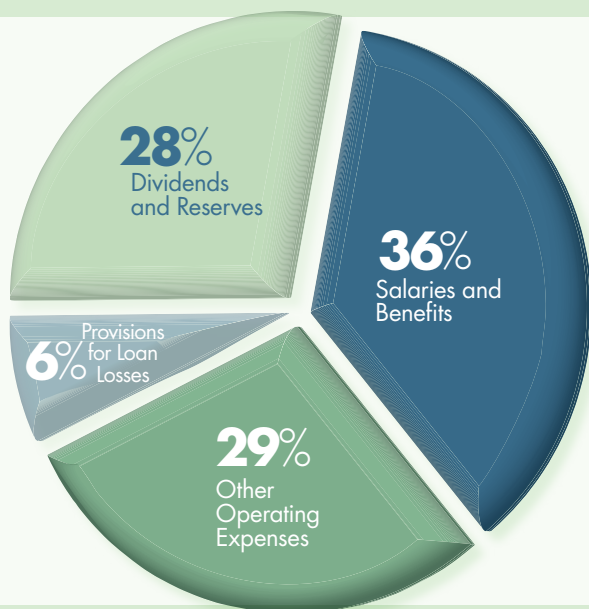


Distribution of INCOME



Statement of INCOME

	2016	2017
Member Loan Income	\$ 9,866,648	\$ 11,124,382
Investment Income	4,592,797	4,530,846
Other Income	2,896,690	3,223,811
TOTAL Income	\$ 17,356,135	\$ 18,879,039
Dividend and Interest Expense	\$ 3,049,570	\$ 3,456,091
Provision for Loan Losses	\$ 1,265,397	\$ 1,220,180
Operating Expenses		
Salary and Benefits	\$ 5,794,555	\$ 6,888,310
Other Operating Expenses	\$ 5,689,858	\$ 5,435,317
TOTAL Operating Expenses	\$ 11,484,413	\$ 12,323,627
NET INCOME	\$ 1,596,493	\$ 1,879,141

A Few Years in BRIEF

	2015	2016	2017
Assets	\$ 345,153,408	\$ 432,573,036	\$ 435,092,753
Shares/Savings	\$ 65,068,718	\$ 91,190,777	\$ 90,827,451
Checking	\$ 36,125,695	\$ 55,725,123	\$ 58,232,290
Certificates	\$ 121,193,966	\$ 131,328,888	\$ 134,186,636
Money Market	\$ 61,000,996	\$ 65,123,362	\$ 68,567,407
IRAs	\$ 20,121,795	\$ 23,363,565	\$ 23,228,308
Loans	\$ 166,391,424	\$ 232,352,030	\$ 259,715,611
Vehicles	\$ 20,849,144	\$ 24,917,210	\$ 24,522,246
Home Equity/2 nd Trust Mortgages	\$ 14,884,645	\$ 18,608,121	\$ 18,375,152
1 st Mortgages	\$ 101,979,555	\$ 122,302,078	\$ 137,171,199
VISA	\$ 12,979,439	\$ 17,022,027	\$ 16,651,003
Reserves/ Undivided Earnings	\$ 31,219,529	\$ 36,248,249	\$ 38,127,390
Net Income	\$ 1,705,857	\$ 1,596,493	\$ 1,879,141
Membership	18,383	23,913	19,346

Statement of FINANCIAL CONDITION

	2016	2017
Assets		
Cash and Cash Equivalents	\$ 4,216,977	\$ 4,270,493
Loans to Members	232,066,028	259,669,592
Allowance for Loan Losses	(1,473,138)	(1,518,746)
Investment Securities	180,204,870	157,126,734
NCUSIF Deposit (Share Insurance)	3,318,342	3,320,590
Other Assets	14,239,957	12,224,090
TOTAL Assets	\$ 432,573,036	\$ 435,092,753
Liabilities and Members' Equity		
Members' Share Account	\$ 366,731,715	\$ 375,042,092
Other Liabilities	4,264,547	4,655,807
Borrowings	\$ 24,600,000	\$ 16,350,000
Total Liabilities	\$ 395,596,262	\$ 396,047,899
Member's Equity	36,976,774	39,044,854
Total Liabilities and Members' Equity	\$ 432,573,036	\$ 435,092,753

DOCFCU STAFF Directory

Management	
Evan Clark, <i>President/CEO</i>	202.808.3633
Patrick Collins, <i>CFO</i>	202.759.1021
Jeffrey Banyas, <i>Chief Lending Officer (NMLS #712919)</i>	202.808.3621
Nilda Cruz, <i>VP of Operations</i>	202.808.3618
Massud Zahir, <i>VP of Member Services</i>	202-808-3597
Administration	
Emilia Cabrera, <i>Executive Assistant</i>	202.808.3604
Accounting Department	
Chin-Ping Sun, <i>Controller</i>	202.808.3636
Rhodora Diones, <i>Accountant</i>	202.470.6190
Ngoc Tran, <i>Accountant</i>	202.808.3599
Michelle Corum, <i>Accountant</i>	202.808.3598
Chris Clark, <i>Program Analyst</i>	202.470.6193
Member Services	
Lena Lane, <i>AVP Member Services</i>	202.808.3602
HCHB BRANCH	
Shirl Desormeaux, <i>DC Branch Manager</i>	202.808.3615
Jessica Watson, <i>Assistant Branch Manager</i>	202.808.3612
Orise Felix, <i>Member Service Representative</i>	202.808.3610
Adriana Green, <i>Sr. Member Service Representative</i>	202.808.3613
Djenane Jeanty, <i>Member Service Representative</i>	202.808.3614
Reception Desk	202.808.3609
Silver Spring BRANCH	
Arlene Reddy, <i>SS Branch Manager</i>	301.658.7274
Jermisha Savoy, <i>Assistant Branch Manager</i>	301.658.7275
Cherraine Rich, <i>Member Service Representative</i>	301.658.7276
White House BRANCH	
Angela Moore, <i>WH Branch Manager</i>	202.470.6195
Cierra Leigh, <i>Assistant Branch Manager</i>	202.470.6196
Denzel Williams, <i>Member Service Representative</i>	202.759.1028
Jessica Zitzer, <i>Member Service Representative</i>	202.470.6194
Call Center	
Samantha Curry, <i>Call Center Supervisor</i>	202.808.3607
DeVonna Stump, <i>Call Center Representative</i>	202.470.6192
Dominique Fisher, <i>Call Center Representative</i>	202.759.1033
Business Development	
R. Brinkley Seward, <i>Director</i>	202.808.3632
Iris Calloway, <i>Representative</i>	202.905.0814
Brenda Vaughn, <i>Representative</i>	202.905.0815
Patrice Williams, <i>Admin.</i>	202.759.1020
Information Technology Department	
Lamar Strothers, <i>IT Specialist</i>	202.808.3629
Lisa James, <i>Project Manager</i>	202.808.3596
Carmella Smith, <i>Software Administrator</i>	202.808.3595
Chris Jones, <i>IT Specialist</i>	202.759.1025
Operations Department	
Anibal Garcia, <i>AVP of Operations</i>	202.759.1023
Lisa Morris, <i>Business Analyst</i>	202.470.6191
Monique Simmons, <i>Card Service Ops Specialist</i>	202.759.1024
Sabrina McKenzie, <i>Operations Specialist</i>	202.759.1035
Aida Cruz, <i>Operations Specialist</i>	202.470.6189
Melanie Sanders, <i>Business Analyst XA-LPQ</i>	202.905.0813
Human Resources	
Reisa P. Jackson, <i>HR Director</i>	202.808.3631
Loan Department	
Carina West, <i>AVP of Lending (NMLS #815035)</i>	202.808.3622
Gwen Taylor, <i>Loan Officer</i>	202.808.3630
Carmen Herrera, <i>Loan Processor/Title Clerk</i>	202.808.3601
Tamica Drake, <i>Loan Officer (NMLS #1121799)</i>	202.808.3623
Octavia Jackson, <i>Mortgage Loan Officer (NMLS #815036)</i>	202.808.3624
Shavon Massey, <i>Asst. Lending Manager (NMLS #815037)</i>	202.808.3625
Mike Barger, <i>Mortgage Loan Officer (NMLS #685493)</i>	202.808.3628
Abigail Patterson, <i>Sr. Loan Officer</i>	202.470.6197
Sheila Murphy, <i>Sr. Loan Officer</i>	202.759.1027
Ron Voli, <i>Mortgage Ops Director</i>	804.339.7668
Lisa Owen, <i>AVP Mortgage Ops</i>	804.339.5011
Maria Reid, <i>Sr. Underwriter</i>	804.588.8960
Melinda Vance, <i>Mortgage Loan Coordinator</i>	804.588.4785
Collections Department	
Wanda Jackson, <i>AVP Collections</i>	202.808.3605
Latice Harrison, <i>Sr. Collector</i>	202.808.3608

DOCFCU Board of DIRECTORS

James Boney	Chairman
Henry Misisco	1st Vice Chairman
Roger Gilbertson	2nd Vice Chairman
Donald R. Trafton	Treasurer
Thomas W. Zetty	Secretary
Thomas C. Earley	Director
Michelle Johnson	Director
Skip Jones	Director
Barbara J. Kone	Director
Joseph Kouba	Director
Georg Mehl	Director
Thomas Sobotta	Director

SUPERVISORY Committee

Brian DiGiacomo	Chairman
Amber Beam	Secretary
Dennis Atkinson	Member
Sheila Bradley	Member
Raghawendra Dwivedy	Member



LIVE WELL. BELOW YOUR MEANS.



202.808.3600

Outside D.C.: 888.626.9845

Mailing Address

P.O. Box 14720, Washington, DC 20044-4720

Branch Locations

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Washington, DC 20230

1325 East West Highway, Metro II Building
Silver Spring, MD 20910

1724 F Street, NW, Washington, DC 20505

Supervisory Committee

P.O. Box 841, Washington, DC 20044

Federally insured
by the **NCUA** **ESI**

DEPARTMENT of COMMERCE
FEDERAL CREDIT UNION

ANNUAL
REPORT

2017

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

President's REPORT

Thank you for your patronage and support in 2017.

At the credit union we strive to give you, the members, the most competitive rates possible on our loan and savings products and innovative ways to help you do your banking.

In 2018 we will be introducing a new savings product. In 2017 the S&P 500, an index made up of 502 companies, increased in value by over 18%. 2018 has been a different story. There has been lots of volatility in 2018. That said many people would like to participate in stock market. We will introduce a savings product very soon that will help you do just that with full protection of your initial investment. I'm not going to tell you anything more about this product right now but be on the lookout because it is coming soon.

The economy seems to have picked up quite a bit over the past year. It's so tempting to spend more than we really should when times are good. Please remember to always keep saving a little of each paycheck. You'll be happy you did if you ever encounter difficulties or maybe I should say when you encounter difficulties.

Thank you again for your continued support and patronage. I look forward to serving you in 2018 and into the future.

Respectively Submitted,

Evan Clark
President/CEO

Chairman's REPORT

The Credit Union had another successful year in 2017. Our assets grew and we remained profitable. We continued to emphasize savings and investing for our members by offering very competitive rates on our money market accounts and our certificates of deposit.

In 2017 the credit union began underwriting our member mortgage loans in house. Previously we had a third party doing our loan underwriting. Our members are very excited about the change and are raving about the great service. If you need in the market for a mortgage give us a call. We're ready to do your mortgage.

I would like to thank you, our members, for the feedback that we have been receiving. Your feedback helps us serve you better. We would also like to thank our members for their continued support and patronage. Please tell your family members and coworkers about your Credit Union – your endorsement is our best advertising.

You can count on DOCFCU for all of your financial needs. DOCFCU is a symbol of financial strength and security.

Respectfully Submitted,
James Boney
Chairman

Treasurer's REPORT

Your Credit Union was able to come through another year in good financial shape. The merger with The White House Federal Credit Union is now complete and we continue to be excited to welcome them into the Department of Commerce family.

Your credit union's assets grew by \$2.5 million or 0.58%. Your credit union only grew \$2.5 million in 2017 because management elected to reduce borrowings by \$8.25 million throughout the year. Outstanding loan balances increased by 11.78%. All share types experienced slower than average growth in 2017. Money Markets grew by 5.29%. Regular savings shrunk by 0.40%. Checking accounts grew by 4.5%. Certificates grew by 1.96%. Your credit union has some of the highest share certificate rates in the nation, however due to the rising stock market, share growth has been fairly modest.

Investments shrunk by 12.81% to end the year at \$157.1 million. Instead of building our investment portfolio, your credit union was able to increase loan balances which serves you better and earns a higher return for the credit union than investments.

The credit union's operating expense ratio was 2.84% for 2017. This ratio is lower than the previous year when it was 2.95%. Expenses dropped in 2017 because the vast majority of expenses from the merger with White House FCU were recognized in 2016. You should see the expense ratio continue to decrease in 2018.

Even though the economic environment was not the easiest, \$1.88 million was added to Reserves in 2017, and your Credit Union continues to be officially recognized as "well capitalized".

Please refer to the accompanying charts and figures for an overall view of the Credit Union's performance in 2017.

Respectfully Submitted,
Donald R. Trafton
Treasurer

Credit Committee REPORT

The Credit Union continued to serve our members' lending needs throughout 2017. As the economy continued to improve and individuals felt more comfortable with their financial situation, our membership sought more credit. Last year, the Credit Union originated 2,643 new loans and lines of credit, including 2,553 consumer loans and 90 mortgages. Overall, we closed \$56.18 million in new loans. Those loans, coupled with the portfolio acquired through our merger with White House FCU, helped grow our loan portfolio 10.14%. We finished the year with \$255.27 million in total loans outstanding.

The Credit Union assisted the membership to meet their financial needs by offering first mortgage, home equity, automobile, personal loans, lines of credit, and credit cards.

The Credit Committee is proud to say that it was once again able to approve the vast majority of all our member requests for loans. During 2017, we approved 67.71% of the loan applications we received were approved.

As the economy and the job market continued to improve, so did the Credit Union's delinquencies. Our delinquency rate remains well below our Credit Union peers. As of December 31st, 2016, our loan portfolio had an overall delinquency rate of 0.34%.

DOCFCU is proud to report that it continues to work closely with members who are experiencing financial difficulties. Last year, we granted payment extensions or loan modifications on 264 loans totaling over \$3.15 million.

The Credit Union staff appreciates the opportunity to offer loans and other financial services to our members and assist them in meeting their financial needs. We look forward to refining our loan products and services as we grow and strive to meet its members' needs.

Respectfully Submitted,
Jeffrey J. Banyas
Chairman, Credit Committee

Supervisory Committee REPORT

The Supervisory Committee is the members' representative under the Federal Credit Union Act. The committee has the responsibility to review and evaluate the internal controls of the Credit Union and monitor the performance of elected officials and employees.

In this regard, an audit performed during the past year reports that the Credit Union is being operated in compliance with applicable laws and regulations. Internal controls are in place and are being followed. It is the opinion of our auditor, Nearman, Maynard, Vallez CPAs, that the financial records and statements fairly reflect the financial condition of the Credit Union.

Should a member find an error or experience a problem of any kind with his/her account statement or with services provided, he/she should contact the Supervisory Committee immediately at the following address:

Supervisory Committee
Department of Commerce
Federal Credit Union
PO Box 841
Washington, DC 20044

The above address should not be used for credit union financial transactions, such as making deposits. Any such mail sent to this address may experience a significant delay in posting.

Respectfully Submitted,
Brian DiGiacomo
Chairman, Supervisory Committee