



**COUNTYFEDERAL**  
SANTA CLARA COUNTY FEDERAL CREDIT UNION



# Annual Report 2023









## Message from our Board Chair



As the new board chair, I am excited to share with you the progress and achievements of our organization in the past year. Reflecting on the wisdom imparted by our esteemed former chair, Peter Ng, who emphasized the notion of seizing opportunities as we look to the future, I am steadfast in my belief that we are well-positioned to embrace the many opportunities that lie ahead. Despite the challenges posed by high inflation and an unstable interest rate environment, we have found silver linings amidst the storm. These challenges have not only tested our credit union and members with increased costs but have also presented opportunities to provide higher rates on deposits to our members. Moreover, the bank failures in our region earlier in 2023 served as a catalyst for a thorough review of our liquidity and organizational health. I am delighted to report that we were proactive in this regard, having initiated a comprehensive evaluation of our liquidity policies and practices to ensure they remain prudent and responsible.

Looking ahead, we are eager to enhance our community outreach efforts. After years of thorough planning, we are now presented with the opportunity to expand our membership base, thereby enabling us to better serve a larger segment of our community. While we are still in the early stages of implementation, this expansion holds the promise of making our credit union an even more robust and impactful institution for our members.

Behind the scenes, we are fortunate to have a dedicated and proficient team serving you at the Credit Union. Not only are they highly skilled in their respective roles, but they also harbor a genuine concern for the financial well-being of each member. Our “People First” philosophy serves as the guiding principle in every decision and interaction.

I am very proud to serve alongside a group of directors and committee members who exemplify dedication, intelligence, and hard work, all while volunteering their time to represent and serve the members of our credit union. In the cooperative spirit of credit unions, your savings contribute to the financial well-being of fellow members. I encourage you to refer your family, friends, and neighbors to join us on this journey toward collective prosperity.

Finally, I extend my heartfelt gratitude to all our members for your unwavering support and loyalty. Your trust fuels our commitment to excellence, and we remain steadfast in our dedication to serving your financial needs.

*traci Hess*

**Traci Hess**

*Chair, Board of Directors*



# Message from our CEO

In 2023, we faced more challenges for the economy, impacting many of us. However, I am proud to say that County Federal is stronger than ever. We ended the year well capitalized with a net worth ratio of 9.1%, and maintained ample liquidity to meet members' lending and transactional needs. We welcomed 2,163 new members, grew deposits to \$890 million and assets to \$977 million. We paid members more than \$7 million in dividends on their deposit accounts and provided \$164 million in loans to help members address a variety of financial needs, including debt consolidation, home equity utilization, everyday purchases and refinancing or purchasing cars and homes.

At County Federal we are passionate about supporting our community. Our County Federal Cares program was exceptionally impactful, with 75 of our team members contributing 3,090 hours to community service and donating more than \$40,000. During the year, County Federal provided \$20,000 to the Santa Clara County Office of Education to support a variety of school programs and granted \$15,000 in scholarships to graduating high school seniors, and post-secondary students. The Credit Union was also recognized with the Santa Clara County Superintendent of Schools Partnership Award for its outstanding partnership and commitment to their mission in serving, inspiring, and promoting student and public school success.

In early 2023, we effectively downsized our corporate footprint to accommodate a flexible hybrid workforce. We have since transitioned to a smaller, more suitable leased facility. Our new Airport Place Corporate Office (located at 2099 Gateway Place, suite 140 in San Jose) has a beautiful new member lobby and full service ATM. This cashless facility is now open to serve our members with loan appointments, those needing access to an ATM, and for drop-in service.

We are always looking for ways to make doing business with us easier. During the year, we rolled out Zelle, which provides the latest in money transfer capabilities, upgraded our ATM fleet bringing state-of-the-art technology and greater reliability for our members, and introduced a suite of additional products for auto loans in the form of mechanical breakdown insurance and a depreciation protection plan to protect members' vehicle investments. We also completed the simplification of our checking and savings account products and reduced or eliminated fees.

For the past 74 years, we have proudly served our members and community as a trusted provider of financial services. We are proud to be a place where people from diverse backgrounds can access affordable, quality financial products and services to help them achieve their financial goals and dreams.

On behalf of the County Federal Team, we extend a heartfelt thank you to our members for trusting us as your financial partner. It continues to be our pleasure to serve you.



**Rebecca Reynolds Lytle**  
*President & Chief Executive Officer*









## Message from Supervisory Committee

The Supervisory Committee, a volunteer body appointed by the Board of Directors, is entrusted with ensuring the credit union has appropriate policies and systems in place to comply with relevant laws and regulations and to safeguard members' assets. Through the management of regular audits, the Supervisory Committee ensures that internal controls are established and maintained in accordance with federal regulations, state laws and generally accepted accounting principles.

This past year, the Committee retained a well-respected, independent audit firm to perform an annual financial audit and issue certified financial statements. The firm had no corrective actions or significant findings.

The Supervisory Committee would like to recognize the Board of Directors, County Federal Management, and Staff for their ongoing commitment to serve you, our members. Thank you for your trust and confidence in County Federal.



**John Toan Tran**

*Chair, Supervisory Committee*





# County Federal 2023 Financials

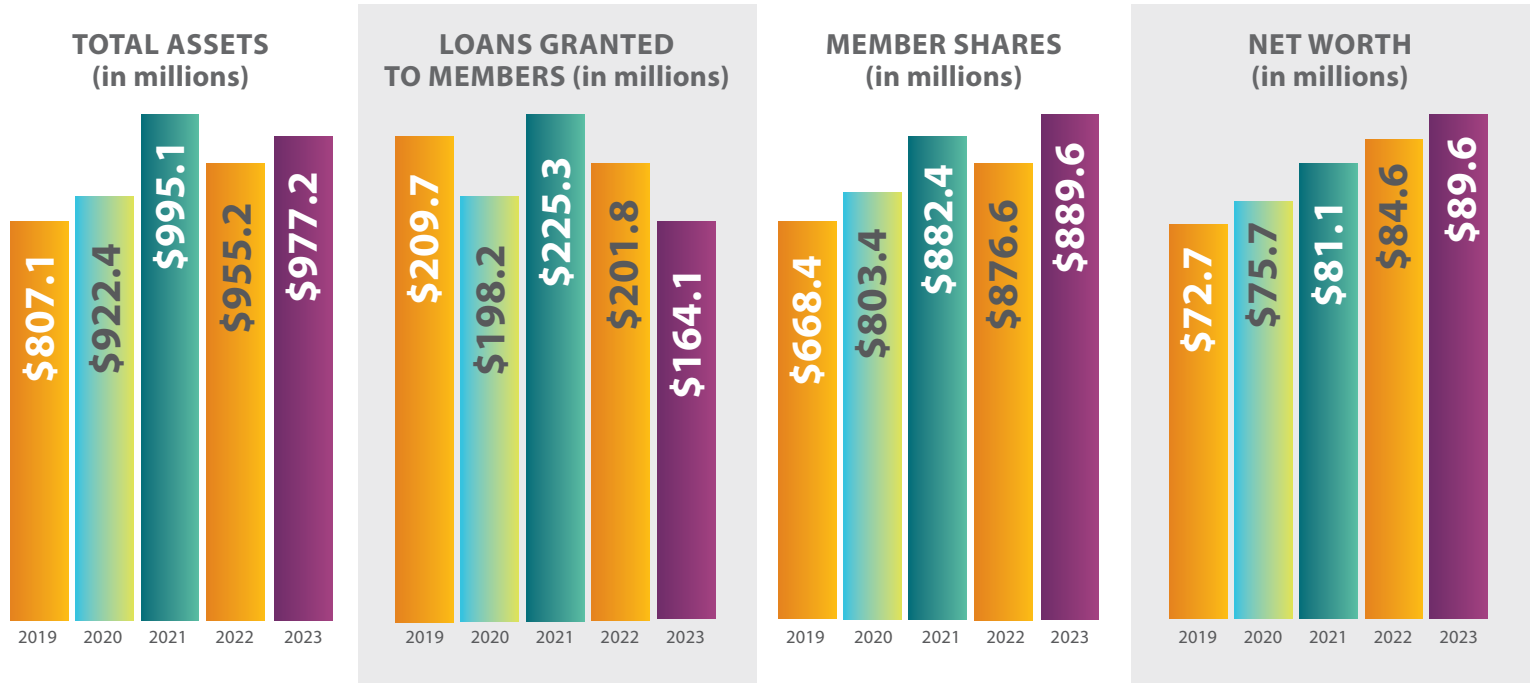
## Statement of Financial Condition For the years ended December 31, 2023 and 2022

	2023	2022
Cash and Investments	445,153,213	417,542,674
Loans to Members, Net	506,709,131	514,483,406
Other Assets	25,374,280	23,164,072
<b>Total Assets</b>	<b>977,236,624</b>	<b>955,190,152</b>
Member Deposits	889,560,183	876,631,246
Other Liabilities	27,584,496	24,229,224
Equity	60,091,945	54,329,682
<b>Total Liabilities and Equity</b>	<b>977,236,624</b>	<b>955,190,152</b>

## Statement of Financial Performance For the years ended December 31, 2023 and 2022

	2023	2022
Interest Income	41,656,091	26,710,532
Interest Expense	7,511,323	1,542,984
<b>Net Interest Income before Provision</b>	<b>34,144,768</b>	<b>25,167,548</b>
Provision for Loan Losses	2,494,817	1,570,000
<b>Net Interest after Provision</b>	<b>31,649,951</b>	<b>23,597,548</b>
Non-Interest Income	6,550,815	8,246,877
Operating Expenses	31,374,712	28,269,014
<b>Net Income</b>	<b>5,675,385</b>	<b>3,575,411</b>

## County Federal - Trusted Since 1950





## Branch Locations & Hours

### Airport Place

Corporate Headquarters  
2099 Gateway Place, Suite 140  
San Jose, CA 95110

### Almaden Branch

5353 Almaden Expressway, Suite 65  
San Jose, CA 95118  
Monday - Friday 9 am - 5 pm  
Saturday - 9:30 am - 2 pm

### Campbell Branch - Kirkwood Plaza

1638 W. Campbell Avenue  
Campbell, CA 95008  
Monday - Friday 9 am - 5 pm  
Saturday Closed

### East San Jose Branch

255 N. White Road, Suite 112  
San Jose, CA 95127  
Monday - Friday 9 am - 5 pm  
Saturday - 9:30 am - 2 pm

### Gilroy Branch

6915 Camino Arroyo, Suite 50  
Gilroy, CA 95020  
Monday - Friday 9 am - 5 pm  
Saturday Closed

### West Hedding Branch

70 West Hedding Street (Lower Level)  
San Jose, CA 95110  
Monday - Friday 9 am - 5 pm  
Saturday Closed

### City Centre Office

(No Branch Services)  
140 E. San Fernando Street  
San Jose, CA 95112

### Mortgage Lending

Monday - Friday 9 am - 6 pm  
Saturday Closed  
408-282-0700/408-282-0742

### Consumer Lending

Monday - Friday 9 am - 5 pm  
Saturday - 9:30 am - 2 pm  
408-282-0700/800-282-6212

### Contact Center

Monday - Friday 8 am - 6 pm  
Saturday - 9:30 am - 2:30 pm  
408-282-0700/800-282-6212

### Mailing Address

P.O. Box 11024  
San Jose, CA 95103

[www.sccfcu.org](http://www.sccfcu.org)



**COUNTY FEDERAL**  
SANTA CLARA COUNTY FEDERAL CREDIT UNION



## EXECUTIVE LEADERSHIP

**Rebecca Reynolds Lytle**  
*President & Chief Executive Officer*

**Joe Bonacci**  
*SVP & Chief Information Officer*

**Divine David**  
*SVP & Chief Experience Officer*

**Simran Gyani**  
*SVP & Chief Brand Officer*

**Trent McIlhaney**  
*SVP & Chief Financial Officer*

**Jennifer Montero**  
*SVP & Chief Human Resources Officer*

## BOARD OF DIRECTORS

**Traci Hess**  
*Chair*

**Jose Luis H. Pacheco**  
*Vice-Chair*

**David Indra**  
*Secretary/Treasurer*

**Deborah Baker**  
*Director*

**Dave Cameron**  
*Director*

**Juan Ledesma**  
*Director*

**Peter Ng**  
*Director*

## SUPERVISORY COMMITTEE

**John Tran**  
*Chair*

**Elizabeth Trigos-Salinas**  
*Vice Chair*

**Katelyn Lu**  
*Secretary*

**Mary Fisher**  
*Member*

**Shawn Whiteman**  
*Member*

**David Indra**  
*Board Liaison*

