

A NEW CHAPTER

2024

ANNUAL REPORT

SAN FRANCISCO
FEDERAL CREDIT UNION

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A MESSAGE FROM OUR

CEO & BOARD CHAIR

WE are pleased to present the San Francisco Federal Credit Union's 2024 Annual Report. Guided by our mission to improve the financial well-being of our members and empower them to achieve their financial goals, we remain focused on putting people first. Our core values continue to guide our efforts, ensuring that we provide exceptional financial services with a personal touch.

In 2024, we reinforced our commitment to the communities in San Francisco and San Mateo Counties through strategic initiatives, expanded services, and impactful partnerships. We launched several promotions aimed at helping our members turn their plans into reality, whether that involves investing in their future or making significant purchases. We also introduced enhanced digital tools to ensure top-tier security and provide a seamless online banking experience.

This year, we formed new partnerships with important stakeholders in the Bay Area, such as San Francisco State University, the San Francisco Opera, and the San Francisco 49ers. Collaborating with these organizations will enable us to provide more opportunities for the communities we serve by offering personalized benefits and financial expertise tailored to meet a variety of unique needs.



A MESSAGE FROM OUR

TREASURER

As our range of services has grown, so too has our team. We are excited to welcome several outstanding individuals to our leadership team, along with professionals at various levels throughout the organization. This expansion strengthens and diversifies our capabilities. Each member of the SFFedCU team brings new ideas and a dedication to helping our members achieve peace of mind and financial stability.

As we look to the future, we have identified opportunities for innovation and growth through new technologies and programs. Our members can expect enhanced services that will uphold SFFedCU's high standards of customer care. We are committed to serving the community with professionalism and reliability.

On behalf of everyone at San Francisco Federal Credit Union, we want to express our gratitude for your continued trust and loyalty. We look forward to supporting your financial future.



Ray Shams, President & Chief Executive Officer



David Huebner, Board Chair

I am pleased to report that San Francisco Federal Credit Union continues to maintain a strong financial position, supporting our goal of providing accessible and affordable financial services to local Bay Area communities. Your funds remain safe and secure with SFFedCU.

2024 was marked by steady growth, despite the economic challenges faced in the broader financial landscape. We maintained a robust loan portfolio and strong assets. Our net income increased by 62.8%, providing a strong foundation on which to build new and improved programs for our members in 2025, and allowing us to enjoy financial security and soundness.

We focused on member-centric services, financial discipline, and operational efficiency. Our commitment to our members was demonstrated through investments in technology and innovation, the expansion of financial education programs, and the provision of competitive terms and rates.

Thank you for being a member of SFFedCU. It is because of our members that we can serve as a vital part of the community. We look forward to being your financial advisors and advocates in 2025 and for many years to come.



Michael Lopez, Board Treasurer

2024 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL CONDITION

(Unaudited)

	September 30, 2024	September 30, 2023
ASSETS		
Cash and Cash Equivalents	116,036,797	58,615,768
Securities - Equity	4,422,402	6,245,894
Securities - Available for Sale	407,822,029	491,450,653
Securities - Held to Maturity	24,923,134	31,524,627
Reverse Repurchases	294,172,198	400,955,748
Other Investments	11,860,199	11,611,417
TOTAL INVESTMENTS	**743,199,962**	**941,788,339**
Loans, Net	434,435,193	426,946,259
Accrued Interest Receivable	3,658,187	4,889,349
Premises and Equipment, Net	3,368,471	3,678,803
NCUSIF (National Credit Union Share Insurance Fund) Deposit	9,697,700	10,375,652
Life Insurance Policies	31,116,895	30,384,880
Other Assets	4,306,059	5,325,780
TOTAL ASSETS	**$1,345,819,264**	**$1,482,004,830**
LIABILITIES AND MEMBERS' EQUITY		
Members' Share and Savings Accounts	940,926,620	1,011,712,236
Nonmember Shares	71,428,000	71,603,000
Borrowed Funds	180,087,500	283,248,125
Accrued Interest Payable	(1,172,102)	3,551,501
Legal Settlement Accrual	0	10,903,005
Accrued Expense and Other Liabilities	19,964,141	6,041,957
TOTAL LIABILITIES	**1,211,234,159**	**1,387,059,824**
Undivided Earnings	146,511,489	121,320,747
Accumulated Other Comprehensive Loss	(11,926,384)	(26,375,741)
TOTAL MEMBER'S EQUITY	**134,585,105**	**94,945,006**
TOTAL LIABILITIES AND MEMBER'S EQUITY	**$1,345,819,264**	**$1,482,004,830**

STATEMENT OF INCOME
(Unaudited)

	Year Ended	
	2024	2023
INTEREST INCOME		
Loans	21,578,869	22,360,125
Securities, Interest Bearning Deposits and Cash Equivalents	43,526,629	31,840,974
TOTAL INTEREST INCOME	**65,105,498**	**54,201,099**
INTEREST EXPENSE		
Members' Share and Savings Accounts	5,146,436	2,967,225
Nonmember Deposits	2,250,456	1,423,405
Borrowed Funds	12,315,331	4,358,749
TOTAL INTEREST EXPENSE	**19,712,223**	**8,749,379**
NET INTEREST INCOME	**45,393,275**	**45,451,720**
PROVISION FOR CREDIT/LOAN LOSSES	547,524	884,088
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	**44,845,751**	**44,567,632**
NON-INTEREST INCOME		
Deposit Service Charges and Fees	1,765,816	1,669,148
Interchange Income, Net of Rewards Costs	2,478,976	2,577,359
Other Non-Interest Income	3,353,854	1,981,985
TOTAL NON-INTEREST INCOME	**7,598,646**	**6,228,492**
NON-INTEREST EXPENSE		
General and Administrative:		
Employee Compensation and Benefits	12,999,678	10,188,345
Occupancy	1,714,613	1,644,277
Operations	12,539,385	12,246,184
Legal Settlement Losses	0	10,903,005
TOTAL NON-INTEREST EXPENSE	**27,253,676**	**34,981,811**
NET INCOME	**25,190,721**	**15,814,313**

LEADERSHIP

BOARD OF DIRECTORS



David Huebner
Board Chair



Benjamin Kurko
Board First Vice Chair



Luenna Kim
Board Second Vice Chair



Katrina Williams
Board Secretary



Michael Lopez
Board Treasurer



Patrick Michael Cox
Board Member



Richard Frattarel
Board Member



William Lee
Board Member



William Smith
Board Member

SUPERVISORY COMMITTEE



Andrew Murell
Committee Chair



Chanda Ikeda
Committee Member



Linda Mason
Committee Member



Theresa Rutherford
Committee Member



Jeff Scarafia
Committee Member

LEADERSHIP TEAM



Ray Shams
Chief Executive Officer



Susan Lansing
Chief People Officer



Kirsten Madsen
Chief Operating Officer



Peter Minford
Chief Financial Officer



Melissa Palwick
Chief Lending Officer



Janaki Rao
Chief Technology Officer



Edmond Sahakian
Chief Risk Officer



Valerie Salamon
Chief of Staff, Head of Community Outreach and Government Affairs

OUR MISSION

We are a high-performing and empowered team of financial professionals serving Bay Area communities by providing innovative solutions that bring peace of mind and financial stability.

Credit Union employees look to our four core values for moral guidance and professional consistency when interacting with members: Serve more, own more, partner more, be more.

COMMUNITY PARTNERSHIPS

San Francisco Federal Credit Union takes pride in building meaningful partnerships that enrich the community and create lasting impact. Our collaborations with San Francisco State University (SFSU), the San Francisco Opera, and the San Francisco 49ers reflects our deep commitment to culture, education, and local pride.







At **SAN FRANCISCO STATE UNIVERSITY**, we invest in the next generation by providing students, faculty, and alumni with financial resources tailored to their needs. In partnering with the university, SFFedCU will have the opportunity to sponsor athletic events and scholarships, support financial literacy programs, and offer students and faculty exclusive benefits. Our partnership fosters innovation, ambition, and opportunity, reinforcing our belief that financial well-being is key to lifelong success.

Through our partnership with the **SAN FRANCISCO OPERA**, we support one of the city's most treasured cultural institutions, ensuring that the arts remain accessible and continue to inspire generations. SFFedCU envisions programming that will allow Bay Area youth to experience the Opera firsthand. The Opera embodies creativity, excellence, and tradition—values that align with SFFedCU's dedication to empowering our members and strengthening the fabric of our community.

Our collaboration with the **SAN FRANCISCO 49ERS** extends beyond the field, fostering financial confidence and leadership. By partnering with one of the most iconic teams in sports, we engage fans and local communities through initiatives like financial education programs, youth outreach, and exclusive benefits for members. The 49ers represent teamwork, perseverance, and excellence—qualities we strive to uphold in serving our members.

By aligning with these esteemed institutions, SFFedCU not only strengthens its ties with the community but also enriches the lives of those we serve. Together, we celebrate the arts, champion education, and inspire individuals to achieve their goals.

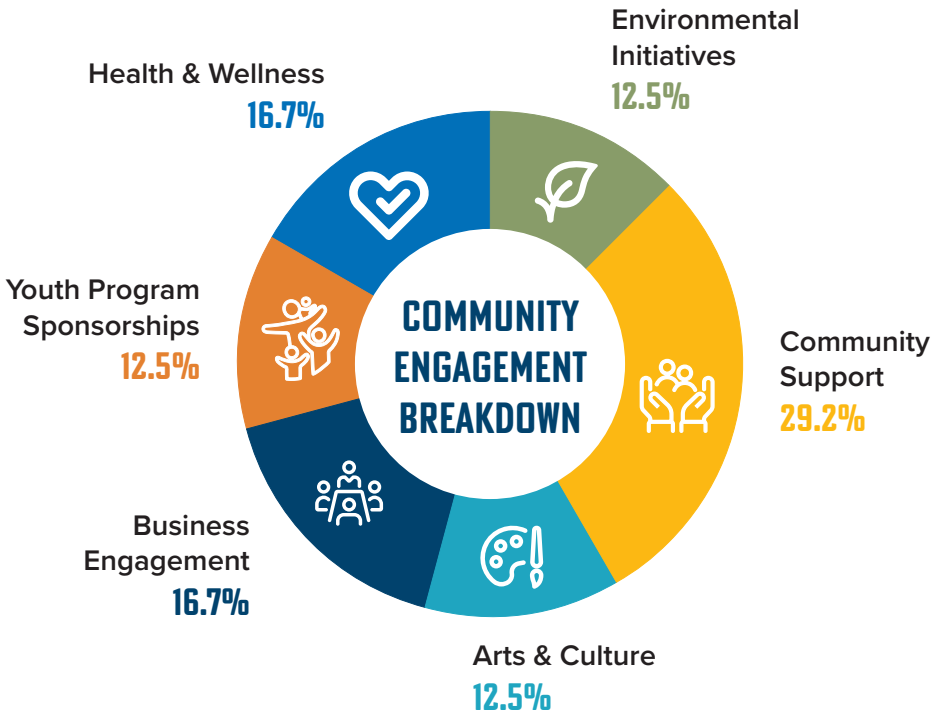
"I'VE BEEN WITH SFFEDCU FOR OVER A DECADE, AND I HAVE ALWAYS FOUND THE SERVICE AND PEOPLE I INTERACT WITH TO BE WONDERFUL."

PHILLIP PAPPAS

ADVOCACY AND EDUCATION

MEETING PEOPLE WHERE THEY ARE

We recognize that building relationships with local communities is essential to understanding member needs. In 2024, SFFedCU prioritized engagement with youth programs, schools, business associations, and art and cultural activations. Our four branches engaged in various partnering and sponsorship opportunities, enhancing our community outreach and providing donations to important community groups.





FOSTERING FEMALE ENTREPRENEURSHIP

San Francisco Federal Credit Union promotes financial literacy, personal growth, and leadership for all members. As we look ahead, we are emphasizing support for female entrepreneurs through networking opportunities, offering valuable insights for overcoming challenges in the business world, and spotlighting Bay Area women leaders. Future initiatives will include:

- Collaboration with local women's organizations
- Speaker series and panels
- Networking receptions
- Workshops for financial literacy and smart money practices

"IT'S EASY TO SET UP, THE MINIMUM BALANCES ARE REASONABLE, AND THE PERSONAL SERVICE WAS BEYOND COMPARE."

ROBIN TRACY PHILLIPS, NEW MEMBER

THANKS TO OUR EMPLOYEES!

San Francisco Federal Credit Union employees are the cornerstone of our organization, providing our members with best-in-class service, robust knowledge of SFFedCU products and promotions, and personalized advice. In 2024, we grew our team to better meet members' needs at all levels, from strategic planning and organization-wide initiatives to branch-specific customer service. We are proud to spotlight our new and seasoned team members, making our work possible.

WELCOME NEW STAFF



SUSAN LANSING
Chief People Officer

Susan is a seasoned and results-driven executive with a deep passion for people and a firm belief that they are the key to an organization's success. As Chief People Officer, she is dedicated to building workplace cultures that attract, reward, develop, and retain top talent while fostering creativity, engagement, and execution to drive competitive advantage. With a proven track record, Susan excels at leading collaborative teams and building inclusive workplaces that allow employees to be their best selves.



MELISSA PALWICK
Chief Lending Officer

Melissa is an accomplished lending professional with experience in both banking and credit union sectors. With an extensive background in digital platforms, project management, and relationship building, Melissa excels in strategic planning, lending portfolio management, and driving revenue growth. She has a proven track record of implementing innovative solutions to provide diverse lending options for all members. Passionate about financial literacy, she is committed to empowering members through education and accessible lending solutions.

"I'M ALWAYS GREETED WITH A SMILE AND THAT'S WONDERFUL."

LUPE PHILLIPS



EDMOND SAHAKIAN

Chief Risk Officer

Edmond has a diverse background in financial services that spans more than 30 years. His executive leadership experiences have been risk-centric and focused on credit management, compliance, enterprise risk management and operational integrity of multi-billion-dollar banks and credit unions. His wealth of knowledge and experience will ensure the continuation of effective risk management at SFFedCU, protecting our members and their finances.



VALERIE SALAMON

Chief of Staff, Head of Community Outreach and Government Affairs

Valerie brings extensive experience to her role at SFFedCU, spanning community and government relations, development, event planning, marketing, internal communications, and philanthropic initiatives. With more than 25 years in public affairs and strategic outreach, Valerie's expertise and project management skills have translated into new community partnerships and operational excellence at SFFedCU.

EMPLOYEE SPOTLIGHT

LAURIANA ESTRADA

Senior Branch Services Representative, Richmond Branch



For over 28 years, Lauriana has been a vital part of our credit union family. She began her career as a representative in our call center before transitioning to financial services and later advancing to her current role as a senior branch services representative. Lauriana takes great pride in delivering exceptional service with care and dedication. She plays a crucial role in assisting our Spanish-speaking members, ensuring they feel supported and valued. Her warmth, commitment and dedication to our members make her a cherished member of our team.

2024 HIGHLIGHTS:
NEW AND ENHANCED MEMBER SERVICES

IN 2024, SFFedCU maximized our members' experience by offering more ways to guide everyone on their personal road to financial success. Our communities are our top priority, and this year we introduced new initiatives to go above and beyond for our members. Here is a look at some of the improvements we made and milestones we reached.

OPTIMIZED SECURITY AND CONTROL

SFFedCU launched Card Controls, a suite of new digital features to empower members with additional security and fraud protection.

- Spending limits
- Instant card activation and deactivation
- Real-time travel and spending alerts

FUTURE-PROOFING GROWTH

Our future-proof digital growth strategy ensures we will continue delivering best-in-class financial services with the latest technologies.



A MARKET LEADER IN COMMERCIAL LENDING

Improved commercial real estate lending services and an inclusive approach allowed us to attract a diverse lending portfolio in 2024, representative of the wide range of communities we serve.

FRICTIONLESS DIGITAL EXPERIENCES

We achieved unparalleled reliability, ensuring our members can access digital banking services wherever they are, whenever they need.

99.9999%
UPTIME ACROSS ALL MEMBER-FACING SYSTEMS

"THE CREDIT UNION HAS ALWAYS PROVIDED PROMPT, KNOWLEDGEABLE SERVICE, REGARDLESS OF WHAT MY NEEDS WERE AT THE TIME."

PATRICK VAN AMRINGE

WHAT'S TO COME IN 2025

2024 was a year of foundation building. SFFedCU set the stage for several new initiatives that will launch in 2025. We increased our internal workforce and strategized about how to drive thoughtful, continuous improvements in member experience. Members can expect these and other exciting programs soon.

EXPANDED BUSINESS LENDING

We aim to expand our business lending services to better address the needs of our diverse community. Establishing a dedicated program to support the needs of female entrepreneurs is a top priority.

FINANCIAL LITERACY FOR WEALTH MANAGEMENT

Our wealth management program will emphasize increasing financial literacy for our members, helping them to grow and manage their wealth on their terms. As a Low-Income Credit Union (LICU), we utilize Community Development Financial Institution (CDFI) data and other resources to support underserved demographics in our service area.

A GREENER FUTURE

As part of our commitment to future generations, SFFedCU will begin offering green lending products, promoting environmentally sustainable practices among our members.

NEXT-GENERATION DIGITAL BANKING

SFFedCU online and mobile banking services will be enhanced with new features like Zelle payments, making person-to-person transactions easier than ever.

REVOLUTIONIZED ACCOUNT ACQUISITION

Using a cutting-edge digital account acquisition platform reinforced with AI-powered fraud detection, we will enhance security and streamline the onboarding process for new members.

"I LOVE THE CREDIT UNION AND MOST OF THE STAFF KNOW ME AND GIVE ME PROMPT PERSONAL SERVICE."

STEPHEN HOWARD SPECTOR

SAN FRANCISCO FEDERAL FOUNDATION

IN 2024, San Francisco Federal Foundation was established as our philanthropic arm to further our mission of economic empowerment and supporting underserved communities in San Francisco and San Mateo counties. As a natural extension of SFFedCU's commitment to financial inclusion, the Foundation works to bridge gaps in financial literacy, provide resources for entrepreneurs, and support housing accessibility. Through strategic programs and partnerships, we foster economic resilience and generational wealth and promote the long-term financial stability of individuals and communities.

We look forward to continued growth and expanded partnerships in the near future. For more information on the Foundation, please refer to our 2024 report, *San Francisco Federal Foundation: Inaugural Year*.



GIVING BACK

COMMUNITYSHARE PROGRAM

SFFedCU's CommunityShare program allows employees to give back to causes that are especially important to them and to our members. Employees devote time to making a difference in the community by volunteering with a variety of organizations. Here's a look at some of the groups our staff have supported.

- African American Arts & Culture Complex
- AIDS Walk SF
- Boys and Girls Club of SF
- City Youth Now
- Compass Family Services
- Firefighter's Toy Program
- Friends of SF Animal Care & Control
- Good Tidings Foundation
- Habitat for Humanity
- Japanese Community Youth Council
- Leukemia & Lymphoma Society
- Project Open Hand
- Richmond District Neighborhood Center
- Richmond Ermet AIDS Foundation
- San Francisco & Marin Food Bank
- San Francisco African American Chamber Of Commerce
- SF General Hospital Foundation
- San Mateo County Parks Foundation
- San Mateo Police Activities League
- Second Harvest Food Bank
- Tenderloin Neighborhood District Center
- YMCA of San Francisco, Peninsula and South San Francisco

BRANCHES

GOLDEN GATE (MAIN) BRANCH
770 Golden Gate Avenue (at Gough)
San Francisco, CA 94102
Phone 415.775.5377

MORTGAGE CENTER
770 Golden Gate Avenue (at Gough)
San Francisco, CA 94102
Phone 415.775.5377

LAKESIDE BRANCH
2645 Ocean Avenue, Suite 102 (at 19th Avenue)
San Francisco, CA 94132
Phone 415.775.5377

RICHMOND BRANCH
4375 Geary Boulevard (at 8th Avenue)
San Francisco, CA 94118
Phone 415.775.5377

BURLINGAME BRANCH
1811 El Camino Real (at Trousdale)
Burlingame, CA 94010
Phone 415.775.5377

EXCELSIOR BRANCH
4800 Mission Street (at Onondaga)
San Francisco, CA 94112
Phone 415.775.5377

REDWOOD CITY BRANCH
510B Veterans Blvd.
Redwood City, CA 94063
Phone 650.366.5522

VAN NESS BRANCH
851 Van Ness Ave C1
San Francisco, CA 94109
Phone 415.615.7087

SERVICE CENTER
770 Golden Gate Avenue
San Francisco, CA 94102
Phone 415.775.5377 or 800.852.7598





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