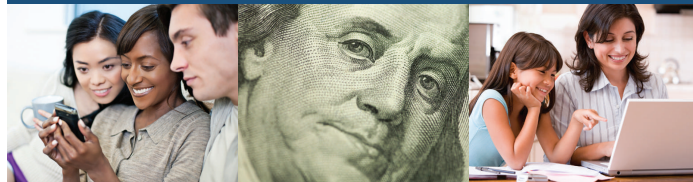


2011

Annual Report



Contra Costa
Federal Credit Union

...in partnership for today and tomorrow...

Message from Your Chairperson

2011 was another challenging year for the financial services industry. The national economy remains mired in a long slump with moderate gross domestic product growth, continued high unemployment, and stagnant housing values. Unfortunately, Contra Costa Federal Credit Union was affected due in part to the cooperative nature of the credit union industry. However, we are pleased to report net income of \$379,000 after factoring in the decline in value of other credit unions' loan and investment portfolios. At year end 2011, your Credit Union Assets totaled \$592 million, Shares were in excess of \$528 million, Loans were in excess of \$138 million, and there were 27,451 members. These numbers are even more impressive if you reflect back to when we opened our doors in October 1949, with only \$1,211 in Assets and 34 members.

We ended the year with an increase in reserves, which remain in excess of regulatory minimum standards and of industry averages. CCFCU is a not-for-profit cooperative, "owned" by the members. Each and every member benefits from the profits, which are returned to the Membership in the form of low cost loans, high yields on savings and certificates and many services without fees. In addition, our strong reserves are the financial foundation used to continue building the future success of your Contra Costa Federal Credit Union. We remain strong, well-capitalized, and well-positioned to weather this most recent economic storm.

Bauer Financial Reports, a nationwide financial research firm, once again recognized Contra Costa Federal Credit Union's financial stability. Your Credit Union has received Bauer's highest rating for every evaluation period since Bauer began analyzing the Credit Union industry in 1990. This five-star rating indicates that your Credit Union is one of the safest in the United States.

Other noteworthy achievements during 2011 include adding the Android, text-based, and WAP mobile banking services, accepting redemptions of U.S. Savings Bonds, and increasing technology and security to provide the best possible online member experience.

2011 was another year when Contra Costa Federal Credit Union held loan rates at an all time low. We also continued to pay competitive dividends on member savings accounts, while continuing to offer a wide variety of services without fees. We have also met with many Members who needed special financial counseling and credit assistance.

Looking to the future, we will continue to respond to members' financial needs by expanding and improving financial services while using the latest technology. The Board of Directors and management will also continue to manage the growth, while insuring continued safety and soundness of your Credit Union.

The accomplishments at Contra Costa Federal Credit Union are the direct result of the continued support and loyalty of the Membership, Volunteer Officials, Management and Staff. I would like to express my sincere gratitude to all of you who have contributed to the success of your Contra Costa Federal Credit Union.



Dean Lucas, Chair
Board of Directors



Board of Directors

Julie Enea, 2nd Vice Chair; Dean Lucas, Chair;
Mary Ann Mason, 1st Vice Chair;
Donald L. Bouchet, Secretary; Stephen J. Ybarra, Treasurer

Message from Your Treasurer

Your Credit Union has remained strong and stable during 2011. The federal and state budget deficits, war on terrorism, the mortgage crisis, the world economic instability, and high unemployment, all of which affected business and consumer confidence, are a reality. Through it all, your Credit Union has these success highlights to report for the year 2011:

- Assets increased 0.5% to \$592.3 million.
- Shares increased 0.2% to \$528.2 million.
- Loans decreased 4.2% to \$138.1 million. Your Credit Union approved 3,163 loans, for a total of \$37.9 million, a 31% increase. Since your Credit Union was organized, 251,408 loans have been approved for a total of \$1.27 billion.
- Dividends paid to members exceeded \$2.8 million. This represents a dividend payout of \$0.18 on each \$1.00 earned, compared to an industry average of \$0.14 per \$1.00 earned.
- Our Net Operating Expenses to Average Asset Ratio of 1.5% was substantially less than the Credit Union industry average of 3.3%.
- Our delinquency ratio was only 0.3%, significantly less than the national industry average of 1.6%.
- Our total Capital (Regular Reserves, Contingency Reserves and Undivided Earnings) to Total Asset Ratio of 10.1% is higher than the industry average of 9.9%. This high Capital Ratio enhances further the Credit Union's substantially strong financial base and better positions us to absorb any future economic fluctuations.
- Again received the "5-Star Rating" from Bauer Financial Group, which is the highest rating possible in the financial industry.

I am pleased to report that your Credit Union has maintained the highest degree of fiscal and financial soundness. I would like to express my thanks to the Members of Contra Costa Federal Credit Union for your continued support.



Stephen J. Ybarra, Treasurer
Board of Directors

Message from Your Supervisory Committee

The Supervisory Committee is appointed by your Board of Directors to fulfill the requirements of the National Credit Union Administration (NCUA) to objectively audit the financial records, review the operations and monitor the performance of your Credit Union.

To insure the utmost accuracy in meeting these requirements, we engaged the highly regarded CPA firm of Clifton Gunderson LLP whose specialty is Credit Union audits. They performed a comprehensive certified opinion audit of Contra Costa Federal Credit Union's accounting records and reviewed the internal controls surrounding our operations.

The NCUA also conducted its annual review of your Credit Union's operations. Both reports indicate that your Credit Union is operating on a sound financial basis with a high degree of efficiency and is in full compliance with Credit Union rules and regulations. Accounting reports are prepared promptly and accurately, internal controls are adequate, and the plans, policies and procedures established by the Board of Directors are being followed.

It is the opinion of this Supervisory Committee, and that of our auditors and federal examiners, that your Credit Union is a financially sound and well-managed financial institution.



Michael H. George, Chair
Supervisory Committee

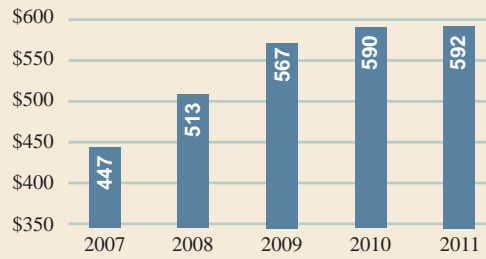


Supervisory Committee

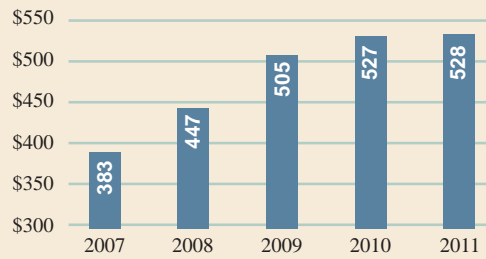
Michael H. George, Chair; Terry Mann;
Rick Koehler; Steve Dawkins; Cecilia Baird

Your Financials

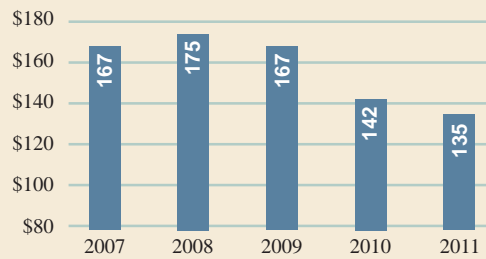
Assets in millions



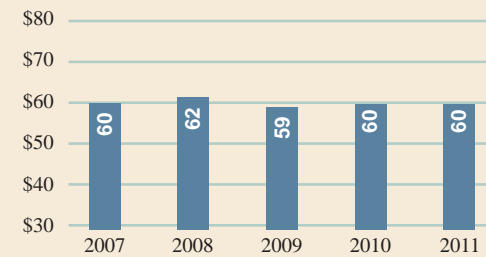
Shares in millions



Loans in millions



Capital in millions



Contra Costa Federal Credit Union 2011 & 2010 Financial Statements

Balance Sheet	12/31/2011	12/31/2010
Assets:		
Cash & Investments	\$446,368,882	\$436,106,200
Loans to Members	135,070,425	142,135,808
Accrued Interest Receivable	2,675,587	3,001,213
Land & Building (net)	1,654,591	1,721,908
Furniture & Equipment (net)	714,873	950,110
Other Assets	5,823,866	5,549,127
Total Assets	\$592,308,224	\$589,464,366
Liabilities:		
Member Shares	528,204,797	527,309,406
Dividends Payable	313,898	535,895
Other Liabilities	3,712,281	1,921,102
Total Liabilities	532,230,976	529,766,403
Equity:		
Regular Reserves	7,815,921	7,815,921
Contingency Reserves	51,700,271	51,320,986
Undivided Earnings	561,056	561,056
Total Capital	60,077,248	59,697,963
Total Liabilities & Equity	\$592,308,224	\$589,464,366
Income & Expenses		
Income:		
Interest on Loans	\$7,593,995	\$8,913,163
Investment Income	7,055,144	9,346,371
Other Income	1,383,638	1,308,536
Total Income	16,032,777	19,568,070
Expenses:		
Salary & Benefits	4,667,522	4,458,867
Office Occupancy	600,918	513,985
Office Operations	3,393,250	3,247,581
Provision for Loan Losses	2,750,000	2,958,000
Share Insurance Assessment	1,382,000	1,512,000
Total Operating Expenses	12,793,690	12,690,433
Net Income Before Distributions	\$3,239,087	\$6,877,637
Distribution of Net Income:		
Dividends to Members	\$2,859,802	\$5,790,988
Reserves & Undivided Earnings	379,285	1,086,649
Total Distribution	\$3,239,087	\$6,877,637

Product & Service Highlights

Checking & Savings

Free Checking
Share Savings
Club Accounts
Share Certificates
Money Market Accounts
Individual Retirement Accounts

Loans & Credit

Auto Loans
Home Loans:
 First Mortgages
 Second Mortgages
 Home Equity Loans & Lines of Credit
Visa® Credit Cards
Triple C Lines of Credit
RV, Boat and Motorcycle Loans

Account Access

CO-OP Network ATMs:
 Free account access at 28,000 ATMs
MasterMoney® Debit Card
AccessLine Phone Banking
Online & Mobile Services:
 @ccessOnline - Home Banking
 Online Bill Pay
 @ccessMobile - Mobile Banking
 iPhone and Android Mobile Apps **NEW**
 @ccessMobile Text
 Mobile ATM Locator (MYCOOP)
Direct Deposit
Automatic Payments & Deposits

Your savings federally insured
to at least \$250,000 and backed
by the full faith and credit of
the United States Government.
National Credit
Union Administration,
a U.S. Government Agency.



"5 Stars Superior"
rating for strength
and stability



Directory

24-hour Member Service/AccessLine
(888) 387-8632

Lending Center

(925) 228-7550 ext. 850: M-F 8:00-4:30
(888) 387-8632: Anytime 24/7

Lost/Stolen VISA® Credit Card
(800) 449-7728

Web Site & @ccessOnline Home Banking
www.contracostafcu.org

Email

mail@contracostafcu.org

CCFCU Mailing Address

P.O. Box 509
Martinez, CA 94553-0144

Branch Locations

Hours:

Mon. - Thurs. 9:00 a.m. to 4:00 p.m.

Fri. 9:00 a.m. to 5:00 p.m.

Main Office: 1111 Pine Street
Martinez, CA 94553

Antioch: 1870 A Street
Antioch, CA 94509

Benicia: 560 First Street, Suite B-106
Benicia, CA 94510

Muir Station: 538 Center Street
Martinez, CA 94553

Richmond: 2500 Nevin Avenue
Richmond, CA 94804



Contra Costa
Federal Credit Union

...in partnership for today and tomorrow...