



**THRIVING  
TOGETHER**

2021  
ANNUAL  
REPORT



**HERITAGE**

COMMUNITY CREDIT UNION

*Profit Wherever You Go*

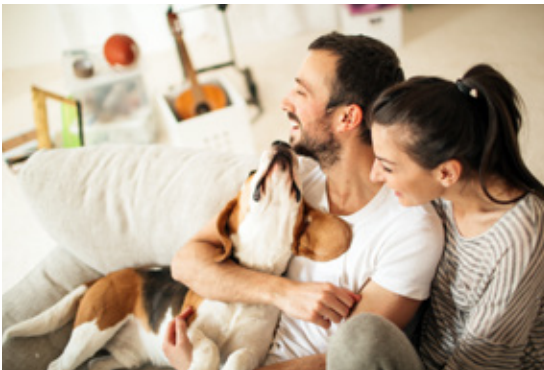
## CHAIRMAN & PRESIDENT'S REPORT

2021 was a strong year for HCCU, thanks to the overwhelming support of our members. The Credit Union grew for the 9th consecutive year and posted strong earnings. This affords us the opportunity to bring even more benefits to the membership in 2022 and beyond. Despite another year of disruption from the pandemic, the staff overcame obstacles to support our members.

Our emphasis remained on helping those adversely impacted by the pandemic to recover and thrive financially. Additionally, a renewed look toward the future needs of members, in a post-pandemic world, was paramount.

Unfortunately, our staff was not immune from the health and safety impacts of COVID-19. We apologize for any inconvenience that resulted at times with periodic branch closures, restrictions, limited access, and longer than normal wait times on the telephone. We will continue to minimize adverse impacts in this regard as much as possible. We sincerely thank you for your understanding as we do our part to keep all staff and members safe.

For several years, HCCU has served those who live, work, or attend school in Sacramento and Placer Counties. We are proud to announce that in late 2021 your Credit Union expanded its Field of Membership to include residents living and working in El Dorado, San Joaquin, and Yolo Counties. Additionally, the Credit Union has partnered with the Financial Fitness Association to bring additional financial education and resources to the membership. Given the common bond of improving the financial well-being of members, any member of the Financial Fitness Association is eligible for membership at HCCU. As a member-owned cooperative, continued growth adds direct value to the membership.



In 2022 we have already added person-to-person payments via Online/Mobile Banking. We look forward to adding new loan programs to help with affordable housing issues and new credit card programs. We will continue to invest in the development of our dedicated staff. Our goal is to ensure members have the best possible service experience in the marketplace.

**Profit Wherever You Go** is our brand promise to you, our members. Whether in person, online, or via a mobile device or tablet, HCCU stands ready to serve our members' needs through all life stages. Our Winning Team is committed to serving you whenever you have a need. We know you have many choices for your financial needs, and we are honored that you continue to choose Heritage Community Credit Union.

From our Credit Union family to yours, we wish you good health, good fortune, and financial wellness in 2022 and beyond. Thank you for being a valued member.



William J. Windle,  
*Chairman of the Board*



Ed Turk,  
*President/CEO*

## SUPERVISORY COMMITTEE REPORT

On behalf of the membership, the Supervisory Committee's primary responsibilities are to ensure that financial reporting objectives are met and that practices, procedures and internal controls are sufficient to safeguard our members' interests. The Supervisory Committee holds periodic meetings to review internal audits, third-party reports of internal controls and examinations by regulatory agencies. In addition, the Supervisory Committee engaged the independent accounting firm of Moss Adams LLP, certified public accountants, to perform an audit of the Heritage Community Credit Union's financial statements. Based on the results of the internal and external audits, regulatory examinations and independent audits from Moss Adams, LLP, it is the opinion of the Supervisory Committee that Heritage Community Credit Union continues to maintain a high level of financial reporting and provide adequate safeguards to protect our members' interest.

We wish to express our appreciation to the Board of Directors, executive leadership, and staff for their continued support.



Sharon Hannan,  
*Chairperson Supervisory Committee*

STATEMENT OF FINANCIAL CONDITION		2021	2020
<b>ASSETS</b>			
Loans	\$	175,935,280	\$ 177,696,223
Cash and Cash Equivalents		34,327,755	14,522,426
Investments		22,528,629	26,688,884
Other Assets		16,167,842	18,179,631
<b>Total Assets</b>	<b>\$</b>	<b>248,959,506</b>	<b>\$ 237,087,164</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>			
Members' Shares	\$	223,523,636	\$ 209,745,840
Borrowings		2,000,000	5,000,000
Accrued Expenses and Other Liabilities		1,792,847	1,737,162
Members' Equity		21,643,023	20,604,162
<b>Total Liabilities And Equity</b>	<b>\$</b>	<b>248,959,506</b>	<b>\$ 237,087,164</b>
<b>STATEMENT OF INCOME</b>			
<b>INTEREST INCOME</b>			
Interest on Loans	\$	6,148,127	\$ 6,705,606
Interest on Investments and Cash Equivalents		167,407	215,391
<b>Total Interest Income</b>		<b>6,315,534</b>	<b>6,920,997</b>
<b>INTEREST EXPENSE</b>			
Dividends on Members' Shares		347,405	640,422
Borrowings		8,444	3,325
<b>Total Interest EXPENSE</b>		<b>355,849</b>	<b>643,747</b>
<b>NET INTEREST INCOME</b>		<b>5,959,685</b>	<b>6,277,250</b>
<b>PROVISION FOR LOAN LOSSES</b>		<b>259,666</b>	<b>1,976,838</b>
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>		<b>5,700,019</b>	<b>4,300,412</b>
<b>NON-INTEREST INCOME</b>			
Fee Income		924,577	925,592
Other Operating Income and Gains		1,448,877	1,785,205
<b>Total Non-Interest Income</b>		<b>2,373,454</b>	<b>2,710,797</b>
<b>NON-INTEREST EXPENSE</b>			
Salaries and Benefits		3,479,733	3,433,598
Operation Expenses		2,871,461	2,815,019
Office Occupancy		668,550	657,406
Other		8,900	77,607
<b>Total Non-interest Expense</b>		<b>7,028,644</b>	<b>6,983,630</b>
<b>NET INCOME/(LOSS)</b>	<b>\$</b>	<b>1,044,829</b>	<b>\$ 27,579</b>

## **BOARD OF DIRECTORS**

William J. Windle, *Chairperson*

Harry E. "Ed" Hannan, Jr., *Vice Chairperson*

Allan F. Wisnicky, *Treasurer*

Bobbi K. Beehler, *Secretary*

Jofil Borja, *Director*

Jamie L. Padilla, *Director*

Huong V. Vu, *Director*

Kevin Quaintance, *Associate Board Member*

## **SUPERVISORY COMMITTEE**

Sharon Hannan, *Chairperson*

Robert L. Collins, *Secretary*

Judy Hoover, *Member*

Tammy Davis, *Member*

## **EXECUTIVE MANAGEMENT**

Ed Turk, *President/CEO*

Matt Harms, *CFO*

Chad Suggs, *VP Information Technology*

Christine Haroldson, *Chief Lending Officer*

Craig Engstrom, *VP Member Services*





### **FOLSOM**

707 E. Bidwell Street  
Folsom, CA 95630

### **FAIR OAKS**

5329 Sunrise Boulevard  
Fair Oaks, CA 95628

### **GOLD RIVER**

2155 Golden Centre Lane  
Gold River, CA 95670

### **MAILING ADDRESS**

P.O. Box 790  
Rancho Cordova, CA 95741

**916.364.1700**  
**[www.heritageccu.com](http://www.heritageccu.com)**



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Federally insured by the NCUA.