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ANNUAL REPORT



REPORT FROM THE CHAIRMAN

On behalf of the Board of Directors, thank you for your trust and commitment to the Credit Union. Working together, Transportation FCU's CEO, management, and employees remained steadfastly focused on purposeful improvement to help build a better member experience.

To provide greater accessibility, convenience, and security, Transportation FCU completed a core conversion. This integrated our mobile and online banking platforms, delivering single-sign on capability for both online and mobile banking. It also allows members to apply for a loan in our mobile app as well as initiate a skip-a-payment on a loan. We also brought our credit card management in-house allowing members to view credit card information, such as transactions and payments, in real-time and to lock and unlock their credit cards in the mobile app.

Throughout the remainder of 2023 and beyond, the Credit Union will undertake a renovation to our headquarters in Alexandria, Virginia. This renovation will transform our headquarters into a full-service branch with 24/7 ATM access and will provide an updated training and community room to benefit our employees and members. Other changes on the horizon include a new website designed to meet the needs of our members and continued enhancements to the member experience to help members navigate their financial lives.

In closing, I know I speak for the entire volunteer Board of Directors when I say thank you for the opportunity and privilege of serving you and for your confidence and trust. Your Credit Union is dedicated to you, always striving to provide the best in financial products, services, safety, security, and peace of mind.

Keith Washington

Chairman, Board of Directors

REPORT FROM THE TREASURER

At Transportation Federal Credit Union, we're proud to be your safe and trusted financial institution. As of the end of the year, we had a total of 21,437 members, as well as total assets of \$281.6 million. Additionally, net loans increased \$25.9 million to \$230.7 million while shares landed at \$249.8 million.

The credit union's capital position remains strong, ending the year at a ratio of 10.37% of total assets, which reflects the continued financial stability of the credit union. That ratio is significantly higher than the regulatory "well capitalized" level of 7% as determined by our primary regulator, the National Credit Union Administration (NCUA).

For over 82 years, Transportation FCU has remained a financially sound institution. Here, you have a trusted partner to help navigate your financial life, provide competitive rates, and always protect your savings. Your share savings are insured up to \$250,000 by the National Credit Union Share Insurance Fund (NCUSIF), which is administered by the National Credit Union Administration. IRAs are insured separately up to \$250,000 by the same Fund. Additionally, every member has supplementary coverage of up to \$250,000 through Excess Share Insurance, a licensed insurance company, at no additional cost.

Our Board and Management are honored to serve you and are dedicated to ensuring credit union growth and stability. On behalf of the Board of Directors, its committees, and management, we want to thank you for your trust. It is truly valued.

Treasurer

Tremayne Cobb

REPORT FROM THE **SUPERVISORY COMMITTEE**

The Supervisory Committee is one of the membership's representatives of Transportation Federal Credit Union along with the Board of Directors (Board) and an integral part of the Transportation FCU team. Supervisory Committee members are appointed by the Board of Directors and tasked with the responsibility of overseeing the protection of your assets. As your representatives, we, the Supervisory Committee, take our responsibilities to you, the member/owners of Transportation FCU, very seriously.

Our primary functions are to (1) oversee the credit union's financial condition and ensure the existence of sound management practices, (2) ensure that an effective system of integral accounting and administrative controls is in place, and (3) ensure that Board policies and procedures are uniform and adhered to throughout Transportation FCU. In addition, we are responsible for monitoring the policy decisions of the Board and the operational procedures implemented by credit union officials. On occasion, we may make recommendations to the Board members for their consideration.

We accomplish our tasks and responsibilities by providing an annual review of Transportation FCU's financial statements, operational procedures, information system security, and account verification utilizing a risk-based focus. These reviews are accomplished through the annual audits. In 2021, the Committee retained the audit services of Doeren, Mayhew CPAs and Advisors under a three-year contract covering fiscal years 2021 through 2023.

The 2022 audits were completed and will be submitted to the Board, outlining the results. Transportation FCU received an unmodified clean opinion for the 2022 financial audit. In addition, the internal Automated Clearinghouse (ACH) and Bank Secrecy Act (BSA) audits revealed that Transportation FCU is in compliance with all the related regulations. The results showed that Transportation FCU continues its tradition of sound business operations, with a good system of internal accounting, administrative controls, and skilled management.

Overall, the membership can be proud of the management, operation, and personal integrity of your credit union. We believe you can be reasonably assured that the appropriate management practices and safeguards are in place to protect your assets.

Justin Clarke
Supervisory Committee Chairman

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2022

ASSETS	2022	2021
Cash And Cash Equivalents	\$3,621,335	\$36,822,053
Member Deposit Advances	6,343,700	5,633,483
Held-To-Maturity Debt Securities	24,973,501	23,360,359
Loans To Members, Net of Allowance for Loan Losses	228,501,332	202,666,314
Accrued Interest Receivable	833,493	637,921
Split-Dollar Life Insurance	6,654,547	6,466,836
Credit Union-Owned Life Insurance	4,427,228	4,315,633
Property And Equipment	1,948,073	1,654,520
Prepaid And Other Assets	1,818,527	4,664,225
National Credit Union Share Insurance Fund (NCUSIF) Deposit	2,534,943	2,439,023
Total Assets	281,656,679	288,660,367

LIABILITIES AND MEMBERS' EQUITY	2022	2021
LIABILITIES		
Members' Share and Savings Accounts	249,759,888	262,069,476
Accrued Expenses and Other Liabilities	5,048,102	2,605,972
Total Liabilities	254,807,990	264,675,448
MEMBERS' EQUITY		
Regular Reserve	2,175,438	2,175,438
Undivided Earnings	28,543,262	24,665,323
Accumulated Other Comprehensive Loss	(1,694,573)	(2,855,842)
Total Members' Equity	26,848,689	23,984,919
Total Liabilities and Members' Equity	\$281,656,679	\$288,660,367

STATEMENT OF INCOME

INTEREST INCOME	2022	2021
INTEREST INCOME		
Loan Interest	\$9,093,346	\$7,859,564
Securities and Interest Bearing Deposits	776,739	380,137
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Total Interest Income	9,870,085	8,239,701
INTEREST EXPENSE	1,334,927	1,500,157
Net Interest Income	8,535,158	6,739,544
PROVISION FOR LOAN LOSSES	233,820	383,111
Net Interest Income After Provision for Loan Losses	8,301,338	6,356,433
NON-INTEREST INCOME	2022	2021
Interchange Income	826,200	824,251
Service Charges and Fees	716,080	823,606
Other Non-Interest Income	624,705	593,693
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Total Non-Interest Income	2,166,985	2,241,550
NON-INTEREST EXPENSE	2022	2021
GENERAL AND ADMINISTRATIVE:		
Employee Compensation and Benefits	4,586,367	4,410,915
Office operating costs	1,779,737	1,854,734
Loan servicing expense	561,900	496,065
Professional and outside services	945,563	438,191
Office occupancy costs	283,476	263,728
Miscellaneous expenses	608,779	392,771
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Total Non-Interest Expenses:	8,765,822	7,856,404
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NET INCOME	\$1,702,501	\$741,579
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PRODUCTS AND SERVICES

SAVINGS

- Share Savings
- Free Checking
- Interest Bearing Checking Account
- Share Certificates
- Individual Retirement Accounts (IRA)
- Holiday Account
- Special Purpose Account
- Money Market
- Coverdell Education Savings Account (ESA)

LOANS

- Personal Loans
- Share-Secured
- New and Used Vehicle Purchase and Refinance
- Recreational Vehicles
- VISA® Platinum
- VISA Platinum Rewards
- Share Certificate-Secured
- Overdraft Protection
- First Mortgages
- Home Equity Loan
- Home Equity Line of Credit
- Student Choice Loans
- Share Secured VISA

SERVICES

- Auto Extended Warranty
- Bill Payment
- Car Buying Service
- Credit Card Access
- Debit Card
- Direct Deposit and Payroll Allotment
- Electronic Funds Transfer
- eStatements
- GreenPath Financial Wellness
- Guaranteed Asset Protection (GAP)
- Home Advantage
- MEMBER'S CHOICE Borrowers Security
- Member Contact Center
- Mobile Access
- Mobile Deposit
- Notary Service
- Online Account Access
- Shared Branch Network
- TruStage Insurance
- Wire Transfers

VOLUNTEERS AND **STAFF**

BOARD OF DIRECTORS

Keith Washington – Chairman
Tremayne Cobb – Vice-Chair/Treasurer
Jacqueline Hill – Secretary
Karen Shaw – Director
Pamela Whitley – Director
Philip Gulak – Director
Carole Guzzetta – Director
Linda Reaves – Director
Malcolm Andrews – Director

COMMITTEE MEMBERS

Justin Clark – Chair
Kyle Gracey – Secretary
Philip Gulak
Kevin McDonald
Syreta Brooks

SENIOR MANAGEMENT TEAM

Mary Jane Neusaenger – President and
CEO
Neil Hecht – Chief Financial Officer
Shelby Blake – Chief Operating Officer
Damond Fauconier – Vice President of HR

HAVE ANY QUESTIONS? **CONTACT US**



WEBSITE

www.transfcu.org



MEMBER CONTACT CENTER

202-366-9400

800-368-8432



@transportationfcu



**Transportation Federal
Credit Union**



**@transportation-federal
-credit-union**



**DOT
Branch**

8:30am - 4:00pm

1200 New Jersey
Avenue, SE
West Wing, 1st Floor
Washington, DC
20590



**FAA
Branch**

8:30am - 4:00pm

800 Independence
Avenue, SW, #128
Washington, D.C.
20591



**Kendall Square
Branch**

8:30am - 4:00pm

55 Broadway
Cambridge, MA

