



2023 Annual Report

46th Annual Membership Meeting

A MESSAGE FROM THE CEO AND BOARD CHAIR

As we turn the page on another year, we reflect with immense pride and gratitude on the incredible journey we've shared. Loudoun CU has always been more than just a financial institution; it's a cornerstone of our community, built on the strength of our members and fueled by a shared commitment to your financial well-being.

This year, we witnessed firsthand the power of community. Whether supporting local businesses through challenging times, offering innovative financial tools to help dreams take flight, or simply providing a listening ear during uncertain moments, we were there for each other. Your unwavering trust allows us to continue making a positive impact.

Looking ahead, we're filled with optimism for what's to come. As we navigate an ever-changing landscape, we remain dedicated to providing exceptional financial services, fostering financial literacy, and championing our members' success.

Thank you for being a part of the Loudoun CU family. Together, we are a force for financial empowerment and a vibrant thread in the tapestry of our community.

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee of the Loudoun Credit Union (LCU) is appointed by the Board of Directors in accordance with the Federal Credit Union Act. Bylaws require a minimum of three members and an odd number of members. Currently, the Supervisory Committee is composed of four volunteer members: Lisa Stillman, Chair, Annie Carlson, Ollie Henson, and Sue Depoy. The function of the Committee is basically to serve as an independent resource for reviewing a sampling of transactions and accounts of the Credit Union as well as to review the internal controls and perform some testing to see if those controls are functioning properly. We work very closely with LCU staff, but we are not employees of the Credit Union.

We continue to evolve and improve our reviews. One of the tasks that the Supervisory Committee is required to perform is hiring an accounting firm to perform a required independent review of internal controls and reporting of information. Our accounting firm, Brown, Edwards, and Co. are performing the annual review and producing the report that we will present to the Board of Directors.

We typically perform tasks in accordance with a schedule that is approved by the Board of Directors in December each year. They include reviewing such things as change of address, dormant account reviews, a review of the CEO's credit card purchases, and reviewing and passing on comments from a variety of sources, including mail, email, and a suggestion box. Additional tasks that we perform periodically include surprise cash counts, bank reconciliation reviews, loan reviews, CD reviews, and other tasks as deemed necessary.

We all appreciate the ongoing cooperation of staff in responding to our questions and requests.

2024 STRATEGIC GOALS AND TACTICS

1. Net LCU will seek to maintain financial stability through the ethical, trustworthy stewardship of our members' funds.

- Introduction of Rewards Credit Cards
- Fees and Account Structure Change
- Implementation of a New Lending and AI Underwriting Platform
- Expand Home Equity Products Offered To Include Home Equity Lines of Credit

2. LCU will seek to increase its membership by 5% by pursuing members of the community at large, particularly in the young adults (18 – 40) age group .

3. LCU will seek to increase its visibility and outreach in the Loudoun community.

- Relocation of Main Office
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GRANT & SCHOLARSHIP WINNERS

\$3,000 GRANT RECIPIENTS

**Awarded Not-For-Profit Organizations
In Loudoun County**

The Arc Loudoun
Tree of Life Ministries
Friends of the Sterling Library

\$1,000 SCHOLARSHIP WINNERS

**Awarded To Graduating Loudoun
County School Seniors**

Nevin Alvarado
Tyler Wyks
Alex McClellan
Sabrina Scanlon

INCOME STATEMENT

PERIOD ENDING 12/23

ACCOUNT DESCRIPTION	M-T-D BALANCE	%	Q-T-D BALANCE	%	Y-T-D BALANCE	%
INTEREST FROM LOANS	127,442.32	58.92	377,414.21	57.67	1,365,306.05	54.55
INVESTMENT INCOME	55,803.01	25.80	170,580.96	26.06	740,893.14	29.60
FEES AND CHARGES	10,044.50	4.64	35,156.40	5.37	120,574.17	4.82
MISC OPERATING INCOME	22,999.28	10.63	71,312.61	10.90	275,939.85	11.03
TOTAL GROSS REVENUE	199,146.52	100.00	583,273.11	100.00	2,147,514.64	100.00
WAGES, SALARIES, AND BONUSES	71,077.71	32.86	173,811.22	26.56	594,074.06	23.74
EMPLOYEE BENEFITS	22,969.50	10.62	58,202.21	8.89	210,589.92	8.41
TRAVEL & CONFERENCE EXPENSE	25.00	.01	896.59	.14	10,252.12	.41
ASSOC. & PROFESS. DUES	1,889.00	.87	5,667.16	.87	22,645.80	.90
OFFICE OCCUPANCY EXPENSE	6,033.73	2.79	17,442.59	2.67	70,172.94	2.80
OFFICE OPERATIONS EXPENSE	33,426.40	15.45	106,683.52	16.30	403,513.16	16.12
ADVERTISE/PROMO/TRAIN EXPENSE	8,686.71	4.02	26,148.74	4.00	110,452.34	4.41
LOAN SERVICING EXPENSE	51,258.48	23.70	54,470.21	8.32	101,941.23	4.07
PROFESSIONAL/OUTSIDE SERVICES	24,399.87	11.28	84,595.34	12.93	327,709.45	13.09
PROVISION FOR LOAN LOSSES	99,342.27-	45.93-	99,342.27-	15.18-	99,656.75	3.98
MEMBERS' INSURANCE	.00	.00	.00	.00	.00	.00
STATE OPERATING FEE	950.00	.44	2,850.00	.44	10,900.00	.44
CASH OVER AND SHORT	298.50	.14	293.50	.04	262.53	.01
INTEREST ON BORROWED MONEY	7,113.95	3.29	18,398.38	2.81	26,014.34	1.04
ANNUAL MEETING EXPENSE	900.00	.42	2,700.00	.41	13,143.49	.53
MISC OPERATING EXPENSES	1,910.04	.88	3,575.71	.55	6,944.11	.28
TOTAL OPERATING EXPENSE	131,596.62		456,392.90		2,008,272.25	
INCOME OR LOSS FROM OPERATION	84,692.49		198,071.28		494,440.96	
DIVIDEND EXPENSE	18,563.84	8.58	53,989.14	8.25	176,267.76	7.04
GAIN (LOSS) ON INVESTMENTS	.00	.00	.00	.00	.00	.00
GAIN (LOSS) DISPOSITION ASSETS	.00	.00	.00	.00	.00	.00
OTHER NONOPER INCOME (EXPENSE)	.00	.00	.00	.00	.00	.00
TOTAL DIVIDENDS & EXPENSES	150,160.46	69.43	510,382.04	77.98	2,184,540.01	87.29
NET INCOME OR LOSS	66,128.65	30.57	144,082.14	22.02	318,173.20	12.71

BALANCE SHEET

PERIOD ENDING 12/23

ACCOUNT DESCRIPTION	CURRENT BALANCE	LAST YEAR'S EOM BALANCE	THIS YEAR'S AVERAGE BALANCE
LOANS TO MEMBERS	20,981,325.45	20,395,807.89	20,579,313.78
ALLOWANCE FOR LOAN LOSSES	70,554.44-	105,700.85-	162,989.67-
RECEIVABLES	22,263.21	16,711.96	276,258.45
CASH AND CASH ITEMS	502,626.65	4,084,277.87	1,148,552.42
INVESTMENTS	29,304,452.59	32,331,769.34	31,829,344.27
INVESTMENT IN CLF	473,477.97	497,272.16	491,039.86
PREPAID EXPENSES	213,891.76	191,199.67	244,384.89
FIXED ASSETS	103,762.64	55,553.18	68,635.12
ACCRUED INCOME	142,385.11	145,219.22	84,834.13
OTHER ASSETS	153,750.61	223,370.51	41,914.96
TOTAL ASSETS	51,827,381.55	57,835,480.95	54,601,288.21
ACCOUNTS PAYABLE	147,733.87-	118,769.18-	302,756.08-
NOTES PAYABLE	474,796.78-	.00	417,282.74-
DIVIDENDS	71.82-	41.39-	9,465.79-
TAXES PAYABLE	7,918.09-	6,972.21-	5,046.87-
ACCRUED EXPENSES	28,935.15-	47,428.92-	36,893.39-
UNDISBURSED LOAN PROCEEDS	10,238.69-	9,238.69-	7,219.51-
UNAPPLIED D/P EXCEPTIONS	.00	.00	.00
TOTAL LIABILITIES	669,694.40-	182,450.39-	778,664.38-
SHARES	48,533,540.94-	55,689,811.66-	51,911,819.98-
RESERVES	304,996.32-	304,996.32-	304,996.32-
UNDIVIDED EARNINGS	2,319,149.89-	1,662,143.78-	1,613,849.39-
NET INCOME	.00	.00	.00
UNDISTRIBUTED NET INCOME	.00	3,921.20	8,041.63
TOTAL LIABILITIES & CAPITAL	51,827,381.55-	57,835,480.95-	54,601,288.44-

The credit union is a voluntary, not-for-profit cooperative association. A Board of Directors elected by the members governs the credit union. Members, regardless of their financial stake in the credit union, are eligible for one vote. It is democratically administered to encourage thrift among its members, create a source of credit at a low rate, and provide maximum service at reasonable cost.

BOARD & STAFF

STAFF

CEO	Travis Allen
CFO	Micheal Falvey
Director of Operations	Caitlin Martin
Director of Finance	Kathleen Broadhurst
Assistant Accounting Manager	Cayla Phipps
Business Development Specialist	Deborah Headen
Financial Service Officer	Shadaja Brown

MEMBER SERVICE REPRESENTATIVES

Lead Member Service Representative	Jin Liu
Member Service Representative	Cathy Nelson
Member Service Representative	Joanne Chilcotte

BOARD OF DIRECTORS

Chair	Cindy Mester
Vice Chair	Eric Jewell
Treasurer	Dr. Rodney Kander
Director	Shelly Morris
Director	Monika Dixit
Director	Kindra Dionne
Director	Brian Hogan

SUPERVISORY COMMITTEE

Chair	Lisa Stillman
Member	Annie Carlson
Member	Sue Depoy
Member	Ollie Henson

VISION STATEMENT

Our vision is to be the institution of choice for comprehensive financial services and information in Loudoun County.

MISSION STATEMENT

Loudoun Credit Union, a member-owned institution, exists to meet the financial needs and goals of its members while maintaining long-term financial stability. Loudoun Credit Union strives to provide the highest level of member service by offering a broad range of quality financial services at fair and reasonable rates.

