



HERITAGE
Community Credit Union

**Secure, Strong, and
Delivering for Our
Members.**



ANNUAL REPORT

2025

BOARD AND CEO REPORT

In 2025, we remained dedicated to helping our members achieve their financial dreams. The HCCU Crew is committed to turning this mission into reality.

As fraud schemes become more sophisticated and frequent, a key priority for the credit union remains protecting our members. With the introduction of **Kasasa SureLock, Smart Checking, and Select Checking Accounts powered by BaZing**, we now offer additional layers of protection, including personal identity theft benefits, payment card resolution, and identity restoration services. We also launched **Card Connect**, allowing members to manage their HCCU credit and debit cards at no additional cost.

Adding value to members is why we exist. Recently, we introduced subscription-based checking accounts designed to deliver even more value, including cell phone protection, roadside assistance, bill negotiation services, merchant discounts, local and national savings offers, free tax filing, and discounts on products like pet insurance and prescriptions. These offerings help members save on services they may have previously paid for elsewhere.

Financially, HCCU remains strong, with positive earnings and a solid net worth ratio—the key measure of a financial institution’s health.

Beyond financial performance, we are proud of our team’s ongoing commitment to our communities. We supported numerous community and social causes again this year, reinforcing our dedication to making a meaningful difference.

At HCCU, our mission remains unchanged: to provide our members with the best financial value available. We appreciate your trust and support and look forward to an even stronger 2026 together.



Bobbi Beehler
Chairperson, Board of Directors



Ed Turk,
President/CEO



REPORT OF LOAN OFFICER

With modestly lower interest rates, member borrowing increased. Loans granted to members increased from the prior year by \$5.6M or 21%, fueled by Home Equity and Credit Cards. Total loans increased \$18M or 7.5%.

Credit quality metrics remained stable despite softening labor markets and affordability challenges affecting members and consumers. The reserves for loan losses increased \$259K or 9%, the result of a larger balance sheet. HCCU remains adequately reserved.

Forward-looking projections call for further increases in loan originations and stable credit quality in 2026. As we strive to be your Premier Lender, one major focus is to be your top choice for lending needs. Lending to members is a core reason for our existence.

SUPERVISORY COMMITTEE REPORT

On behalf of the membership, the primary responsibilities of the Supervisory Committee are to ensure that financial reporting objectives are met and that practices, procedures, and internal controls are adequate to safeguard our members' interests.

The Supervisory Committee holds periodic meetings to review internal audits, third party reports of internal controls, and examinations conducted by regulatory agencies. In addition, the Committee engaged the independent firm **Turner, Warren, Hwang & Conrad AC**, Certified Public Accountants, to perform an audit of Heritage Community Credit Union's consolidated financial statements as of December 31, 2025.

The unaudited Condensed Statements of Financial Condition and Statements of Income appear in this Annual Report. The audited consolidated financial statements may be obtained by submitting an email request to info@heritageccu.com.



Sharon Hannan,
Chairperson Supervisory Committee

**CONDENSED STATEMENTS OF
FINANCIAL CONDITION (UNAUDITED)****2025****2024****ASSETS**

Loans	\$ 245,468,382	\$ 227,902,868
Cash and Cash Equivalents	5,557,845	12,605,902
Investments	10,604,839	12,249,115
Other Assets	16,856,710	15,368,290
Total Assets	\$ 278,487,776	\$ 268,126,175

LIABILITIES AND MEMBERS' EQUITY

Members' and Non-Members' Shares	\$ 248,154,765	\$ 238,448,954
Subordinated Debt	2,000,000	2,000,000
Accrued Expenses and Other Liabilities	2,949,274	2,859,177
Members' Equity	25,383,737	24,818,044
Total Liabilities And Members' Equity	\$ 278,487,776	\$ 268,126,175

**CONDENSED STATEMENTS
OF INCOME (UNAUDITED)****2025****2024****INTEREST INCOME**

Interest on Loans	\$ 11,848,605	\$ 11,351,518
Interest on Investments and Cash Equivalents	1,266,649	1,070,427
Total Interest Income	13,115,254	12,421,945

INTEREST EXPENSE

Dividends on Members' and Non-Members' Shares	3,976,490	3,756,011
Interest on Borrowings and Subordinated Debt	84,192	80,030
Total Interest Expense	4,060,682	3,836,041

NET INTEREST INCOME**9,054,572** **8,585,904****PROVISION FOR CREDIT
LOSS EXPENSE****1,656,944** **2,210,450****NET INTEREST INCOME AFTER
PROVISION FOR CREDIT
LOSS EXPENSE****7,397,628** **6,375,454****NON-INTEREST INCOME**

Fee Income	1,083,586	1,066,364
Other Income and Gains	1,072,789	3,055,976
Total Non-Interest Income	2,156,375	4,122,340

NON-INTEREST EXPENSE

Employee Compensation and Benefits	4,730,449	4,551,007
Operations Expenses	3,885,898	3,424,508
Office Occupancy	384,133	596,444
Total Non-interest Expense	9,000,480	8,571,959

NET INCOME**\$ 553,523** **\$ 1,925,835**

BOARD OF DIRECTORS

Bobbi K. Beehler, *Chairperson*

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

Allan F. Wisnicky, *Treasurer*

Huong V. Vu, *Secretary*

Jofil Borja, *Director*

Kevin Quaintance, *Director*

Tammy Davis, *Director*

William J. Windle, *Board Chair
Emeritus*

SUPERVISORY COMMITTEE

Sharon Hannan, *Chairperson*

Robert L. Collins, *Secretary*

Peter Thomsen, *Member*

Tina Kilgore, *Member*

Henry Favro, *Member*

EXECUTIVE MANAGEMENT

Ed Turk, *President/CEO*

Matt Harms, *CFO*

Chad Suggs, *Chief Information Officer*

Christine Haroldson, *Chief
Lending Officer*

Craig Engstrom, *Chief Member
Experience Officer*

MISSION STATEMENT

To help our members achieve their financial dreams.

VISION STATEMENT

To be widely renowned for fostering member happiness by providing connected financial solutions to transform members' dreams into financial realities.

CORE VALUES

It's All About the Members: Our Bullseye for success is to keep the members' best interests top-of-mind. Just do the right thing!

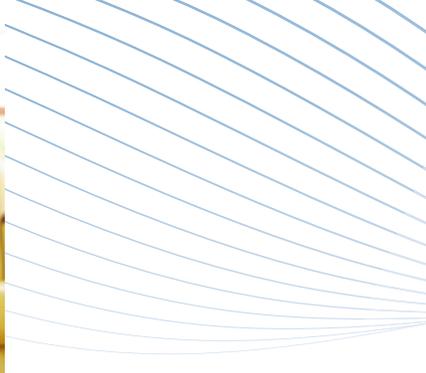
Boldly Spread Happiness: We create happiness, optimism, and fun in serving members and each other.

Embrace Collaboration: We work collaboratively to achieve common goals to create success.

Create Financial Well-Being: We are trusted advisors in creating a state of being wherein people are secure in their financial future.

Deliver Results: We deliver sound and compliant outcome-focused performance by ensuring accountability to our members for outstanding business results.

Engage our Community: We are committed to serving our members by being good corporate citizens in the community.



FOLSOM

13385 Folsom Blvd, Suite 200
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



HERITAGE
Community Credit Union

916.364.1700
www.heritageccu.com

Federally insured by the NCUA.