

# A Positive Financial Year



*Chuck White*

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Secretary / Treasurer

The national economy was challenged in 2008, but once again, San Diego County Credit Union prospered, showing positive gains on both the balance sheet and income statement prior to the impact of the Corporate Credit Union Stabilization Program. The growth that SDCCU experienced in 2008 was outstanding with Commercial and Residential Real Estate Loans leading the charge. Toward the end of the year, the growth trend was led by the response to our outstanding, high-rate Certificate Accounts and our new Great Rate Savings Account promotions. SDCCU generated \$1.8 billion in new loans and was able to keep operating costs down with an expense to average assets ratio of .96% for the year.

SDCCU has flourished into a \$4.5 billion credit union with \$4.0 billion in deposits, and with 25 branches throughout San Diego and Riverside Counties, we are well-equipped to serve our impressive membership base of over 200,000 members. As a not-for-profit financial institution, we return excess revenue back to our members through low loan rates and high dividends. In addition, as we continue to add new branches and eServices, members can expect more convenient access to their funds and the potential to continue to conduct secure financial business any where, any way, any time.

The National Credit Union Administration (NCUA) insures accounts at SDCCU through the National Credit Union Share Insurance Fund (Share Insurance Fund), which was established by Congress in 1970 to insure members' shares. The Share Insurance Fund is backed by the full faith and credit of the United States Government. IRAs are insured up to \$250,000 separately from other accounts, and in October 2008, the NCUA temporarily raised the insurance amount for all accounts to at least \$250,000 until December 31, 2009.

The Department of Financial Institutions, SDCCU's regulatory agency in California, has adopted the net worth ratio, set as an industry standard by the NCUA as a measure of financial strength. The SDCCU net worth to asset ratio for December 31, 2008 was 10.38%, which includes the Corporate Stabilization Adjustment, well above the 7.00% ratio established as the minimum allowable capital level for "well capitalized credit unions" by the NCUA.

With our members' continued support, we can trust that the future holds enduring growth and success for SDCCU. We plan to carry forward our tradition of looking for opportunities to better serve our members for the next 70 years and beyond.