

## REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee serves as the oversight committee for the membership and Board of Santa Cruz Community Credit Union. The volunteers on the Supervisory Committee bring professional expertise and experience to their oversight responsibilities, resulting in a comprehensive review of the Credit Union's operational practices, procedures and compliance.

Throughout 2020, we monitored the Credit Union's financial condition through a review of various audit and operating practices and procedures. The Supervisory Committee is responsible for ensuring that the financial statements accurately and fairly represent the financial condition of Santa Cruz Community Credit Union and that management practices and procedures safeguard member assets.

We review and select the CPA firm which will perform the annual audit and member account verification. This Independent Auditor's Report covers the period of January through December 2020, and the findings of this report were reviewed by the Committee in April 2021.

The Supervisory Committee meets routinely with SCCCUCU management and spends time reviewing the various reports to determine that your Credit Union remains a safe place for your finances. The Supervisory Committee is pleased to report that Santa Cruz Community Credit Union remains financially safe and sound.

Linda Brown, Chair  
Ulf Christensson, Committee Member  
Suzanne MacLean, Committee Member

## BOARD OF DIRECTORS

Howard Sherer, Chair      Ami Ebright  
Paulina Moreno, Secretary      Matt Farrell  
Phil Lee, Treasurer      Tammy Pelstring

## ACHIEVEMENTS IN 2020

WHILE WE DON'T STRIVE TO RECEIVE AWARDS, WE THINK IT'S IMPORTANT TO SHARE SOME OF THE WAYS SCCCUCU HAS BEEN HONORED OVER THE PAST YEAR FOR OUR COMMITMENT TO OUR MISSION:

- » RECEIVED A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) GRANT (FOURTH YEAR IN A ROW)
- » NAMED BUSINESS PARTNER OF THE YEAR BY THE DIVERSITY CENTER OF SANTA CRUZ COUNTY
- » RECEIVED THE CHAIRMAN'S CORPORATE AWARD FROM SECOND HARVEST FOOD BANK OF SANTA CRUZ COUNTY

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# 2020

## OUR WHY IS YOU

### Annual Report



## A JOINT MESSAGE FROM THE BOARD CHAIR AND CEO

### 2020 has been undeniably a year to remember.

From the pandemic to the fires, this past year has tested the resilience of our community to the core. And yet, as a community, we've overcome significant roadblocks together and continue to look optimistically toward the future.

As we look back on this past year, Santa Cruz Community Credit Union can proudly report we've stayed true to our mission of economic justice for all – we've been diligent in helping ease the burdens so many have carried. Our **WHY**, our reason for existence is **YOU**, our members – and we take **YOU** and our mission to serve very seriously!

### ACCOMPLISHMENTS IN 2020

During this year of great uncertainty, your Credit Union fulfilled its requirement as an *essential business* and accomplished more for you and our community than we thought possible. Here's a brief look at some of our accomplishments:

- Upgraded our Online and Mobile Banking service.
- Approved more than \$12 million in CARES Act Payroll Protection Program (PPP) loans to small businesses, saving over 1,400 local jobs.
- Partnered with the City of Santa Cruz to help deliver \$500,000 in micro-business loans to struggling businesses.
- Donated more than \$178,000 to our community at our Board's direction through our RETURN THE FAVOR campaign and Federal Home Loan Bank AHEAD Grant sponsorships.
- Funded \$500,000 in emergency loans to members in need at the start of the pandemic.
- Launched UPWARD, our new online financial education program for members, youth and community businesses.

### FOR 2021 AND BEYOND: OUR WHY IS YOU

Stepping into 2021 and beyond, we continue to enhance our plans to be a better partner to you and our community by providing faster access, implementing more digital and mobile services, sharing free financial learning in many different ways, and providing unusual and non-mainstream lending to all.

### OUR FINANCIAL HEALTH CONTINUES TO THRIVE

Our financial strength and viability in 2020 allowed us to pivot quickly and provide the very best solutions for our members, even amid the constant uncertainty we all experienced. We want to thank the Board of Directors, management team, and staff who worked tirelessly throughout this past year to provide YOU with the service you deserve.

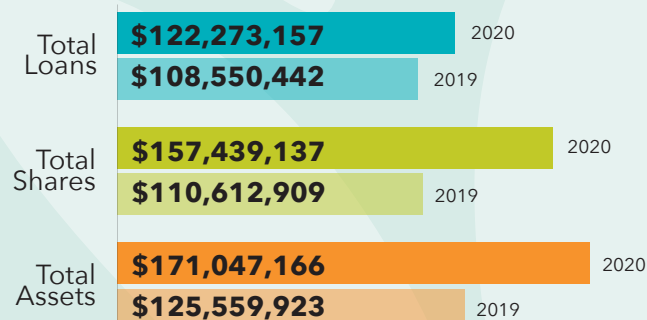
**But most of all, we'd like to thank YOU – YOU are truly WHY we exist and our WHY for everything we do.**

HOWARD SHERER, **BOARD CHAIR** | ELIZABETH CARR, **PRESIDENT/CEO**

# OUR WHY IS YOU

## FINANCIAL REPORT

	2020	2019
<b>INCOME</b>		
Loan Income	\$6,565,603	\$5,986,511
Investment Income	98,205	160,903
Non-Interest Income	2,607,999	2,895,889
<b>Total Income</b>	<b>\$9,271,807</b>	<b>\$9,043,303</b>
<b>EXPENSES</b>		
Operating Expenses	\$7,428,770	\$6,977,446
Provision for Loan Losses	(18,271)	698,510
Dividends and Interest	281,696	101,294
<b>Total Expenses</b>	<b>\$7,692,195</b>	<b>\$7,777,250</b>
<b>NET INCOME/(LOSS)</b>	<b>\$1,579,612</b>	<b>\$1,266,053</b>
<b>ASSETS</b>		
Total Loans	\$122,273,157	\$108,550,442
Allowance for Loan Losses	(864,635)	(1,137,131)
<b>Net Loans</b>	<b>\$121,408,522</b>	<b>\$107,413,311</b>
Cash	31,649,534	4,908,485
Investments	8,747,365	4,487,361
Fixed Assets	1,296,679	4,055,499
Other Assets	7,945,066	4,695,267
<b>Total Assets</b>	<b>\$171,047,166</b>	<b>\$125,559,923</b>
<b>LIABILITIES, MEMBER EQUITY &amp; RESERVES</b>		
Total Liabilities	\$1,467,402	\$1,421,328
Borrowed Funds	\$-	\$3,000,000
<b>MEMBER EQUITY</b>		
Primary Shares	85,490,984	62,497,995
Checking/Money Market	56,601,980	41,808,024
Certificates	12,808,609	3,782,288
Individual Retirement Accounts	2,537,564	2,524,602
<b>Total Deposits</b>	<b>\$157,439,137</b>	<b>\$110,612,909</b>
<b>RESERVES</b>		
Total Reserves	\$12,140,627	\$10,525,686
<b>Total Liabilities, Member Equity &amp; Reserves</b>	<b>\$171,047,166</b>	<b>\$125,559,923</b>



Santa Cruz Community Credit Union is certified by the federal government as a Community Development and low-income Credit Union. Additionally, it holds a certification called "Juntos Avanzamos," which is awarded to credit unions who have demonstrated they have the commitment and the tools to serve the Latino community.