

LAFAYETTE  FEDERAL  
CREDIT UNION

Your credit union for life.



2022

**MEMBERSHIP REPORT**

Federally Insured by NCUA

# Our Mission & Vision

From the first day back in 1935 when we opened our doors as 1825 H Street Federal Credit Union, our goal has been to provide our members with tools to help them achieve financial security. Much has changed in the past eighty-eight years, but the core of our mission has not.

In 2021, we adopted a new mission statement as way of underscoring and expanding on our original goal: “To serve, support and empower our members by understanding their financial needs, delivering products and services to achieve their financial goals and offering solutions to assure their financial well-being.”

While this report discusses the past year, we are always looking ahead and we want to assure you that our mission remains the same, and our vision for Lafayette Federal Credit Union is to be your credit union for life.



# Lafayette Federal Volunteers

## Board Members



**Nathan "Gus"  
Siekierka**  
Chair



**Mary Jo Morris**  
Vice Chair



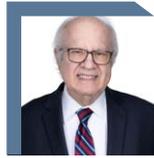
**Leslie Poole**  
Treasurer



**Thomas Harmon, IV**  
Secretary



**Norman Cohen**  
Board Emeritus



**Eric Benderson**  
Director



**Lisa DeSoto**  
Director



**William "Bill" Hills**  
Director



**John Richter**  
Director



**Theodore "Teddy"  
Vagias**  
Director

## Supervisory Committee Members



**William "Bill" Hills**  
Chair



**Kristin Earley**



**Walter Intlekofer**



**Lawrence "Rusty"  
Payne**



**Heather Tuason**

## Dear Member,

Despite the many challenges that faced the nation in 2022 – including inflation and interest rates rising to levels not seen in decades and the unemployment rate shrinking to its lowest level since 1969 – it was a remarkable year for Lafayette Federal Credit Union. Our expanding membership, continued industry recognition, and robust growth in assets are testaments to the trust you place in us and a measure of our success. We are grateful for your continued patronage and loyalty as a member-owned, community-minded institution. Our success is a result of your support, and we are immensely proud and thankful. Thank you for standing by us.

In 2021, we adopted a new mission statement – *“to serve, support and empower our members by understanding their financial needs, delivering products and services to achieve their financial goals and offering solutions to assure their financial well-being”* – and remained committed to it in 2022 through above market deposit rates, product upgrades, and technological enhancements. Abiding by our mission is also reflected in our active presence and participation in local communities, providing financial literacy tools and resources, and staying devoted to providing top-notch service to our current members while working diligently to develop and nurture new ones.

Only with your support did we accomplish the following achievements, which we proudly present as a testament to our ongoing dedication to delivering exceptional service.

### MEMBER GIVEBACK

Guided by the “people helping people” credit union philosophy, it is of the utmost importance to us to be the financial partner that gives back to its members and re-invests profits to further enhance the overall member experience. We are committed to continuously supporting your financial well-being and offering tools and resources to help you achieve your financial goals.

#### Member Dividends

In 2022, Lafayette Federal paid out a total of \$18.7 million in member dividends through our 2% bonus checking, special rate Thanksgiving Certificate, and multiple savings/certificate rate increases, delivering on our promise to maximize the return on your hard-earned money.

##### » 2% Bonus Checking

Our 2% Bonus Checking rewards new and existing accounts with a qualified monthly direct deposit of \$500 or more, earning a bonus 2.02% APY on balances up to \$25,000. With no minimum balance or maintenance fees, along with free online banking, our checking account provides a nation-leading rate option for financial success.

##### » Multiple Deposit Rate Increases

One of the factors that gained us recognition on Newsweek’s “Best Banks” list is our significantly above-average deposit rates. Last year, we kept up with the rising prime rate by revising our rates upward every quarter, and sometimes more often. We started with rates that were multiple times higher than the national average and just kept going. We see this both as a strategy to maintain liquidity, but equally important, as a giveback to our members.

#### Unique Mortgage Programs

##### » Essential Worker Program

As part of our community-minded spirit, we were proud to offer our NEW Essential Worker Program in 2022, specifically designed for those who show the utmost courage and resilience in helping some of the most vulnerable on a daily basis. With favorable rates and terms, this program aims to achieve homeownership for these vital workers who may be unable to do so through conventional mortgage options.

##### » Interest-Only Mortgage

This past year, we laid the groundwork to introduce our Interest-Only Mortgage in 2023 and continued utilizing our existing home financing solutions to get members into their dream homes. Whether you’re a first-time homebuyer or looking to refinance, our dedicated team of experts will guide you through the process, ensuring a smooth and seamless experience.

## Member Education

In addition to continuing our financial literacy, personal finance, and home buying education seminars, our Investments Services program saw significant growth in 2022 as our Business Development Team hosted monthly webinars on various relevant topics. Additionally, the team worked with our Select Employer Groups (SEGs) to promote financial literacy by presenting educational seminars on important financial topics, including finance basics, establishing credit, home buying, retirement planning, and investment fundamentals.

## MILESTONES & RECOGNITIONS

**\$1.75 Billion in Assets** | In 2022, our assets grew substantially – to \$1.75 billion – despite a challenging environment. Achieving this asset category allows Lafayette Federal to benefit from increasing economies of scale, putting us in a better position to serve your financial needs.

**Solid Financial Performance** | With prudent lending practices and conservative fiscal management, we remained well-capitalized with a capital rate of 15.57% as of December 31, 2022. In addition, with our continued commitment to meeting the borrowing needs of our members, Lafayette Federal maintained attractive loan rates which generated a total of \$1.03 billion in residential, consumer, and commercial loans during 2022.

**Washington Business Journal's Fastest Growing Companies** | Lafayette Federal continued our trajectory of growth, and we were honored when the Washington Business Journal recognized us as the 8th fastest-growing company in the DMV region for 2022, acknowledging our unprecedented increase in membership and our outstanding return on average assets (ROAA) as factors. Lafayette Federal was the fastest-growing credit union on the list of fifty companies, selected from over 2,300 surveyed businesses.

**S&P Global Market Top 100 Rankings** | In 2020, out of a field of more than 1,700 qualified credit unions nationwide, the S&P Global Market Intelligence Report recognized us as #20 in its list of Top 100 performers. In 2021, our increased growth moved us up in the rankings to the #12 spot, and in 2022, we retained this elite spot. Given that only twenty-one of the top fifty from 2021 retained a place in 2022's top 100 rankings, our position is a significant achievement and a testament to our stability and consistency. We are honored to receive this distinction for three consecutive years.

**Newsweek's America's Best Banks** | For the second year in a row, Lafayette Federal appeared on America's Best Banks list, compiled by Newsweek and Lending Tree. Evaluated on more than 50 different factors from a pool of 4,927 financial institutions, only 127 credit unions were considered by Newsweek, making this a prestigious honor for our growing organization.

**J.D. Power** | Lafayette Federal received a #4 ranking in the J.D. Power 2022 U.S. Consumer Lending Satisfaction Study. J.D. Power, a global leader in consumer insights, advisory services, and data/analytics, conducted a study that measures overall customer satisfaction based on performance in four key factors. Lafayette Federal scored an impressive ranking among several of the nation's largest financial institutions.

**Bauer Financial** | In 2022, we received Bauer Financial's 5-Star Elite Rating, acknowledging us as a financially sound credit union and a "superior" financial institution.

## ENHANCING OUR INFRASTRUCTURE

### New Core System

Lafayette Federal completed a core processing system conversion, ultimately selecting a platform that excels in many important categories, including features, functionality, and reputation. As a result, we are excited to be better positioned to serve your needs through enhanced systems integration and increased ability to deliver service excellence.

### » New Online Banking Platform

As part of our promise to deliver innovative technologies to meet our members' ever-changing financial needs, we launched our new, fully upgraded Lafayette Federal Online Banking and Mobile App experience in March 2022.

Our upgraded platforms offer the existing services you love, plus brand-new features; many developed directly from your feedback. We are thrilled to bring you a comprehensive digital experience that is easy to use and makes online management of your finances a breeze—anytime, anywhere.

## » Business Product Upgrades

In 2022, we focused on enhancing our business products by introducing upgrades such as our mobile business app, QuickBooks integration, and Virtual Vault service. These advancements empower our business members, providing reliable solutions for efficient operations.

## COMMITMENT TO THE COMMUNITY

For 14 years, we have had the honor of working with the Children's Miracle Network (CMN) to help provide for children in dire need of medical attention through our Annual Charity Golf Tournament. Our 2022 tournament generated an impressive donation amount totaling \$70,797. Our campaign was an enormous success due to the participation of our golfers, sponsors, and of course, members like you. We sincerely thank you for helping to better the lives of the children and families of Children's Miracle Network.

Lafayette Federal employees actively supported community events, including Bethesda Big Train, Negro League Legends Hall of Fame, and FOX 5's Zip Trips and Hometown Heroes segments. Our team engaged with 20,000 attendees at spring and fall Cruising Ocean City events, promoting Lafayette Federal and our classic car lending programs. Additionally, we hosted two shred day events, providing document shredding, credit union information, and an enjoyable atmosphere for members and the community.

## LOOKING FORWARD

### New Branches

Our branches are essential in our goal to serve and expand our membership. Last year, we conducted a strategic analysis, resulting in the decision to relocate our McLean Financial Service Center in 2023. This move will allow us to offer expanded services, including safety deposit boxes, drive-through teller and ATM access in a convenient location in the heart of the city. We will also open our first branch in Prince George's County, slated for late 2023.

Our branch expansion strategy will continue expanding Lafayette Federal's branch footprint to better serve members in other communities and develop new markets to sustain its growth.

### New Website

We are proud to have launched our fully redesigned website in late March 2023 to improve our member's online experience. Whether you are searching for a new product or service, looking to get in touch, or browsing our extensive learning center, our goal is to provide you with smart and seamless online access that empowers you to take control of your finances. The new website offers members various features and functionalities that make banking with us more convenient and accessible than ever before.

### New Credit Card Program

Slated for launch in 2023, we are currently in the process of revamping our credit card program. Our primary objective is to harness the potential of our card to effectively handle your day-to-day finances. With the introduction of exciting new features, including a cash-back rewards program and updated card design, alongside maintaining existing benefits such as low-interest rates and no annual fees, every transaction made on the card will help you achieve your financial goals.

### Member Feedback

To foster a better understanding of our members' needs and ensure prompt responsiveness, we have launched a series of best-in-class surveys. These surveys have been meticulously designed to measure member satisfaction and sentiment, enabling us to obtain extensive feedback that can be utilized throughout our organization. By gathering responses, we can refine and execute our product, branch, and marketing strategies with more significant effect and with an enhanced member experience.

### Cyber Security

We prioritize the security of your information and accounts above all else. To ensure this, we consistently adopt effective security upgrades, allocate resources for appropriate infrastructure, and provide ongoing training to our employees to safeguard your valuable data.

As we have done for almost nine decades, we are committed to keeping your business by earning your continued trust while providing you with value and excellent service. Thank you for choosing Lafayette Federal as your trusted financial partner and your credit union for life.

Respectfully,  
**B. John Farmakides**, President/CEO

# 2022 Community Involvement & Social Responsibility

## CHILDREN'S MIRACLE NETWORK

We donated over  
**\$70,000**

and have provided more than **\$1 MILLION** in charitable donations over the lifetime of our organization's fundraising efforts.

## FINANCIAL LITERACY WORKSHOPS

**26** virtual workshops covering topics of homebuying, retirement, financial planning, and business recovery, with

**504 PARTICIPATING ATTENDEES.**

## ENVIRONMENTAL RESPONSIBILITY

Our 2022 recycling efforts have saved:



**1,967**  
gallons of oil



**164,059**  
gallons of water



**426**  
trees



**70**  
cubic yards of landfill waste

## Employee Benefits

### EMPLOYEE KNOWLEDGE

**3,187** of training hours for Lafayette Federal employees

### FINANCIAL WELLNESS

Competitive 401k/retirement benefits  
Group educational sessions  
One-on-one consultations

### EMPLOYEE WELLNESS

Vision & Dental Coverage • Competitive Medical Insurance



Physical  
Wellness



Seminars and  
educations



Free FitBit  
devices



Walking  
challenges