtually on February 20, 2024, at 7:00 p.m., by Ms. Maureen Davis, Chairman of the Board of Directors.

The invocation was given by Lewis Smith, Chief Financial Officer of BayPort Credit Union.

Cadet Lieutenant Commander Madison Davis of the Heritage High School Junior ROTC led the audience in reciting the Pledge of Allegiance.

The Chairman extended thanks to Madison Davis for her participation in the pre-meeting ceremonies.

Chairman Davis introduced the Board of Directors and Parliamentarian Michael Wagner-Diggs.

At the request of the Chairman, Ms. Jennifer M. Miller, the Secretary/Treasurer conducted the Roll Call and announced that a quorum of the shareholders was in attendance.

## 2. Minutes of the 95th Annual Meeting

The Chairman informed the members that the minutes of the 95th Annual Meeting were in the Annual Report, which can be located on our website, and at all BayPort Branch locations and had been approved and filed by a committee comprised of Ms. Suzanne Beckstoffer, Mr. Craig Holley, Jr., Ms. Jennifer Miller, and Ms. Pamela Rowe. There being no objection from the shareholders, the reading of those minutes was dispensed with, and the Chairman ordered them filed.

Ms. Davis subsequently appointed a committee consisting of Mr. Ray Bagley, Ms. Mary Cullen, Ms. LeMeshia Steele, and Ms. Thomasina Wright to approve the minutes of the 96th Annual Meeting.





### 3. Reports

#### Chairman's and President's Reports

The Chairman's and President's Reports to the Shareholders were presented by Ms. Maureen H. Davis, Chairman of the Board, and Mr. James B. Mears, President/CEO of the Credit Union.

#### Supervisory Committee Report

Ms. Ashley White presented the Supervisory Committee Report.

#### Report of the Nominating Committee

Ms. LeMeshia Steele, Chairman of the Nominating Committee, presented the Nominating Committee Report. The members of the Nominating Committee were Mr. Ray Bagley, Ms. Mary Cullen, Mr. Craig Holley, Jr., Ms. Thomasina Wright and Ms. LeMeshia Steele. Ms. Steele reported the following slate of members, in order of appearance on the ballot, were submitted as candidates for the Board of Directors: Ms. Pamela J. Rowe, Ms. Jennifer M. Miller, Mr. George C. Wiatt, Jr., Mr. David Hammond, Ms. Darlene W. Graham and Ms. Dinetta D. Hill.

#### 4. Election of Officers

Ms. Davis then announced that Mr. Kevin Green had been appointed and duly sworn to be the Inspector of Elections and in so doing would comply with an oath which was directed by the Chairman to be included with the minutes as Exhibit I. The Final Report of the Inspector of Elections will be included in the minutes of this meeting as Exhibit III.

Ms. Davis then announced that all ballots for the Office of Director have been collected and are currently being counted. The results of the election will be announced on the BayPort website and social media channels and published in the *Daily Press* and *Virginian-Pilot* newspapers.

#### 5. Adjournment

The Chairman thanked the members on behalf of the Board for their participation in the Annual Meeting and for taking part in the affairs of their Credit Union. There being no further business to come before the meeting, Ms. Davis declared the meeting adjourned at 7:16p.m.

#### Exhibit III.

For the Board of Directors

Total Ballots Distributed 4,010

Total Votes Counted 13,889

Name	Votes Cast for the Election of Nominee
ROWE, Pamela J.	2,482
Miller, Jennifer M.	2,434
WIATT, Jr., George C.	2,328
HAMMOND, David	1,272
GRAHAM, Darlene W.	2,403
HILL, Dinetta D.	2,967
Write-in Votes	3

# Nominees for the Board of Directors

The order of appearance on the ballot is by random selection by the Committee.



**Suzanne M. Beckstoffer,**  
*Incumbent*

Incumbent, up for re-election, Suzanne

Beckstoffer was elected to the Board of Directors in 1992. She served as Chairman of the Board 2010-2022 and currently serves as First Vice Chairman of the Board and as a member of the Executive Committee.

Suzanne retired from Newport News Shipbuilding in 2016 as an Engineering Director, after a 34-year shipbuilding career. Since then, she has continued her work in engineering, education, and financial literacy. Suzanne is a Fellow, Past-President, and Executive Committee member of the Society of Naval Architects and Marine Engineers. She is Chairman of the Board of the Peake Childhood Center, which operates two NAEYC-accredited early childhood education centers in Hampton and Newport News. She chairs the ABET Industry Advisory Council supporting accreditation of university engineering and technical programs. She has also served on university boards, mentoring and other student programs at Christopher Newport University, Norfolk State University, and NC State University. She is an adjunct professor for the U.S. Merchant Marine Academy in Kings Point, NY, and sits on the Marine Board of the National Academies of Science – Engineering – Medicine.

She is a graduate of North Carolina State University with a B.S. in Civil Engineering, and also earned her MBA from The College of William and Mary. She has earned the Basic Certificate, the Edward A. Filene Certificate, and the William Raiffeisen Certificate of the credit union Volunteer Achievement Program. The Peninsula Engineers Council elected her "Engineer of the Year" in 2015.

Suzanne is an active member of her church, and works with its Care of Creation and Fair Trade programs. She also enjoys nonfiction writing, gardening, the beach, and traveling with her husband Hank.



**Maureen H. Davis,**  
*Incumbent*

Incumbent, up for re-election, Maureen

(Harris) Davis has served as a Board member since 2013 and has held the roles of Board Secretary/Treasurer, First Vice Chairman, and has served as Chairman since 2022. She is an ex-officio member of all Board Committees. She served on BayPort's Supervisory Committee 2006 - 2013.

Maureen retired in 2015 from Newport News Shipbuilding after 25 years of service where she held various management level positions in Finance, Operations Finance, Payroll, Accounting, and IT. In addition to Newport News Shipbuilding, she also held various management and finance positions at Jefferson Lab, Milcom, Inc., and L-3 Unidyne.

Maureen graduated with a degree in Accounting from Christopher Newport University and continues to work towards obtaining the Credit Union National Association Certified Volunteer certificate.

Maureen is also the Treasurer of the Advisory Board of the Salvation Army of the Virginia Peninsula and serves on the Executive, Finance and Property Committees. She is active in her church, Church of the Good Shepherd, in Smithfield, VA.

Maureen and her husband, Scott, reside in Smithfield, VA.



**Craig Holley, Jr.,**  
*Incumbent*

Incumbent, up for re-election, Craig Holley,

Jr. began serving on BayPort's Board of Directors in 2022. He is a member of the Policy and Executive Committees and has served as Chair of the Technology Committee and as Assistant Secretary.

Craig currently manages the Finance, Engagement, Communications, and Technology (FEC&T) team within the Engineering & Design Division of Newport News Shipbuilding (NNS). He began his career at NNS in a rotational Business Integration Program in 2010. This opportunity exposed him to Program Finance, Overhead, and Rates & Forecasting within his first three years. In Rates & Forecasting, he served as a lead Rates Analyst developing and negotiating the overhead cost structure of CVN 79. He later took on positions of increasing responsibility, including Senior Financial Analyst of the CVN 79 program and Senior Financial Analyst for Banking & Capital Markets and Risk Management within Huntington Ingalls Industries' Corporate Office.

In 2018, he earned the President's Model of Excellence award for "Courage to Make a Difference: Establishing a Culture of Appreciation in Business Management" and in 2023 he was selected by his peers as an NNS "Change Agent." Within his church, he has facilitated Crown Financial classes leading both teens and adults through money management skills. He has volunteered at Mid-Atlantic Teen Challenge helping to encourage young men through life challenges and currently co-leads a middle school bible study class.

Craig attended Christopher Newport University where he double-majored in Economics and Finance, graduating at the top of his business class in 2010. He is happily married to his wife, Armalita, and enjoys spending time with his five children: Misha'el, Moriyah, Myriam, Amiah, and Eden.

# Supervisory Committee Report

The Supervisory Committee's (the "Committee") primary functions are to make, or cause to be made, an annual audit and such supplementary audits of the records and affairs of BayPort Credit Union, as it deems necessary. Accordingly, the Committee reviews operational procedures of the Credit Union and makes applicable recommendations to the Board of Directors.

The audits are designed to determine that: 1) Accounting records and financial statements are promptly and accurately prepared and present fairly the financial condition of the Credit Union. 2) Internal controls are established and maintained. 3) Plans, policies, and controls are properly administered. 4) Practices and procedures are sufficient to safeguard members' assets.

The Committee retained the services of Doeren Mayhew Assurance to perform an opinion audit of the Credit Union's financial statements. The Committee believes, based on the results of the opinion audit and a review of the Credit Union's operations, BayPort Credit Union is in sound financial condition and is operating under sound management procedures.

Any member of the Credit Union is considered to be an associate of the Committee and we invite your inquiries.



Eleanor Northover  
*Committee Chair*



Anna Griffith



Brian Stockunas



Lindsey Watson





**We will continue  
doing our very  
best work for our  
members and  
communities in 2025  
and beyond.**

 BayPort Foundation 

PAY TO THE ORDER OF **Newport News**

**Five Hundred T**

MEMO **Accelerating Change Together  
Newport News Public Schools**



002  
DATE December 10, 2024  
Newport News Shipbuilding Gives  
Virginia Natural Gas  
Education Foundation \$500,000.00  
thousand and 00/100 Dollars  
Jon B. Moran  
New Teacher Institute



**BAYPORT IS COMMITTED TO DEVELOPING LONG-TERM PROSPERITY FOR OUR COMMUNITIES BY COMMITTING TO OUR MEMBERS' FINANCIAL WELL-BEING.**

# 2024 Financials



Total assets now stand at \$2.6 billion putting BayPort in the **top 4% of credit unions nationwide by asset size**



Grew our business loan portfolio to over **\$288 million**

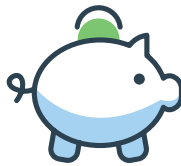
Returned over **\$40 million** in dividends on member deposits



Originated over **\$145 million** in mortgage loans



Provided nearly **\$275 million** in vehicle loans



Member savings grew 5.6% to nearly

**\$2.2 billion**

## FINANCIAL HIGHLIGHTS

December 31, 2024 and 2023

(In Thousands)

### FINANCIAL CONDITION

	2024	2023	% of Increase (Decrease)
Assets	\$ 2,623,985	\$ 2,435,294	7.7%
Loans outstanding	\$ 2,049,675	\$ 1,813,984	13.0%
Savings held by members	\$ 2,188,134	\$ 2,071,554	5.6%
Total retained earnings	\$ 267,937	\$ 250,637	6.9%

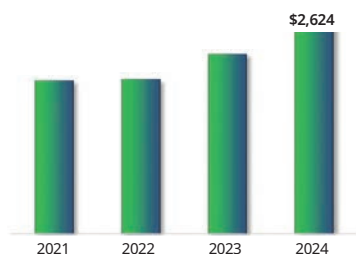
### OPERATING STATISTICS

	2024	2023	% of Increase (Decrease)
Dollar volume of loans granted to members	\$ 1,043,041	\$ 713,205	46.2%
Gross Income	\$ 185,616	\$ 152,340	21.8%
Dividends paid	\$ 40,907	\$ 29,396	39.2%
Operating expenses	\$ 98,866	\$ 89,967	9.9%

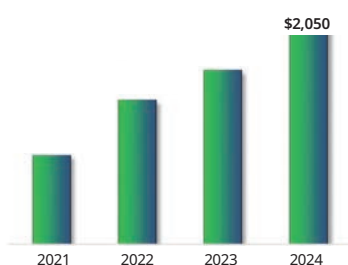
### MEMBERS

2024	2023	% of Increase (Decrease)
154,711	152,263	1.6%

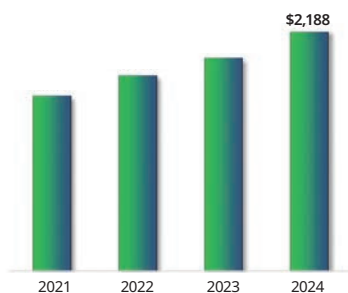
**ASSETS**  
Dollars in Millions



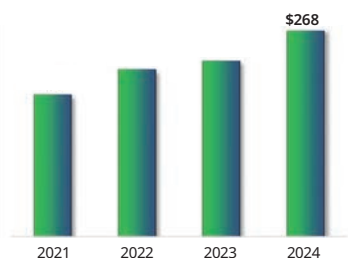
**LOANS OUTSTANDING**  
Dollars in Millions



**SAVINGS HELD BY MEMBERS**  
Dollars in Millions



**TOTAL RETAINED EARNINGS**  
Dollars in Millions



**CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**  
**December 31, 2024 and 2023**

(In Thousands)

ASSETS	2024	2023
Cash and cash equivalents	\$ 28,220	\$ 29,269
Investments	422,252	480,167
Loans held-for-sale	-	-
Loans receivable, net of allowance for loan losses	2,007,588	1,772,986
Accrued interest receivable	8,101	7,153
Premises and equipment, net	59,444	57,254
National Credit Union Share Insurance Fund deposit	19,263	18,491
Other assets	79,117	69,974
<b>Total Assets</b>	<b>\$ 2,623,985</b>	<b>\$ 2,435,294</b>

**LIABILITIES AND MEMBERS' EQUITY**

Liabilities	2024	2023
Members' shares and savings accounts	\$ 2,188,134	\$ 2,071,554
Borrowed funds	165,000	115,000
Accrued expenses and other liabilities	26,571	20,970
<b>Total liabilities</b>	<b>2,379,705</b>	<b>2,207,524</b>
Members' Equity	244,280	227,770
<b>Total Liabilities and Members' Equity</b>	<b>\$ 2,623,985</b>	<b>\$ 2,435,294</b>

**CONSOLIDATED STATEMENTS OF INCOME**  
**December 31, 2024 and 2023**

(In Thousands)

INTEREST INCOME	2024	2023
Interest on loans receivable	\$ 123,922	\$ 99,330
Interest on investments	19,258	15,638
<b>Interest Income</b>	<b>143,180</b>	<b>114,968</b>
<b>INTEREST EXPENSE</b>		
Dividends on members' shares	40,907	29,396
Interest on borrowed funds	9,277	3,796
<b>Interest expense</b>	<b>50,184</b>	<b>33,192</b>
<b>NET INTEREST INCOME</b>	<b>92,996</b>	<b>81,776</b>
<b>PROVISION FOR LOAN LOSSES</b>	<b>19,510</b>	<b>4,273</b>
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>73,486</b>	<b>77,503</b>
<b>NON-INTEREST INCOME</b>		
Service charges and other income	42,436	37,372
Non-operating income (expense)	244	416
<b>Non-interest Income</b>	<b>42,680</b>	<b>37,788</b>
	<b>116,166</b>	<b>115,291</b>
<b>NON-INTEREST EXPENSE</b>		
Compensation and employee benefits	48,393	43,231
Operations	43,534	39,930
Occupancy	6,939	6,806
<b>Non-interest Expense</b>	<b>98,866</b>	<b>89,967</b>
<b>NET INCOME</b>	<b>\$ 17,300</b>	<b>\$ 25,324</b>



### **Chesapeake**

1000 Cedar Road  
677 N. Battlefield Blvd.\*  
2445 Old Taylor Road\*

### **Gloucester**

6723 Fox Centre Parkway  
2369 Geo. Washington Mem. Hwy.\*

### **Grafton**

5028 Geo. Washington Mem. Hwy.\*

### **Hampton**

1168 Big Bethel Road\*  
2300 Cunningham Drive  
199 Fox Hill Road\*  
22 Lincoln St., 3rd Floor

### **Newport News**

One BayPort Way\*  
433 Denbigh Blvd.\*  
955 Harpersville Road (*restricted access*)  
3711 Huntington Ave.\*  
3101 Jefferson Ave. (*inside Piggly Wiggly*)  
8000 Marshall Ave.  
12512 Warwick Blvd.\*

### **Norfolk**

600 Church Street (*inside USPS office*)  
2014 Granby Street

### **Portsmouth**

1241 Frederick Blvd.

### **Smithfield**

1290 Smithfield Plaza\*

### **Suffolk**

1463 North Main Street\*  
1013 University Blvd.

### **Williamsburg**

4171 Ironbound Road\*

### **Virginia Beach**

4388 Holland Road\*  
750 Independence Blvd.  
770 Lynnhaven Pkwy.  
5225 Providence Road\*  
3205 Virginia Beach Blvd.

### **ALL BRANCHES & GENERAL INFORMATION**

**757.928.8850**

### **TOLL-FREE NUMBER**

**1.800.928.8801**

### **BALANCES/RATES**

(Audio Response)

**757.244.STAR**

### **BUSINESS BANKING**

**757.873.4031**

### **MORTGAGES**

**757.896.8769**

### **BAYPORT FINANCIAL**

**757.928.8931**

### **BAYPORT INSURANCE**

**757.493.5140**

### **WEBSITE**

**bayportcu.org**

\*Also serve as CO-OP Shared Branch Locations

Federally insured by the NCUA.



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