

# 2020 ANNUAL REPORT



## Letter from the PRESIDENT & CEO

2020 was a unique year for us all. Despite the pandemic, SafeAmerica Credit Union (SACU) continued to grow, reaching an all-new level asset size, ending the year over \$512 million. This growth is a direct result of both our members and staff's continued loyalty, support and trust. And for that we are thankful. As the pandemic concerns grew, we reacted quickly and took all the necessary precautions to ensure the safety of both our members and staff. Even with such disruption, our goal remained for the continued financial and physical well-being of our members and staff.

With great pride, SACU was able to serve our members this last year, when it was needed most.

Our priority was to continue to provide you with the safest and best service, uninterrupted. During the pandemic, our branch locations remained opened and steps were taken to ensure your physical safety while visiting. We were happy to introduce a new branch location in 2020, moving our Antioch location to Brentwood. Our call center hours remained unchanged, while most of our staff shifted roles and began working from home – still there to take your calls over safe and secure channels. We reached out to members to encourage the use of our online and mobile channels as a banking alternative. As a result, we saw a large number of members adopt these remote services as a new way to bank with us.

While 2020 was a year of big adjustments, your Credit Union grew stronger. Our record deposit growth occurred as you, our members, increased their savings and reduced their debts during this time of uncertainty. Our solid earnings of nearly \$2.8 million added to our financial strength.

With the many social challenges presented by 2020, our staff showed what it takes to work in a resilient and dedicated manner to ensure that our members' best interests and financial health was always top of mind. In 2021, we will launch our new member feedback surveys, which will allow SACU Management to gain more timely insight on how we can improve to better meet the overall needs of all our members. Our promise is to listen and act upon your feedback in hopes of deepening a trusted, long-lasting relationship with you. Looking forward, we're also excited to bring you a new enhanced checking offering, improvements in technology with online and mobile banking, a new website chat feature and much more in 2021. Watch for these announcements in 2021.

As we continue forward through this unprecedented year, we at SafeAmerica Credit Union want to thank you for your continued support. We wish all members a better and prosperous year in 2021.

**Tom Graves | President & CEO**

## CHAIRMAN'S MESSAGE

We are proud to be a part of the credit union cooperative and help make a difference for our community and members with their finances. On behalf of the Board of Directors, management and staff, we want to thank you for your continued membership, trust, and loyalty to SafeAmerica Credit Union.

SafeAmerica had a successful 2020. The pandemic presented challenges we never expected but are proud of being able to navigate the unknown with intentions of keeping our member's finances safe with us.

To combat the spread of COVID-19 we advised our members to use our online and mobile banking services rather than traditional in-branch visits. As a needed precaution, we also implemented safety protocol in all aspects of our in-branch experiences.

Our member's financial health has always been top of mind, but even more so during the course of the pandemic. As a not-for-profit institution, we worked with members to modify loans and helped create financial plans to navigate the unpredictable year.

Through the pandemic, we saw record growth and reached \$512 million in asset size. A number that directly translates to the value our members have placed in SafeAmerica Credit Union. We are successfully en route to reaching new heights and despite setbacks from 2020, we have features and resources coming in 2021 that will further be of great use for our members.

We are very proud of our staff for their dedication in continuing to make sure our member's financial needs are always met, even during a pandemic. The Board would like to thank the Executive Team for their strategic initiatives that further helped our members, while maintaining a safe and sound financial institution they can feel proud of.

Thank you.

**Frank Zampella | Chairman, Board of Directors**

## AUDIT COMMITTEE CHAIRPERSON'S MESSAGE

As Audit Committee Members, our main focus is to ensure that the financial practices, policies and regulatory requirements are understood, measured for soundness, and audited on a regular basis to safeguard each Credit Union Member's assets.

The Audit Committee engages the external auditor to perform the Annual Opinion Audit, as well as any supplementary inspections or audits as necessary, and make a full report to the Board of Directors and also present the results of those audits at the Annual Meeting of Members.

I am pleased to report Doeren Mayhew has successfully completed the 2020 Annual Opinion Audit for SafeAmerica Credit Union, found no material findings (corrections, adjustments, misstatements) and issued an unqualified opinion.

**Tracy Thames | Audit Committee Chairperson**

## Financial Condition

### ASSETS

|                                       |                      |
|---------------------------------------|----------------------|
| Loans to Members                      | \$ 387,423,079       |
| Less: Allowance for Loan Losses       | \$ 2,376,425         |
| Net Loans                             | \$385,046,654        |
| Cash                                  | \$ 6,052,208         |
| Accounts Receivable                   | \$0                  |
| Investments                           | \$104,493,406        |
| Accrued Income                        | \$ 1,123,740         |
| Prepaid & Deferred Expenses           | \$ 2,297,037         |
| Land, Building & Improvements         | \$ 6,109,824         |
| Other Fixed Assets                    | \$ 967,755           |
| Other Real Estate Owned               | \$0                  |
| Share Insurance Fund                  | \$ 5,616,974         |
| Core Deposit Intangible               | \$0                  |
| Other Assets                          | \$ 1,128,377         |
| <b>TOTAL ASSETS</b>                   | <b>\$512,835,975</b> |
| <b>LIABILITIES</b>                    |                      |
| Accounts Payable                      | \$ 2,359,285         |
| Notes & Interest Payable              | \$0                  |
| Accrued Expenses                      | \$ 1,119,670         |
| Other Liabilities                     | \$ 281,055           |
| <b>TOTAL LIABILITIES</b>              | <b>\$3,760,010</b>   |
| <b>EQUITY</b>                         |                      |
| Shares                                | \$ 470,092,346       |
| Regular Reserves                      | \$23,652,919         |
| Undivided Earnings                    | \$15,330,700         |
| <b>TOTAL EQUITY</b>                   | <b>\$509,075,965</b> |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>\$512,835,975</b> |

## Income and Expenses

### INCOME

|                         |                     |
|-------------------------|---------------------|
| Interest on Loans       | \$17,531,097        |
| Income from Investments | \$ 511,484          |
| Other Income            | \$3,052,007         |
| <b>TOTAL INCOME</b>     | <b>\$21,094,588</b> |

### OPERATING EXPENSES

|                                 |              |
|---------------------------------|--------------|
| Compensation & Benefits         | \$ 7,008,082 |
| Travel, Education & Training    | \$ 152,732   |
| Office Occupancy                | \$ 688,098   |
| Office Operations               | \$ 3,650,129 |
| Marketing & Promotions          | \$ 566,670   |
| Professional & Outside Services | \$ 444,798   |
| Miscellaneous                   | \$ 148,497   |

|                                 |                     |
|---------------------------------|---------------------|
| <b>TOTAL OPERATING EXPENSES</b> | <b>\$12,659,006</b> |
|---------------------------------|---------------------|

|                                |                    |
|--------------------------------|--------------------|
| Provision for Loan Losses      | \$ 2,044,285       |
| <b>INCOME BEFORE DIVIDENDS</b> | <b>\$6,391,297</b> |
| <b>DIVIDENDS</b>               | <b>\$3,608,182</b> |
| <b>NET INCOME (LOSS)</b>       | <b>\$2,783,115</b> |

|                                                |              |
|------------------------------------------------|--------------|
| <b>DISTRIBUTION OF INCOME FROM ALL SOURCES</b> |              |
| Dividends                                      | \$ 3,608,182 |
| Operating Expenses                             | \$12,659,006 |

|                                            |              |
|--------------------------------------------|--------------|
| Provision for Loan Losses                  | \$ 2,044,285 |
| Undivided Earnings & Reserve Contributions | \$2,783,115  |

|                                      |                     |
|--------------------------------------|---------------------|
| <b>TOTAL INCOME FROM ALL SOURCES</b> | <b>\$21,094,588</b> |
|--------------------------------------|---------------------|

## SAFEAMERICA BY THE NUMBERS

(Dollars in Millions)

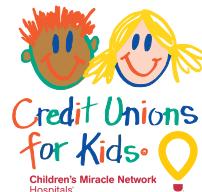


## SAFEAMERICA IN THE COMMUNITY

SafeAmerica Credit Union, its members, and employees continued to support our local charities in 2020.

Banzai Financial Literacy for Students  
Alameda County Community Food Bank  
Food Bank of Contra Costa & Solano  
CU 4 Kids, Children's Miracle Network,  
Children's Hospital

# Banzai!



## Board of Directors

**Frank Zampella**  
Chairman of the Board

**Brian Schultz**  
Executive Vice Chairman

**Jason Chang**  
1st Vice Chairman

**Susan Walls**  
Secretary/Treasurer

**Diane Bailey**  
Director

**Patty Carlson**  
Director

**Tracy Thame**  
Director

## Executive Team

**Tom Graves**  
President & CEO

**Terry Bishop**  
VP Finance & Compliance

**Stefany Chadbon-Hooke**  
VP Human Resources

**Steven Page**  
VP Marketing, IT & Digital Banking

**Amrita Prasad**  
VP Lending & Collections

**Anthony Rappa**  
VP Retail Banking



Your savings insured to \$500,000 per account. By members' choice, this institution is not federally insured, or insured by any state government.