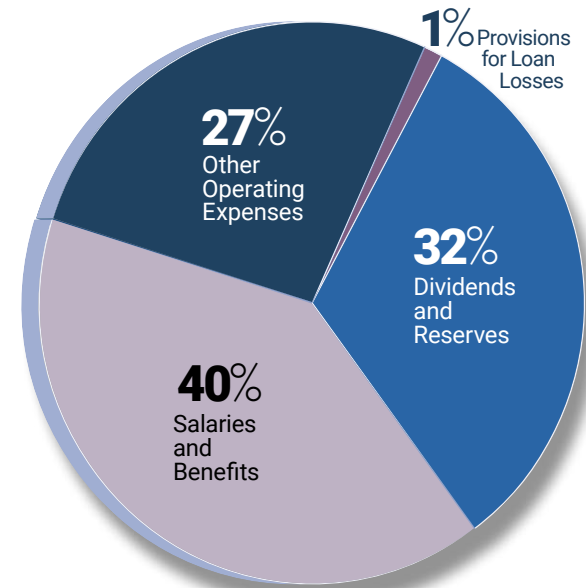


DISTRIBUTION OF INCOME



STATEMENT OF INCOME

| | 2020 | 2021 |
|----------------------------------|----------------------|----------------------|
| Member Loan Income | \$ 17,790,350 | \$ 17,055,169 |
| Investment Income | 2,639,583 | 1,472,995 |
| Other Income | 3,370,450 | 7,462,708 |
| TOTAL Income | \$ 23,800,383 | \$ 25,990,872 |
| Dividend and Interest Expense .. | \$ 6,785,191 | \$ 5,409,868 |
| Provision for Loan Losses | \$ 1,199,565 | \$ 226,530 |
| OPERATING EXPENSES | | |
| Salary and Benefits | \$ 8,703,914 | \$ 11,625,691 |
| Other Operating Expenses | \$ 6,121,842 | \$ 6,508,191 |
| TOTAL Operating Expenses | \$ 14,825,755 | \$ 18,133,881 |
| NET INCOME | \$ 989,871 | \$ 2,310,242 |

DOCFCU STAFF DIRECTORY

| Management | |
|--|--------------|
| Evan Clark, <i>President/CEO</i> | 202.808.3633 |
| Patrick Collins, <i>COO</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>Chief Experience Officer</i> | 202-808-3597 |
| Human Resources | |
| Reisa P. Jackson, <i>HR Director</i> | 202.808.3631 |
| Administration | |
| Monique Chase, <i>Executive Asst.</i> | 202.770.8859 |
| 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 |
| Michelle Corum, <i>Sr Accountant</i> | 804.368.6078 |
| Chris Clark, <i>Financial Analyst</i> | 202.470.6193 |
| Member Services 202.808.5999 | |
| Lena Lane, <i>AVP Member Services</i> | 202.808.3602 |
| HCHB BRANCH | |
| Shirl Desormeaux, <i>Branch Manager</i> | 202.808.3615 |
| Jasmine Peters, <i>MSR</i> | 202.808.3609 |
| Silver Spring BRANCH | |
| Arlene Reddy, <i>Branch Manager</i> | 301.658.7274 |
| LaNeisha Wheeler, <i>Asst Branch Manager</i> | 301.658.7282 |
| Briana Zanders, <i>Sr Loan Processor</i> | 301.658.7276 |
| White House BRANCH | |
| Kiana Knott, <i>Card Services Operations Specialist</i> | 202.470.6194 |
| Member Onboarding | |
| Angela Norris, <i>Member Onboarding Manager</i> | 202.470.6195 |
| Iris Calloway, <i>Mbrship Processor</i> | 202.715.8667 |
| Tricia Campbell, <i>Mbrship Processor</i> | 202.905.0814 |
| Turneisha Wonson, <i>Sr MP</i> | 202.808.3612 |
| Call Center | |
| Cierra Leigh, <i>Call Center Manager</i> | 202.470.6796 |
| Britnee Bailey, <i>Rep</i> | 202.759.1033 |
| Collections Department 202.808.5991 | |
| Wanda Turner, <i>AVP Collections</i> | 202.808.3605 |
| Gabrielle Parker, <i>Collector</i> | 202.808.3606 |
| Information Technology Department | |
| Mike Orozco, <i>Project Management Officer</i> | 202.759.1031 |
| Lamar Strothers, <i>IT Manager</i> | 202.808.3629 |
| Lisa James, <i>Program Coordinator</i> | 202.808.3596 |
| Carmella Smith, <i>Software Analyst</i> | 202.808.3595 |
| Elen Berhe, <i>Systems Analyst</i> | 202.905.0817 |
| Syed Hussain, <i>IT Specialist</i> | 202.808.3632 |
| Operations Department | |
| Anibal Garcia, <i>Quality Control Analyst</i> | 202.759.1023 |
| Monique Simmons, <i>AVP Card Services</i> | 202.759.1024 |
| Aida Cruz, <i>Operations Specialist</i> | 202.470.6189 |
| Lisa Morris, <i>Fraud Analyst</i> | 202.470.6191 |
| Melanie Sanders, <i>Business Analyst XA-LPQ</i> | 202.905.0813 |
| Adriana Green, <i>Fraud Analyst</i> | 202.808.3613 |
| Ivory Frederick, <i>Overdraft Specialist</i> | 202.470.6192 |
| Loan Department 202.808.5998 | |
| Samantha Curry, <i>AVP of Consumer Lending</i> | 202.808.3607 |
| Gwen Taylor, <i>HELOC Coordinator</i> | 202.808.3630 |
| Cassandra Bond, <i>Loan Disbursement Officer</i> | 202.759.1022 |
| Tamara Drake, <i>Loan Officer (NMLS #1121799)</i> | 202.808.3623 |
| Orise Felix, <i>Sr Loan Officer</i> | 202.808.3610 |
| Sheila Murphy, <i>Assistant Lending Manager</i> | 202.759.1027 |
| Jada Robinson, <i>Loan Processor</i> | 202.715.8661 |
| Mike Bargeron, <i>Post-Closing Manager (NMLS #685493)</i> | 202.808.3628 |
| Octavia Jackson, <i>Director of Home Equity (NMLS #815036)</i> | 202.808.3624 |
| Mortgage Department 202.808.3628 | |
| Anie Akpe, <i>AVP Mortgage Ops</i> | 804.588.4788 |
| Melinda Vance, <i>Mortgage Operations Manager</i> | 804.588.4785 |
| Nakia Bowman, <i>HELOC Coordinator/Closer</i> | 202.715.8666 |
| Denise Harney, <i>Sr Closer</i> | 804.774.2718 |
| Cindy Gardner, <i>Sr Processor</i> | 804.588.4788 |
| Ken Michaels, <i>Broker Relationship Coordinator</i> | 804.588.4788 |
| Sherry King, <i>Underwriter</i> | 804.368.6037 |
| E-Services | |
| Brenda Vaughn, <i>E-Services Manager</i> | 202.905.0815 |
| Denzel Williams, <i>E-Services Analyst</i> | 202.759.1028 |
| Gary Daniel, <i>E-Services Specialist</i> | 202.759.1039 |
| Julius Pickett, <i>E-Services Analyst</i> | 202.715.8887 |
| Monique Brown, <i>E-Services Analyst</i> | 240.641.7857 |

DOCFCU BOARD OF DIRECTORS

| | |
|-------------------------|-------------------------------|
| James Boney | Chairman |
| Henry Misisco | 1 st Vice Chairman |
| Roger Gilbertson | 2 nd 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 |

DOCFCU SUPERVISORY COMMITTEE

| | |
|-----------------------|-----------|
| Brian DiGiacomo | Chairman |
| Amber Beam | Secretary |
| Dennis Atkinson | Member |
| Sheila Bradley | Member |



DEPARTMENT of COMMERCE
FEDERAL CREDIT UNION

DOCFCU.org
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

A FEW YEARS IN BRIEF

| | 2019 | 2020 | 2021 |
|---|----------------|----------------|----------------|
| Assets | \$ 529,186,179 | \$ 569,354,843 | \$ 633,900,504 |
| Shares/Savings | \$ 90,773,775 | \$ 103,512,475 | \$ 119,397,310 |
| Checking | \$ 74,039,239 | \$ 91,400,263 | \$ 102,796,344 |
| Certificates | \$ 163,711,225 | \$ 169,389,077 | \$ 194,802,241 |
| Money Market | \$ 62,930,478 | \$ 68,165,241 | \$ 72,147,884 |
| IRAs | \$ 23,909,923 | \$ 24,980,034 | \$ 24,964,286 |
| Loans | \$ 394,086,874 | \$ 426,378,563 | \$ 541,517,277 |
| Vehicles | \$ 25,957,929 | \$ 24,174,474 | \$ 21,884,873 |
| Home Equity/ ^{2nd} Trust Mortgages | \$ 29,373,445 | \$ 40,278,081 | \$ 56,871,051 |
| 1 st Mortgages | \$ 250,415,799 | \$ 300,117,048 | \$ 411,903,379 |
| VISA | \$ 14,937,559 | \$ 12,657,367 | \$ 11,622,472 |
| Reserves/ Undivided, Earnings | \$ 45,785,615 | \$ 46,775,486 | \$ 53,085,728 |
| Net Income | \$ 1,876,425 | \$ 989,871 | \$ 2,310,242 |
| Membership | 18,586 | 18,272 | 18,762 |

STATEMENT OF FINANCIAL CONDITION

| | 2020 | 2021 |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 13,516,174 | \$ 7,036,877 |
| Loans to Members | 426,727,845 | 542,080,810 |
| Allowance for Loan Losses | (1,603,293) | (1,276,562) |
| Investment Securities | 110,973,076 | 68,114,111 |
| NCUSIF Deposit (Share Insurance) | 3,412,820 | 3,412,820 |
| Other Assets | 16,328,221 | 14,532,448 |
| TOTAL Assets | \$ 569,354,843 | \$ 633,900,504 |
| LIABILITIES AND MEMBERS' EQUITY | | |
| Members' Share Account | \$ 457,447,090 | \$ 484,053,406 |
| Other Liabilities | 6,799,674 | 7,306,846 |
| Borrowings | 60,000,000 | 60,000,000 |
| Non-Member Deposits | — 0 — | 30,054,660 |
| Total Liabilities | 524,246,764 | 581,414,912 |
| Members' Equity | 45,108,079 | 52,485,592 |
| Total Liabilities and Members' Equity | | |
| TOTAL | \$ 569,354,843 | \$ 633,900,504 |

Main Office 24/7 Call Center
202.808.3600
Outside D.C.: 888.626.9845



LIVE WELL. BELOW YOUR MEANS.

2021 ANNUAL REPORT

DOCFCU is a symbol of financial strength and security.

DEPARTMENT of COMMERCE
FEDERAL CREDIT UNION

Department of Commerce FCU 2021 Annual Report

PRESIDENT'S REPORT

Thank you for your patronage and support in 2021.

We made it through the COVID-19 pandemic for the most part and yet here we are, facing inflation, the likes of which we have not seen for many years. Inflation makes it more difficult for everyone because the rising prices squeeze paychecks and make living within our means more and more difficult.

The credit union is always here for you. If there are times when you need to borrow, we have the staff and the loan products to help you in these challenging times. And if you are in need of a place to save our member certificate program always has very good rates.

Thank you again for your continued support and patronage. I look forward to serving you throughout the remainder of 2022 and into the future.

Respectfully Submitted,

Evan Clark

President/CEO

LIVE WELL
BELOW YOUR MEANS

CHAIRMAN'S REPORT

The Credit Union had another successful year in 2021. Our assets grew and we remained profitable. This despite the many challenges caused by the inflationary pressures the economy is putting on all of us. We continued to emphasize savings and investing for our members by offering very competitive rates on certificates of deposit.

In these times of inflationary pressures and rising interest rates your credit union will be here for you. We were one of the first financial institutions in the country to raise our certificate rates in response to the rising interest rates and we will continue to adjust our rates as market conditions change.

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, particularly during the pandemic. **Please tell your family members and coworkers about your Credit Union** – your endorsement is our best advertising.

You can count on DOCFCU for all 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 \$64.5 million or 11.34%, totaling \$633 million in 2021.

Outstanding loan balances increased by 27%. The vast majority of loan growth stems from mortgage growth. Total deposits grew by 12.39% in 2021. Checking accounts grew by 12.47% and certificates grew by 13.60%. Money market accounts grew by 5.84% and savings accounts grew by 15.35% in 2021. **Your credit union continues to have some of the highest share certificate rates in the nation.**

Investments shrunk by 38.62% to end the year at \$68.1 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 3.01% for 2021. This ratio is higher than the previous year when it was 2.70%. Expenses as a percent of assets increased in 2021, however, as we continue grow, you should see the expense ratio decrease in 2022.

Even though the economic environment was not the easiest, \$2.3 million was added to Reserves in 2021, 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 2021.

Respectfully Submitted,

Donald R. Trafton

Treasurer

CREDIT COMMITTEE REPORT

As COVID lockdowns ended and life began returning to normal, the Credit Union was there to assist our membership with its borrowing needs. Whether it was financing a new car, consolidating credit card balances, paying for home improvements, or purchasing a new home, **DOCFCU coupled competitive rates with exceptional service.** During 2021, the Credit Union originated 2,724 new loans and lines of credit, including 2,229 consumer loans and 695 mortgages. Overall, we closed \$440.7 million in new loans – \$188.9 million than the year before. We finished the year with \$529.9 million in total loans outstanding, growing our portfolio almost 25% from the year prior.

For our members affected by the pandemic, we continued to provide payment assistance. We granted over 200 skip-a-pay requests during 2021, and also provided mortgage forbearance plans to those who needed them

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 2021, 65.96% of the consumer loan applications we received were approved.

In spite of the economic turmoil caused by the pandemic, our delinquency rates remained at historically low levels. As of December 31st, 2021, our loan portfolio had an overall delinquency rate of 0.19%.

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 our members' needs.**

Respectfully Submitted,

Jeffrey J. Banyas

Chairman

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. The Supervisory Committee hired the firm of Nearman Maynard Vallez CPAs to perform the annual certified audit of the Credit Union. It is the Supervisory Committee's opinion after review of the audit results 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 **SupervisoryCommittee@DOCFCU.org** or at the following mail address:

SUPERVISORY COMMITTEE
Department of Commerce
Federal Credit Union
PO Box 841
Washington, DC 20044

The above addresses should not be used for credit union financial transactions, such as making deposits. Any such mail sent to these addresses may experience a significant delay in posting, but we will do our best to respond in a prompt fashion.

Respectfully Submitted,

Brian DiGiacomo

Chairman