

**ENJOY THE ADVANTAGES  
OF LABOR CU.**

**YOUR FOUNDATION OF  
FINANCIAL SUCCESS!**

**ANNUAL REPORT  
2022**



**LABOR**  
CREDIT UNION

# CHAIRMAN'S REPORT

Hello and welcome to the 2023 Labor Credit Union (Labor CU) Annual meeting! On behalf of the Board of Directors, I would like to personally thank you for your commitment to the Credit Union movement. We appreciate your continued membership and support. We also appreciate your dedicated support of the combined collaborative work offered through your membership in the Labor Credit Union.

Our current members of the Board of Directors are:

- Rev. Kevin Jackson, Ph.D. (Chair)
- Briana Fields Dolejsi (Vice-Chair),
- Jada McCray (Treasurer),
- Ann Marie Fitch (Secretary),
- Alberta Baker,
- Domonick Miller,
- Gordon Boyce,
- Sandra Falzone, and
- Webster Coleman.

I am also thankful for the support and service offered by our Supervisory Committee, comprised of:

- Crystal Jordan (Chairwoman),
- Sandra Swinson,
- Ann Marie Fitch,
- Veronica Trevino
- Robert Moore, and
- Elizabeth Harrington.

I further offer appreciation for the unswerving leadership and direction put forth by our Executive Team:

- Thomas Domingue (CEO),
- Hina Khalid (CFO), and
- Amber Mooney (VP of Member Experience).

I extend my heartfelt gratitude to each of you for your dedication and devotion to the success of Labor CU and its membership in every aspect of financial wellness.

Labor CU was chartered 88 years ago to serve the financial needs of its members. This tradition and mission of service still exists today. Our members gain competitive advantages based on an intentional bias towards lowered interest rates, innovative savings and investment strategies, and reasonable loan terms.

Our Board of Directors prioritized an ABC approach toward financial wellness and member's ability to:

- 1) Acquire financial stability;
- 2) Build significant relationships supportive of financial health; and,
- 3) Collaboratively interact with subject matter experts to enhance financial education.

The Board of Directors remains committed to:

- 1) accessibility for all people, at all levels, and always in one's everyday financial odyssey,
- 2) affordability for all who seek financial solutions to pressing economic concerns,
- 3) approachability for all who seek to connect with an organization whose investment strategies are member-centric; and,
- 4) accountability from all who seek a financial institution whose goal is to capitalize on ventures that bring the highest rate of return to our membership(s) – whether fiscal, familial, or financial federations.

In 2022, we continued to welcome the opportunities that were presented and steadfastly focused on creating a culture of continuous and purposeful improvement; especially, considering the volatility experienced during the re-opening of the global financial, business and workforce marketplaces. We were forced to make some very difficult decisions to ensure the stability of the credit union, as well as the safety of our member's depository. Though remnants of these financial crises persisted, Labor CU steadfastly remained committed to the mission of strengthening financial wellness for our members.

Last year also afforded our membership continued occasions to embrace new paradigms of financial management through the implementation and deployment of innovative technological services and features. Labor CU introduced the Virtual Branch to ensure we could reach our members who were unable to access our branches in an expedient manner. Our call center continues to offer state-of-the-art customer engagement tools to improve our member experience and provide greater client accessibility and convenience.

We increased our loan production to an all-time high level, creating opportunities for LCU to serve a greater constituency through an increase in non-member accounts. We expanded our field of membership that allowed us to bring new members aboard; namely, the University of the District of Columbia (UDC) and the Labor Council for Latin American Advancement (LCLAA). These relationships catapult LCU into service toward communities within the labor movement that expand the influence, imagination, and impact of the credit union.

During 2022, the Board of Directors furthered the comprehensive review of governance documentation and board policies and practices. The Board of Directors renewed its advocacy of our membership by reducing the time in which member concerns were addressed. The Labor CU leadership team has been working very hard to ensure that many of the new IT capabilities and requirements initiated in 2021 have taken shape and brought success to the credit union. The implementation of these measures were important components of our strategic plan and a critical mandate of the Board. We are confident that these improvements will solidify our internal systems and capabilities for years to come. In 2023, we will reinforce the momentum began last year by deploying innovative strategies that afford great oversight and financial firewalls that secure our networks and guard our depository against malware and other ill-intentioned endeavors.

It has been my honor to serve you these past two (2) years as Board Chair. I continue to dedicate myself to advocating for you, battling for you, and collaborating with you as you successfully reach your financial goals.

Rev. Kevin Jackson, Ph.D., Chairman  
Board of Directors  
Department of Labor Federal Credit Union

# TREASURER'S REPORT

For the year ending 2022, Labor Credit Union (Labor CU) had \$126.5 million in assets. Labor CU member shares were \$103.9 million at year end. The credit union reported a net loss of income of (\$235,861) for the year. This was directly tied to the write-off for a loan for \$720,000. However, Labor CU witnessed extreme loan volume and growth throughout the year. The credit union paid dividends of \$416,636 to the membership. Labor CU member loans totaled \$98.3 million at year end. The loan-to-share ratio was 94.61%. Labor CU continued to show positive growth in our assets, member shares and loans as shown below.

<b>Shares</b>		
<b>4.62%</b>	<b>\$99,326,431</b>	<b>\$103,917,221</b>
"Growth"	12/31/2021	12/31/2022
<b>Assets</b>		
<b>11.87%</b>	<b>\$113,124,192</b>	<b>\$126,554,100</b>
"Growth"	12/31/2021	12/31/2022
<b>Loans</b>		
<b>23.88%</b>	<b>\$79,363,514</b>	<b>\$98,318,845</b>
"Growth"	12/31/2021	12/31/2022

With the increase in the interest rate environment, the investment income continued to rise throughout the year. The Net Worth Capital at the end of 2022 was 10.62% which is well above the regulatory guidelines. With our Net Worth ratio above 7%, we are recognized as being "well capitalized" by the NCUA.

In an economy still heavily affected by the COVID-19 pandemic, Labor CU has weathered through the storm. While Labor CU took an unexpected setback during the year, it still ended the year with strong lending growth and a profitable investment portfolio. Labor CU remains committed to being the Foundation of Financial Success for our membership through successful engagement. The financial success of the Labor CU membership is sustained by strong leadership and consistency amongst the staff, management team, Board of Directors, and the Supervisory Committee. Together, we work to ensure that Labor CU's financial condition remains strong so that we can continue to support your financial needs.

Jada D. McCray, Treasurer

# SUPERVISORY COMMITTEE REPORT

The Supervisory Committee consists of up to five volunteer members of the Credit Union who are appointed annually by the Board of Directors. The Committee has oversight responsibility for ensuring that management financial reporting goals are met, and the Credit Union's practices and procedures adequately safeguard member assets.

In furtherance of these goals, the Supervisory Committee obtains an external audit each year by an independent audit firm. For Fiscal Year 2022, the Supervisory Committee engaged the services of the independent public accounting firm of Horne, LLC, to conduct the certified opinion audit for the period of 3/31/2021-3/31/2022. We are very pleased to state that the results of the audit were extremely positive.

In addition to our oversight responsibilities, the Supervisory Committee also serves as a valuable link between the members and the Credit Union. Specifically, one of the most important functions of the Supervisory Committee is to respond to member concerns and complaints. The committee reviews complaints to ensure that the staff's treatment of member transactions complies with NCUA and Labor CU policies and procedures.

To voice concerns, members may email the committee directly at: [SupervisoryCommittee@DOLFCU.org](mailto:SupervisoryCommittee@DOLFCU.org). Be assured, the Supervisory Committee takes each concern seriously and works to ensure that each member is treated fairly and impartially.

Crystal Jordan, Chairwoman  
Lyly Harrington  
Robert Moore  
Sandra Swinson  
Veronica Trevino

# CEO'S REPORT

On behalf of the staff and management team here at Labor Credit Union, thank you for your commitment to and participation in our Cooperative. I appreciate your continued membership and support.

In my Letter to Members that was distributed in December (2022), I highlighted several areas where the credit union has positively benefited our members. That letter was written in early December, and in the final month of 2022 the value and return to members increased significantly, largely due to an influx of auto loan demands.

In the final month of 2022, our membership grew by nearly 300 members, and we helped fund over \$7million of loans to our members seeking auto loan purchases to close out the year. This was a tremendous month of production, which will generate returns for the membership throughout 2023.

To recap the highlights from 2022 outlined in the Letter to Members, throughout 2022 your credit union:

- Provided over \$412,000 in dividends,
- Returned \$65,000 in fees to members,
- Provided over \$32.8 million in financing to members,
- Saved our members \$90,000 in debt payments through our loan protection products, and -

Your credit union was named 2022's Credit Union of the Year (for credit unions under \$250 million in assets) by the National Association of Federal Credit Unions (NAFCU) for the work we have done to expand financial literacy, and close the equity wealth gap amongst our membership through the First Time Home Buyer grant we provided throughout the year.

These were significant accomplishments that provided value to the 8,100 members that participate in our credit union cooperative.

As great as these accomplishments were, 2022 was not without its challenges. As I noted in the December Letter to Members, we were forced to write down a loss to an investment that the credit union made in 2012, which had become financially stressed. This write-down had a significant impact on the overall net income for the year, and it has forced us to delay the timeline for some of our key strategic initiatives, such as branch expansion, that I have previously outlined.

As we look ahead to 2023, the credit union team will be focused on operational efficiencies, improving service delivery channels, and increasing the value returned to our 8,100 (plus) members. Working together with you, I am excited about the future of your credit union. We are prepared for all that 2023 has in store for us, and we are excited about the future of your credit union.

Continue to stay informed with our updates through our mobile banking announcements, our social media posts on Facebook, Twitter, Instagram, and LinkedIn, and from our marketing team with their informational email updates. Also, be on the lookout for the Letter to Members that I will be sending out on a quarterly basis.

Thank you for being a valued member of our credit union. I am looking forward to helping you all achieve your financial goals this coming year.

Thomas Domingue, President/CEO

# FINANCIAL STATEMENTS

UNAUDITED AS OF DECEMBER 31, 2022 & 2021

## STATEMENT OF

### FINANCIAL CONDITION

	2022	2021
Loans	98,318,845	79,363,514
Loan Loss Allowance	(327,377)	(665,371)
<b>NET</b>	<b>\$97,991,468</b>	<b>\$78,698,143</b>
Cash	378,919	361,674
Investments	16,240,835	19,505,537
Accrued Income	253,988	192,077
Other Assets	11,688,888	14,366,761
<b>TOTAL ASSETS</b>	<b>\$126,544,098</b>	<b>\$113,124,192</b>
Dividends Payable		
Notes & Interest Payable		
Accounts Payable & Other Liabilities	\$10,380,108	\$254,987
<b>TOTAL LIABILITIES</b>	<b>\$10,380,108</b>	<b>\$254,987</b>
Members' Shares	103,917,221	99,326,431
Regular Reserves	281,540	281,540
Undivided Earnings	12,211,091	13,244,145
<b>TOTAL MEMBERS EQUITY</b>	<b>\$116,173,990</b>	<b>\$112,869,205</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$126,554,098</b>	<b>\$113,124,192</b>

## STATEMENT OF

### INCOME YEAR ENDING

	2022	2021
Interest on Loans	3,630,612	3,155,184
Income from Investments	337,139	288,982
All other Operating Income	1,959,203	1,854,513
<b>TOTAL OPERATING INCOME</b>	<b>\$5,926,954</b>	<b>\$5,298,679</b>
Operating Expenses		
Compensation/Benefits	2,376,950	2,099,069
Office Operations	1,725,132	1,385,803
Professional & Outside Services	796,883	714,053
Operating Fee	27,800	18,344
Provision for Losses	759,787	156,892
Interest on Borrowed Money	58,415	
Annual Meeting Expense	5,212	7,867
Other operating Expense		
<b>TOTAL</b>	<b>\$5,750,179</b>	<b>\$4,382,028</b>
Income Before Dividends	176,775	916,651
Non-operating Income (Expense)		
Dividends	412,636	356,150
<b>NET INCOME</b>	<b>(\$235,861)</b>	<b>\$560,501</b>

The financial statements above are abbreviated, and the sum of the figures shown may not add up to the total figures shown. The difference is caused by immaterial line items being suppressed for brevity.



# VOLUNTEERS & STAFF

## BOARD OF DIRECTORS

Dr. Kevin Jackson, Chairman  
Briana Fields Dolejsi, Vice-Chairwoman  
Jada McCray, Treasurer  
Ann Marie Fitch, Secretary  
Alberta Baker, Director  
Gordon Boyce, Director  
Webster Coleman, Director  
Sandra Falzone, Director  
Domonick Miller, Director

## ADMINISTRATION & STAFF

Thomas Domingue, Chief Executive Officer  
Hina Khalid, Chief Financial Officer  
Amber Mooney, VP of Member Experience  
Ruth Mauhay, Human Resource Manager  
Claudia Moreno, Site Reliability Engineer  
Dallana Estermann, Brand Ambassador  
Michelle Orellana, Executive Assistant  
Antwan Brady, Part-Time Internal Auditor

## LENDING SERVICES

Terri Harvey, Director of Lending  
Andrea Villafan, Lending Supervisor  
Sheila Crews, Lending Operations Specialist  
Bryan Payne, Loan Advisor  
Christel Lopez, Loan Advisor  
Darlicia Easton, Loan Servicing/QC Specialist

## SUPERVISORY COMMITTEE

Crystal Jordan, Chairwoman  
Sandra Swinson  
Veronica Trevino  
Elizabeth Harrington  
Robert Moore

## ACCOUNTING

Arlene Byrd, Accounting  
Specialist II  
Kaseimah Foreman,  
Accounting Specialist II

## FINANCIAL WELLNESS TEAM

Michael Freeman, Branch Manager  
Maalik Ezell, Financial Wellness Advisor  
Alexis Everett, Financial Wellness Advisor  
Carlos Barahona, Financial Wellness Advisor  
Mechen Kennedy, Call Center Manager  
Sandra Welsh, Financial Wellness Advisor  
Amirah Sellers, Financial Wellness Advisor  
Ali Rajput, Financial Wellness Advisor  
Dayna Spence, Financial Wellness Advisor

# VISIT US TODAY!

## FPB MAIN BRANCH

Dept. of Labor Building  
200 Constitution Ave, NW  
Room 9-3220  
Washington, DC 20210  
Call or Text: (202) 789-2901  
Fax: (202) 408-8253  
Hours: M-F 9:00 am - 4:00 pm

## BLS BRANCH

Bureau of Labor Statistics  
2 Massachusetts Ave, NE  
Room 2665  
Washington, DC 20212  
Call or Text: (202) 789-2901  
Fax: (202) 691-7985  
Hours: T & TH 9:00 am - 4:00 pm

## VIRTUAL BRANCH

[www.dolfcu.org/virtual-branch](http://www.dolfcu.org/virtual-branch)

## MAILING ADDRESS

PO Box 51 • Merrifield, VA  
22116

## UDC BRANCH

Student Center - Bldg #38, 1st Floor  
4200 Connecticut Avenue, NW  
Washington, DC 20008

## LABOR CU AUDIO RESPONSE

(844) 874-7981

## DOWNLOAD THE LABOR CU MOBILE BANKING APP

Keep connected to your finances in the most convenient way - in the palm of your hands! With similar features to It's Me 247 Online Banking, our Mobile App includes enhanced login options, makes mobile deposit easier, and provides a streamlined user experience.



[MemberServices@DOLFCU.org](mailto:MemberServices@DOLFCU.org)

[www.DOLFCU.org](http://www.DOLFCU.org)

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National Credit Union Administration