

2022 FINANCIAL SUMMARY

	MENLO SURVEY	SRI FCU	(Combined)	(Combined)		
BALANCE SHEET	12.31.2021	12.31.2021	12.31.2021	12.31.2022	\$ Difference	% Difference
Loans	\$34,482,555	\$76,972,003	\$111,454,558	\$131,060,807	\$19,606,249	17.59%
PPP Loans	-	10,663,106	10,663,106	4,571,837	(6,091,269)	-57.12%
Cash & Investments	39,978,192	47,683,428	87,661,620	63,685,882	(23,975,738)	-27.35%
Other Assets	1,454,635	4,009,648	5,464,283	6,740,987	1,276,704	23.36%
TOTAL ASSETS	\$75,915,382	\$139,328,185	\$215,243,567	\$206,059,513	(\$9,184,054)	-4.27%
Liabilities	\$124,390	\$6,869,513	\$6,993,903	\$2,714,015	(\$4,279,888)	-61.19%
Shares	65,712,840	115,193,399	180,906,239	177,740,589	(3,165,650)	-1.75%
Borrowed Funds	-	4,741,000	4,741,000	4,248,000	(493,000)	-10.40%
Investment Gain <Loss>	-	(85,356)	(85,356)	(1,986,838)	(1,901,482)	2227.71%
Capital	10,078,152	12,609,629	22,687,781	23,343,747	655,966	2.89%
TOTAL LIABILITIES & EQUITY	\$75,915,382	\$139,328,185	\$215,243,567	\$206,059,513	(\$9,184,054)	-4.27%

	MENLO SURVEY	SRI FCU	(Combined)	(Combined)		
INCOME STATEMENT	12.31.2021	12.31.2021	12.31.2021	12.31.2022	\$ Difference	% Difference
Income	\$1,765,879	\$5,001,083	\$6,766,962	\$6,567,384	(\$199,578)	-2.95%
Operating Expense	(1,218,453)	(2,267,248)	(3,485,701)	(3,996,261)	(510,560)	14.65%
Dividends	(114,948)	(570,088)	(685,036)	(874,596)	(189,560)	27.67%
Interest on Borrowed Funds	-	(114,768)	(114,768)	(81,665)	33,103	-28.84%
Non-Operating Gain <Loss>	-	-	-	(2,553)	(2,553)	N/A
NET INCOME	\$432,478	\$2,048,979	\$2,481,457	\$1,612,309	(\$869,148)	-42.42%

Return on Average Assets	1.78%	0.78%
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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, 2022, 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.

Rosa Sanchez,
Supervisory Committee Chairperson



66TH ANNUAL MEETING

WEDNESDAY, APRIL 26, 2023

15-month CD Special

Save money and earn great dividends. Grow your savings safely with our high-yield share certificates. Open yours today with as little as \$1,000.

4.25%
APY*

15-month CD

4.75%
APY*

15-month
New Money¹ CD

*APY=Annual Percentage Yield

¹ New money is defined as money not currently on deposit with SRIFCU. Total deposit must come from a source external to SRIFCU.

AGENDA

- Opening: Bill Flock, President
- President's Report
- Election of Officers
- Supervisory Committee Report
- Financial Report
- Roadmap
- Door Prize Drawings
- Adjournment

BOARD OF DIRECTORS:

Bill Flock, **President**
Ann Johnston, **Vice President**
J.D. Smith, **Treasurer**
Aurora Allen, **Secretary**
Stephanie Gray, **Director**
John Prausa, **Director**
Scott Starratt, **Director**
Regis Vincent, **Director**
Jamie Conrad, **Associate Director**
Michele Bollier, **Director**
Shane Detweiler, **Director**
Steve Walter, **Director**

SUPERVISORY COMMITTEE:

Rosa Sanchez, **Chair**
Ben English, **Co-Chair**
Kellie Keifer, **Member**
Erik Torgerson, **Member**
Tim Perkins, **Member**

STAFF:

Steve Bowles, **CEO**
Amy Garcia, **COO**
Rhannon Antonel, **Controller**
Francisco Saenz, **CLO**
Chandra Connor, **Marketing Manager**
Yadi Fernandez, **Sr. Loan Officer**
Emily Figueroa, **Member Service Rep**
Maria Jose, **Loan Processor**
Amaya Leslie, **Member Service Rep**
Cielo Mendoza, **Member Service Rep**
Dan Mirsalis, **Branch Support Specialist**
Isabel Sanchez, **Branch Manager (Moffett)**
Aspen Solis, **Member Service Rep**
Janessa Rios, **Member Service Rep**
Jessenia Zapata, **Member Service Rep**
Jessica Lockwood, **Loan Officer II**

PRESIDENT'S MESSAGE

2022 was a very busy year for the Credit Union.

SRI Federal Credit Union (SRIFCU) was approached by Menlo Survey Federal Credit Union (MSFCU) to merge with SRIFCU. Both credit union Boards felt the members of each credit union would benefit from the merger and the MSFCU members agreed by vote. The merger became effective June 30, 2022 with data conversion on 12/31/2022. MSFCU served the United States Geological Survey (USGS) employees and California Geological Survey (CGS) employees from their Menlo Park office. The Geologic Survey's office move from Menlo Park to Moffett Field created the need for the merger. The merger increased SRIFCU membership from 3,000 members to 6,000 members and assets from \$140 million to \$206 million. The credit union now has two branches open (Menlo Park and Moffett Field) and 15 employees. The old Menlo Survey office in Menlo Park is currently closed to members but may be available when the SRI International campus is remodeled.

The recent news regarding the Silicon Valley Bank failure has created doubt and concern among banking customers. SRI Federal Credit Union is not affiliated with SVB and does not hold any investments in this entity.

SRI Federal Credit Union continued to have excellent financial performance in 2022. Net income was \$1.6 million which has been added to capital. Capital now is over the \$21 million. This means for every \$100 in member's shares, the credit union has \$113.13. This is a very strong capital position! Share balances are \$177 million and loan balances are \$136 million. The credit union's Paycheck Protection Program (PPP) loans ended the year with \$4.6 million in PPP loan balances with the rest of the \$44 million forgiven by the government.

We continue to strengthen our Cybersecurity internal controls including bringing in outside experts and additional testing tools. This will continue as we consolidate post-merger operations.

Our 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. Notable contributions during the merger include providing 24 months of member's bill statements on day one, access to past bill payment payees, and lots of individual member attention. With the consolidation of the two uniquely different computer and financial systems, there were some initial service issues. Our phones were overloaded for several months after the data processing conversion, but the staff performed remarkably during the transition. We apologize if this affected you and very much appreciate your patience!

Working-from-home has worked and is likely to continue in the future. We are committed to having a core group of employees in the office and appreciate our members efforts in planning and scheduling their visits. As SRI International develops the Menlo Park site, we are planning "the credit union of the future" with more electronic access to your accounts and the staff regardless of whether the employees or the members 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 Flock, President
Since 1957 - A strong commitment to our members!

CONNECT WITH US



(650) 800-5434



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connect@srifcu.org