



**Santa Ana**

Federal Credit Union

—2016—

**ANNUAL REPORT**

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# PRESIDENT & CHAIRMAN'S REPORT

We are proud to be celebrating our 66th Anniversary. Over the past 66 years SAFCU has seen many changes but we never forget where we began. SAFCU was created by City Employees and even with our charter expansion in 2003 to serve the underserved, the City Employees of Santa Ana remain our largest SEG. During 2016 there was growth in assets of nearly 2.7% ending the year at \$64.6M. We closed the books in 2016 being a "Well Capitalized" Credit Union and funded more than \$15.2M new loans (\$5.5M more than 2015). Member confidence has increased and we expect lending to be as strong in 2017, as SAFCU is experiencing 9% increased loan growth as of August 2017 with equal growth in consumer and real estate loans.

Looking back at 2016, it was a whirlwind year. Santa Ana FCU continued to focus on deepening relationships with existing Members and striving to improve the level of service we provide.

## **Santa Ana FCU offered several new products and services in 2016:**

- Introduced our new and improved website.
- Implemented our new online loan application.
- Started introducing EMV chipped debit cards.

## **As we move through 2017, we will continue to enhance the value of your Membership. We have several initiatives planned for the year:**

- Centralizing our Loan operations to enhance the Member experience.
- Hiring a Business Development Manager.
- Implementation of online Member Application.
- Implementation of "new and improved" Home and Mobile Banking
- Introducing our new Loyalty Relationship Membership.
- Implementation of our transactional survey (surveying our Members' experiences with SAFCU).
- Implementation of Instant-Issue plastic cards (Debit and Credit Cards).

## **We are very proud of our efforts to support our local communities. Some highlights of 2016:**

- Provided financial workshops at the Boys and Girls Club of Santa Ana.
- Participated in sharing opportunities and resources for Santa Ana residents with a new partnership at the Mexican Consulate.
- Sponsored and participated in sharing opportunities and resources with the KidSingers Children's Choir Organization (local youth choir group) and parents.
- Partnered with the City of Santa Ana to create a movement to better serve the underserved and underbanked residents of Santa Ana.
- Volunteered at the SAPOA BBQ.
- Sponsored the annual Widows and Orphans Poker Tournament for the SAPOA.
- Sponsored the SOMOS event on Main Street Santa Ana - attending and supplying water for the water station.
- Participated in the Fiestas Patrias event providing giveaways and meeting with residents of Santa Ana.
- Contributed to the Richard M. Johnson Foundation - CCUL.
- Contributed to the Shapiro Advisory Group - CCUL.
- Volunteered at Santa Ana College "Bite of Reality" event with other local credit unions.

In addition, we worked to improve efficiencies and reduce operating expenses throughout our organization. We carefully managed risks to avoid volatility that could harm financial performance and undermine future returns. Due to the hard work and dedication of our team and Board of Directors we ended the year with a net income of \$457,000, and a Net Worth Ratio considered well capitalized at 8.60%.

We wish to express our sincere appreciation to the entire Membership, our employees and our dedicated volunteers that serve on our Board of Directors and Supervisory/Miscellaneous committees. Your generous support of our financial cooperative truly allows us to make a real difference in the lives of those we serve.



*Jill C. Mahany*

Jill Mahany  
President / CEO



*Robert Steaffens*

Robert Steaffens  
Chairman

## STATEMENT OF FINANCIAL CONDITION

<b>ASSETS</b>	<b>2016</b>	<b>2015</b>
Net Loans Outstanding	\$36,596,181	\$31,671,094
Cash and Receivables	4,237,490	4,789,720
Investments	19,255,425	21,868,644
Fixed Assets	698,270	712,906
Other Assets	3,875,623	3,936,624
<b>TOTAL ASSETS</b>	<b>\$64,662,989</b>	<b>\$62,978,988</b>
<b>LIABILITIES AND MEMBER EQUITY</b>		
Member Shares and Certificates	\$58,829,703	\$57,517,023
Notes and Accounts Payable	101,187	63,336
Accrued Expenses and Other Liabilities	170,468	293,983
Regular Reserves	2,572,138	2,572,138
Undivided Earnings	2,989,493	2,532,508
<b>TOTAL LIABILITIES AND MEMBER EQUITY</b>	<b>\$64,662,989</b>	<b>\$62,978,988</b>

## INCOME STATEMENT

<b>INCOME</b>	<b>2016</b>	<b>2015</b>
Interest on Loans	\$1,423,831	\$1,352,014
Interest on Investments	328,704	314,500
Other Income	982,116	904,989
<b>TOTAL INCOME</b>	<b>2,734,651</b>	<b>2,571,503</b>
<b>EXPENSES</b>		
Salaries and Benefits	833,383	795,067
Dividends	18,723	20,984
Office Occupancy	114,874	111,062
Office Operations	783,558	809,276
Loan Servicing	91,918	93,329
Conferences and Training	55,402	41,485
Education and Promotion	27,615	32,801
Operating Fees	11,461	11,403
Professional and Outside Services	195,628	175,855
Interest on Borrowed Funds	435	34
Provision for Loan Losses	0	4,098
Other Expenses	144,670	96,192
NCUSIF Corporate Stabilization / Assessment	0	0
<b>TOTAL EXPENSES</b>	<b>2,277,667</b>	<b>2,191,586</b>
<b>NET INCOME / (LOSS)</b>	<b>\$456,984</b>	<b>\$379,917</b>



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## MISSION STATEMENT

To help Members achieve their financial dreams and goals.

### BOARD OF DIRECTORS

Robert Steaffens, Chairman  
Ray Comeau, Vice-Chairman  
Mark Kiss, Treasurer  
Barbara Peña, Secretary  
Steve Salcido, Director

### ADDITIONAL VOLUNTEERS

Robert Helton, Emeritus  
John Burk, Emeritus

### SUPERVISORY COMMITTEE

Barbara Peña, Chairman  
Dr. Robert Swenson  
Rose Ann Trujillo  
Angi Christensen

### MANAGEMENT TEAM

Jill Mahany, CEO  
Marisa Martinez, COO  
John Hendrix, VP of Finance / Real Estate  
Louisa Islas, Business Development Manager



California  
CREDIT UNION LEAGUE

NEVADA  
CREDIT UNION LEAGUE

This credit union is federally insured by the National Credit Union Administration.