

SAFE at a glance: 2018



FINANCIAL EDUCATION

Participants enrolled in SAFE's online Financial Fitness Academy:

4,170

Participants at in-person financial education workshops:

2,673

No-charge financial education workshops:

85

New businesses benefiting from SAFE's financial education outreach:

24



NEW MEMBERSHIP

Welcomed

31k

new members to SAFE



PERFECT CENTS SAVINGS®

Members enrolled:

76k

Money saved since 2009:

\$56M



PHILANTHROPY

Granted to organizations benefiting health, education, and military service:

\$306k



MORTGAGE LOANS

Loans funded:

2k

Total value:

\$505M



VEHICLE LOANS

Loans funded:

16.5k

Total value:

\$453M



CARD ACTIVITY

Securely processed

44m

debit and credit card transactions.



SAFE
CREDIT UNION



NLMS #466072
Insured by NCUA



2018 ANNUAL REPORT



SAFE
CREDIT UNION

From the Chairperson and CEO

SAFE Credit Union shined in 2018. As we near 80 years of serving our members, we continue to grow in ways that improve our members' financial well-being.

The core of our efforts is to introduce new and enhanced products and services that add financial value and save you time while ensuring we have a clear understanding of how to help you, our members, enjoy life. Our teams worked to fulfill that mission in 2018 while continuing to contribute to the health and well-being of the communities where you live and work.

SAFE business highlights of 2018 include:

- Welcoming 31,000 new members to SAFE, bringing total membership to 231,000
- Growing assets by 7% to nearly \$2.9 billion
- Helping members with their financing needs by funding more than 26,000 new loans totaling \$1.2 billion
- Recording 13% loan growth, the fourth straight year of double-digit loan growth
- Processing 61 million member-initiated debit, credit, Automated Clearing House (ACH), electronic banking, and remote deposit transactions, an 11% increase over the prior year
- Generating \$29 million in net income, a 43% increase over 2017, and increasing members' equity by 12% to \$277 million
- Paying members \$9.8 million in dividends, a 27% jump from the prior year
- Launching 24/7 digital access to turn SAFE debit and credit cards on and off, report lost and stolen cards, and set travel alerts.

SAFE continues to find ways to help members improve their financial wellness. We contracted with Retirement Health Solutions to offer expert, complimentary Medicare counseling. We will add Social Security counseling services in 2019.

We support our community through philanthropy and volunteering. Many of SAFE's staff and leaders serve on boards of organizations promoting the success of the communities where our members live and work. Our employees and volunteers contributed more than 11,000 hours of community service on behalf of our membership in 2018. In addition, SAFE donated more than \$300,000 last year to benefit organizations offering healthcare, education, and veteran services to the communities we serve and to those most in need.

To support the credit union industry, SAFE sent representatives to discuss important issues with decision-makers in Washington, D.C., and the California Capitol.

SAFE received a number of honors in 2018, including being named the No. 1 Best Place to Work in the Sacramento area by the Sacramento Business Journal. This award celebrated our supportive culture that walks the talk on work-life balance and the understanding that it takes happy and loyal employees to ensure we have happy and loyal members.

Other honors included the SAFE Cash Rewards Visa® Credit Card receiving the coveted Visa Excellence in Innovation award. The card's feature allowing members to choose the category in which they want to receive 5% cash back set a new trend in the credit card industry.

SAFE will celebrate its 80th anniversary in 2020. It's been an exciting journey we've traveled with our members since starting from a handful of visionaries.

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

With gratitude,



Terrance Tremelling
Chairperson



Dave Roughton
President/CEO

Financials

(Dollars in thousands)

	2018	2017
STATEMENT OF FINANCIAL CONDITION		
Cash and Cash Equivalents	\$101,251	\$117,714
Total Loans	2,462,189	2,172,085
Total Investments	129,335	202,025
Other Assets	190,954	207,289
Total Assets	\$2,883,729	\$2,699,113
Total Deposits	\$2,483,156	\$2,378,800
Other Liabilities	123,823	72,336
Members' Equity	276,750	247,977
Total Liabilities and Members' Equity	\$2,883,729	\$2,699,113

STATEMENT OF NET INCOME

Interest Income	\$91,906	\$74,877
Noninterest Income	55,904	49,928
Total Revenue	\$147,810	\$124,805
Dividend Expense	\$9,797	\$7,728
Interest Expense	2,107	221
Provision for Loan Losses	6,598	5,098
Noninterest Expense	100,385	91,551
Total Expense	\$118,887	\$104,598
Net Income	\$28,923	\$20,207

Board of Directors

Terrance Tremelling, Chairperson

Philip A. Meserve, 1st Vice Chairperson

Robert E. Logue III, 2nd Vice Chairperson

Kathern L. Gaskins, Treasurer

James Jefferson, Secretary

Ronald J. Seaman, Director

Herb Long, Director

Sarabjit Dahyia, Director

John Quattrin, Director

Rick Blumenfeld, Director

Dylan Gottfried, Director

Nadder Mirsepassi, Director Pro Tempore

Jody Porter, Director Pro Tempore

Brian A. Bedford, Director Pro Tempore

James W. Hopp, Director Emeritus

Earl D. Hendricks, Supervisory
Committee Emeritus

Executive Leadership

Dave Roughton, President and Chief
Executive Officer

James C. Allen, EVP, Chief Operating Officer

Chris Harris, EVP, Chief Financial Officer

Faye Nabhani, EVP, Chief Credit Officer

Eric Wilson, EVP, Chief Information Officer

Tracy Jackson, EVP, Chief Human
Resources Officer