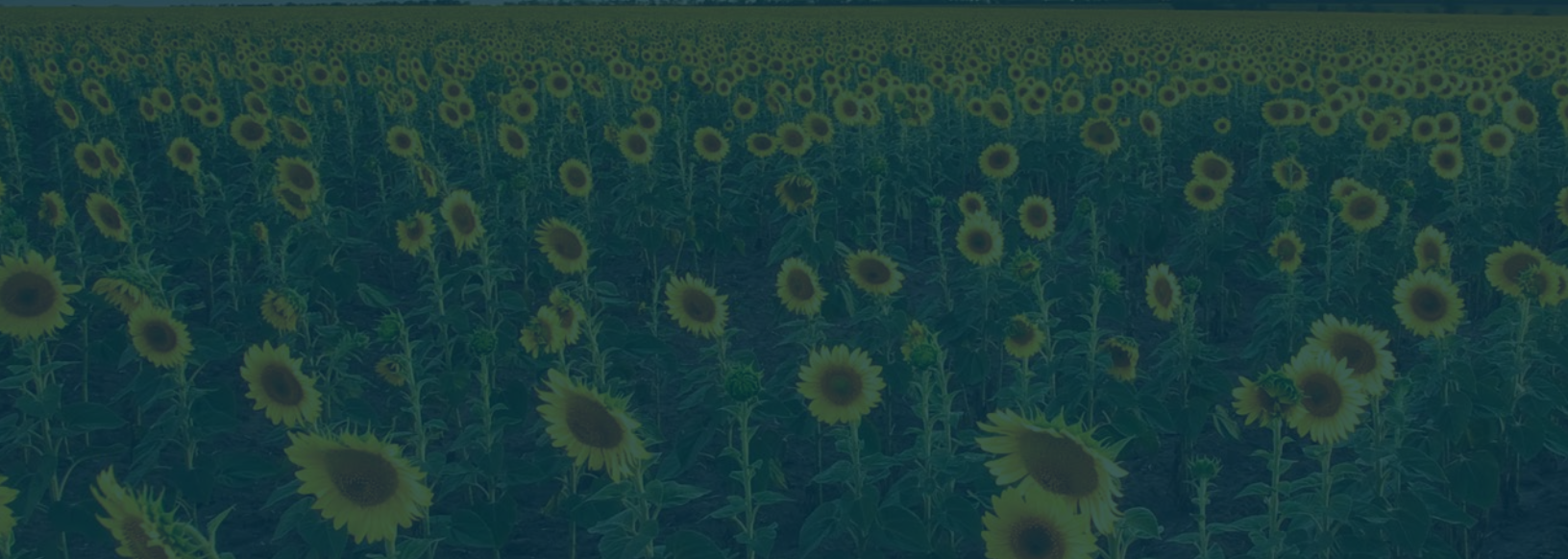




**Yolo Federal**  
Credit Union

# 2021

## ANNUAL REPORT



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Voted by Daily Democrat readership

# LEADERSHIP

## BOARD OF DIRECTORS

William Schemel  
Chairman

David Thompson  
Vice Chairman

Captane Thomson  
Treasurer

Robyn Rominger  
Secretary

Byron MacConnell  
Director

Bruce Muramoto  
Director

Robin Shofner  
Director

# SUPERVISORY COMMITTEE

Floyd McCain  
Chairman

Ed Marquez

Shelley Sammut

# SENIOR MANAGEMENT

Jenee Rawlings  
President/CEO

Matt Lane  
Chief Financial Officer

Matt Isika  
Vice President Lending

Pennie Holck  
Vice President Human Resources &  
Organizational Development

Kelley Jacobsen  
Vice President Marketing & Operations

David Plaut  
Vice President Information Technology

# PRESIDENT'S REPORT

As the second year of a global pandemic approaches, we find ourselves reflecting on our continuing evolution. The pandemic has had many effects on the credit union industry; cash use declined, and savings growth continued at unprecedented levels. Digital banking has accelerated, and remote services have become not just accepted but expected.

2021 was a year of reimagining the member experience in a new technology-focused world. Providing the best service in the county has always been our goal, and now, providing that high-quality service through the convenience of digital channels has become top of mind.

Like so many other businesses, we were impacted by staffing shortages and COVID-related absences. Our Teller Express Lane was launched for testing at our Main Branch to address the extended wait times we've sometimes experienced because of this pandemic. We have expanded the availability of video appointments, allowing more members to meet with a credit union representative from the comfort of their homes. And our Sycamore Pointe branch is undergoing some important renovations and will serve as the springboard for bringing our Branch of the Future to life in 2022.

We continued our focus on the financial well-being of our members through the use of our online financial success program, Achieve. This program provides valuable tools and resources to help our members make educated financial decisions for their families. With the launch of our Money Track tool beginning in 2022, we will offer our members even more ways to monitor their money, set financial goals, track their spending, and budget across all their accounts. We look forward to utilizing this new resource to help our members achieve financial success.

For the 21st year in a row, we have been voted Yolo County's #1 Best Credit Union, in addition to taking home the title for Best Mortgage Company, Best Financial Services, and Best Bank. We are incredibly appreciative of our members and community for voting us as Yolo County's Best. Thank you for allowing us to be your trusted partner, and we look forward to continuing to serve our local community.

**Jenee Rawlings**  
PRESIDENT/CEO



2021



# CHAIRMAN'S REPORT

This has been a difficult year for everyone. All of us have been impacted by the pandemic. There were many predictable consequences, but there were also a lot of surprises.

With all of the changes in the economy and people finding themselves without jobs, one would expect that the amount of money people have in savings accounts would be reduced. For some, emergency spending has had that effect. However, it appears that folks are planning ahead for uncertain times and, with that, have been saving a whole lot more money than usual. We love to see this, as it means that our messages about thrift and savings are being heard. But it also means that we have a whole lot more money to lend.

Ordinarily, this would seem to be a good thing. However, it becomes difficult to make new car loans when there aren't very many new cars due to supply chain shortages.

Staffing shortages from the pandemic have also been a challenge. As a result, to preserve the safety of staff and members, we had to resort to occasional branch closures. This has been mostly at the Sycamore Pointe branch, not because the folks who work there are becoming ill more often, but simply because we have an alternative Main Branch nearby. We have used this time for additional staff training and to add enhanced technology to the Sycamore Pointe Branch. We are eager to reopen this summer with a brand new fleet of improved ATMs. Although technology is important, we know there is still value seeing the smiling faces of our members. That is why we have more branches in Yolo County than any other financial institution.

Even with all the turmoil in the financial markets, we've managed to do well during the last year. We are in a stronger relative capital position than many of the larger credit unions, and we offer some of the best loan rates. And of course, our staff remains committed to providing a high level of service for everyone.

We are all looking forward to better times when we are no longer facing the continuing threat of the pandemic. In the meantime, we've done well over the last year, given the circumstances, and hope to really shine as things return to normal.

**William Schemel**  
CHAIRMAN





Our Organizational Development Department is dedicated to the success of all employees. They demonstrate the value of training and education by putting time and resources into our new hires to ensure they are properly prepared for their new position.



2021

# SUPERVISORY COMMITTEE'S REPORT

Yolo Federal Credit Union's Supervisory Committee is a group of volunteers who are responsible for ensuring oversight of the safety and soundness of the credit union. We use three primary channels to monitor and verify the safety and soundness of the credit union: internal audits, external (independent) audits, and results of the periodic examination by the National Credit Union Administration (NCUA).

With COVID-19 still causing staffing challenges, management and staff continued to be diligent and have been exceptional in quickly adjusting branch staff and hours, including a temporary closure to one of our branches. This ensured the continuation of excellent member service. Exams and audits also continue to be conducted remotely due to COVID-19 concerns.

The Supervisory Committee contracts with Turner, Warren, Hwang & Conrad AC, an independent CPA firm. They are tasked to complete the financial audit and account verification on an annual basis. Based upon internal audits, the independent external audit, and the NCUA examination report, the Supervisory Committee concludes that the Credit Union's policies and procedures, as well as Management's practices, are sound. We remain confident that Yolo FCU will continue to maintain a high level of financial safety and soundness.

We are grateful to Yolo FCU's Board of Directors, Management, and staff for their dedication in ensuring that the Credit Union remains a safe and sound institution fulfilling your financial needs today and into the future.

We also thank you for your continued support and loyalty. It is an honor to serve you.

## SUPERVISORY COMMITTEE

Floyd McCain, CHAIRMAN  
Ed Marquez  
Shelley Sammut

In 2021, the Marketing Team dedicated their time organizing and helping out at many local events to give back to Yolo County. Our team goes through great efforts to make a difference in our community.



UC Davis Arboretum & Public Garden



United Way



YCCA Backpack Drive

# TREASURER'S REPORT

The financial position of the credit union ended strong for 2021, although it was another year of navigating uncertainty. Asset growth continued during the year while maintaining positive net income. The low-rate environment provided our members the opportunity to rely on us to help them achieve their financial goals with total loan production over \$82 million.

Total deposits increased by \$49.6 million or 15.52% for the year, with net loan balances declining by \$12.5 million or 5.22%. Asset growth was greater than normal, but it slowed compared to 2020. Total assets ended the year at \$414.3 million with a growth rate of 13.86%. Asset quality remained high with very low delinquency and net charge-offs of 0.16% and 0.10%, respectively.

Net earnings were lower than anticipated, but they remained positive at \$1,134,379 or 0.29% for the year. The positive earnings provided support to the net capital position. Although the increase in assets put pressure on net capital, bringing it down to 10.75% from 11.88% the previous year. The credit union continues to be well-positioned to meet the needs of our members.

Captane P. Thomson  
TREASURER





# 2021



# ANNUAL REPORT FINANCIALS

\$227.6  
MILLION  
TOTAL LOANS



10.35%  
NET CAPITAL



\$49.6  
MILLION  
SHARE INCREASE



\$1.13  
MILLION  
NET INCOME



Although 2021 continued to present unique challenges, Yolo Federal persevered and was able to give back to nonprofits, small businesses, and other organizations.





# ANNUAL REPORT FINANCIALS

## ASSETS

	2017	2018	2019	2020	2021
Cash	\$7,835,277	\$8,033,521	\$9,919,653	\$12,587,006	\$10,425,947
Deposits in Banks/S&L's	49,596,841	26,289,675	14,880,000	15,128,000	10,172,000
Deposits in other CU's	3,968,000	2,976,000	496,000	1,240,000	992,000
NCUSIF Capitalization	2,336,466	2,427,574	2,496,638	2,793,170	3,303,977
Other Investments	16,489,211	18,299,994	27,924,597	76,060,912	146,746,961
Consumer Loans	51,364,066	74,849,171	77,869,441	63,910,237	68,883,131
VISA Loans	9,439,814	10,693,567	11,878,694	10,542,668	9,894,444
Real Estate Loans	111,445,118	110,940,586	114,664,444	145,326,955	132,690,802
Other Loans	16,279,491	18,919,291	21,514,879	20,394,422	16,176,982
Total Loans	188,528,489	215,402,615	225,927,458	240,174,2882	227,645,359
Less Allowance for Loan Losses	(1,324,690)	(1,232,057)	(1,346,253)	(1,498,051)	(1,660,623)
Land and Buildings	7,086,299	7,724,545	7,731,934	7,663,719	7,398,649
Other Fixed Assets	950,134	1,065,302	1,061,021	829,616	626,875
All Other Assets	8,692,170	8,859,586	9,528,176	8,982,841	8,744,107
Total Assets	\$284,158,197	\$289,846,755	\$298,619,223	\$363,961,495	\$414,395,252

## LIABILITIES & CAPITAL

	2017	2018	2019	2020	2021
Regular Shares	\$109,139,811,	\$112,622,169	\$118,217,916	\$112,622,169	\$118,217,916
Checking/Money Market	110,231,550	110,448,107	113,793,440	110,448,107	113,793,440
IRA Accumulation	4,465,392	4,662,810	4,700,690	4,662,810	4,700,690
IRA Certificates	3,847,363	3,295,696	2,641,279	3,295,696	2,641,279
Share Certificates	23,228,345	22,136,979	18,646,894	22,136,979	18,646,894
Total Shares	250,912,461	253,165,761	258,000,219	253,165,761	258,000,219
Notes & Interest Payable	-	-	-	-	-
Accounts Payable	2,444,889	1,766,387	1,887,452	1,766,387	1,887,452
Total Liabilities	2,444,889	1,766,387	1,887,452	1,766,387	1,887,452
Unrealized Gains/Loss AFS	(11,516)	(142,768)	67,486	(142,768)	67,486
Regular Reserves	2,408,591	2,408,591	2,408,591	2,408,591	2,408,591
Undivided Earnings	28,403,772	32,648,784	36,255,475	32,648,784	36,255,475
Total Liabilities & Capital	\$284,158,197	\$289,846,755	\$298,619,223	\$363,961,495	\$414,395,252

—Assets as of December 31, 2021—

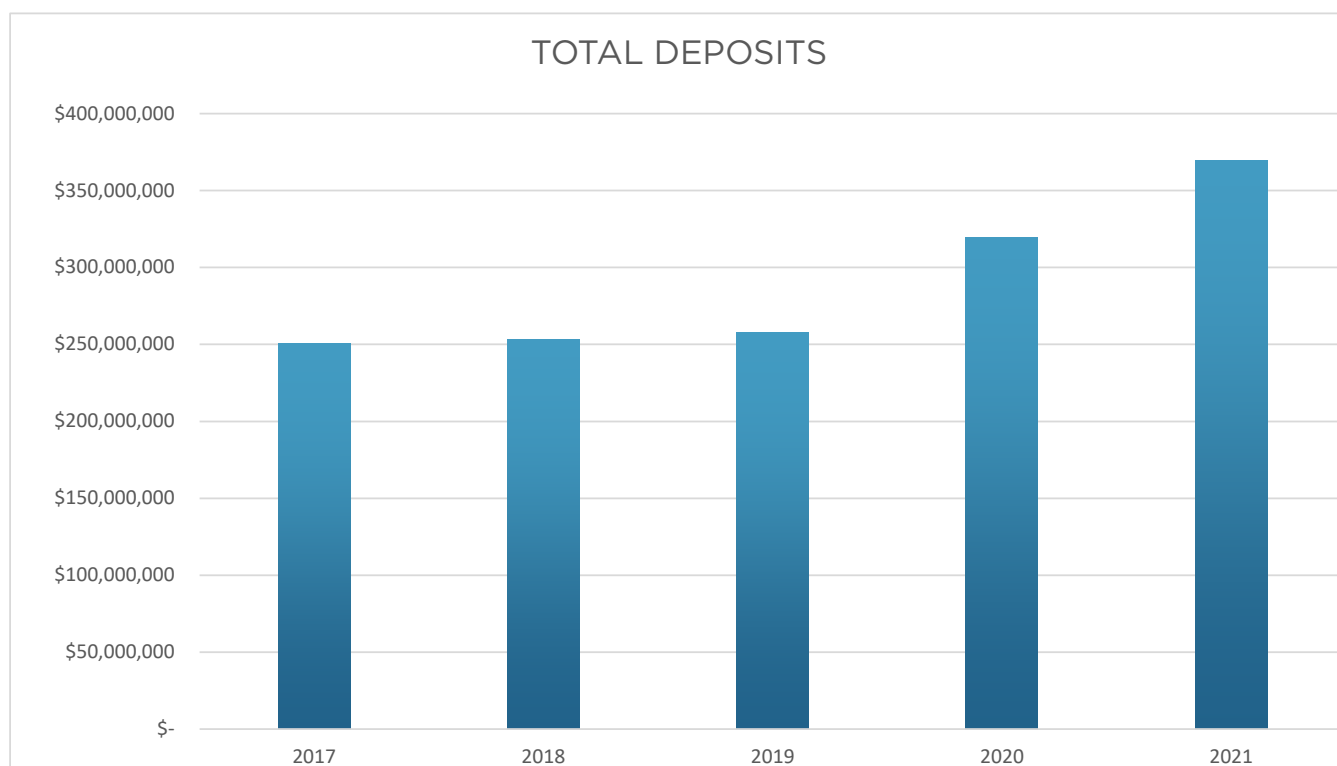


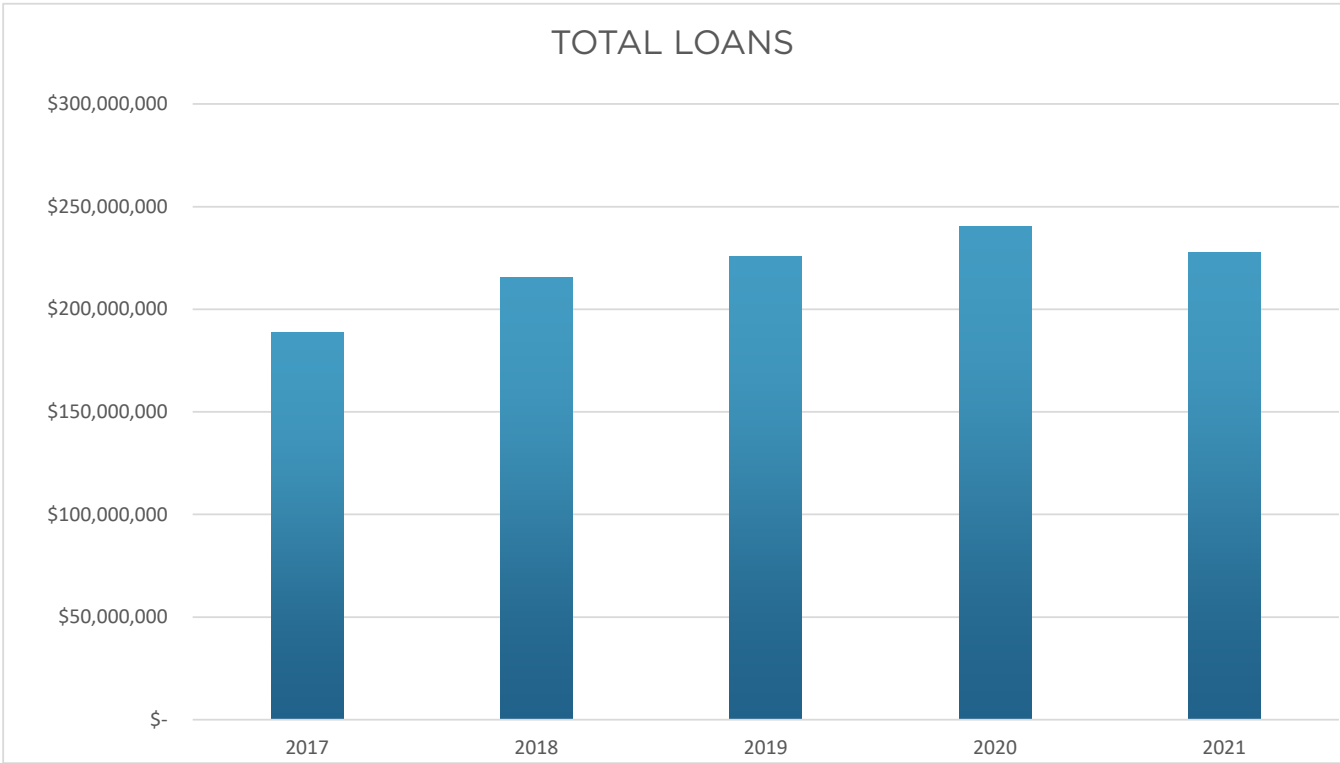
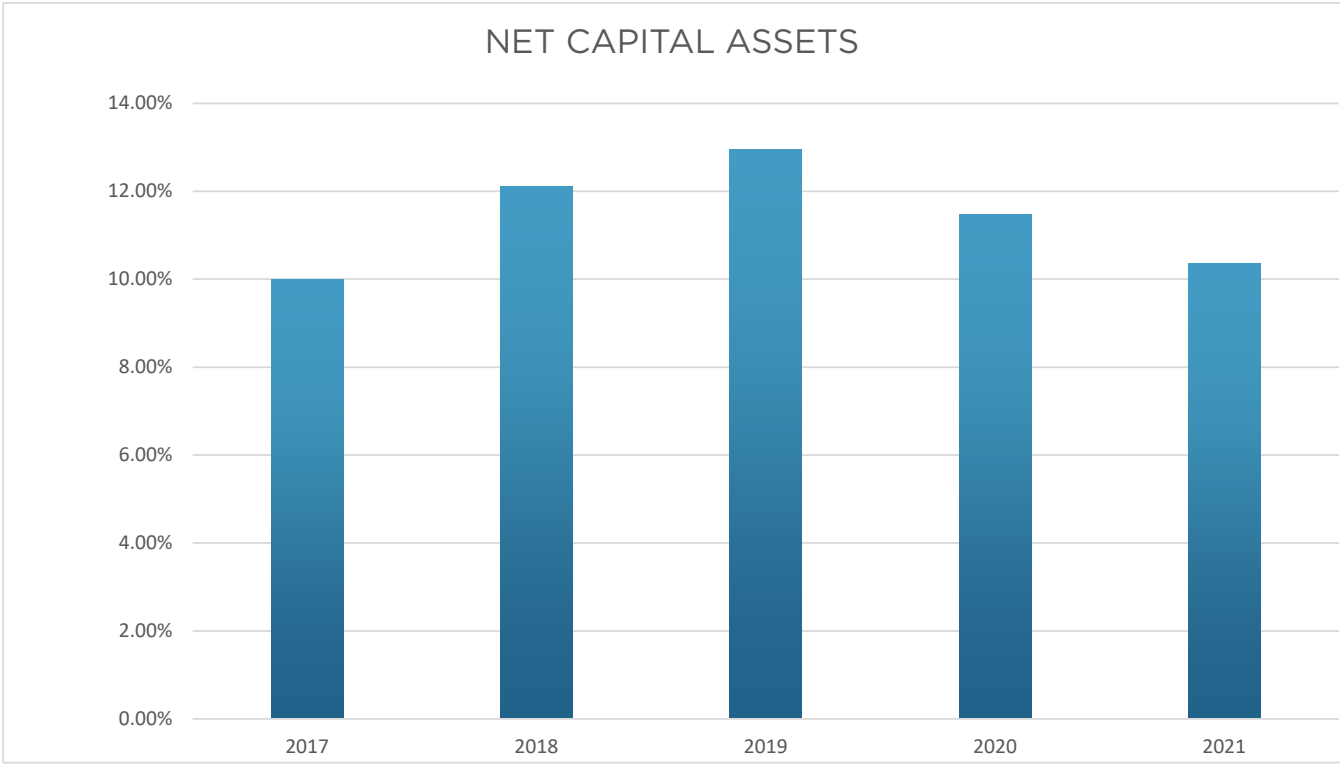
# 2021

## INCOME & EXPENSE

	2017	2018	2019	2020	2021
Loan Income	\$7,904,439	\$8,830,850	\$9,965,444	\$9,674,829	\$8,722,304
Investment Income	937,278	1,235,528	1,133,813	812,258	1,132,832
Other Income	3,849,870	3,827,593	3,996,431	4,489,755	4,074,130
Total Income	12,691,587	13,893,971	15,095,688	14,976,842	13,929,265
Salaries & Benefits	4,188,626	4,462,521	4,940,918	5,550,492	5,833,876
Other Operating Expenses	4,692,969	4,970,442	5,912,302	5,921,845	6,011,711
Non-Operating (Income) exp	(135,568)	(240,269)	(102,975)	(186,815)	280,643
Provision for Loan Losses	114,227	187,006	478,285	357,565	387,088
Cost of Funds	260,672	269,258	260,468	246,931	281,569
Net Transfer to Reserves	-	-	-	-	-
Net Income after Reserves	\$3,570,661	\$4,245,013	\$3,606,690	\$3,086,824	\$1,134,379

# FINANCIAL TRENDS







Helping Yolo County achieve  
financial success since 1954.

Woodland  
266 W. Main Street  
465 Pioneer Avenue

Davis  
501 G Street

West Sacramento  
2240 Lake Washington Boulevard, Ste. 100

Winters  
168 East Grant Avenue

(530) 668-2700  
[YoloFCU.org](http://YoloFCU.org)

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