

Serving the Communities of Orange, Los Angeles, Riverside, and San Bernardino Counties.

# Annual Community Impact Report

2022-2023



UNTY  
ON

# CEO & Board Letter

**For 85 years** of serving our Members' financial needs, one thing has always remained; Orange County's Credit Union is with you all the way. Throughout 2022, we continued that tradition and remained steadfast in focusing on you, our valued Members. We know you have many banking options, and we want to express how deeply we appreciate you and your Membership. Because you're a part of our Credit Union, you're a Member of our family. Thanks to you, our team of incredible Associates, and our community partners, we have had a remarkable year positively impacting the communities we serve.

The whole idea of a credit union is that we are stronger together than we are separate; when we come together, we have the collective power to do great things and help each other. As a Member-owned cooperative, we're here for people, not for profit.

We're here to help you as individuals and as communities. Our deep and lasting commitment to positively impacting the communities we serve is at the heart of everything we do. Whether designing new products and services to better fit Members' needs, connecting and strengthening community partnerships, or hiring new Associates that share our vision—we do all of it with our Members and our communities in mind.

2022 afforded us so many great opportunities to step up for our Members, and as you read through this Community Impact Report, we hope you can be proud of the many ways we helped our communities thrive this year.

In this report, you'll read about how we helped moderate- and low-income families buy their first homes; how we provided low-interest loans and assistance to Members who were affected by emergencies; how we helped new and potential Members discover the importance of financial wellness through free educational events, and how we partnered with local businesses to find smart solutions to their financial needs. Through these and the many other efforts detailed in the following pages, we hope you can see how vital our communities and our Members are to everything we do, every day.

While the future always holds a degree of uncertainty, there's one thing you can count on: your Credit Union will be with you all the way.

Thank you for choosing to be a Member of our Credit Union and for all of you keeping our communities healthy and vibrant. Together, we can build a future to be proud of.

Sincerely,

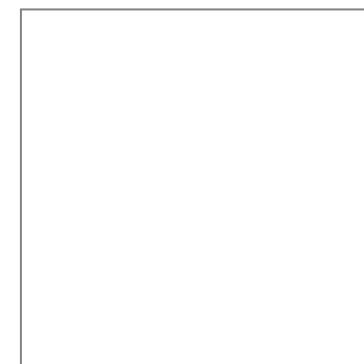
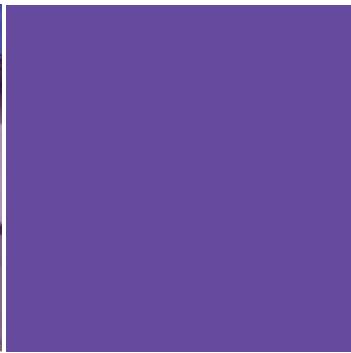
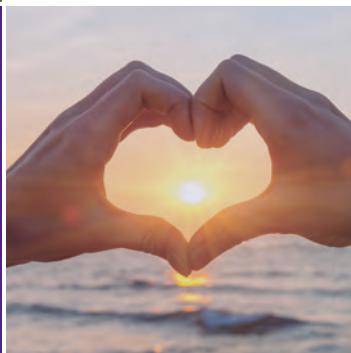


**Lucy Ito**  
Interim Chief Executive Officer



**Gary Burton**  
Chair, Board of Directors





# Table of Contents

- 4** The Heart of Our Credit Union—Members
- 6** The Heart of Our Credit Union—Associates
- 8** With You All the Way
- 10** Affordable Housing
- 12** Growing with Our Communities
- 14** Rooted Locally
- 16** Recognition and Honors
- 18** Financial Statements
- 20** Orange County's Credit Union Leadership
- 21** Looking to the Future





# The Heart of Our Credit Union

MEMBERS

**As your Credit Union**, our shared mission is that we provide simple banking, for people, not profit. Everything we do is designed to make your life easier and better.

We've been honored to serve Members throughout Orange, Los Angeles, Riverside, and San Bernardino Counties. As of 2022, we're proud to say we have more than **125,000 Members** and more than **\$2.4 billion** in assets. Your deposits continue to be insured by the National Credit Union Administration (NCUA), the governing body of credit unions throughout the nation, making us a safe and secure choice to save and grow your funds for the future.

Since we were established in 1938, we have strived to transform the banking experience for every Member by doing

things from your perspective. That's why we design our loans, credit cards, checking accounts, and all the products and services we offer, based on what you tell us you need.

We care about our communities, and we pay it forward in as many ways as possible, from offering programs to assist the underserved to volunteering our time with organizations that have similar values.

As a forward-thinking financial institution, we are dedicated to serving you, *in all ways, every day*.



Member  
Appreciation Week

## We Appreciate You

Each year, we host Member Appreciation Week in our branches to say thank you to all of our Members for allowing us to serve them. In 2022, each branch held a week-long celebration that included \$5,000 in sweepstakes prizes, gifts and snacks, and special offers such as a doubled Refer-a-Friend bonus offer.



## Owned by Members

We're owned by our Members, not by shareholders. Because we're a not-for-profit financial services provider, our profits are returned to you, our Members, in the form of fewer fees, lower loan rates, and enhanced products and services. This means the more Members we gain, and the more those Members participate in our products and services, the more we have to give back to all Members as a whole.

**“**I have been banking with Orange County's Credit Union for the past few years as well as my daughter. Through these past years, we got to know one of the Associates at the bank who has been absolutely amazing, knowledgeable, kind, and professional. We absolutely love our experience with this organization and will recommend them. Not only do they have the best banking system, but their rates are absolutely appealing to so many. I am very pleased with our experience.” – Shahrzad B., Member

### Member Story:

“We recently had a Member come into our branch that has both his personal and business account with Orange County's Credit Union. He explained that he had purchased a commercial truck with another lender about two years ago when he started his business. The original loan amount was for \$30K and he thought he could round up to pay off the loan since he had already paid into the loan approximately \$24K. When he called the company to request the payoff, they gave him a balance of over \$29K with a prepay penalty of \$2K making his total pay off over \$31K in addition to what he had already paid. He became very distraught to realize the loan had upfront finance charges.

After getting off the phone, he reached out to family members to see if he could get assistance to pay off this horrible loan and was able to raise a portion of the funds.

He came to me and explained the situation and asked if he could apply for a personal loan to make up the difference of about \$12K. We submitted the loan and he was only approved for \$5K initially. However, I reached out to our Consumer Lending department to explain the situation and they agreed to give him the additional amount needed. The Member was so happy to hear we'd be able to approve him for the full amount. After funding his loan, we called the other lender together in my office to make a payment in full over the phone. A huge weight was lifted and the Member left our branch practically skipping to his car.

Our Member was so appreciative that Orange County's Credit Union recognized that he was a loyal Member in a dire need and we came through for him.”

– Luis G., Associate of 10 years



# The Heart of Our Credit Union

ASSOCIATES

**In order to provide you** with excellent service, we hire the best and strive to treat them well. Our Associates mean everything to us, and we work hard to foster their growth and encourage their leadership throughout their tenure.

Strong leaders make smart, informed decisions, provide exceptional service, and strengthen community ties. We know that by empowering our Associates to become leaders, we in turn empower Members in our communities to grow even stronger.

Our internal Leaders in Action program helps enhance the leadership capacity of our Associates, with the objective of building fundamental leadership skills and knowledge. The program is open to any Associate with an aptitude or interest in increasing their leadership development.

**14** graduates & **3** peer leaders 

completed the **Leaders in Action** program in 2022.

To encourage professional development in our Associates, we offer a Life Benefit Grant, which provides up to \$2,000 for college courses, professional certifications or conferences, or other learning opportunities to gain new skills that benefit both the individual and the organization.

---

A total of **21** Associates were awarded with a grant in 2022, totaling approximately **\$29,000.**

---

Just as we invest in our Associates, we're also continuously investing in the processes, the tools, and the technology we use to serve you. We're always looking for ways to streamline and improve our processes, to help make your life easier. Our emphasis is on what will make the best experience for you, our Members—whether through faster online channels, shorter wait times, or quicker approvals.



“When someone asks me where do you work, I think to myself ‘buckle up, you are going on a journey.’ After answering, Orange County’s Credit Union, I start off by explaining how AMAZING credit unions are. From there, I like to express that I have the privilege of working at the most magical Credit Union of them all. I love to describe how basically I get to spend my day helping people. From our Members to our Associates, I get to go to work every day and help others. Not only that, I get to work with a team of people who thrive on providing top-tier service to our Members and our Associates. At this point, I usually make myself wrap it up, but not before letting them know about our excellent rates. OCCU forever!”

– Sarah R., Associate of 24 years

## HELPING OUR COMMUNITIES

Each year, our Associates are offered two full paid days a year to volunteer for a local cause of their choice. Whether volunteering to categorize food donations with Second Harvest Food Bank of Orange County, sort donated interview attire at Working Wardrobes, or distribute holiday baskets to families in need with the City of Tustin, our Associates are always excited taking these opportunities to give back and help our local communities.

Throughout 2022, our Associates



**VOLUNTEERED**

**773**

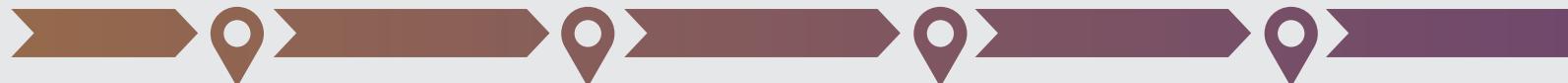
**HOURS** of their time at community and charitable events.

# With You All the Way

**We're proud to be there** for our Members every step of the way, from their first youth savings account to buying their first home, and all of the important life events that come in between and after.

Every product and service we offer is designed specifically for our Members, to help them prepare for the future and make wise financial decisions.

We're *with you all the way*, no matter where life takes you.



## STARTING SMART

Learning how to save and manage your own money is a primary building block for financial education, which is why we have accounts that are designed specifically for young people. With our Sand Dollar Savings, children can learn how to save and earn interest. With Pacific Checking and Savings Accounts, teens and students discover how to manage money with a sense of financial independence.



## Pacific Accounts

Checking and Savings for Students

## DISCOVERING GOOD HABITS

Through our website, we offer free videos that teach kids and teens about making, saving, borrowing, and spending money through our partners at It's a Money Thing®. Each short animated video teaches important lessons including budgeting, credit scores, interest, and more.

Through our Community Education and Development team, we were able to provide **five Bite of Reality® events in 2022 for 137 students.**

A financial education event that creates a hands-on, real-world experience for students, Bite of Reality introduces them to the realities of managing money as an adult. Students are given a fictional job, salary, credit score, and more, and then asked to figure out how to afford basic needs such as housing, transportation, and food. Credit Union experts are on hand to help them understand the impact of their choices, providing a memorable financial education experience.

## THE ROAD TO SAVINGS

From saving at an early age to buying that first car, we're with our Members at all stages of life. We have options available for first-time buyers up to 100% financing and loan amounts up to \$25,000, an excellent financing opportunity for those who may have trouble getting approved for a loan elsewhere.

“

Applied for my first auto financing and the process was smooth and reassuring. No hidden charges, very reasonable terms and decently low rates for a first-time buyer. Thank you OCCU, I am in love with my new car :).”

– Megan R. on Google

“

Amazing and friendly service! I submitted the application online and got response within 48 hours with approval and with the best rate.”

– A. R. on Yelp

## HELPING YOU NAVIGATE

We're here for our Members in good times and the challenging times too. In 2022, we were able to assist our Members when they needed us most, from providing emergency financial assistance in times of disaster, and offering financial education to help plan for the future.

From wildfires that affect entire communities to devastating personal emergencies, we provide assistance when it's needed most.

To help our Members in emergencies, we offer:

- Payment deferment on existing loans
- Increases in line-of-credit limits
- Emergency Relief Loans

In 2022, we helped

**over 500 Members**  
with more than  
**\$500,000**

in Emergency Assistance.



## KEEPING YOU SAFE

With scams and fraud so prevalent, we're committed to helping our Members prevent fraud through education and supporting them if it occurs.

### We helped prevent

**\$771,108**

in Member losses due to fraud attempts.



“

We have been Members at Orange County's Credit Union since 2015. In December 2020, our checking and savings accounts were both hacked and we lost approximately \$10,000. We were both very upset and anxious when we found out. However, the hack was caught immediately by Orange County's Credit Union and one of their Associates helped us through the process of recovery. We can't thank them enough for the personal attention navigating us through this and helping us recover our money.”

— Ben and Sunny, Members

## FINDING FINANCIAL WELLNESS

Through our partnership with GreenPath, Members have access to free credit coaching and debt counseling, including assistance with student loan and bankruptcy counseling, and credit report assistance.



**126 MEMBERS UTILIZED**

this financial wellness resource in 2022 with **17 Members** completing a comprehensive Debt Management Program, **paying off \$253,588** in debt.

Members can access free financial wellness resources on our website anytime, including budgeting worksheets and calculators, video webinars, and articles that help with money management and making smart financial choices all year long.

## HOME LOANS WITH HEART

Having a place of your own to call home is important to many of our Members, so we have created home loan programs to fit a variety of needs. From low down payment programs to a host of fixed- and adjustable-rate loans, and our trusted and experienced Mortgage Loan Consultants to guide you along the way, we're here for Members when they're ready to purchase a home.

## PUTTING EQUITY TO WORK

To help serve our Members' needs for higher loan-to-value financing in 2022, we made some enhancements to our home equity loans, including offering loan assistance with home improvements and renovations (including construction of an Accessory Dwelling Unit), and financing up to 100% of Members' equity in their home.



# Affordable Housing

## SAGE PARK COMMUNITY LAND TRUST

**Southern California** is one of the most expensive and competitive markets in the nation, and we're committed to help make housing more affordable and accessible. In our continued effort to assist more current and potential Members finance a home, we introduced a new home loan product to finance homes developed in the Sage Park Community Land Trust in Irvine.

"It is our duty to create specific solutions to help our local community members overcome hardships and financial challenges," said Carlos Miramontez,

our Senior Vice President of Mortgage Lending. "It's been a real privilege to help new homeowners find a home and lower the barriers to home ownership."

Through this program, we were able to help 56 moderate- and low-income families purchase their first home, located in Sage Park, and financed more than \$24 million in these affordable home loans.

These families utilized our 3% Down Payment Program to make their dreams of a new home come true. Prior to Sage Park, we have previously invested

in 1,340 high poverty areas and 407 qualified opportunity zones throughout Orange, Los Angeles, Riverside, and San Bernardino Counties. We're committed to continuing to partner and collaborate with other cities and nonprofit organizations in efforts to help more Southern California residents find affordable housing.

We're proud to have been able to help these Members, and we look forward to expanding our mortgage programs and services to help more communities in the future.



T. Taylor Photography



# Growing with our Communities

**We're proud** to be part of the communities we serve, and we're honored to be a trusted resource for our community members to turn to for financial education, advice, and solutions.

## PARTNERING WITH LOCAL BUSINESSES

As a way to help educate our communities, we partner with local businesses to deliver valuable financial resources and customized services to fit their employees' needs. We host free financial education events, and in some cases, we have created special programs to assist them in times of need.

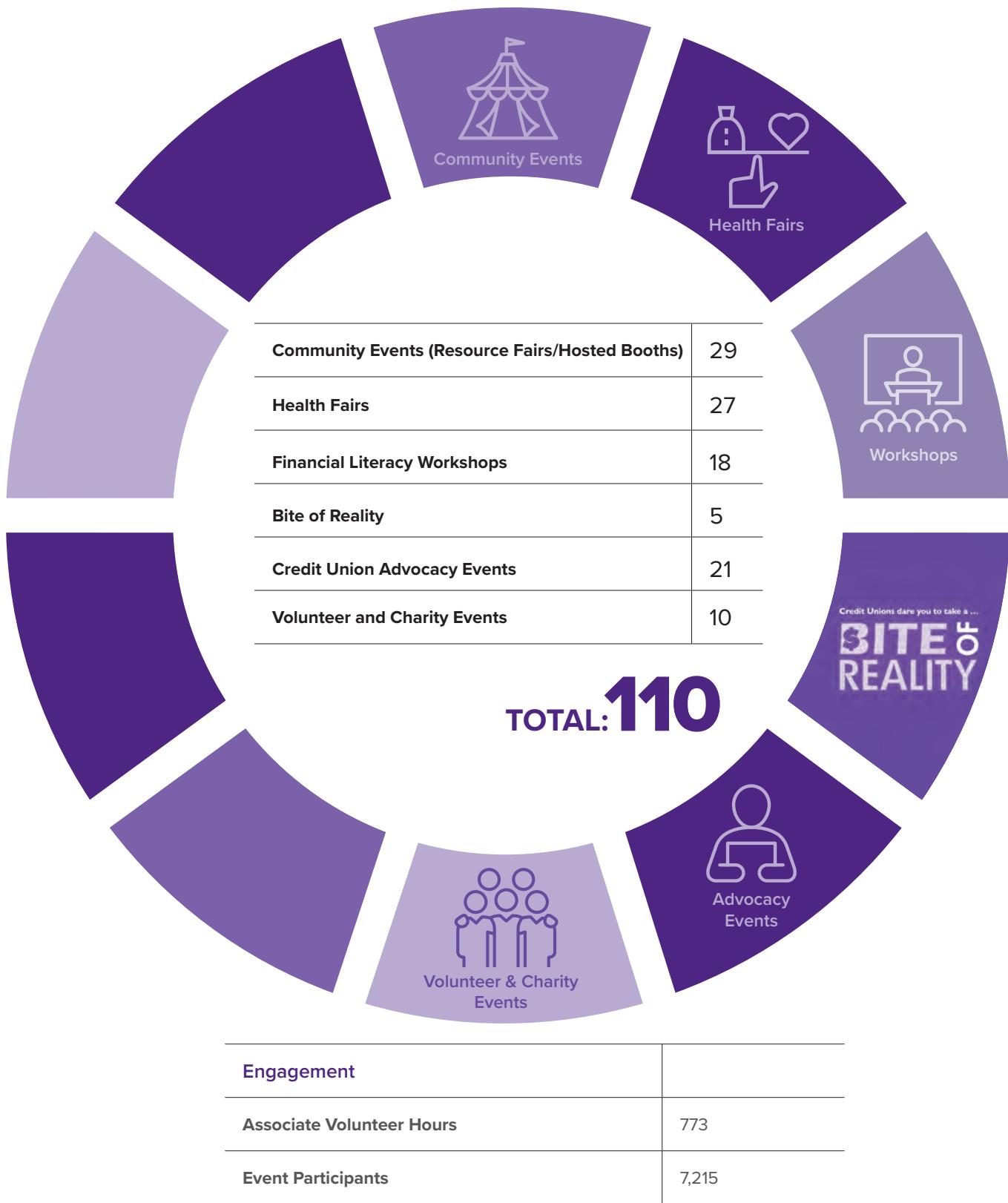
---

**“**The Auto Buying Tips class was insightful and helpful... Understanding the benefits of leasing versus buying really helped me make a more thought-out and clear decision.” – New Member, Associate of Goodwill

---

Goodwill of Orange County is one of our strategic partners, and our Membership Development team helped Goodwill employees throughout the year by offering free financial workshops, as well as participating in new hire orientations and health fairs to offer financial wellness information.

# Community Education & Development and Membership Development Events





# Rooted Locally

**We're honored** to be leaders in our communities, and to partner with some of the best organizations in Southern California. Throughout the year, our Associates participated in 110 events. These events included everything from health fairs with our strategic partners to charitable events all throughout Southern California.

## ORANGE COUNTY UNITED WAY

We are proud to support the United for Student Success initiative, which helps local underserved students thrive. By providing free financial literacy programs to these deserving students, we hope to equip them with the financial knowledge they need to have successful and prosperous futures.

"As we strive to provide students with essential life and career skills that they will need during school and beyond, the support of Orange County's Credit Union is vital. Their support has made a huge impact on local students."

– Sergio Contreras, Executive Director, United for Student Success<sup>SM</sup>

## CITY OF IRVINE

"The team from Orange County's Credit Union bring value to our events by providing activities for our youth participants to enjoy while educating our community on their services."

– Wendy Brown, Community Services Superintendent, City of Irvine

## HOPE BUILDERS

"For many of our students, the presentations provided by Orange County's Credit Union have served as a bridge to a banking and understanding money management. They have been a wealth of knowledge and support for many young adults in our program."

– Michelle Cooper, Support Specialist II, Hope Builders

## ASSEMBLYWOMAN SHARON QUIRK SILVA

"Orange County's Credit Union is so much more than just a financial institution. They have been exemplary non-profit partners in our community and I commend them for their care and commitment to Orange County."

– Sharon Quirk-Silva, Assemblywoman, 67th District



## CHOC Children's®

After years of participation in the annual CHOC Walk fundraiser, this year CHOC reimaged their annual fundraising collaboration. The CHOC Adventure in the Park was an opportunity for Associates to purchase tickets to the 30th Anniversary celebration to raise funds for CHOC's programs, research, and education. To support the event, we launched an Associate Financial Assistance Program, providing complimentary tickets to Associates who needed help reaching the

minimum fundraising goal to participate. Overall, we had more than **100** **Associates participate** in this event and **raised \$16,000** in donations.

In addition, we participated again in the annual CHOC Toy Drive, collecting more than **300 toys** to donate through the generosity of more than **200 Members**. Donations were given to **150 children** at CHOC hospital and the rest delivered to CHOC clinics throughout Orange County.



### THINKING AHEAD

This year we received the AHEAD Grant of **\$27,500** provided by the Federal Home Loan Bank of San Francisco as part of a \$1.5 million budget targeting economic development projects. Our grant will be used to sponsor a project with the CHOC foundation to train community health workers for a mobile Wellness on Wheels clinic that will help provide healthcare resources to community members in need.

# Recognitions & Honors

**As an organization,** we work diligently to ensure we're continuing our vision and mission of providing simple banking for people, not profit. We're honored to have received these distinguished designations and recognitions for our efforts.



## NCUA LOW INCOME DESIGNATION (LID)

We're designated as a Low-Income Credit Union because a significant population of our Membership meets the low-income thresholds determined by the US Census Bureau. Through this designation, we're able to offer more inclusive and helpful products and services to our Members, including debt consolidation loans, eviction protection, and auto refinance loans on predatory lending.

## COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION (CDFI)

Since we were certified as a CDFI in 2020, we've implemented more programs, products, and services to support the challenges faced by low-income families and communities. With the Rapid Response and Financial Assistance grants, we were able to provide small-dollar pandemic relief loans and loan payment assistance to low-income families in need.

**“** The team here is the absolute best! I have been a Member for 23 years and I would not consider another bank! Thank you for all you do to make us feel so special.” – Ivory E., on Yelp

## FINANCIAL INCLUSION: SERVING OUR COMMUNITIES

The core of our business and culture is our desire to supply financial alternatives to the underserved in our communities, by providing viable products and services that will help improve their lives. Financial inclusion radiates through everything we do, from the way we design our products and services, to the training of our Associates and the financial education we provide to our communities.

## PETER BARRON STARK Award for Workplace Excellence

This prestigious award means so much to us because it comes from our Associates. Based on a detailed employee opinion survey that measures job satisfaction, this award is only given to those organizations whose favorable responses exceed 80% or higher. We're truly honored that our Associates think so highly of us, and we're committed to keeping a culture that they love being a part of.



“ I am so grateful to have recently celebrated my 25-year anniversary with Orange County’s Credit Union. It has been an incredible journey working for this organization and I am appreciative for so many moments. From the welcoming and supportive culture, to the opportunities for growth and advancement, Orange County’s Credit Union has provided me with a fulfilling and rewarding career. Over the years, I have built strong relationships with colleagues and Members alike, and I am proud to be part of such a dedicated and passionate team that is truly committed to making a positive impact to those we serve as well as those in our local communities. I have seen, first hand, on countless occasions where we have made a difference in the lives of so many – something for which there is no greater purpose. Serving others in all that we do is an absolute gift and I hope that we all continue to experience many more years of connecting, success, growth, and positive impact together at Orange County’s Credit Union!” – Keri V., Associate of 25 Years



### BEST OF OC

For the ninth year in a row, we were proud to be recognized as one of the Top 3 Credit Unions in Orange County by the Orange County Register in 2022. Thank you to our Members, who voted to bestow us with this recognition once again.



### BEST OF LONG BEACH

Thanks to our Members in Long Beach for voting us one of the Top 5 Credit Unions in the Long Beach area. Our branch on Ximeno Avenue is located in the heart of the city, and we’re proud to help our Long Beach community with all of their financial needs.

### YOUR VOICE MATTERS

To ensure that we’re consistently delivering what we promise, we survey our Members regularly, and we review every comment and piece of feedback we receive. This gives our Members a voice in the products and services we build out and deliver, as well as what adjustments need to be made. We’re proud to say our surveys show in 2022 that our Members’ overall satisfaction score was **9.5 out of 10**, which is above the average industry overall satisfaction score of 9.3.



## Statements of Financial Condition

(Dollars in thousands)

December 31, 2022 and 2021

	2022	2021
<b>ASSETS</b>		
Cash and cash equivalents	\$ 200,313	\$ 367,977
Investment securities		
Available-for-sale, at fair value	369,810	413,061
Other investments, at cost	2,198	2,198
Federal Home Loan Bank stock	11,266	8,570
Loans held-for-sale	-	1,207
Loans to members, net of allowance for loan losses	1,812,397	1,460,134
Accrued interest receivable	4,854	3,747
Premises and equipment, net	17,691	18,815
NCUSIF deposit	19,880	18,944
Life insurance policies, net	22,868	21,906
Other assets	<u>34,757</u>	<u>48,094</u>
Total assets	<u><u>\$ 2,496,034</u></u>	<u><u>\$ 2,364,653</u></u>
<b>LIABILITIES</b>		
Members' share and savings accounts	\$ 2,107,353	\$ 2,114,956
Borrowed funds	147,100	26,500
Subordinated debt	35,000	-
Accrued expenses and other liabilities	<u>38,904</u>	<u>24,419</u>
Total liabilities	<u><u>2,328,357</u></u>	<u><u>2,165,875</u></u>
<b>MEMBERS' EQUITY</b>		
Regular reserve	14,248	14,248
Undivided earnings	208,845	189,210
Accumulated other comprehensive loss	<u>(55,416)</u>	<u>(4,680)</u>
Total members' equity	<u><u>167,677</u></u>	<u><u>198,778</u></u>
Total liabilities and members' equity	<u><u>\$ 2,496,034</u></u>	<u><u>\$ 2,364,653</u></u>



### Statements of Income

(Dollars in thousands)

Years Ended December 31, 2022 and 2021

---

	2022	2021
<b>INTEREST INCOME</b>		
Interest on loans	\$ 58,030	\$ 47,864
Interest on investment securities and cash equivalents	9,646	4,720
 Total interest income	 67,676	 52,584
<b>INTEREST EXPENSE</b>		
Dividends on members' share and savings accounts	4,657	5,195
Interest on borrowed funds	1,064	656
 Total interest expense	 5,721	 5,851
 Net interest income	 61,955	 46,733
<b>PROVISION FOR LOAN LOSSES</b>	 3,952	 257
 Net interest income after provision for loan losses	 58,003	 46,476
<b>NONINTEREST INCOME</b>		
Fees and charges	5,369	4,820
Gain on sales of loans held-for-sale	794	6,272
Gain on sale of premises and equipment	1,718	-
Gain on sale of investments	-	124
Interchange income, net	10,309	10,127
Other noninterest income	8,386	6,094
 Total noninterest income	 26,576	 27,437
<b>NONINTEREST EXPENSE</b>		
Compensation and benefits	37,776	34,480
Occupancy	4,100	3,889
Operations	14,173	13,586
Professional and outside services	1,332	1,778
Educational and promotional	1,792	1,811
Loan servicing	3,945	3,727
Other expense	1,826	1,564
 Total noninterest expense	 64,944	 60,835
<b>NET INCOME</b>	 \$ 19,635	 \$ 13,078



## Leadership Team

Lucy Ito  
Interim Chief Executive Officer

Fabiana Burkett  
Chief Risk Officer

Amber Cisneros  
Chief Member Experience Officer

Jeff Harper  
Chief Lending Officer

Barb Krol  
Chief Associate Experience Officer

Angela Moran  
Chief Information Officer

Jonathan Nebot  
Chief Financial Officer

Connie Peregretti  
Senior Vice President, Administration

## Board of Directors

Gary Burton  
Chair

Vikki Beatley  
Vice Chair

Coleen Monteleone  
Secretary

Brenda Shott  
Treasurer

Frank Kim  
Director

Maureen Li  
Director

Andy Oftelie  
Director

Marwan Khalifa  
Director



## Looking Ahead to the Future

In 2023, Orange County's Credit Union celebrates our 85th Anniversary. For 85 years and counting, we've been inspired by the communities we serve. These relationships have established the foundation for the work we do every day. Our focus on financial solutions that help our Members build solid futures will continue to be our priority, in this and every year.

We know our foundation is strong, and we're agile enough to respond to the economic, financial, or regulatory challenges that may arise. We'll continue to be proactive in designing and building the best products and services to fit our Members' needs and seeking out new strategies to improve our offerings. We are, and will continue to be, *with you all the way*.

*Thank you for your continued support, and for your Membership.*





P.O. Box 11777  
Santa Ana, CA 92711  
(888) 354-6228  
[orangepage.com](http://orangepage.com)



EQUAL OPPORTUNITY



Federally Insured by NCUA

Membership in Orange County's Credit Union is available to anyone who lives or works in Orange, Los Angeles, Riverside, or San Bernardino Counties. You may also qualify if your immediate family member banks with us. Ask us for details. Membership fee is \$5.