



Santa Ana

Federal Credit Union

—2019—
ANNUAL REPORT

PRESIDENT & CHAIRMAN'S REPORT

We are proud to be celebrating our 69th Anniversary. We would like to welcome our newest Board Member, Alvaro Nuñez, who will be replacing Ray Comeau who retired from the Board after more than 25 years of volunteering at Santa Ana Federal Credit Union. We also welcome Regina Wisdom as our newest Supervisory Committee Member.

For the past 69 years, Santa Ana FCU has seen many changes, but we never forget where we began. Santa Ana FCU 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 2019, there was growth in Assets of 6.8%, ending the year at \$75M. We closed the books in 2019 being a "Well Capitalized" Credit Union and funded more than \$21M new loans (\$5.4M more than 2018), equating to loan growth of 18.30%.

Our expectations of a strong 2020 for loans has been disrupted by COVID-19. We had projected another strong year in 2020; however, our loan projections are far from our forecasted numbers. We are actually experiencing negative loan growth through August 31, 2020 sitting at -6.96% compared to our forecast of a positive 10% at the time of our budget presentation to the Board of Directors. We are six months into the Pandemic, and we are starting to see improvement in our loan volume; however, we do not expect to reach our budgeted numbers this year. Rest assured your Board of Directors, Management Team and Staff are up to the challenge and we will be working hard to assist our Members during this most critical time while managing the safety and soundness of your credit union.

Looking back over 2019, it was a busy year. Santa Ana FCU continued to focus on deepening relationships with existing Members and striving to improve the level of service we provide.

We are very proud of our efforts to support our local communities.



Jill Mahany
President / CEO

Some highlights of 2019:

- Sponsored the annual Widows and Orphans Poker Tournament for the SAPOA
- Contributed to the Richard M. Johnson Foundation - CCUL
- Adopted a Santa Ana Family with MOMS Orange County during the Holiday Season

Santa Ana FCU offered several new products and services in 2019:

- Continued our annual survey and our daily branch/lending surveys - receiving over 97% on our Member service scores
- Partnered with Catalyst (Sallie Mae) with a new Student Loan Program

Looking forward to 2020, we will continue to enhance the value of your Membership. We have several initiatives planned for the upcoming year:

- Researching core processors
- Researching P2P providers
- Implementing card controls for Member debit and credit cards
- Enhancing our Secured Checking with some awesome new features

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 \$741,812 and a Net Worth Ratio considered well capitalized at 10.12%.

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.



Robert Steaffens
Chairman

STATEMENT OF FINANCIAL CONDITION

ASSETS	2019	2018
Net Loans Outstanding	\$52,760,833	\$45,207,306
Cash and Receivables	7,263,564	4,722,814
Investments	10,127,510	15,601,121
Fixed Assets	545,898	599,263
Other Assets	4,367,999	4,140,845
TOTAL ASSETS	\$ 75,065,804	\$ 70,271,349
LIABILITIES AND MEMBER EQUITY		
Member Shares and Certificates	\$ 66,822,061	\$ 61,066,171
Notes and Accounts Payable	85,399	1,967,352
Accrued Expenses and Other Liabilities	563,179	384,472
Regular Reserves	2,572,138	2,572,138
Undivided Earnings	5,023,027	4,281,216
TOTAL LIABILITIES AND MEMBER EQUITY	\$ 75,065,804	\$ 70,271,349

INCOME STATEMENT

INCOME	2019	2018
Interest on Loans	\$ 2,018,000	\$ 1,762,788
Interest on Investments	345,715	347,743
Other Income	888,823	921,563
TOTAL INCOME	\$ 3,252,538	\$ 3,032,094
EXPENSES		
Salaries and Benefits	902,843	899,324
Dividends	196,598	53,781
Office Occupancy	110,914	110,564
Office Operations	846,248	811,308
Loan Servicing	117,255	96,132
Conferences and Training	41,162	50,308
Education and Promotion	22,315	24,769
Operating Fees	18,931	18,075
Professional and Outside Services	193,535	191,563
Interest on Borrowed Funds	970	13,017
Provision for Loan Losses	(31,044)	(14,666)
Other Expenses	101,612	95,850
NCUSIF Corporate Stabilization / Assessment	(10,613)	(49,774)
TOTAL EXPENSES	\$ 2,510,726	\$ 2,300,251
NET INCOME / (LOSS)	\$ 741,812	\$ 731,843



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MISSION STATEMENT

To help Members achieve their financial dreams and goals.

BOARD OF DIRECTORS

Robert Steaffens, Chairman
Steve Salcido, Vice-Chairman
Mark Kiss, Treasurer
Barbara Peña, Secretary
Alvaro Nuñez, Director

ADDITIONAL VOLUNTEERS

Ray Comeau, Emeritus
Robert Helton, Emeritus
John Burk, Emeritus
Danny Rodriguez

SUPERVISORY COMMITTEE

Barbara Peña, Chairman
Dr. Robert Swenson
Angi Christensen
Regina Wisdom

MANAGEMENT TEAM

Jill Mahany, CEO
Marisa Lopez, COO

Federally Insured by
NCUA



California
CREDIT UNION LEAGUE

NEVADA
CREDIT UNION LEAGUE

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