



HERITAGE
Community Credit Union

**Investing in what
matters most — you.**

ANNUAL REPORT

2024



BOARD AND CEO REPORT

In 2024, we remained focused on helping members achieve their financial goals. The HCCU Crew is dedicated to making this mission a reality.

Recognizing the financial challenges our members and the nation have faced; we introduced programs to provide relief and improve members' financial well-being.

We introduced an auto loan refinancing program, which allowed members to transfer their car loans from other lenders to HCCU at lower interest rates, reducing both monthly payments and total interest costs. We also launched credit card balance transfer promotions and debt consolidation loans to help members save money. Our Kasasa checking and savings accounts continued to offer above-market interest rates and rewards, putting extra cash back in our members' pockets. Additionally, we introduced several high-interest CD promotions, giving members the opportunity to grow their savings.

We expanded our financial education efforts, offering in-person homebuying workshops and a growing library of educational videos on our website. These cover key topics like financial safety, identity theft protection, and smart internet habits. We also hosted specialized homebuying workshops tailored to our members' needs.



Financially, HCCU had a strong year. Our Net Worth Ratio, the key measure of a financial institution's strength, reached 10%, the highest it has been in over a decade.

Beyond financial metrics, we are incredibly proud of our team's dedication to the communities we serve. Once again, we actively supported numerous community and social causes, reinforcing our commitment to making a difference.

At HCCU, our goal remains the same: to provide you and all our members with the best financial value in the marketplace. We are grateful for your trust and support, and we look forward to an even better 2025 together.



Bobbi Beehler
Chairperson, Board of Directors



Ed Turk,
President/CEO

REPORT OF LOAN OFFICER

With higher interest rates, members borrowed less, resulting in loans granted of \$57.4 Million. Due to economic conditions, Credit Quality metrics modestly deteriorated but remained in an acceptable range.

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 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 firm of 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, 2024. The unaudited Condensed Statements of Financial Condition and Statements of Income appear in this Annual Report. The audited consolidated financial statements can be obtained by submitting an e-mail request to info@heritageccu.com.



Sharon Hannan,
Chairperson Supervisory Committee

**CONDENSED STATEMENTS OF
FINANCIAL CONDITION (UNAUDITED)****2024****2023****ASSETS**

Loans	\$ 227,902,868	\$ 224,768,132
Cash and Cash Equivalents	12,605,902	13,858,452
Investments	12,249,115	19,351,066
Other Assets	15,368,290	14,994,431
Total Assets	\$ 268,126,175	\$ 272,972,081

LIABILITIES AND MEMBERS' EQUITY

Members' and Non-Members' Shares	\$ 238,448,954	\$ 245,093,386
Subordinated Debt	2,000,000	2,000,000
Accrued Expenses and Other Liabilities	2,859,177	3,002,463
Members' Equity	24,818,044	22,876,232
Total Liabilities And Members' Equity	\$ 268,126,175	\$ 272,972,081

**CONDENSED STATEMENTS
OF INCOME (UNAUDITED)****2024****2023****INTEREST INCOME**

Interest on Loans	\$ 11,351,518	\$ 8,959,960
Interest on Investments and Cash Equivalents	1,070,427	1,018,279
Total Interest Income	12,421,945	9,978,239

INTEREST EXPENSE

Dividends on Members' and Non-Members' Shares	3,756,011	2,410,876
Borrowings and Subordinated Debt	80,030	80,000
Total Interest Expense	3,836,041	2,490,876

NET INTEREST INCOME**8,585,904** **7,487,363****PROVISION FOR CREDIT****LOSS EXPENSE****2,210,449** **942,250****NET INTEREST INCOME AFTER
PROVISION FOR CREDIT
LOSS EXPENSE****6,375,455** **6,545,113****NON-INTEREST INCOME**

Fee Income	1,066,364	1,027,406
Other Income and Gains	3,055,975	1,088,050
Total Non-Interest Income	4,122,339	2,115,456

NON-INTEREST EXPENSE

Employee Compensation and Benefits	4,551,007	4,096,661
Operation Expenses	3,424,508	3,108,802
Office Occupancy	596,444	593,715
Total Non-interest Expense	8,571,959	7,799,178

NET INCOME**\$ 1,925,835** **\$ 861,391**

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.

BOARD OF DIRECTORS

Bobbi K. Beehler, *Chairperson*

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

Allan F. Wisnicky, *Treasurer*

Huong V. Vu, *Secretary*

William J. Windle, *Director*

Jofil Borja, *Director*

Kevin Quaintance, *Director*

Tammy Davis, *Associate
Board Member*

Ken Ezeh, *Associate
Board Member*

SUPERVISORY COMMITTEE

Sharon Hannan, *Chairperson*

Robert L. Collins, *Secretary*

Peter Thomsen, *Member*

Tina Kilgore, *Associate Member*

Henry Favro, *Associate 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

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Folsom, CA 95630

FAIR OAKS

5329 Sunrise Boulevard
Fair Oaks, CA 95628

GOLD RIVER

2155 Golden Centre Lane
Gold River, CA 95670

MAILING ADDRESS

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Rancho Cordova, CA 95741

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HERITAGE
Community Credit Union

Federally insured by the NCUA.