



Strata Credit Union's 2020 Annual Report

“For Life’s Priorities.”

A Message from the President

Tough times don't last, tough people do...



This was the message that we shared with our community in late March as the realities of the Covid-19 pandemic began to sink in. The national credit union periodical, CU Times, got wind of it and they published an article regarding our message on March 26th. We also saw local TV and Newspaper coverage of our billboards when we wanted to remind everyone that we have been through tough times before and we've gotten through it.

To help our members get through it we remained open serving our members needs during the Covid-19 Stay-at-Home Order. We were there for those members who needed financial assistance who were impacted when their employers were forced to shut down. We provided mortgage forbearance, skip-a-payments on vehicle, line of credit, and credit card loans, provided loan modifications if skip-a-pay relief wasn't enough, and also provided low rate emergency loans to help pay bills.

During the pandemic we also opened our third branch location at the Vallarta Shopping Center on May 1st of 2020. Unfortunately, we were unable to have a grand opening celebration for the opening of the branch but word has quickly gotten out and we have seen tremendous growth thus far at the branch.

Under the leadership of the Board, the decisions we have made and the changes we have put in place are building our foundation to be more inclusive and provide an improved member experience going forward.

A Message from the President

We have a number of additional changes on our roadmap that will hopefully come to fruition in the coming years that will improve your experience with your credit union. It is my honor as CEO to lead these changes, and it is with an overwhelming sense of gratitude that I do so with the Board's blessing.

Respectfully submitted,
Brandon Ivie

A Message from the Chairman

As we end the first quarter of 2021, we welcome the opportunities of the post Covid 19 financial landscape and its impact to members. We at Strata are poised to again continue to provide members the needed financial products and services for the well-being of members their families and their communities.

With the community's need in mind, our Panama branch has filled a significant financial institution void in South East Bakersfield which is illustrated by tremendous growth in membership in the area and providing the needed products and services of the community.

The Board, management and staff at Strata recognize the difficulties and financial uncertainty of the past year and were committed to protect the financial well-being of our members, including many services and options to best serve members during the unprecedented pandemic including:

- Remaining open with unlimited services to members
- Zero percent emergency assistance loans up to \$2,500
- Skip loan payments
- Mortgage forbearance
- Waived fees
- Expansion of access to internet and mobile banking and remote deposit capture

None of these accomplishments and services could have been achieved without the innovation, dedication and commitment of Strata's management and staff who served you during the year.

As 2021 advances we will continue to have members at the forefront of our thoughts and continue the over seventy-year legacy by providing needed financial products and services "for life's priorities." We look forward to serving you.

Glenn Basconcillo

A Message from the Supervisory Committee Chair

Strata Credit Union Members,

On behalf of Strata Credit Union's volunteer Supervisory Committee, I'd like to thank you for trusting Strata in serving your financial needs. Strata is committed to protecting its member's funds and assets. As part of this effort, the Committee is ensuring that Strata is adhering to all government regulations, general accounting principles, as well as internal policies the credit union has in place.

As Chair of the Supervisory Committee, I'm happy to report that Strata remains safe, sound, and financially stable based on the results of our audit, conducted by an independent certified public accounting firm and our regulator, the National Credit Union Administration.

I appreciate the dedication of my fellow committee members and they join me in expressing our gratitude to the Strata Credit Union Board of Directors, Management and Staff for their commitment in safeguarding that Strata Credit Union is serving the financial needs of our memberships.

The Supervisory Committee is honored to serve you.

Appreciatively,

Mitchall Patel,
Supervisory Committee Chair
Strata Credit Union

Copies of the audits performed are available to members of credit union upon request.

STRATA CREDIT UNION
MINUTES OF THE ANNUAL MEETING
OF THE MEMBERS

Chairman Greenlee called the remote meeting of the members to order on September 23, 2020 at 12:00 p.m., at 1717 Truxtun Ave., Bakersfield, California.

DIRECTORS PRESENT: GUY GREENLEE
 GLENN BASCONCILLO
 STEVE LONG
 MARGO RAISON
 LITO MORILLO
 JACKIE DENNEY
 GINNY KREBS

DIRECTORS ABSENT: NONE

Chairman Greenlee welcomed the members to the 71st Annual Meeting of Strata Credit Union.

Chairman Greenlee requested Director Morillo to ascertain that a quorum was present. Director Morillo confirmed that a quorum was present.

Chairman Greenlee introduced the following members of the Board of Directors who were in attendance: Glenn Basconcillo, Steve Long, Lito Morillo, Margo Raison, Ginny Krebs and Jackie Denney.

Chairman Greenlee introduced the following members of the Supervisory Committee who were in attendance: Elizabeth Chavez, Mitch Patel and Chase Nunneley. Eva Ramirez was unable to attend the meeting.

Chairman Greenlee noted that the minutes from last year's Annual Meeting, as well as the Annual Report, had been provided to the attendees for their review.

Chairman Greenlee called for a motion to approve the minutes of the April 18, 2019, Annual Meeting. A motion was made by Director Long and seconded by Director Basconcillo to approve the minutes as presented.

AYES: ALL

Chairman Greenlee introduced President/CEO Ivie and the remaining management: Senior Vice President of Lending and IT O'Doherty, Chief Financial Officer Workman and Branch Administrator Webster.

Chairman Greenlee asked if there was any unfinished business. There was no unfinished business.

Chairman Greenlee asked if there was any new business. There was none.

STRATA CREDIT UNION
MINUTES OF THE ANNUAL MEETING
OF THE MEMBERS

Chairman Greenlee introduced Michael Stevenson as the Nominating Committee Chairman. Nominating Committee Chairman Michael Stevenson reported that the committee had submitted the following names for nomination to the Board of Directors:

- Steve Long (Incumbent) for a three-year term
- Glenn Basconcillo (Incumbent) for a three-year term
- Ginny Krebs (Incumbent) for a three-year term

Chairman Greenlee announced that under the credit union's bylaws, elections will not be conducted by ballot and there will be no nominations from the floor when there is only one nominee for each position to be filled. Chairman Greenlee advised that the Chair would entertain a motion to declare nominations closed and all nominees elected by acclamation.

A motion was made by Director Raison and seconded by Director Morillo to declare the nominations closed and elect the nominees by acclamation.

AYES:

ALL

Chairman Greenlee congratulated the newly elected Board members.

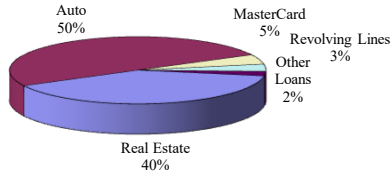
Chairman Greenlee adjourned the meeting at 12:08 p.m.

CHAIRMAN

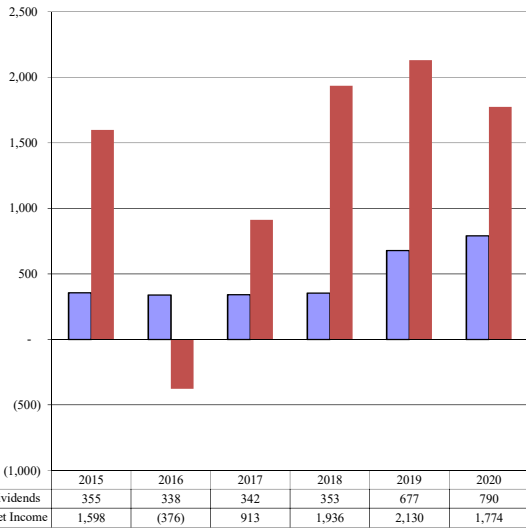
SECRETARY

mk

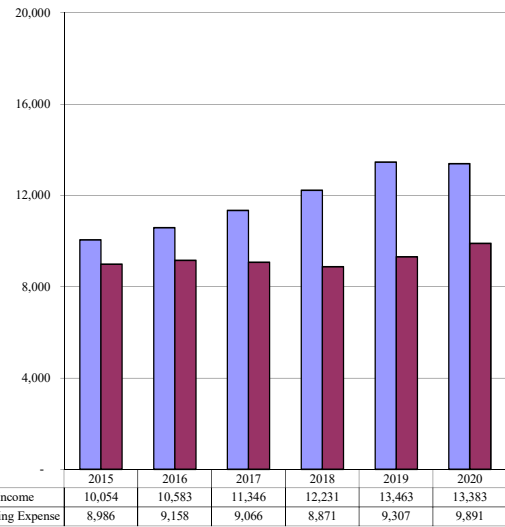
Member Loans
(Percentage of Total Loans)



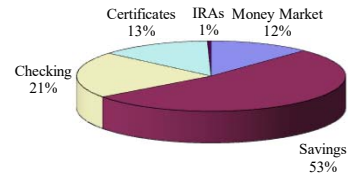
Member Dividends & Net Income
(000's Omitted)



Gross Income & Operating Expense
(000's Omitted)



Member Shares
(Percentage of Total Shares)



Statements

Statement of Income
For the Year Ended September 30, 2020
(000's Omitted)

Income	2019	2020
Interest on Members' Loans	\$ 9,231	\$ 9,393
Investment Income	974	973
Other Income	3,258	3,017
Gross Income	\$ 13,463	\$ 13,383
Expenses		
Provision for Loan Loss	\$ 1,349	\$ 928
Interest on Borrowed Funds	-	-
Other Operating Expenses	9,307	9,891
NCUA Premium & Impairment	-	-
Operating Expenses	\$ 10,656	\$ 10,819
Income from Operations		
Income from Operations	\$ 2,807	\$ 2,564
Non-Operating Gain (Loss)	-	-
Income Before Dividends	2,807	2,564
Dividends Paid to Members	677	790
Net Income	\$ 2,130	\$ 1,774

Condensed Statement of Financial Condition
As of September 30, 2020
(000's Omitted)

Assets	2019	2020
Loans to members	\$ 195,465	\$ 172,702
Cash	19,862	29,672
Investments	33,835	83,320
Premises & Equipment	4,535	5,229
Other Assets	10,159	10,571
Total Assets	\$ 263,857	\$ 301,494
Liabilities/Shares/Equity		
Dividends Payable	\$ -	\$ -
Other Liabilities	2,845	13,325
Members Share Accounts	226,107	251,489
Members' Equity	34,905	36,680
Total Liabilities/Shares/Equity	\$ 263,857	\$ 301,494



Vision Statement

To improve the financial well-being of our members, SCU will be the financial institution they choose first, use the most, and grow with throughout their lives.

