



2015

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## Board of Directors

James J. Kaelin, *Chairman*  
Patricia Nelson Nugent, *Vice Chair*  
Carolyn J. Smith, *Secretary*  
John E. Lynn, *Treasurer*  
William H. Cable  
John T. Caulfield  
Frank T. DeStefano  
Michael P. Flaherty  
Carleton C. Jenkins  
Curtis A. Prins  
Letitia H. White

## Supervisory Committee

James D. Jenkins, *Chairman*  
George Agurkis  
John T. Caulfield  
Robert Fischer  
Robert Kevin Ryan

## Credit Committee

Denise Ouellette, *Chairman*  
Luis Jara, *Secretary*  
Gregory Jenkins  
Jeff Klein  
John Wishard

## Management

Charles A. Mallon, Jr., *President and CEO*  
Anthony Caccese, *CFO and Vice President*  
David Hufnagel, *COO and Vice President*  
Denise Ouellette, *CLO and Vice President*  
Mark Lobato, *Vice President*  
Vanessa Gregory, *Vice President*  
Robert Miller, *Vice President*  
Montez Hairston, *Vice President*



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# Report from the Chairman and CEO

**Throughout 2015**, Congressional Federal Credit Union continued to focus on its members, delivering a wide range of competitively priced financial products and services that help them achieve their financial goals. At the same time, your credit union maintained its financial discipline, ensuring we remain financially strong and well capitalized.

In our on-going efforts to provide members with the best financial products available, last year we rolled-out new EMV chip-enabled credit and debit cards to protect our members from credit card fraud and we launched Apple Pay and Android Pay for a safe, secure and convenient way to pay for everyday purchases. We also introduced a new Visa® Signature Rewards card and enhanced our loan program for auto refinancing.

Congressional Federal continued its commitment to financial literacy throughout the year. We hosted a number of informational seminars both on and off Capitol Hill that helped members understand a variety of financial topics, including how to navigate the home buying process and prepare for home ownership.

For the 14<sup>th</sup> year, Congressional Federal proudly supported the Credit Union Cherry Blossom Ten Mile Run and sponsored the annual Capitol Hill Competition. Congressional Federal worked to secure over 180 members of Congress to serve as Honorary Race Chairs, and many of our employees cheered on over 700 Hill staffers who ran in the race—many on one of the 66 teams that competed for the coveted Capitol Hill

**The foundation of our success** is built on staying true to our values. Serving our members and putting their financial needs first every time means that Congressional Federal remains committed to our core values.

Cup. Most importantly, we helped raise over \$500,000 for Children's Miracle Network Hospitals.

Throughout the year, Congressional Federal made an impact in our community in a number of meaningful ways. We organized Honor Flight greetings at Reagan National Airport to welcome World War II veterans, we participated in the annual Congressional Baseball Game which raised money for the Boys and Girls Club of Greater Washington and the Washington Literacy Council, and we helped make the holidays bright for hundreds of children through our Toys for Tots drive.

Looking ahead, we are excited about 2016 and the opportunities to help our members achieve their financial goals. We will be introducing two new Visa® credit cards that give members choices in how they manage their money, we will be updating the Congressional Federal website to make it easier to navigate to the information you need, and we will be welcoming the newly elected Members and staff of the 115<sup>th</sup> Congress late in the year.

Thank you to our members, our Board of Directors, Supervisory Committee, management and staff—all working together to make Congressional Federal the institution it is today.



James J. Kaelin  
*Chairman*



Charles A. Mallon, Jr.  
*President and CEO*

- Integrity
- Proactive Service
- Stewardship
- Innovation
- Community



# Condensed Statement of Financial Condition

## Assets

December 31,	2015	2014
Cash and Cash Equivalents	\$57,862,585	\$54,448,495
Investments	\$263,036,948	\$303,055,922
Loans to Member, Net	\$472,372,419	\$410,405,284
Property and Equipment, Net	\$9,882,275	\$10,207,846
Other Assets	\$25,908,990	\$27,931,575
National Credit Union Share Insurance Deposit	\$6,611,420	\$6,421,725
<b>Total Assets</b>	<b>\$835,674,637</b>	<b>\$812,470,847</b>

## Liabilities and Members' Equity

December 31,	2015	2014
Members' Share & Savings Accounts	\$753,840,205	\$731,865,568
Other Liabilities	\$7,456,582	\$8,102,563
Total Liabilities	\$761,296,787	\$739,968,131
Total Members' Equity	\$74,377,850	\$72,502,716
<b>Total Liabilities and Members' Equity</b>	<b>\$835,674,637</b>	<b>\$812,470,847</b>

## Report of Independent Auditors

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statement of financial condition of Wright Patman Congressional Federal Credit Union as of December 31, 2015 and the related statements of income, comprehensive income, members' equity, and cash flows for the year then ended (not presented herein); and in our report dated April 4, 2016, we expressed an unmodified opinion on those financial statements.

# Condensed Statement of Income

<b>December 31,</b>	<b>2015</b>	<b>2014</b>
Interest Income	\$25,271,844	\$23,958,202
Interest Expense	\$2,153,238	\$2,293,449
<b>Net Interest Income</b>	<b>\$23,118,606</b>	<b>\$21,664,753</b>
Provision for Loan Losses	\$985,425	\$502,827
<b>Net Interest Income after Provision</b>	<b>\$22,133,181</b>	<b>\$21,161,926</b>
<b>Non-Interest Income</b>	<b>\$8,637,971</b>	<b>\$8,376,946</b>
<b>Non-Interest Expense</b>		
Comp and Benefits	\$14,395,042	\$11,291,799
Office Operation	\$6,710,528	\$6,392,069
Other	\$8,190,316	\$7,062,612
<b>Total non-Interest Expense</b>	<b>\$29,295,886</b>	<b>\$24,746,480</b>
<b>Net Income</b>	<b>\$1,475,266</b>	<b>\$4,792,392</b>

These condensed financial statements do not constitute a complete presentation. The complete set of audited consolidated financial statements, including the consolidated statements of cash flows and changes in members' equity, and notes to the consolidated financial statements, are available upon written request.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the financial statements from which it has been derived.

*Prior Period Financial Statements.* The financial statements as of December 31, 2014, were audited by Orth, Chakler, Murnane and Company, whose report dated April 16, 2015, expressed an unmodified opinion on those statements.

Orth, Chakler, Murnane & Company  
 Certified Public Accountants  
 Miami, FL  
 April 16, 2015

**OCM&Co**  
 A PROFESSIONAL ASSOCIATION  
**CPAs**

# Report from the Credit Committee

**The Credit Committee** oversees the review of member loan applications, appoints loan officers, delegates to them the authority to approve loan requests and recommends credit policy to the Board of Directors.

During 2015, the credit union received 9,253 consumer loan and Visa® applications. Among those loan applications received, we disbursed 1,642 new and used auto loans totaling \$32,489,519. Personal loans disbursed numbered 1,992 for a total amount of \$20,482,610. There were 23 share-secured loans granted in the amount of \$242,228. We disbursed 12 student consolidation loans in 2015 totaling \$625,107. The number of members using our Visa® credit cards continues to grow as we issued 1,114 lines of credit totaling \$9,626,200 in credit limits. This included 294 Visa® Signature cards for a total of \$4,792,300. Overdraft Reserve Lines of Credit were granted to 321 members for a total limit of \$1,494,950.

The credit union experienced yet another extremely successful year for its in-house real estate lending business. During 2015, the credit union funded 325 mortgage loans totaling \$108,691,314. In addition, home equity loans and home equity lines of credit were made to 304 members totaling \$28,242,022.

In 2015, the credit union implemented the Visa® Signature credit card product which was successfully embraced by our field of membership. The Credit Committee increased the maximum limits available for our student loan consolidation program, thus enhancing our capacity to lend. We also made several product and pricing enhancements to existing loan programs to better serve our members' needs. Additionally, the credit union has embarked upon an effort to implement a new consumer loan origination system which will streamline and enhance the member and staff lending experience. Finally, we are excited about the upcoming introduction of our new Visa® Cash Rewards and Rate Saver credit card products.

The Credit Committee remains dedicated to serve our field of membership by anticipating their lending needs. Congressional Federal will continue to seek new opportunities to grant loans to its membership while balancing risk within the portfolio.



Denise Ouellette  
Chairman

# Report from the Treasurer

During 2015, our nation's economy experienced declining oil prices, a strengthening dollar, and a turbulent Chinese stock market. Even with all the global impacts, the U.S. stock market came close to breaking even for the year and the 10-year Treasury yields finished the year slightly higher than where they began. These yields defied market expectations of rising rates as the Federal Reserve did not increase short term rates until December, helping housing markets to continue to improve. Through it all, Congressional Federal continued to meet members' needs and deliver solid financial performance.

Assets grew to \$835.6 million, an increase of 2.85% over the prior year. Shares grew to \$753.8 million, an increase of 3.00% over the prior year. Net loans to members grew to \$472.3 million, an increase of 15.09% over the prior year. Our Net Income for 2015 of \$1.5 million was in line with budget, which contributes to Total Members' Equity of \$74.4 million as we continue to grow and position the credit union for the future.

Looking ahead, economists are monitoring economic conditions for signs of increases in market interest rates later in 2016 or early 2017. Congressional Federal will continue to adapt to financial conditions by staying connected to you, providing you increased financial knowledge to help you make intelligent decisions, and partnering with you to present financial solutions best tailored to your situation.

It was evident throughout the year that our members continued to trust Congressional Federal with their financial goals and objectives. Your credit union is well positioned to continue to serve our expanding membership with competitively priced products and services designed to meet a lifetime of financial needs



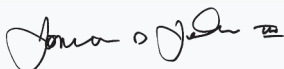
John E. Lynn  
*Treasurer*



# Report from the Supervisory Committee

**To ensure** that the Credit Union is operated in a safe and sound manner in accordance with our bylaws, charter, policies and procedures, as well as federal and state regulations, the Supervisory Committee oversees internal and external audits, and ensures that the credit union complies with audit recommendations. The Supervisory Committee retained the certified public accounting firm of OCM & Company (A DoerenMayhew Firm) to conduct a comprehensive annual audit. A condensed audited financial statement is included in this Annual Report. A complete set of audited financial statements is available upon written request. An examination was also performed by the National Credit Union Administration, and daily monitoring and review of the credit union are performed by an internal auditor.

The Supervisory Committee is pleased to report that Congressional Federal had a successful year in 2015, continues to operate in a safe and sound manner, complies with all applicable rules and regulations, and remains financially strong.



James D. Jenkins  
*Chairman*



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## Contact Us

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### Online Banking/Mobile Banking

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Loans-by-Fax: 703.934.8319

### Teller 24

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## Locations

### Washington, D.C.

U.S. Capitol Branch, Room H-129  
Ford Branch, Room 195  
Longworth Branch, Room B-203  
Rayburn Branch, Room SW-1

### Oakton, Virginia

10461 White Granite Drive



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Equal Housing Lender

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