

ANNUAL REPORT

20  
22



**NORTHROP GRUMMAN  
FEDERAL CREDIT UNION**

[ngfcu.us](https://ngfcu.us)

In 2022, Northrop Grumman Federal Credit Union (NGFCU) continued to work hard to increase value for member-owners. As members faced needs, whether it was a new home, a car, a much-needed home repair, or even help planning their estate, NGFCU was who they turned to for exceptional value and solutions.

This past year, NGFCU surpassed 70,000 members – our largest membership in our 76-year history. Despite any remaining challenges left from the effects of the pandemic, NGFCU is also proud to mark the year with other notable financial achievements:

- Increase in net loan balance
- Rise in net interest income
- Growth in loan origination units



Member David N. purchased a vehicle with an NGFCU loan.

We'd also like to highlight many momentous enhancements and accomplishments:

## Member Access:

- Opened a new branch in Fair Lakes, VA
- Reopened our St. Augustine, FL and Manhattan Beach, CA branches
- Added new ATMs to Palmdale, CA Site 7, Mojave, CA and our Roy, UT branch
- Improved our Online & Mobile Banking experience
- Replaced and enhanced our Member Experience Platform



## Products and Services:

- Added a member referral program
- Launched Early Payday so members can receive direct deposits up to two days early
- Added an Estate Planning service
- Increased usage of our digital payment system Zelle®
- Funded a record number of HELOC and Auto Loans





Additional achievements for the year included holding our annual School Supply Drive and supporting non-perishable food drives from our sponsors. Thank you to all who were able to donate and make a difference.

We appreciate our dedicated volunteers, staff, and member-owners for placing your trust in us. We look forward to celebrating another banner year with you in 2023 as we continue to pursue methods to enhance your membership and provide you with the best value in financial services.



NGFCU employee Amalia Agot helped with the supply drive collection efforts.

# CONSOLIDATED STATEMENT of Financial Condition

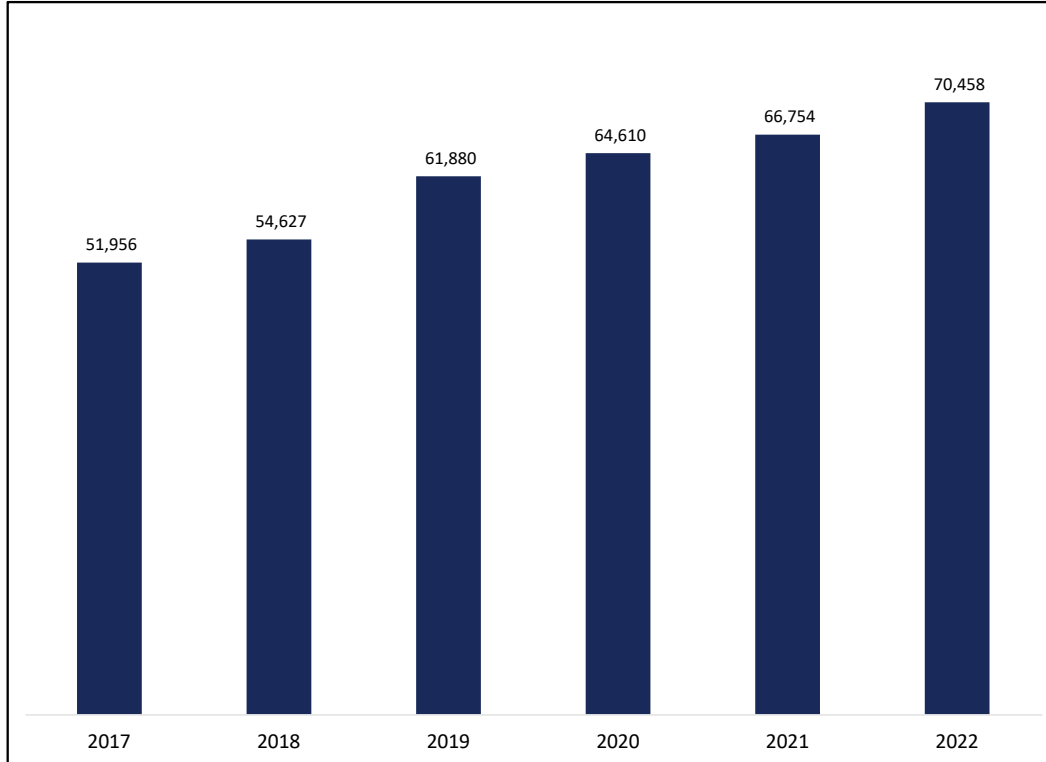
ASSETS	Dec. 31, 2022	Dec. 31, 2021
Cash and cash equivalents	\$30,238,612	\$116,305,696
Securities available-for-sale	\$682,898,917	\$752,005,798
Other investments	\$11,553,600	\$8,339,100
Net loans	\$793,183,399	\$732,156,430
Accrued interest receivables	\$4,205,226	\$3,130,886
Property and equipment	\$5,636,779	\$5,978,710
Operating lease right of use	\$2,499,572	\$3,815,630
NCUSIF deposit	\$13,504,980	\$12,861,501
Other assets	\$10,534,718	\$8,243,185
<b>Total Assets</b>	<b>\$1,554,255,803</b>	<b>\$1,642,836,935</b>

LIABILITIES AND MEMBERS' EQUITY	Dec. 31, 2022	Dec. 31, 2021
Members' shares	\$1,388,984,826	\$1,429,970,806
Non-member deposits	\$25,000,000	\$25,000,000
Operating lease liability	\$2,639,800	\$3,956,159
Accrued expenses and other liabilities	\$61,499,956	\$48,456,015
<b>Total Liabilities</b>	<b>\$1,478,124,582</b>	<b>\$1,507,382,980</b>
Members' equity	\$76,131,221	\$135,453,956
<b>Total Liabilities and Equity</b>	<b>\$1,554,255,803</b>	<b>\$1,642,836,935</b>

# CONSOLIDATED STATEMENT of Income

	Dec. 31, 2022	Dec. 31, 2021
INTEREST INCOME		
Interest on loans	\$34,424,423	\$34,530,543
Interest on investments and cash equivalents	\$16,258,122	\$7,618,897
<b>Total Interest Income</b>	<b>\$50,682,545</b>	<b>\$42,149,440</b>
Interest Expense	\$10,922,865	\$7,894,009
<b>Net interest income</b>	<b>\$39,759,680</b>	<b>\$34,255,431</b>
Provision (credit) for loan losses	\$3,402,913	\$(19,955)
<b>Net interest income after provision (credit) for loan losses</b>	<b>\$36,356,767</b>	<b>\$34,275,386</b>
Non-Interest Income	\$11,535,852	\$11,345,554
<b>Total Income</b>	<b>\$47,892,619</b>	<b>\$45,620,940</b>
NON-INTEREST EXPENSE		
Compensation and benefits	\$23,755,799	\$22,519,906
Operations	\$16,738,235	\$15,037,240
Occupancy	\$1,877,924	\$1,898,666
<b>Total Non-Interest Expense</b>	<b>\$42,371,958</b>	<b>\$39,455,812</b>
<b>NET INCOME</b>	<b>\$5,520,661</b>	<b>\$6,165,128</b>

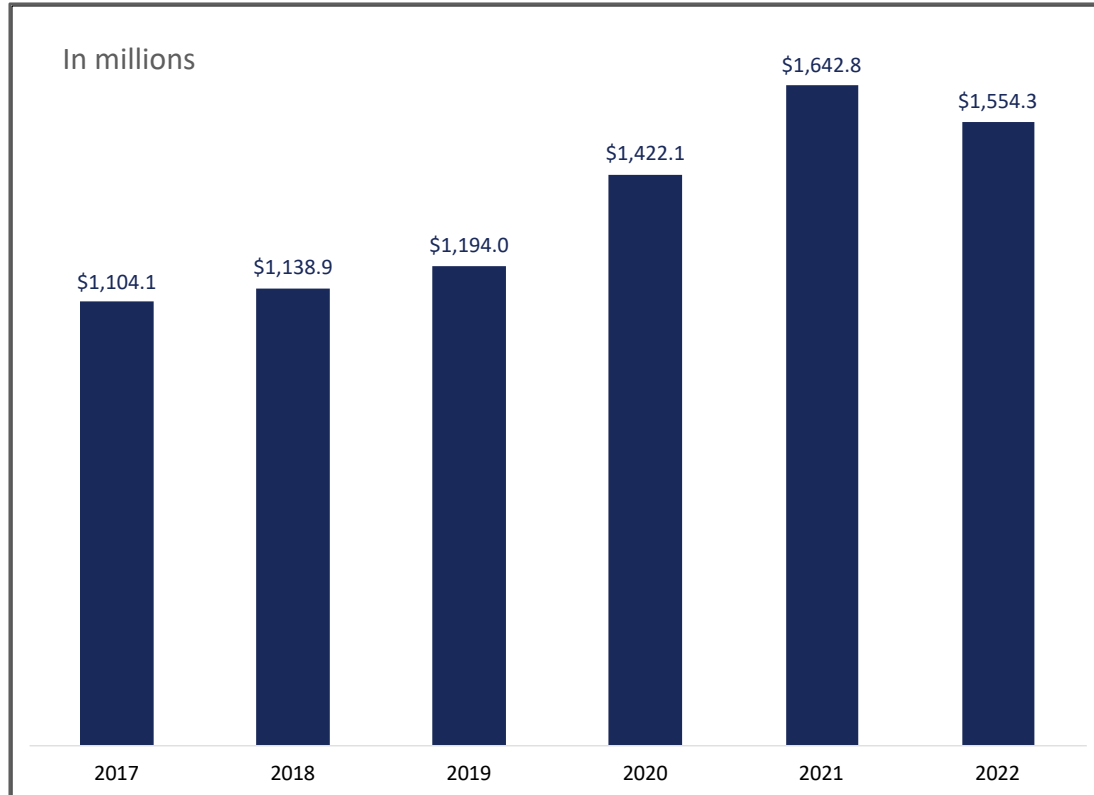
# TOTAL Members



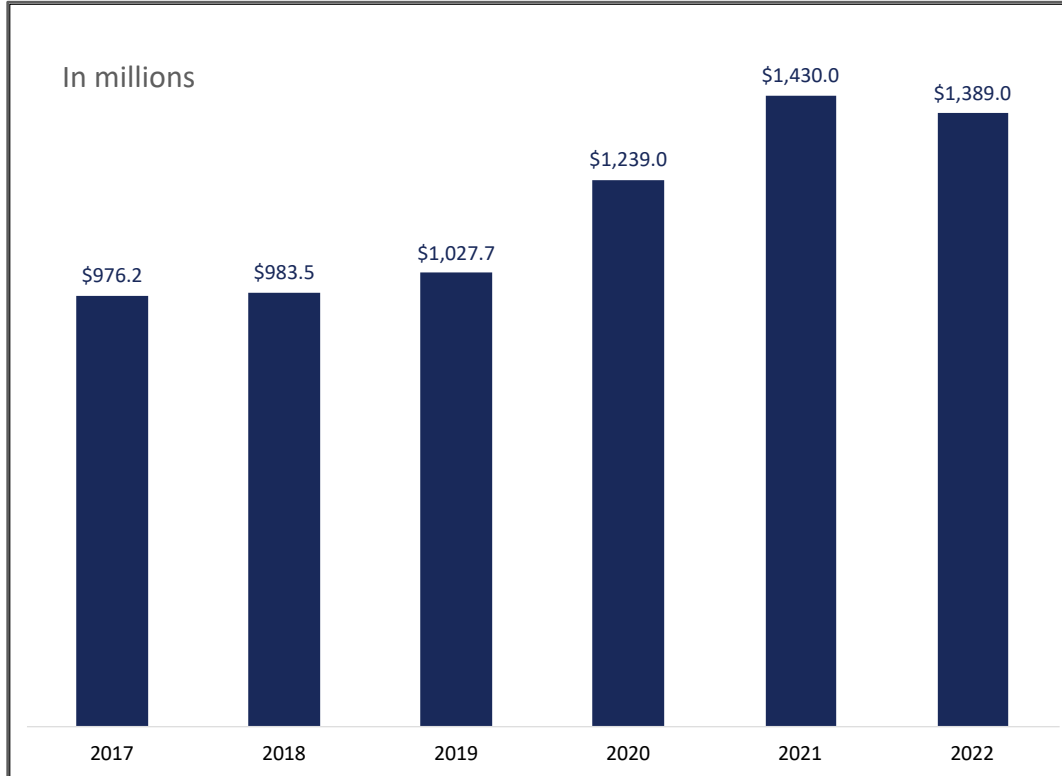
The total member count increased by 5.5% to reach 70,458 members.



# TOTAL Assets

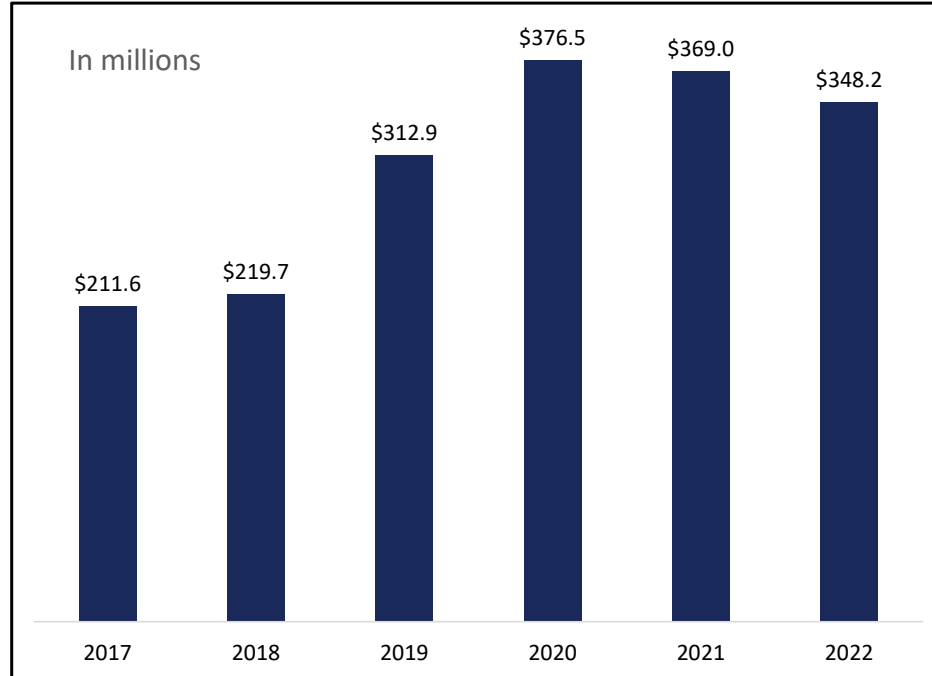


# TOTAL Member Shares

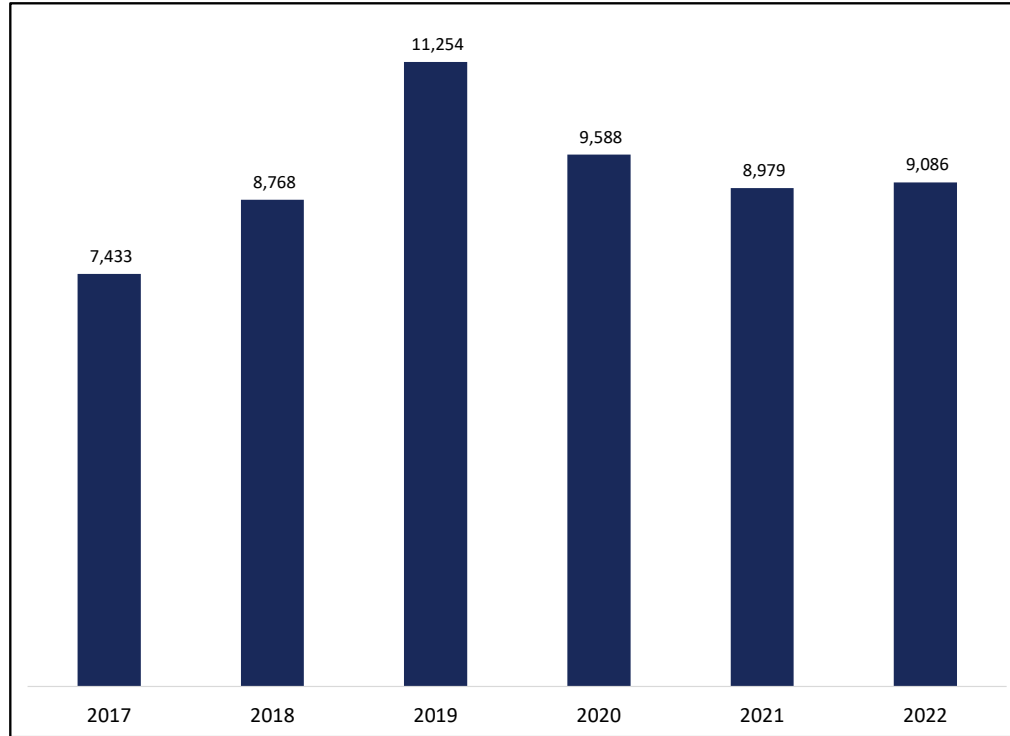


# LOAN Originations

Loan origination is equal to all closed end loans originated in the reference time period plus any net change in balance of open-ended loans.



# NUMBER OF Loans



## Board of DIRECTORS

Heather M. Crofford, Chair

Diane Corral-Lopez, 1st Vice Chair

Rob Polvino, 2nd Vice Chair

Kei Bullock

Stephen Considine

Jessica Couch

Aaron E. Dann

Karin Flanagan

Kathi Harper

Petros Kitsos

Harry Q. H. Lee, II

Eric Scholten

Pamela Wade

## Supervisory COMMITTEE

Wayne Watanabe, Chairman

Matthew Barrett, Secretary

Leigh Cokonis, Committee Member

Jessica Couch, Committee Member

Darryl Heath, Committee Member





# Los Angeles Metro divisions served by 3 branches and 4 ATM locations near Metro employees with site engagements (physical and virtual) to 18 divisions.

