



Cruising Into a New Year



2019 ANNUAL REPORT

MISSION STATEMENT

At BOPTI Federal Credit Union, we've adopted the philosophy of "Once a Member, Always a Member." This means that whether you change jobs, move out of the area, transfer or retire, you will still retain your membership rights with us. It is our continuing mission to provide you, our member, with exceptional service, as we are committed to offering you the best financial products at the lowest cost and to paying dividends on deposits at more than competitive rates, at all times. We thank you for your trust and look forward to a long and lasting relationship.

1451 S. Seaside Avenue • Terminal Island, CA 90731 • 310-832-0227 • fax 310-832-0228 • 800-397-9227
HOURS: 6 am- 4 pm Monday-Friday • www.boptifcu.com



REPORT OF THE PRESIDENT

2020 is the 65th anniversary of BOPTI Federal Credit Union. The credit union was founded in 1955 by a small group of employees at FCI, Terminal Island. This group saw the need for a financial cooperative that was designed to help them and their fellow employees improve their individual financial situations. Along the way, members were able to deposit money to their accounts, and that money was used to make needed loans to other members to buy goods and services needed for their families. Today, we serve employees at 41 Institutions throughout the United States, having most recently added FCI, Miami to our membership.

The core ideals of our founders are still alive today. BOPTI exists to provide a means for its members to save for their futures and that of their families, to borrow money for a new car, a house, or even a dream vacation. Since the credit union is a not-for-profit financial cooperative, profits from operations allow for higher rates on savings and lower loan rates.

Credit Union assets at year-end were \$71.7 million. Loan demand remained weak throughout the year with 1,369 loans funded in 2019 totaling just over \$10 million. Net income for the year was \$670,252. This amount was transferred to reserves and brings total retained earnings to 18.6% - well above the 7% that is considered by regulators to be well-capitalized.

We remain committed to returning value to our members. Our financial strength allows us to continue to offer valuable services you want and need. With the same "People Helping People" spirit in which we were founded, we will continue to listen to and deliver on what's important throughout 2020.

For the Board of Directors, I thank you for your loyalty to the credit union through the years.

Sincerely,
Sandra White, President

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is comprised of three volunteers appointed by the Board of Directors and is responsible for ensuring that the financial statements of the credit union are accurately and fairly presented by management and the operational practices and procedures are sufficient to safeguard member assets.

The Supervisory Committee meets regularly with management and internal auditors to discuss internal controls and accounting, auditing and financial reporting matters. This past year, the Committee retained the services of Brian E. Smith Independent Audit and Consulting Services to perform a compliance risk audit and an annual financial audit of the credit union. The results of the audits were good, so therefore, based upon these audits, the Committee has recommended to the Board of Directors that summary financial data be included in this annual report.

As noted in the Report of the President, credit union reserves represent 18.6% of assets, making BOPTI FCU among the strongest and safest in the nation.

BOPTI is regulated and insured by the National Credit Union Administration (NCUA) and is subject to examination by the regulator on an annual basis, in addition to the internal audit. The overall positive results of these audits are indicators of the ongoing soundness and effective management of this financial institution.

Respectfully,
Jenny Castro, Chair

STATEMENT OF INCOME

For the year ending December 31, 2019

INTEREST INCOME

Interest on loans	\$ 1,610,145
Interest on Investments	\$ 1,140,173
Total Interest Income	\$ 2,750,318

INTEREST EXPENSE

Dividends Paid	<\$ 864,677>
Net Interest Income	\$ 1,885,641
Provision for loan losses	<\$ 269,621>
Interest Income Net of Provision	\$ 1,616,020
Non-Interest Income	\$ 146,611
Total (Net)	\$ 1,762,631

OPERATING EXPENSES

Compensation and Benefits	\$ 609,179
Operations	\$ 445,167
Occupancy	\$ 30,000
Other Expenses	\$ 8,033
Total Operating Expenses	<\$ 1,092,379>
Net Income	\$ 670,252

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2019

ASSETS

Member Loans (Net)	\$ 23,789,972
Cash	\$ 3,656,161
Investments	\$ 43,946,057
Equipment	\$ 0
Building	\$ 94,500
Other	\$ 213,312
Total Assets	\$ 71,700,002

LIABILITIES, DEPOSITS AND EQUITY

Member Deposits	\$ 58,060,196
Equity (Reserves)	\$ 13,371,818
Other Liabilities	\$ 267,988
Total Liabilities/Deposits/Equity	\$ 71,700,002

LEADERSHIP

BOARD OF DIRECTORS

Sandra White, President
Frank Calderon, Vice President
David C. Moore, Director
Jeremy R. Jones, Director
Tom Morris, Secretary/Treasurer

STAFF

Tom Morris, Manager/CEO
Jeremy R. Jones, Assistant Manager
Anthony Morris, Compliance Officer/CUCE/CLE
Merlene Casey, Collections
Ryan Morris, Member Services

SUPERVISORY COMMITTEE

Jenny Castro, Chair
Courtney Williams
Ken Russell