

65th SRI Federal Credit Union Annual Meeting

March 16th, 2022

AGENDA

- Opening: Bill Fiock, President
- President's Report
- Election of Officers
- Supervisory Committee Report
- Financial Report
- 2021 Highlights
- Highlighted Products
- Door Prize Drawings
- Adjournment

HIGHLIGHTS 2021

- Net Income is up by 140%



- Capital is up 17.17%



- COVID cases have declined!!



PPP LOAN PROGRAM

Starting in 2020, SRIFCU participated in the SBA's PPP Loan Program.

- **\$44 million in Loans granted**
- **2,400 Jobs Saved**

PRESIDENT'S MESSAGE

The COVID-19 pandemic has continued much longer than anyone expected, and we are very glad to see it starting to fade out. As the economy recovers and we get back to business as usual, we will continue to monitor the situation closely to ensure safety for members and the credit union staff. Although daily business hours have been reduced slightly, by maintaining strong COVID protocols, the branch has remained staffed and open throughout the entire period. The credit union has helped reduce member's financial impact during the pandemic by waiving fees, deferring loan payments, and expanding on-line transactional processes.

SRI Federal Credit Union continued to have excellent financial performance in 2021. The credit union advanced over \$44 million in Paycheck Protection Program (PPP) loans, helping to keep about 1,800 local employees employed. As the program is now in the process of winding down, and the loans forgiven by the government, we ended the year with \$10.6 million in PPP loan balances.

Net income grew by 140% allowing over \$2,048,980 to be added to capital. Capital has surpassed the \$12 million mark and stands at \$12.5 million. For every \$100 in member's shares, the credit union has \$110.44. This is a strong capital position! Share balances have increased by \$2.9 million (2.49%) and are getting close to the \$120 million mark. Loans declined by \$34.6 million (28%) as the PPP loans are being forgiven. We've strengthened our internal controls on Cybersecurity bringing in outside experts and additional testing tools. This will continue to be a focus for many years to come-especially with international conflicts bringing uncertainty and disruption to world economics.

The dedicated staff deserve commendations for their distinctive service and commitment to a core of strong values which includes providing friendly, personal service to the members. Working-from-home has been successful and is likely to continue into the future. We are committed to having a core group of employees in the office and appreciate our member's efforts in planning and scheduling their visits. As SRI International develops the Menlo Park site, we the credit union has begun planning "the credit union of the future" with more electronic access to your accounts, services, and staff regardless of whether the member or staff are in the office or at home.

Recognition should also go to the volunteers who give their time to serve as members of the Supervisory Committee and Board of Directors. Most importantly, we want to extend our appreciation to you, the Members, for the support and loyalty that you have shown over the years.

Sincerely,

Bill Fiock, President

Since 1957 - A strong commitment to our members!

FINANCIALS

BALANCE SHEET	12.31.2020	12.31.2021	\$ Difference	% Difference
Loans	\$122,197,756	\$87,635,108	\$34,562,648	-28.28%
Cash & Investments	19,154,178	47,683,429	28,529,251	148.95%
Other Assets	4,085,499	4,009,648	(75,851)	-1.86%
TOTAL ASSETS	\$145,437,433	\$139,328,185	\$(6,109,248)	-4.20%
Liabilities	\$17,731,923	\$6,869,513	\$10,862,410	-61.26%
Shares	117,016,758	119,934,399	2,917,641	2.49%
Capital	4,085,499	12,524,273	1,835,521	17.17%
TOTAL LIABILITIES & EQUITY	\$145,437,433	\$139,328,185	\$6,109,248	-4.20%
INCOME	12.31.2020	12.31.2021	\$ Difference	% Difference
Income	\$3,920,553	\$4,858,316	\$937,763	23.92%
Operating Expense	(2,312,633)	(2,239,248)	(73,385)	-3.17%
Dividends	(754,957)	(570,089)	184,868	-24.49%
Non-Operating Gain<Loss	-	-	-	00.00%
NET INCOME	852,963	\$2,048,980	\$1,196,017	140.22%

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is an independent committee appointed by the Board of Directors to provide its members with an independent appraisal of the safety and soundness of SRI Federal Credit Union's operations and activities. Your Committee is currently composed of volunteers with career backgrounds in accounting and finance, IT and operational compliance, program management, computer science, and materials engineering. We serve as the members' representative to the Board and help resolve member complaints. We also conduct internal reviews to test records, monitor those operations are carried out in accordance with governing rules and regulations, and participate in the annual external audit to help ensure that your assets within the credit union are safeguarded and that financial results are adequately reported. The success of these external and internal reviews speaks well for the Credit Union record keeping and management.

The Committee retains the services of an outside Certified Public Accounting firm to perform the March 31, 2021, annual audit and verification of member accounts. Additionally, the National Credit Union Administration (NCUA), our regulatory agency, conducts a thorough examination of the credit union's operations.

The Supervisory Committee takes its responsibility to the credit union and its members seriously. We are thankful for the assistance and cooperation of the SRI Federal Credit Union staff, management, and the Board of Directors. Based on the results of the Certified Public Accountants, the latest examination by the NCUA, and our internal reviews, the Supervisory Committee is satisfied that adequate internal controls exist to protect member accounts, and the financial statements accurately reflect the performance and condition of the credit union.

Stephanie Gray,
Supervisory Committee Chair

2022 CURRENT SPECIALS

Get 1% cash back* when you refinance your auto loan over to us!

* Max of \$500. Other limitations may apply.

Core Savings Tier pays 0.50% APY* on the first \$5,000 in your Reg. Savings!

* APY= Annual Percentage Yield

Refer-A-Member promo

Ask how you can make up to \$500 a year for just referring new members

BOARD OF DIRECTORS:

Bill Fiock **President**
Ann Johnston **Vice President**
JoAnn Hodges-Velayo **Treasurer**
Aurora Allen **Secretary**
J.D. Smith **Director**
John Prausa **Director**
Regis Vincent **Director**

SUPERVISORY COMMITTEE:

Stephanie Gray **Chair**
Ben English **Member**
Kellie Keifer **Member**
Rosa Sanchez **Member**
Erik Torgerson **Member**
Tim Perkins **Associate**

STAFF:

Steve Bowles **CEO**
Yadi Fernandez **Senior Loan Officer**
Amy Garcia **COO**
Dan Mirsalis **Branch Support Specialist**
Francisco Saenz **Marketing Officer**
Isabel Sanchez **Member Service Lead**
Aspen Solis **MSR**
Jessenia Zapata **MSR**

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