

# Putting

# YOU

# first.

Ashleigh Erickson, AVP Call Center and  
James Erickson, Branch Manager



**SAFE**  
CREDIT UNION

# MESSAGE FROM TERRY AND DAVE

The year 2021 for SAFE Credit Union can be summed up in two words: **Outstanding growth!**

SAFE Credit Union experienced historic growth in 2021, reaching \$4.4 billion in assets. New member loans, deposits, and electronic transaction activity experienced remarkable increases. A continuing low interest rate environment, wage growth, government stimulus payments, and increased consumer purchasing drove much of the change.

While some sectors of the economy expanded, the overall recovery in 2021 proved to be uneven across communities SAFE serves. SAFE remains committed to ensuring those struggling with the lingering impacts of the pandemic receive the support they need. In 2021, SAFE continued to make available to members no- and low-interest emergency loans, as well as loan forbearance and payment deferrals. As the United States and our region experience increased inflation, SAFE will continue to assist members with their financial needs through innovative products and attentive service.

Net income rose from \$17.7 million in 2020 to \$34.1 million in 2021, primarily due to a reversal in our provision for loan loss expense, an expense incurred to cover potential loan charge-offs. The reversal provision for loan losses reflects the strong performance of SAFE's loan portfolio. Heading into 2021, and with the continuation of the pandemic, there was still a substantial amount of economic and credit risk uncertainty. However, significant growth in consumer liquidity combined with increased valuations in homes, vehicles, and the equity markets contributed to solid member balance sheets and fewer loan losses than anticipated.

There was plenty more to celebrate in 2021.

- Membership grew to 242,578.
- Deposits climbed a remarkable 17% year over year.
- SAFE paid members \$12.6 million in dividends.
- SAFE experienced an 18% increase in electronic transactions from 68 million in 2020 to over 80 million in 2021.
- We celebrated the official grand opening of the SAFE Credit Union Convention Center and the SAFE Credit Union Performing Arts Center.
- The credit union was named a Best Place to Work for the fourth year in a row by the Sacramento Business Journal.
- Following thousands of member surveys throughout 2021, members' willingness to promote SAFE to their family and friends increased to industry leading levels.

In 2022, SAFE is undergoing its most significant technological transformation in the company's history as we upgrade our core banking system. This upgrade, effective April 12, 2022, will position SAFE to be a nimbler, technology-driven credit union for years to come. The new system will allow SAFE to deliver new and innovative services and better meet members' financial service needs more easily through all of our member channels.

In early 2023, SAFE will usher in a new President/CEO. The Board of Directors selected Faye Nabhani, SAFE's current EVP/Chief Credit Officer, to be the next President/CEO. She assumed the role of President and Chief Credit Officer on January 1, 2022, and will ascend to the President/CEO position on January 1, 2023. Faye will be the first woman President and CEO in SAFE's 80-plus year history. She brings invaluable executive experience, a strong commitment to supporting SAFE's mission of delivering financial health for all, and a clear vision to lead our credit union into a new era.

On behalf of SAFE's leadership, we thank you, our members, for your continued loyalty and support.

With gratitude,



Terrance Tremelling  
Chairperson



Dave Roughton  
CEO



## Financials (Dollars in thousands)

### STATEMENT OF FINANCIAL CONDITION

	2021	2020
Cash & Cash Equivalents	\$560,341	\$822,601
Total Loans	2,454,451	2,393,694
Total Investments	1,192,190	327,540
Other Assets	236,390	270,346
<b>Total Assets</b>	<b>\$4,443,372</b>	<b>\$3,814,181</b>

Total Share Deposits	\$4,047,558	\$3,448,286
Other Liabilities	42,206	35,426
Members' Equity	353,608	330,469
<b>Total Liabilities and Members' Equity</b>	<b>\$4,443,372</b>	<b>\$3,814,181</b>

### STATEMENT OF NET INCOME

	2021	2020
Interest Income	\$98,001	\$100,548
Noninterest income	64,136	65,986
<b>Total Revenue</b>	<b>\$162,137</b>	<b>\$166,534</b>

Dividend & Interest Expense	\$12,860	\$18,751
Provision for Loan Losses	(4,630)	14,737
Noninterest Expense	119,771	115,352
<b>Total Expense</b>	<b>\$128,001</b>	<b>\$148,840</b>

<b>Net Income</b>	<b>\$34,136</b>	<b>\$17,694</b>
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## Board of Directors

**Terrance Tremelling**, Chairperson

**Robert E. Logue III**, 1st Vice Chairperson

**Jody Porter**, 2nd Vice Chairperson

**Rick Blumenfeld**, Treasurer

**James Jefferson**, Secretary

**Donald Ball**, Director

**Brian Bedford**, Director

**James W. Hopp**, Director

**Sonia Lewis**, Director

**Herb Long**, Director

**Ronald J. Seaman**, Director

**Phillip A. Meserve**, Director Emeritus

**Bernadette Austin**, Associate Director

**Ryan Larkin**, Associate Director

**Trish Rodriguez**, Associate Director

## Senior Executive Management

**Dave Roughton**,  
Chief Executive Officer

**Faye Nabhani**,  
President and Chief Credit Officer

**Chris Harris**,  
EVP, Chief Financial Officer

**Colleen Nerius**,  
EVP, Chief Human Resources Officer

**Michael McCarthy**,  
SVP, Chief Information Officer

**Staci Corral**,  
SVP, Consumer Banking

**Alexis Fitzpatrick**,  
SVP, Finance

**Ken Getz**,  
SVP, Commercial Lending

**Gina Olson**,  
SVP, Enterprise Applications

**Sun Park**,  
SVP, Enterprise Risk Management  
and Internal Audit

**Tiffani Vargas**,  
SVP, Real Estate and Consumer Lending



Marcus Webb, Branch Manager

# 2021 HIGHLIGHTS



## Philanthropy

**\$396,000** in total community support with an emphasis on our three pillars – education, healthcare and veterans

**\$120,000** provided to seven nonprofits in 2021, impacting more than **7,800** Greater Sacramento area residents

**\$10,000** in scholarships for high school students from lower-income households

**\$21,200** in micro-grants provided to dozens of nonprofits as part of a holiday Joy & Kindness Campaign

**130** SAFE employees from 35 departments volunteered more than **2,500 hours**



## Meeting the needs of our members

**80,000** enrolled in Perfect Cents Savings® program, automatically saving **\$11 million** in 2021

Supporting our members during the ongoing pandemic with **20,724** loan deferments on loans – auto, personal and credit cards\*

**\$5.5 million** in emergency no- to low-interest loans to over 2,100 members\*

Allowed members to pay 50 percent of their loan payments for 90 days

Funded **\$35 million** in Paycheck Protection Program loans to support small businesses\*



## Financial education

**247** live financial education webinars that reached **7,800** attendees

**2,075** financial wellness Perfect Cents Podcast downloads in 15 countries and 45 out of 50 states since October 2021 launch



## Commitment to Diversity, Equity, and Inclusion

Implemented DEI training and survey tools for SAFE employees

Partnered with Emtrain and Sacramento Metropolitan Chamber of Commerce to provide DEI training tools to Sacramento Region businesses

Launched three employee resource groups to amplify voices and create leadership opportunities for SAFE employees

Strengthened recruitment and employee retention initiatives to foster staff diversity



## Mortgages

More than **2,200** total home loans funded  
Total value:  
**\$761 million**



## Vehicle loans

**14,800** vehicle loans funded  
Total value:  
**\$433 million**

