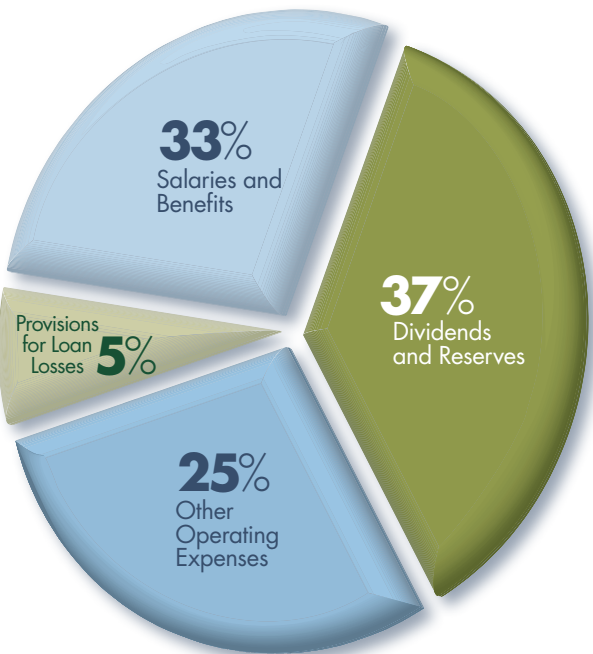


DISTRIBUTION OF INCOME



STATEMENT OF INCOME

	2018	2019
Member Loan Income	\$ 13,169,518	\$ 17,388,342
Investment Income	4,558,274	4,307,170
Other Income	3,508,989	3,907,955
TOTAL Income	\$ 21,236,781	\$ 25,603,467
Dividend and Interest Expense ...	\$ 4,719,894	\$ 7,648,181
Provision for Loan Losses	\$ 1,323,354	\$ 1,268,273
OPERATING EXPENSES		
Salary and Benefits	\$ 8,059,492	\$ 8,529,511
Other Operating Expenses	\$ 5,752,240	\$ 6,281,077
TOTAL Operating Expenses \$	13,811,732	\$ 14,810,588
NET INCOME	\$ 1,381,800	\$ 1,876,425

A FEW YEARS IN BRIEF

	2017	2018	2019
Assets	\$ 435,092,753	\$ 504,229,658	\$ 529,186,179
Shares/Savings	\$ 90,827,451	\$ 93,282,956	\$ 90,773,775
Checking	\$ 58,232,290	\$ 67,712,468	\$ 74,039,239
Certificates	\$ 134,186,636	\$ 140,828,656	\$ 163,711,225
Money Market	\$ 68,567,407	\$ 66,199,767	\$ 62,930,478
IRAs	\$ 23,228,308	\$ 21,864,651	\$ 23,909,923
Loans	\$ 259,715,611	\$ 345,617,554	\$ 394,086,874
Vehicles	\$ 24,522,246	\$ 23,454,341	\$ 25,957,929
Home Equity/2 nd Trust Mortgages	\$ 18,375,152	\$ 18,822,380	\$ 29,373,445
1 st Mortgages	\$ 137,171,199	\$ 193,517,753	\$ 250,415,799
VISA	\$ 16,651,003	\$ 15,826,366	\$ 14,937,559
Reserves/ Undivided, Earnings	\$ 38,127,390	\$ 39,509,190	\$ 45,785,615
Net Income	\$ 1,879,141	\$ 1,381,800	\$ 1,876,425
Membership	19,346	18,605	18,586

STATEMENT OF FINANCIAL CONDITION

	2018	2019
ASSETS		
Cash and Cash Equivalents	\$ 5,498,841	\$ 4,862,073
Loans to Members	345,717,189	394,310,308
Allowance for Loan Losses	(1,506,443)	(1,505,204)
Investment Securities	137,283,696	112,757,633
NCUSIF Deposit (Share Insurance)	3,399,599	3,412,820
Other Assets	13,836,776	15,348,549
TOTAL Assets	\$ 504,229,658	\$ 529,186,179
LIABILITIES AND MEMBERS' EQUITY		
Members' Share Account	\$ 389,888,499	\$ 415,364,640
Other Liabilities	4,981,098	6,386,023
Borrowings	\$ 70,520,000	\$ 55,360,000
Non-Member Deposits	\$ 0	\$ 5,993,422
Total Liabilities	\$ 465,389,597	\$ 483,104,085
Members' Equity	38,840,061	46,082,094
Total Liabilities and Members' Equity		
TOTAL	\$ 504,229,658	\$ 529,186,179

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

Human Resources

Reisa P. Jackson, <i>HR Director</i>	202.808.3631
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Administration

Emilia Cabrera, <i>Executive Asst.</i>	202.808.3604
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Accounting Department

Chin-Ping Sun, <i>Controller</i>	202.808.3636
Rhodora Diones, <i>Sr Accountant</i>	202.470.6190
Ngoc Tran, <i>Sr Accountant</i>	202.808.3599
Djenane Jeanty, <i>Accountant</i>	202.808.3614
Chris Clark, <i>Financial Analyst</i>	202.470.6193

Member Services 202.808.5999

Lena Lane, <i>AVP Member Services</i>	202.808.3602
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HCHB BRANCH

Shirl Desormeaux, <i>Branch Manager</i>	202.808.3615
Jessica Watson, <i>Asst Branch Manager</i>	202.808.3612
Orise Felix, <i>MSR</i>	202.808.3610
Jasmine Parker, <i>MSR</i>	202.808.3619
Turneisha Wonson, <i>Coordinator</i>	202.808.3609

Silver Spring BRANCH

Arlene Reddy, <i>Branch Manager</i>	301.658.7274
DeVonna Stump, <i>Asst. Branch Manager</i>	301.658.7275
Briana Zanders, <i>MSR</i>	301.658.7276
LaNeisha Wheeler, <i>MSR</i>	301.658.7282

White House BRANCH

Angela Norris, <i>Branch Manager</i>	202.470.6195
Cierra Leigh, <i>Asst Branch Manager</i>	202.470.6196
Denzel Williams, <i>MSR</i>	202.759.1028
Kiana Knott, <i>MSR</i>	202.470.6194

Call Center

Samantha Curry, <i>Manager</i>	202.808.3607
Jada Robinson, <i>Rep</i>	202.715.8661
Iesha Holston, <i>Rep</i>	202.715.8671
Dominique McDowell, <i>Rep</i>	202.808.3634
Britnee Bailey, <i>Rep</i>	202.759.1033

Collections Department 202.808.5991

Wanda Turner, <i>AVP Collections</i>	202.808.3605
Terri Walker, <i>Sr Collector</i>	202.808.3608
Gabrielle Parker, <i>Collector</i>	202.808.3606

Business Development

Iris Calloway, <i>Rep</i>	202.905.0814
Brenda Vaughn, <i>Rep</i>	202.905.0815

Information Technology Department

Mike Orozco, <i>Project Management Officer</i>	202.759.1031
Lamar Strothers, <i>IT Specialist</i>	202.808.3629
Lisa James, <i>Program Coordinator</i>	202.808.3596
Carmella Smith, <i>Software Admin</i>	202.808.3595
Chris Jones, <i>IT Specialist</i>	202.759.1025
Elen Berhe, <i>IT Specialist</i>	202.905.0817

Operations Department

Anibal Garcia, <i>AVP of Operations</i>	202.759.1023
Monique Simmons, <i>Card Service Ops Specialist</i>	202.759.1024
Aida Cruz, <i>Operations Specialist</i>	202.470.6189
Lisa Morris, <i>Business Analyst</i>	202.470.6191
Sabrina McKenzie, <i>Card Services Ops Specialist</i>	202.759.1035
Melanie Sanders, <i>Business Analyst XA-LPQ</i>	202.905.0813
Cherraine Rich, <i>Operations Specialist</i>	202.808.3627
Adriana Green, <i>Business Analyst</i>	202.808.3612
Ivory Frederick, <i>Overdraft Specialist</i>	202.470.6192

Loan Department 202.808.5998

Carina West, <i>AVP of Lending (NMLS #815035)</i>	202.808.3622
Gwen Taylor, <i>Loan Officer</i>	202.808.3630
Cassandra Bond, <i>Loan Disbursement Officer</i>	202.759.1022
Tamica Drake, <i>Loan Officer (NMLS #1121799)</i>	202.808.3623
Shavon Massey, <i>Sr Loan Officer (NMLS #815037)</i>	202.808.3625
Abigail Patterson, <i>Sr Loan Officer</i>	202.470.6197
Sheila Murphy, <i>Sr Loan Officer</i>	202.759.1027
Latice Harrison, <i>Loan Processor/Disburser</i>	202.808.3608

Mike Bargerone, <i>Mortgage Loan Officer (NMLS #685493)</i>	202.808.3628
Octavia Jackson, <i>Mortgage Loan Officer (NMLS #815036)</i>	202.808.3624

Mortgage Department 202.808.3628

Lisa Owen, <i>AVP Mortgage Ops</i>	804.588.4788
Ron Voli, <i>Mortgage Ops Director</i>	804.588.4788
Melinda Vance, <i>Mortgage Loan Coordinator</i>	804.588.4788
Nakia Bowman, <i>Mortgage Loan Closer</i>	804.588.4785
Denis Harney, <i>Mortgage Loan Closer</i>	804.588.4788
Celia Morris, <i>Mortgage Loan Consultant</i>	804.588.4788
Cindy Gardner, <i>Sr Processor</i>	804.588.4788
Michelle Corum, <i>Mortgage Lending</i>	804.588.4788
Ken Michaels, <i>Mortgage Loan Processor</i>	804.588.4788

Sherry King, <i>Underwriter</i>	804.588.4788
Lee Slack, <i>Underwriter</i>	804.588.4788

MAIN OFFICE 24/7 CALL CENTER
202.808.3600
 Outside D.C.: 888.626.9845

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



DEPARTMENT of COMMERCE
FEDERAL CREDIT UNION

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

Herbert C. Hoover Building, Room B0038-A
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**



DEPARTMENT of COMMERCE
FEDERAL CREDIT UNION

LIVE WELL
BELOW YOUR MEANS



Your savings are insured by the FDIC up to \$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 2019.

The world continues to be a most challenging place. As I write this report there is grave concern about the Coronavirus. It is a life threatening event with an unknown solution. On top of the health concerns there are also concerns about the economies of the world and the financial markets are in turmoil.

Through all of these challenges and turmoil please remember one thing. Your credit union will always be a safe haven for you financially. Whether you need a loan for a car or a mortgage or an emergency or whether you want a safe place for saving and investing your credit union is here for you. As many of you already know our certificate of deposit rates are among the best in the country. Please take advantage of all of our products and remember, we're here for you when you need us.

Thank you again for your continued support and patronage. I look forward to serving you in 2020 and into the future.

Respectively Submitted,
Evan Clark
President/CEO

Chairman's **REPORT**

The Credit Union had another successful year in 2019. Our assets grew and we remained profitable. We continued to emphasize savings and investing for our members by offering very competitive rates on certificates of deposit.

One of the products we continue to be most proud of is performance checking. You can earn one of the best checking account rates in the entire country with performance checking. Call one of our offices for all of the details about this great product.

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. We grew assets by \$24.9 million or 4.95%, totaling \$529 million in 2019.

Outstanding loan balances increased by 14.02%. The vast majority of loan growth stems from mortgage growth. Our checking accounts and share certificates experienced positive growth in 2019. Checking accounts grew by 9.34% and certificates grew by 15.86%. Money market accounts shrunk by 4.94% and savings accounts shrunk by 2.69% in 2019. Your credit union continues to have some of the highest share certificate rates in the nation.

Investments shrunk by 17.87% to end the year at \$112.7 million. Instead of building our investment portfolio, we were 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 2.87% for 2019. This ratio is lower than the previous year when it was 2.94%. Expenses as a percent of assets decreased in 2019 because we grew our assets faster than we grew our expenses. As we continue grow, you should see the expense ratio further decrease in 2020.

Even though the economic environment was not the easiest, \$1.87 million was added to Reserves in 2019, 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 2019.

Respectfully Submitted,
Donald R. Trafton
Treasurer

Credit Committee **REPORT**

The Credit Union continued to serve our members' lending needs throughout 2019. With the economy on solid footing, our membership sought more credit. Last year, the Credit Union originated 3,075 new loans and lines of credit, including 2,764 consumer loans and 311 mortgages. Overall, we closed \$165.0 million in new loans. We finished the year with a portfolio of \$339.5 million total loans outstanding, growing almost 20% year over year.

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 2019, we approved 69% of the loan applications we received were approved.

As the economy and the job market continued to improve, so did the Credit Union's delinquency rates. Our delinquency rate hit an all-time low last year. As of December 31st, 2019, our loan portfolio had an overall delinquency rate of 0.19%.

We are incredibly proud to have been there for our membership during the government shutdown at the beginning of the year. We assisted our borrowers with skipped payments, line of credit extensions, and emergency loans. We granted payment extensions or loan modifications on 374 loans totaling over \$4.78 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

Supervisory Committee **REPORT**

The Supervisory Committee is the members' representative under the Federal Credit Union Act. he 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