

2021 Annual Report

71st

Annual Meeting
of the Members

Founded in 1951 by firefighters for firefighters,
we are a credit union dedicated to building
financial success in our community.

Message From The Chairperson Of The Board



As the Chairperson of the Board of Directors, it is my pleasure to present the 2021 Annual Report to the members of SF Fire Credit Union.

When the Credit Union helped our first member in the back office of 17 Engine in 1951, I do not think our founders would have ever thought we would grow to surpass \$1.7 billion in assets. We have had an amazing journey over 71 years, with our members and the credit union continuing to grow and evolve. Our mission has always been to meet your financial needs and to support our community. Your loyalty and support continue to be a key factor of our success, through periods of prosperity and challenges.

I am proud of the accomplishments made this year. We have continued to modernize the credit union's infrastructure, upgraded our products and services to remain relevant and competitive. As we continue to move forward and face whatever challenges come our way, I am grateful for the continued support of our members, and the hard work and dedication of our staff.

In closing, I would like to reassure all of our members of our connection to the core values of our founders. Our purpose as a member-owned financial cooperative is to provide the best value and highest service level possible, while maintaining the safety and soundness of our credit union. Our commitment to this remains steadfast.

A handwritten signature in black ink, appearing to read 'John Sweeney'.

John Sweeney
Chairperson, Board of Directors

Message From The President & Chief Executive Officer



I would like to welcome each of you to SF Fire Credit Union's 71st Annual Meeting. As always, I am humbled by the number of members who take time from their busy lives to participate in this meeting, whether it be at our traditional in-person meetings or the virtual meetings held in response to the COVID-19 pandemic. Your enduring loyalty is key to our continued success. After all, without you, there is no us.

Continued Credit Union Growth

The pandemic's impact on our daily lives and the economy has lessened somewhat this past year. Interest rates are still at historic lows, but members are starting to spend and borrow again. We are still adapting and adjusting to our members' financial needs as we move forward in this next phase of the pandemic. I am confident to tell you that the

Credit Union is still financially strong and growing. In 2021, we increased our capital reserves by \$7.9 million (to 139.1 million), and our net worth ratio remains strong at 8.02%.

Strategically Striving for Excellence

2021 was a challenging year, but I am proud of the commitment demonstrated by both our members and the staff of the Credit Union. Our members continue to place their trust in us for their financial needs, and for this I am grateful. The pride that our employees have in the work they do each and every day for our members is highly commendable.

As we look forward to the continued success of the Credit Union, we are developing and implementing strategies that will keep us competitive in an ever-changing financial landscape. These initiatives will include a focus on digital platforms, sophisticated marketing efforts, and a long-term goal to be the number one rated credit union in the country.

Loyalty & Generosity of Our Members

I am consistently amazed by the steadfast loyalty of our members and your unwavering generosity to our community. It is an honor to serve you and a privilege to be your financial institution of choice. Our members continue to support our local San Francisco Firefighters, be it through volunteer work or financial support for those who need it. We continue to support the SF Firefighters Toy Program in its mission to bring joy and smiles to the faces of countless families. Our total donation in 2021 was approximately \$39,000, with \$25,000 from the Credit Union and \$14,000 from members like you.

Optimism for 2022 & Beyond

When I reflect on this last year, I am proud of what the credit union has achieved for our members and our community. And I have optimism and confidence that 2022 will be an exciting year for the Credit Union. The new year will see continued evolution within the Credit Union, as we implement strategic developments to ensure we remain competitive in an ever-changing financial landscape. We will continue to embrace fresh perspectives, diverse voices, and creative solutions to help us elevate the level of service we provide – be it in person, over the phone, or online. I look forward to what 2022 has in store for members and staff alike, and I am grateful that we are on this journey together.

A handwritten signature in black ink that reads "Kathy Duvall". The signature is written in a cursive, flowing style.

Kathy Duvall

President and Chief Executive Officer

Audit Committee Report

The Audit Committee independently evaluates the soundness of SF Fire Credit Union's operations and activities, ensuring that management implements sound internal controls and maintains practices and procedures that adhere to accepted general accounting principles. In doing so, they carry out the following primary responsibilities:

Protection of members' funds and interests

Safeguarding of assets

Compliance with regulations, policies and procedures

Reliability of financial records

The Committee meets regularly to review and discuss internal controls as well as auditing matters. It also retains an independent accounting firm to perform an annual financial audit and issue certified financial statements as they relate to the overall financial condition of SF Fire Credit Union. Our Audit Committee members are:

Robert Cappa

Kim Weiss

John L. Diluzio

As Chairperson of the Committee and based on the results of the 2021 annual audit performed by certified public accountants CliftonLarsonAllen LLP, I am pleased to share our conclusion that SF Fire Credit Union has adequate financial controls and is financially sound. A copy of their audit is available upon member request.



Robert Cappa

Chairperson, Audit Committee

Financial Summary And Highlights

In 2021, we continued to grow at a significant pace despite the year's unforeseen challenges. I am delighted to report that we remain financially sound, allowing the credit union to provide the safety, service, and experience that our members deserve.

Our loyal members continue to show their commitment and support as deposits grew to almost \$1.6 billion, a \$82.5 million or 5.5% increase over 2020. Our loan portfolio remained strong at \$1.0 billion, and our solid net worth position grew \$7.9 million to \$139.1 million, which supports our long-term financial strength and stability.

As we turn the page to a new year, change is evident in so many facets of our lives. One thing that will not change is that SF Fire is here to serve you—our members. Thank you all for your engagement in the credit union and being part of the San Francisco Fire family. It is an honor and privilege to serve you, and I look forward to the year ahead.

Aaron Sato

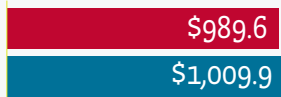
Aaron Sato
Chief Financial Officer

2021
2020

Total Assets (in millions)



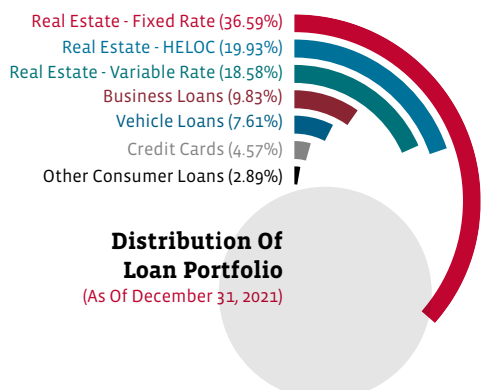
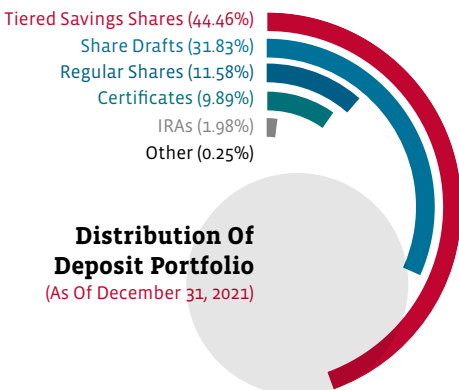
Total Loans, Net (in millions)



Total Deposits (in millions)



Total Reserves (in millions)



Board Of Directors

John E. Sweeney
Chairperson

Bob Olson
Vice Chairperson

Brook Baker
Secretary

Robert Cappa
Director

Anthony Diluzio
Director

Ettore Leale
Director

Kim Weiss
Director

Anthony Rivera
Associate Director

Audit Committee

Robert Cappa
Chairperson

Kim Weiss

John Diluzio

Leadership Team

Kathy Duvall
Chief Executive Officer

John Basalla
Chief Risk Officer

Blake Cairney
Chief Lending Officer

Dawn Chute
Chief People Officer

Glenn Gortney
Chief Member Experience Officer

Aaron Sato
Chief Financial Officer

Anthony Vitale
Chief Information Officer