



2021 Annual Report



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CEO'S REPORT

Your credit union had been investing in technological service delivery systems for years. Our remote technological service delivery systems were relied heavily upon to provide cost effective solutions to members. We have a wide variety of service options for our members, and we were able to direct members quickly to alternatives. Your credit union staff found solutions where gaps in technology existed and worked diligently to ensure continued quality service, even if the delivery channels were new to many members.

In 2021, our members required an unprecedented amount of mortgage loan refinances. Our team processed a record number of mortgages, generally in 60 days or less. Our staff helped members make sound decision concerning one of their most important financial transactions.

Your credit union is committed to providing our best levels of service to membership. We are constantly improving our systems. We encourage members to use these new financial service delivery systems. They save time and money. Our staff is more than happy to educate you on how to do financial transactions remotely. We have put your financial information at your fingertips.

The staff have been truly dedicated, and deserve praise and thanks for their actions throughout this very challenging time. We all grew, in knowledge and experience, as a result of the challenges we faced and are now positioned to better serve you in the future. Please contact us, your credit union family, when you have a financial need. We have the solutions.

Our Board and Supervisory Committee serve as volunteers. We are extremely grateful for the time and effort that they contribute to ensure the credit union's success. Their commitment during this time of complex decisions, uncertain circumstances and quickly changing dynamics, was invaluable. They were paramount in our ability to provide effective products and services in a way that protected our members in every aspect of safety and security. We are blessed to have people who freely provide their time and experience to serve their community.

We are looking forward, as your financial family, to continue to provide you with effective solutions to your financial needs.

— BILL BROOKS
CEO

CHAIRMAN'S REPORT

As Chairman of the Mid Atlantic Federal Credit Union Board of Directors – I am happy to report that we are continuing to make great progress in the last 12 months – in both measurable and immeasurable ways.

Our assets continue to grow and we continue to invest in countless ways to better serve you – our members. Additionally, we are very proud of our staff that helped us move through the pandemic in many ways and continue to serve the members in an exemplary fashion.

During the pandemic the Credit Union was a unique financial institution in how we were able to originate and service PPP loans quicker and better than what many major banks were able to do. In the last year – the staff worked hard to help members refinance mortgages at a record pace as well.

Your Credit Union continues to invest in technology with the goal of delivering services to you, our members, in a more efficient and effective manner. We hope you consider taking advantage of some of these new services. As our CEO noted, we encourage members to use these new financial service delivery systems. They save time and money. Our staff is more than happy to help you learn how to do financial transactions remotely. We have put your account and other financial information at your fingertips.

Additionally, the Credit Union has introduced many new programs for members. Among them are:

- Homesale Advantage, a program which offers rebates for home buyers and sellers.
- A redesigned website to improve on your experience as a member.
- Marketplace, a collection of financial apps available to use within your Online Services.

I wish to close by thanking all of our volunteers that serve on our Board and Supervisory Committee. As volunteers they bring a combination of strategic thinking along with the important diligence and oversight of your Credit Union.

We remain excited and optimistic about the coming year and more milestones to achieve.

— RANDY SCRITCHFIELD, CFP
CHAIRMAN, BOARD OF DIRECTORS



TREASURER'S REPORT

2021 was a very good year financially for the Mid-Atlantic Federal Credit Union (MAFCU).

Our total assets were \$416 million, and loans grew by over \$24 million in 2021. Our net income was \$2.5 million, which was \$1.1M higher than 2020, and resulted in a return on assets of .43%. We ended the year with a net worth ratio of 6.69%, about the same as 2020. We missed our goal of 7.71%, but this was due primarily to the growth in assets resulting from the COVID-19 pandemic, as member's spending declined, and their deposit accounts grew by over \$33M in 2020.

Overall, 2021 was a very good year for Mid-Atlantic Federal Credit Union. As we started to come out of the COVID-19 pandemic. Once again, our CEO, senior management and entire team responded very well and are the reason for our financial success.

Your Board of Directors and Senior Management are dedicated to ensuring that Mid-Atlantic Federal Credit Union continues to be the effective, dependable, and successful institution that you, our members, have come to expect.

2022 will also be a challenging year for the credit union, as we come out of the COVID-19 pandemic and get back to normal. So far, the credit union has been able to maintain profitability, kept our staff in place, and maintained a good level of member services. Our main goal is to get our capital ratio back above 7%, which we expect to occur in 2022.

We look forward to increasing value every day, in every way, throughout 2022 and beyond.

ALLEN P. DELEON, CPA
TREASURER

SUPERVISORY COMMITTEE'S REPORT

The Mid-Atlantic Federal Credit Union's (MAFCU) Supervisory Committee supports its members' interests through nine essential functions: 1.) reviewing and updating practices and procedures sufficient to safeguard MAFCU members' assets; 2.) ensuring a complete and thorough audit of MAFCU's records and operations; 3.) ensuring that MAFCU's required financial records are accurately prepared and filed in a timely manner; 4.) verifying and adhering to internal controls and Board established policies and procedures; 5.) reviewing MAFCU's operations and continually monitoring its overall financial condition; 6.) reviewing the performance of MAFCU's elected officers with respect to how they execute the duties for which they are responsible; 7.) ensuring that MAFCU is in full compliance with all relevant laws and regulations; 8.) researching member complaints; and 9.) safeguarding MAFCU members' assets against the impact of error, conflict of interest, self-dealing and fraud.

The 2021 Supervisory Committee members representing you were: Tony Spearman-Leach (Chair), Jerry Zillion (Vice-Chair), and Shane Rock (Secretary). They thank you for being a MAFCU member and for the opportunity to serve you.

— TONY SPEARMAN-LEACH
CHAIR, SUPERVISORY COMMITTEE

As of December 31, 2021 (unaudited)

	2021	2020
Income		
Loan Income	\$11,063,453	\$10,405,283
Investment Income	\$272,928	\$519,215
Other Income	\$3,545,115	\$3,834,010
Total Income	\$14,881,496	\$14,758,508
Expenses		
Dividend Expense	\$564,677	\$1,076,783
Compensation and Benefits	\$5,762,329	\$6,071,797
Office Occupancy & Operations	\$4,538,149	\$4,621,575
General Administrative Expense	\$1,591,581	\$1,622,038
Provision for Loan Losses	(\$199,237)	(\$142,220)
Federal Operating Fees	\$76,315	\$89,169
Total Expenses	\$12,333,814	\$13,339,142
Net Income	\$2,547,682	\$1,419,366
Assets		
Gross Loans	\$316,787,612	\$292,066,879
Allowance	(\$1,755,430)	(\$2,078,511)
Net Loans	\$315,032,182	\$289,988,368
Cash	\$71,705,003	\$57,065,079
Investments	\$11,902,498	\$14,958,497
Loans Held for Sale	\$0	\$0
Net Fixed Assets	\$5,819,187	\$6,229,871
Other Assets	\$12,036,421	\$12,016,553
Total Assets	\$416,495,291	\$380,258,368
Liabilities		
Accounts Payable	\$148,731	\$498,331
Dividends Payable	\$82,074	\$121,673
Accrued Expense	\$2,164,753	\$1,715,841
Notes Payable	\$0	\$0
Other Liabilities	\$216,402	\$132,069
Total Liabilities	\$2,611,960	\$2,467,914
Members' Shares		
Shares	\$354,746,936	\$319,031,629
IRAs	\$3,747,393	\$3,733,602
Share Certificates	\$27,326,805	\$29,329,895
Total Shares	\$385,821,134	\$352,095,126
Nonmember Deposits	\$3,114	\$3,114
Total Shares & Nonmember Deposits	\$385,824,248	\$352,098,240
Members' Equity		
Regular Reserve	\$5,422,176	\$5,018,283
Fairfax County FCU/PGCFCU Capital		
Unrealized Investment Gain/Loss	\$215,760	\$396,573
Undivided Earnings	\$22,421,147	\$20,277,358
Other Comprehensive	\$0	\$0
Total Members' Equity	\$28,059,083	\$25,692,214
Total Liabilities & Members' Equity	\$416,495,291	\$380,258,368



**EQUAL HOUSING
LENDER**

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