

ANNUAL REPORT 2021



SAN FRANCISCO
FEDERAL CREDIT UNION

Report from the Board of Directors

On behalf of our Board of Directors and Credit Union staff, we are pleased to present the Annual Report for 2021. We are proud to report that the organization continues to operate in a financially sound manner. San Francisco Federal Credit Union finished 2021 with nearly 46,000 members, \$513.0 million in loans, \$1.2 billion in member shares, and \$1.3 billion in assets.

In 2021, we welcomed 2,070 new members and funded \$23.1 million dollars in consumer loans. These loans went to helping members consolidate debt, purchase new vehicles for reliable transportation and accomplish life goals.

In January, San Francisco Federal Credit Union announced we have been certified as a minority depository institution (MDI), meaning that more than 50% of members and the board of directors are Black American, Native American, Asian American or Hispanic American. SFFedCU joins a network of 500 credit unions nationally which have been granted this designation by the National Credit Union Administration. Credit unions designated as minority depository institutions provide safe, affordable financial services to members and communities who are often unserved or underserved by financial institutions.

On April 1st, the Credit Union again lowered its rates, providing members with the lowest fixed rate jumbo home loans in addition to our credit card, which has the lowest rate in the nation. Cash back directly in members' pockets for those who used their credit card totaled nearly \$380,000! And just in time for the holidays, we lowered our minimum monthly payment on credit card balances from 3% to only 1% of the outstanding balance, giving members more cash on hand for shopping and paying bills.

Enhancing our members' experience is important to us. In 2021, we launched a new and improved website, with easier navigation and reliability combined with the highest level of security. And as part of our commitment to providing our members with more convenient and safer access to their funds and in support of the City of San Francisco, we installed an ATM for cash withdrawals at the Exploratorium on Pier 15. More than 13 million people a year visit this incredible San Francisco attraction. We also installed a full-service ATM at our Van Ness branch, 851 Van Ness Avenue.

We started a merger with Redwood City's My Credit Union, which in 2022 will provide us with 1,800 additional members, a second branch in San Mateo County and our 7th branch overall. Established in 1963, My Credit Union has assets totaling more than \$37 million. The merger was approved in January 2022 by both the National Credit Union Administration and the Department of Business Oversight.

We recognize 2021 continued to present challenges for our community and membership and we are thankful for your trust and loyalty in our ability to meet your financial needs. We are honored to serve you every day and look forward to standing by you as your valued financial partner.



A handwritten signature in black ink that reads "William Smith".

William Smith
Chairman



A handwritten signature in black ink that reads "Jonathan Oliver".

Jonathan Oliver
President & CEO

SUPERVISORY COMMITTEE

The Supervisory Committee is responsible for ensuring the financial condition of the Credit Union is accurately and fairly presented in all our financial statements. The committee also ensures that management practices and procedures are sufficient to safeguard members' assets. To accomplish these responsibilities, the committee retained RSM US LLP, Certified Public Accountants, to perform an audit of our financial statements for the fiscal year ending September 30, 2021 and met regularly with management during the year to review current operations. We are pleased to report the Credit Union is in a good financial position and doing well.

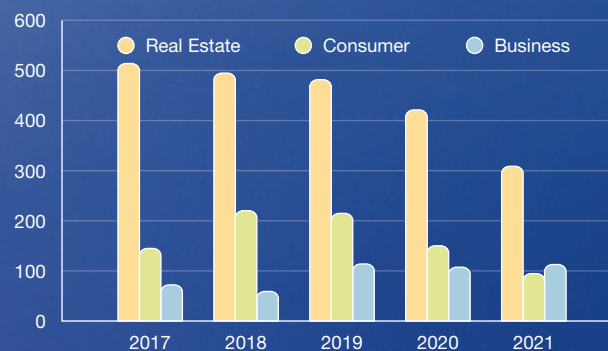
Members



Total Shares and Equity



Outstanding Loans



Net Worth Ratio



STATEMENTS OF FINANCIAL CONDITION

ASSETS	December 2021	December 2020
Loans to Members	512,987,308	668,611,155
Loan loss allowance	(28,418,408)	(32,972,855)
Net loans outstanding	484,568,900	635,638,300
Cash on hand and bank	2,463,880	2,606,189
Other investments	149,000	1,342,000
UST/Agency Notes	152,910,074	111,959,342
Corporate FCU deposits	587,998,719	410,641,133
Land & building	3,227,505	3,745,961
Furniture & equipment	1,348,169	1,833,631
NCUSIF deposit	10,731,710	9,812,307
Accrued income receivable	1,855,511	2,314,066
Prepaid exp/other assets	53,907,379	48,575,177
TOTAL ASSETS	1,299,160,847	1,228,468,106
LIABILITIES AND EQUITY		
Other Liabilities/Div payable	14,816,376	5,983,848
Notes Payable	0	0
Total	14,816,376	5,983,848
Regular shares	360,467,564	307,722,842
Share checking	217,245,060	194,040,278
Money market shares	324,646,882	279,837,213
Term account shares	197,796,533	252,635,014
I.R.A. shares	42,676,171	45,096,280
Share of nonmembers	46,540,000	46,540,000
Total	1,189,372,210	1,125,871,627
Economic reserve	40,000,000	40,000,000
Retained earnings	48,613,278	50,253,648
Regular reserve	6,358,983	6,358,983
Total	94,972,261	96,612,631
TOTAL LIABILITIES AND MEMBER EQUITY	1,299,160,847	1,228,468,106

STATEMENTS OF INCOME

	2021 Year	2020 Year
Interest on loans	21,598,698	29,229,716
Income from investments	2,548,766	3,353,393
Fee income	1,726,440	1,587,796
Other operating income	2,779,212	2,439,037
Non operating income	793,629	910,173
Total gross income	29,446,745	37,520,115
Dividend on shares	3,599,524	5,960,818
Interest expense	2	0
Total cost of funds	3,599,526	5,960,818
Income after cost of funds	25,847,219	31,559,297
Provision for loan losses	(2,283,853)	25,538,709
Income after cost of funds and provision for loan losses	28,131,072	6,020,588
Employee compensation & benefits	11,943,476	14,993,336
Training and conference	61,565	66,683
Office occupancy	2,117,219	2,092,922
Office operations	6,993,562	6,268,475
Educational and promotional	297,306	384,397
Loan servicing	1,247,547	1,225,845
Professional and outside services	4,361,566	3,901,678
Examination and supervision fees	261,737	302,283
Total operating expenses	27,283,978	29,235,619
Net income (loss) before extraordinary items	847,094	(23,215,031)
Other non-operating gains/(losses)	0	(8,144,400)
NET INCOME (LOSS) AFTER EXTRAORDINARY ITEMS	847,094	(31,359,431)

LEADERSHIP

Board of Directors



William Smith
Chairman



Kevin Kone
Vice Chairman



Luenna Kim
Treasurer



Benjamin Kurko
Board Secretary



Patrick Michael Cox
Board Member



William Lee
Board Member



Todd Rydstrom
Board Member



Jeannie Wong
Board Member

Supervisory Committee



David Huebner
Supervisory Committee
Chairman



Richard Frattarelli
Supervisory Committee
Member



Kenji Treanor
Supervisory Committee
Member



Katrina Williams
Supervisory Committee
Member

Senior Management Team



Jonathan P. Oliver
President & CEO



Carrie Pedraza
Chief Information Officer

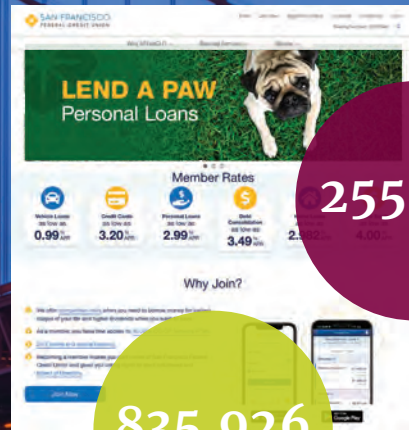


Ray Shams
Chief Lending Officer

THE 2021 NUMBERS

\$100 million in loans helping nearly 5,000 members.

\$100 MILLION IN LOANS



255,374 Website Users

835,926 Website Sessions

Member Survey Scores (Scored from 1-10)

Call Center Experience	8.2
New Product Experience	8.7
New Member Experience	9.0
Remote Service Experience	9.0
Branch Experience	9.0

52.9 MILLION

Number of People Reached on Facebook

+41%



in followers/likes across all social media channels

293

5-STAR REVIEWS



on Yelp and Google My Business



“San Francisco Federal is the sort of company you create a Yelp review account just to leave a review. That’s just how amazing these guys are. I had an amazing experience... and will probably be looking into banking with them, as my bank (looking at you Bank of America) which I have years of relationship never gave me such an intimate and personal positive experience.”

— *Bruno B.*

“We wanted to take the opportunity to thank each and every one of you for helping us with our home refinancing. Thank you for your assistance throughout the loan process and for going above and beyond in all that you do. You guys made everything easy. We are very grateful for your assistance, patience and expertise.”

— *Alberto and Lauriana E.*

MEMBER FEEDBACK

“I’ve been a member of SFFedCU since 2018 for my car financing needs. I trade cars often, and the level of service is constant every time. With the current state of the car industry vehicle chip shortage, supply is limited but demand is high. From the time I initiated an application to loan funding was less than 24 hours. Their timely response was impeccable. [The representatives] went out of their way and put their member first, not the dealer. In a world where dealers always look at their self-interest and not the customers, it’s nice to know that you count on SFFedCU to have your back. Oh — the rates are the best around too.”

— *Donny M.*

“SFFedCU helped me out last week with a personal loan and [the representative] noticed that my credit card APR was 5.6%, which in my opinion I thought it was pretty good, but she went far beyond the line and lower my CC interest rate to a 3.2% That is totally amazing. She also was able to increase my credit limit... Thank you.”

— *Ramon M.*

“I used SFFedCU for a car loan. I have to say it is one of the best and the most personalized banks I have ever dealt with. I [would] like to thank [the representative] specifically for her service of getting everything processed flawlessly and in a tight schedule. Great interest rates and great personalized service, both which miss at most other banks today.”

— *Yash B.*



SAN FRANCISCO
FEDERAL CREDIT UNION

415-775-5377

www.SanFranciscoFCU.com

Branches

Golden Gate

770 Golden Gate Ave. (at Gough)
San Francisco, CA 94102

Lakeside

2645 Ocean Ave., Suite 1 (at 19th Ave.)
San Francisco, CA 94132

Excelsior

4800 Mission St. (at Onondaga)
San Francisco, CA 94112

Richmond

4375 Geary Blvd. (at 8th Ave.)
San Francisco, CA 94118

Burlingame

1811 El Camino Real (at Trousdale)
Burlingame, CA 94010

Van Ness

851 Van Ness Ave. (at Willow)
San Francisco, CA 94109



Equal Housing Lender.
Federally insured by NCUA.

