

Board of Directors

James J. Kaelin, *Chairman*
 Robert V. Fischer, Jr., *Vice Chair*
 Carolyn J. Smith, *Secretary*
 John E. Lynn, *Treasurer*
 William H. Cable
 John T. Caulfield
 Frank T. DeStefano
 Michael P. Flaherty
 Carleton C. Jenkins
 Robert Kevin Ryan
 Letitia H. White
 Patricia Nelson Nugent, *Emeritus*

Supervisory Committee

James D. Jenkins, *Chairman*
 George J. Agurkis
 John T. Caulfield
 Latrice Powell¹

Credit Committee

Denise Ouellette, *Chairperson*
 Luis Jara, *Secretary*
 Greg Janecka
 Gregory Jenkins
 Jeff Klein

Management

Sean Zimmermann, *President & CEO*
 Rod Boddie, *General Counsel*
 Anthony Caccese, *CFO and Vice President*
 David Hufnagel, *COO and Vice President*
 Denise Ouellette, *CLO and Vice President*
 Vanessa Gregory, *Vice President*
 Montez Hairston, *Vice President*
 John O. Kirlew, *Vice President*

1 - Appointed 09/26/2019

2019
ANNUAL
REPORT

CONDENSED STATEMENTS OF Financial Condition (Unaudited)*

Assets

December 31,	2019	2018
Cash and Cash Equivalents	\$ 49,169,552	\$ 70,592,274
Investments	\$ 290,035,382	\$ 281,466,854
Loans to Members, Net	\$ 611,415,808	\$ 573,287,338
Property and Equipment, Net	\$ 8,895,752	\$ 8,998,079
Other Assets	\$ 29,581,766	\$ 29,691,277
National Credit Union Share Insurance Deposit	\$ 7,540,830	\$ 7,545,010
Total Assets	\$ 996,639,090	\$ 971,580,832

Liabilities and Members' Equity

December 31,	2019	2018
Members' Share & Savings Accounts	\$ 891,815,088	\$ 877,118,729
Other Liabilities	\$ 7,900,521	\$ 7,624,663
Total Liabilities	\$ 899,715,609	\$ 884,743,392
Total Members' Equity	\$ 96,923,481	\$ 86,837,440
Total Liabilities and Members' Equity	\$ 996,639,090	\$ 971,580,832

CONDENSED STATEMENTS OF Income (Unaudited)*

December 31,	2019	2018
Interest Income	\$ 35,618,514	\$ 33,026,665
Interest Expense	\$ 6,236,588	\$ 4,372,893
Net Interest Income	\$ 29,381,926	\$ 28,653,772
Provision for Loan Losses	\$ 1,700,718	\$ 1,918,774
Net Interest Income after Provision	\$ 27,681,208	\$ 26,734,998
Non-Interest Income	\$ 8,877,455	\$ 9,297,477
Non-Interest Expense		
Comp and Benefits	\$ 15,496,806	\$ 15,008,756
Office Operation	\$ 6,918,693	\$ 6,596,283
Other	\$ 7,404,706	\$ 7,500,482
Total Non-Interest Expense	\$ 29,820,205	\$ 29,105,521
Net Income	\$ 6,738,458	\$ 6,926,954

*These unaudited condensed financial statements do not constitute a complete presentation. The complete set of audited financial statements, including the statements of cash flows and changes in members' equity, and notes to the consolidated financial statements are available at www.CongressionalFCU.org/annualreports.

Account Access

24 HOURS A DAY, 7 DAYS A WEEK

ONLINE BANKING

www.CongressionalFCU.org

TELLER 24

800.846.0375 | 703.934.8333 | Capitol Hill, 6.4132

MOBILE BANKING

www.CongressionalFCU.org/mobile
 From Browser | m.congressionalfcu.org

Contact Us

MEMBER SERVICES

800.491.2328 | 703.934.8300 | Capitol Hill, 6.3100

EMAIL

email@CongressionalFCU.org

FAX SERVICES

Account Requests | 703.934.8307
 Loans-by-Fax | 703.934.8319

MAILING ADDRESS

P.O. Box 23267 | Washington, D.C. 20026-3267



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2019
ANNUAL
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REPORT FROM THE Chairman and CEO

Congressional Federal continued to grow as a strong, well-capitalized credit union while helping members achieve their financial dreams in 2019. The credit union made significant progress in a number of areas and also made new opportunities available to our members. At year's end, Congressional Federal increased assets 2.58% year over year to \$996.6 million (*see Treasurer Report*) while serving the needs of nearly 50,000 members.

We enhanced our member experience and product offerings in exciting ways in 2019, including an updated Online Banking platform. It features a sleek modern interface, better search capabilities, advanced fraud detection analytics, and secure messaging. During August Congressional recess, we remodeled the Capitol Building branch for transacting in a fast-paced world while staying true to the building's historic significance. The update opened up the space and exposed the historic original tile floors from the 1800s. In November, we spotlighted our Visa® Signature Premier and Cash Rewards credit card programs with a special offer. New cardholders receive bonus rewards or cash points for shopping at popular Capitol Hill merchants throughout 2020.

In January 2019, Congressional Federal extended support to members facing hardship from an ongoing government furlough. Because we have always catered to members who serve the House of Representatives, we stand ready to deploy comprehensive furlough relief programs as soon as members need them. Local and national media outlets took notice and shared the benefits of turning to credit unions like Congressional Federal for support when income is uncertain.

Congressional Federal is here to educate and here to empower. We launched an initiative to connect members with a wealth of educational resources and learning opportunities available to them as benefits of membership. We introduced monthly educational digests full of useful information on topics such as money

management, fraud prevention, and planning for the future. Throughout the year, we provided free financial literacy seminars on and off the Hill covering in-demand topics from home buying to retirement. In addition, the Wright Patman Scholarship program awarded three \$3,000 scholarships to college-bound members.

The credit union continued its proud tradition of giving back in 2019. We co-sponsored the annual Congressional Baseball Game, which supported the Capitol Police Memorial Fund and Boys and Girls Club, among other worthy organizations. We participated in annual initiatives for vital causes including Honor Flight, Thrive DC, Hoops for Youth, the Congressional Football Game, and more. We also introduced new causes such as ASPCA's Paws for Love and Operation Gratitude.

2019 marked our 18th year as a proud title sponsor of the Credit Union Cherry Blossom Ten Mile Run and sponsor of the race within the race, the Capitol Hill Competition. Many Representatives and Senators aided our efforts by volunteering to serve as Honorary Race Chairs. Additionally, 733 Hill staff runners including 67 teams vied for the Capitol Hill Cup. As they do every year, Congressional Federal staff enjoyed volunteering on race day. In the end, our efforts helped raise \$400,000 for Children's Miracle Network Hospitals, for a total of \$9.5 million since 2002.

In 2020, we will continue our work to improve our products, services and technology to better serve the unique needs of our membership. Thank you to our members, our Board of Directors, Supervisory Committee, management and staff—all working together to make Congressional Federal the institution it is today. We wouldn't be who or where we are without you.

James J. Kaelin
Chairman

Sean Zimmermann
President & CEO

2019 ANNUAL REPORT

REPORT FROM THE Treasurer

During 2019, the U.S. Economy Gross Domestic Product (GDP) grew 2.3%, down from 2.9% in 2018, and the unemployment rate dropped from 3.9% to 3.5% in this same time frame. Stocks surged in 2019 despite the ongoing U.S.-China trade war as the Federal Reserve cut rates three times while consumer sentiment remained high. Trade tensions also declined in the fourth quarter after China and the U.S. agreed to sign a so-called phase one trade deal. The S&P 500 and Dow Jones Industrial Average were up 28.9% and 22.3%, respectively, for 2019. The credit union continued to experience solid financial performance in 2019. A copy of our unaudited year-over-year condensed financial statements is included on the reverse pages.

During 2019, assets grew to \$996.6 million, an increase of 2.58% over the prior year. Shares grew to \$891.8 million, an increase of 1.7% over the prior year. Net loans to members grew to \$611.4 million or an increase of 6.6% over the prior year. Our Net Income of \$6.7 million for 2019, contributes to Total Members' Equity of \$96.9 million providing safety and soundness for continued growth.

This success is attributable to you, our members, who utilize our products and services, and to our Credit Union staff. We thank you for your valued support. We will continue to monitor feedback and market conditions in order to make modifications that help to ensure we are providing for your current and future financial needs.

John E. Lynn | Treasurer

A copy of our audited financial statements can be located here:
www.CongressionalFCU.org/annualreports

REPORT FROM THE Credit Committee

The Credit Committee oversees the review of member loan applications, appoints loan officers, delegates to them the authority to approve loan requests and recommends credit policy to the Board of Directors.

During 2019, the credit union received 7,365 consumer loan and Visa® credit card applications. Among those loan applications received, we disbursed 1,201 new and used auto loans totaling \$26,566,031. Personal loans disbursed numbered 1,322 for a total amount of \$18,702,593. There were 25 share-secured loans granted in the amount of \$550,827. We disbursed 11 student consolidation loans in 2019 totaling \$338,798. Member usage of our Visa® credit cards continues to grow as we issued 694 credit cards totaling \$6,408,500 in credit limits. Overdraft Reserve Lines of Credit were granted to 445 members for a total limit of \$2,301,550. The credit union was proud to begin delivering instant approvals to consumer loan applications submitted via Congressional Federal's mobile

channel. This enhancement enables us to rapidly serve members who are utilizing Congressional Federal's mobile application.

The credit union also experienced yet another extremely successful year for its real estate lending business. During 2019, the credit union funded 327 mortgage loans totaling \$117,822,786. In addition, home equity loans and home equity lines of credit were made to 260 members totaling \$22,755,794. Most importantly, in 2019 our mortgage lending satisfaction reached all-time highs. An incredible 95% of borrowers who obtained a loan stated that they would recommend us to a fellow member.

The Credit Committee remains dedicated to serving our field of membership by anticipating their lending needs. Congressional Federal will continue to seek new opportunities to grant loans to its membership while balancing risk within the portfolio.

Denise Ouellette | Credit Committee Chair

REPORT FROM THE Supervisory Committee

To guarantee the Credit Union operates in a safe and sound manner in accordance with our bylaws, charter, policies and procedures, as well as regulatory requirements, the Supervisory Committee oversees internal and external audits and ensures Credit Union compliance with audit recommendations.

The Supervisory Committee retained Clifton Larson Allen, a certified public accounting firm, to facilitate Congressional Federal's comprehensive annual audit. A condensed unaudited financial statement is included within this Annual Report; notwithstanding, a complete

set of audited financial statements is available upon written request or at www.congressionalfcu.org/annualreports. The National Credit Union Administration conducts examinations and Internal Audit performs routine monitoring and reviews of the Credit Union.

The Supervisory Committee is pleased to report that Congressional Federal remained successful during 2019, continues to operate in a safe and sound manner, complies with all applicable rules and regulations, and remains financially strong.

James D. Jenkins | Chairman