

2008 ANNUAL REPORT SALT RIVER FINANCIAL SERVICES INSTITUTION



MESSAGE FROM THE CHAIRMAN OF THE BOARD

It is my pleasure to present the 2008 Annual Report update for Salt River Financial Services Institution (SRFSI). As you will see, 2008 proved to be a very strong year for SRFSI. Despite the uncertainty in the secondary mortgage market, we remain on track to meet our long-term goal of becoming a sustainable financial institution.



We are fortunate to have “patient capital” so we are able to make as many homeownership loans as are requested. We are also well positioned to support Community entrepreneurs as they identify new business opportunities. I am very pleased to report that we have no loans in default, an outstanding statistic given today’s marketplace. Our zero default experience reflects both the caliber of people we are lending to and our philosophy of working with our customers. It is our policy to support our families and help them solve problems that can arise.

While SRFSI is not insulated from the larger financial problems that are buffeting our country, we are in an enviable position. We are extremely grateful that the leadership of the Salt River Pima-Maricopa Indian Community had the foresight to establish and fund SRFSI at a level that enables us to both make loans and provide necessary financial education. Nevertheless, our number one goal is to grow this institution so it will not be dependent upon the financial support of the Community and we are actively seeking partnerships from banks as well as grants from foundations.

On behalf of the board, we are proud that SRFSI is well-capitalized, has good financial strength and shows a strong balance sheet. SRFSI has had a very good year in 2008 and we look forward to an even stronger 2009.

Edward Celaya
Chairman of the Board

MESSAGE FROM THE EXECUTIVE DIRECTOR

At Salt River Financial Services Institution (SRFSI) we have one purpose: to serve the enrolled members of the Salt River Pima-Maricopa Indian Community. With the support of the Community, the guidance of the Board of Directors and the expertise of our excellent staff, I am happy to inform you that we are succeeding in this goal.



Although we are a very young financial institution, our hard work is already being noticed and rewarded. In 2008, SRFSI received over \$183,000 in grant awards from many prestigious organizations, including: the Native American CDFI Assistance (NACA) Program, the Tides Foundation, First Nation’s Development Institution and the Native American Finance Officers Association (NAFOA). These awards recognized our efforts as a loan organization and for the outstanding work we are doing in financial education. Through grants like these and new partnerships we are seeking to form, we are confident that SRFSI will meet the over-arching goal of becoming a sustainable CDFI.

In an era when corporate banking has become de-personalized, we are very pleased to offer the members of this Community the most personal financial services. A key part of our services is the Salt River University which provides a complete curriculum of financial education courses for homeowners and entrepreneurs. We are extremely gratified that so many members of the Community are now graduates of our university and we look forward to serving more members.

On behalf of our very dedicated team, it is our honor to be the “handshake” lender and financial education provider for the Salt River Pima-Maricopa Indian Community.

Respectfully,
Billie N. Spurlin, II
Executive Director

HOMEOWNERSHIP LOANS REPORT 2008

***Inquiries and loans continue to rise as
SRFSI reaches more Community members.***

- Over 100 inquiries for home loans
- 28 loans closed
- Total of \$4.7 million in loans

Greening of homes...

With the help of staff and consultants, SRFSI is helping members of the Community “go green”, meet their needs and stay within their budgets.

Watch for:

- Green mortgage products tailored with a savings match program to support our sustainable initiative.
- Stepping Stone Mortgage, a renter-to-homeownership mortgage, brings together financial education and savings.
- Canalside Homes, the first subdivision concept, is coming to the Salt River Pima-Maricopa Indian Community. These 91 one-of-a-kind “forever” homes will be customized to reflect the needs of this Community and provide members with a new and convenient “neighborhood” lifestyle.

“Working with the Community is great. The intent of the homes we are designing today should last up to seven generations. As design professionals, we help Community members think through the process of creating a home that lives their family, lifestyle and budget “forever.”

– Robert Klob
Robert Klob Designs



BUSINESS LOANS REPORT 2008

SRFSI launches and supports this new product in a difficult economic environment.

Dozens of interested entrepreneurs attended Salt River University (SRU) classes and completed business plans in preparation for opening businesses in the future.

SRFSI hired Joan Theisen as the new Business Services Manager. Ms. Theisen previously worked in business development for the Mille Lacs Band of Ojibwe in Minnesota.

Watch for:

- Micro Loan development for new start-ups.
- OJT – “On the Job Training” for rising SRPMIC Entrepreneurs

FINANCIAL EDUCATION REPORT 2008

Salt River University gains momentum as more people hear about programs and classes.

- Salt River University (SRU) attracted 884 people to its classes in 2008.
 - 398 attended Money Management classes
 - 336 attended Youth Financial Education classes
 - 32 attended the Home Ownership Academy
 - 118 attended Business Development classes

Watch for:

- SRU is going online with its classes to make financial education available to members who do not live on the Community or are unable to attend classes at SRFSI.
- Youth Entrepreneurship Summer (Y.E.S.) Academy for SRPMIC High School Students will be presented in partnership with Arizona State University (ASU).

SALT RIVER SERVICES FINANCIAL INSTITUTION WINS NATIONAL RECOGNITION.

Over \$183,000 in grant awards received in 2008

- \$133,343 was awarded by the Native American CDFI Assistance (NACA) Program through the U.S. Department of the Treasury. The award recognized the unique approach of SRFSI in providing an entire scope of services to members of the Salt River Pima-Maricopa Indian Community from financial education to loan services.
- \$50,000 awarded by the Tides Foundation to expand SRFSI savings and financial education programs. Drummond Pike, Chief Executive Officer noted, "Tides Foundation has supported organizations working for positive social change since 1976. We are proud to include your organization in that history."

SALT RIVER FINANCIAL SERVICES INSTITUTION HONORED FOR INNOVATION.

SRFSI was awarded the Financial Literacy Program of the Year by the Native American Finance Officers Association (NAFOA). In awarding this honor, Bill Lomax, President of the association noted, "The Salt River Financial Services Institution is truly an innovator and an inspiration. NAFOA's Board is pleased to acknowledge SRFSI and thank you for your contributions to Indian Country."

The CDFI award ceremony was held at Talking Stick Golf Club on the Salt River Pima-Maricopa Indian Community and included staff, royalty and elected leaders of the Salt River Pima-Maricopa Indian Community.



2009 BOARD OF DIRECTORS

Edward Celaya • *Board Chair*
Deanna Scabby • *Vice Chair,
Council Liaison*
Frances Kauakahi • *Treasurer*
Rosa Cruz • *Secretary*
Patricia Tate • *Board Member*
Patrick Dallas • *Board Member*
Barbara Boone • *Board Member*

Cheryl Scott • *OGC Liaison (non voting)*
Stacey Gubser • *Board Liaison (non voting)
SRPMIC Community Development*
Mark Belanger • *Board Liaison (non voting)
SRPMIC Housing Division*
Tony Farese • *Board Liaison (non voting)
SRPMIC Office of the Treasurer*
Dawn Yazzie Howard • *Board Liaison
(non voting) as Treasury Representative
for Mr. Farese*

LOAN REVIEW COMMITTEE

Barbara Boone • *Alliance Bank*
Margie Wilson • *Choice Mortgage Solutions, Inc.*
Frances Kauakahi • *Treasurer*

STAFF

Billie N. Spurlin, II • *Executive Director*
Cortasha Begaye • *Executive Secretary*
Lisa Deer • *Homeownership Services Manager*
Donna Cordova • *Finance Manager*
Jenny Yazzie • *Financial Education Manager*
Joan Theisen • *Business Services Manager*
Mikaela Jones • *Home Construction
Coordinator*
Tina Wood • *Senior Loan Specialist*
Elena Tarango • *Homeownership Services
Specialist*

MISSION STATEMENT

*Empowering All Generations of the
Salt River Pima-Maricopa Indian Community
through Financial and Educational Services
Delivered with Integrity and Excellence.*



Salt River Pima-Maricopa
Indian Community



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