



Define  
*Your*  
Possible

**75**  
YEARS

**NORTHROP GRUMMAN**  
FEDERAL CREDIT UNION

Northrop Grumman Federal Credit Union met the extraordinary challenges of 2021 with the commitment to help members “Define Your Possible”. Whether that was a new home or a better home loan, debt consolidation or retirement planning, your Credit Union walked side-by-side with our members. NGFCU also crossed the significant milestone of celebrating our 75<sup>th</sup> anniversary of providing exceptional value to our member-owners.

We are proud of reaching new records in 2021. It is a testament that we are making strides towards enriching our members’ lives:

- \$1.643 billion in assets, a 15.5% increase
- \$1.430 billion in member deposits, a 15.4% increase
- Total membership grew to its highest level at 66,754 members

NGFCU continued the policies and procedures implemented in 2020 to provide a safe environment for our staff and members. While doing so, NGFCU originated 8,979 loans for a total of \$380,662,648. These loans helped the membership “Define Your Possible” with competitive rates and repayment terms for all their financing needs. Home loans (for purchase or refinance) accounted for 800 of these loans, making home ownership attainable and more affordable for many members.

Additionally, NGFCU was focused on enhancing the member experience, both in person and remotely. These enhancements included:

## Member access:

- Opened 3 new branches in Aurora, CO; Promontory, UT; Roy, UT
- New ATM in Gilbert, AZ
- Relocated Melbourne Building 221 branch to Building 222
- Completed upgrade of ATM fleet to state-of-the-art ATMs that feature multiple bill denominations
- New website with streamlined navigation, mobile device adaptive
- New and improved Consumer Lending platform

## New products and services:

- Zelle<sup>®</sup>, a person-to-person electronic payment platform
- ATM and debit card controls
- NGFCU for YOUth that includes savings, checking, and term certificate accounts designed specifically for minors
- Student loan refinance program
- New home loan partnership with Compass

In the year ahead and with the hope that the effects of the pandemic continue to diminish, NGFCU looks forward to the opportunity to return to in-person worksite visits. We remain committed to our goal of helping members “Define Your Possible”. As we have for 75 years, NGFCU will work tirelessly to provide the best value in financial services.

As always, we want to thank our dedicated volunteers and staff for their remarkable efforts in this pursuit. And of course, to our loyal members, we appreciate your trust in NGFCU.

ASSETS	Dec. 31, 2021	Dec. 31, 2020
Cash and cash equivalents	\$116,305,696	\$86,839,219
Securities available-for-sale	\$752,005,798	\$469,203,369
Other investments	\$8,339,100	\$7,726,900
Net Loans	\$732,156,430	\$823,445,664
Accrued interest receivables	\$3,130,886	\$3,181,785
Property and equipment	\$5,978,710	\$6,457,839
Operating lease right of use	\$3,815,630	\$5,131,688
NCUSIF deposit	\$12,861,501	\$10,787,688
Other assets	\$8,243,185	\$9,369,642
<b>Total Assets</b>	<b>\$1,642,836,935</b>	<b>\$1,422,143,794</b>

LIABILITIES AND MEMBERS' EQUITY	Dec. 31, 2021	Dec. 31, 2020
Members' shares	\$1,429,970,806	\$1,238,950,392
Non-Member deposits	\$25,000,000	\$25,000,000
Operating lease liability	\$3,956,159	\$5,221,964
Accrued expenses and other liabilities	\$48,456,015	\$12,912,925
<b>Total Liabilities</b>	<b>\$1,507,382,980</b>	<b>\$1,282,085,281</b>
Members' equity	\$135,453,956	\$140,058,513
<b>Total Liabilities and Equity</b>	<b>\$1,642,836,935</b>	<b>\$1,422,143,794</b>

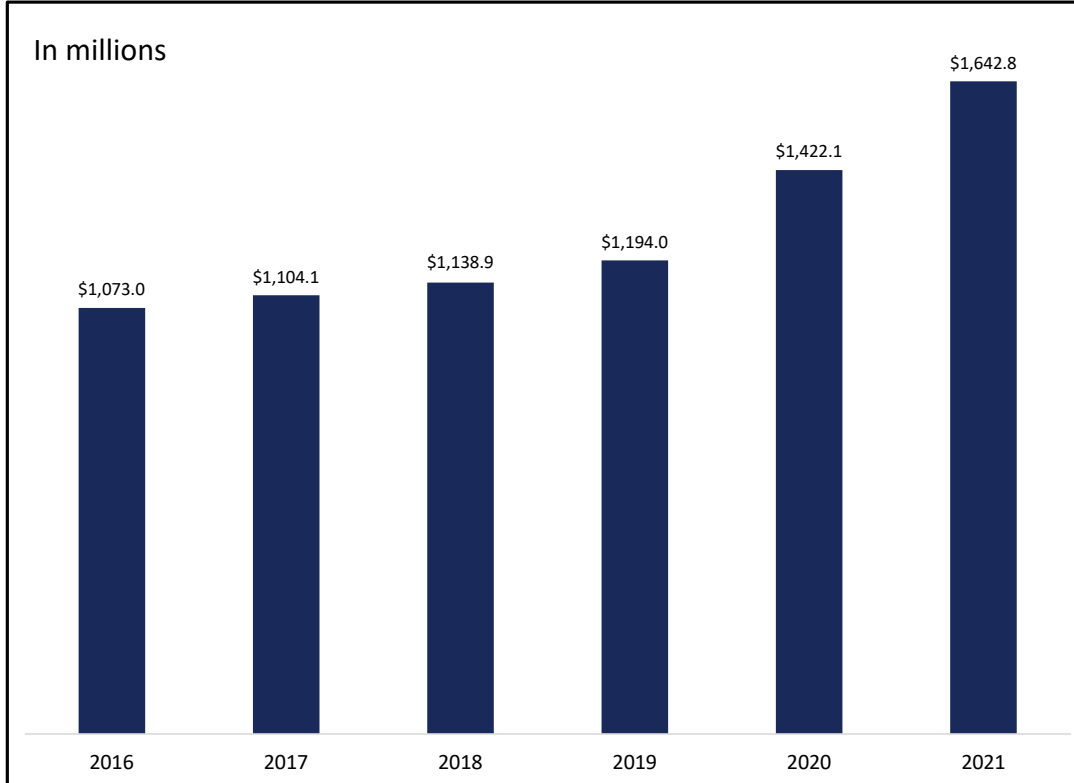
# CONSOLIDATED STATEMENT of Income

INTEREST INCOME	Dec. 31, 2021	Dec. 31, 2020
Interest on loans	\$34,530,543	\$36,652,018
Interest on investments and cash equivalents	\$7,618,897	\$6,798,300
<b>Total Interest Income</b>	<b>\$42,149,440</b>	<b>\$43,450,318</b>
INTEREST EXPENSE		
Dividends on members' shares	\$7,860,485	\$10,114,909
Dividends on non-member deposits	\$27,799	\$177,778
Interest expenses	\$5,725	\$54,081
<b>Total Interest Expenses</b>	<b>\$7,894,009</b>	<b>\$10,346,768</b>
Net interest income	\$34,255,431	\$33,103,550
Provision (credit) for loan losses	\$(19,955)	\$3,842,123
Net interest income after provision (credit) for loan losses	\$34,275,386	\$29,261,427

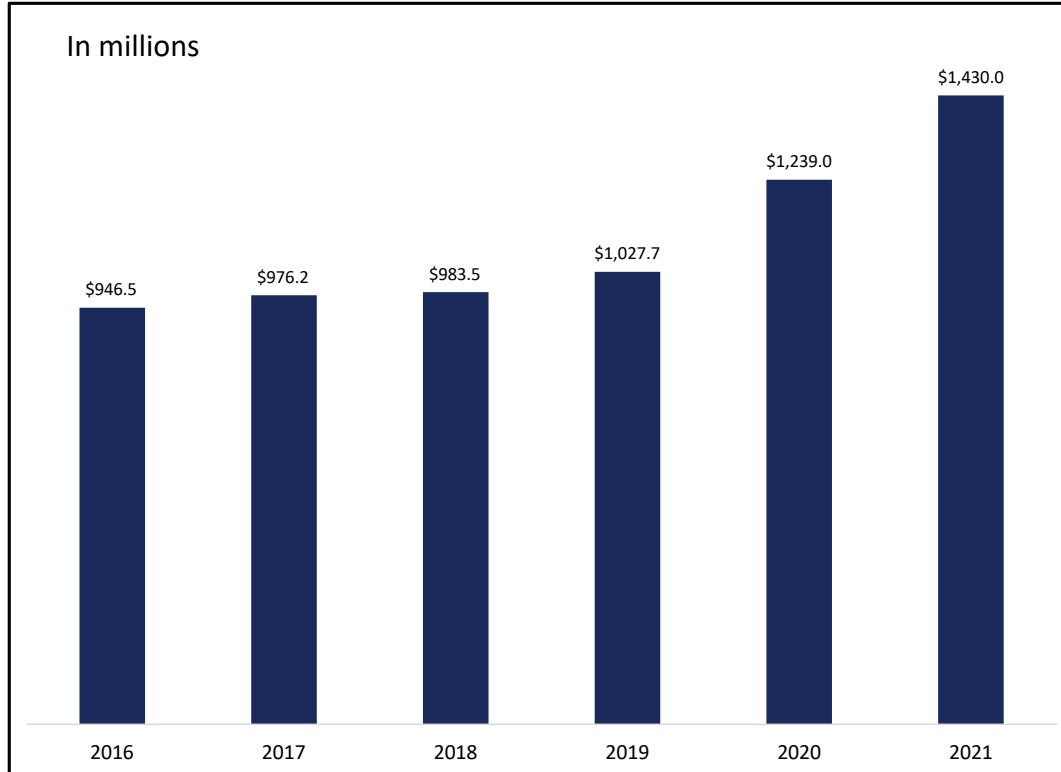
NON-INTEREST INCOME	Dec. 31, 2021	Dec. 31, 2020
Fee income	\$2,675,140	\$2,022,259
Interchange income	\$2,708,893	\$2,199,041
Net gains/losses on sale of loans	\$2,960,948	\$7,183,628
Change in fair value of loans held for sale	\$(466,163)	\$720,136
Hedging gain/loss	\$1,109,037	\$(1,619,257)
Mortgage servicing right amortization	\$90,662	—
Mortgage loan servicing income	\$603,433	\$324,958
Gain on sale of securities available for sale	\$1,584	\$29,467
Other non-interest income (expense)	\$(11,906)	\$41,490
Other non-interest income	\$1,673,926	\$1,462,612
<b>Total Non-Interest Income</b>	<b>\$11,345,554</b>	<b>\$12,364,334</b>
NON-INTEREST EXPENSE		
Compensation and benefits	\$22,519,906	\$21,131,138
Operations	\$15,037,240	\$14,526,504
Occupancy	\$1,898,666	\$1,844,029
<b>Total Non-Interest Expense</b>	<b>\$39,455,812</b>	<b>\$37,501,671</b>
<b>NET INCOME</b>	<b>\$6,165,128</b>	<b>\$4,124,090</b>



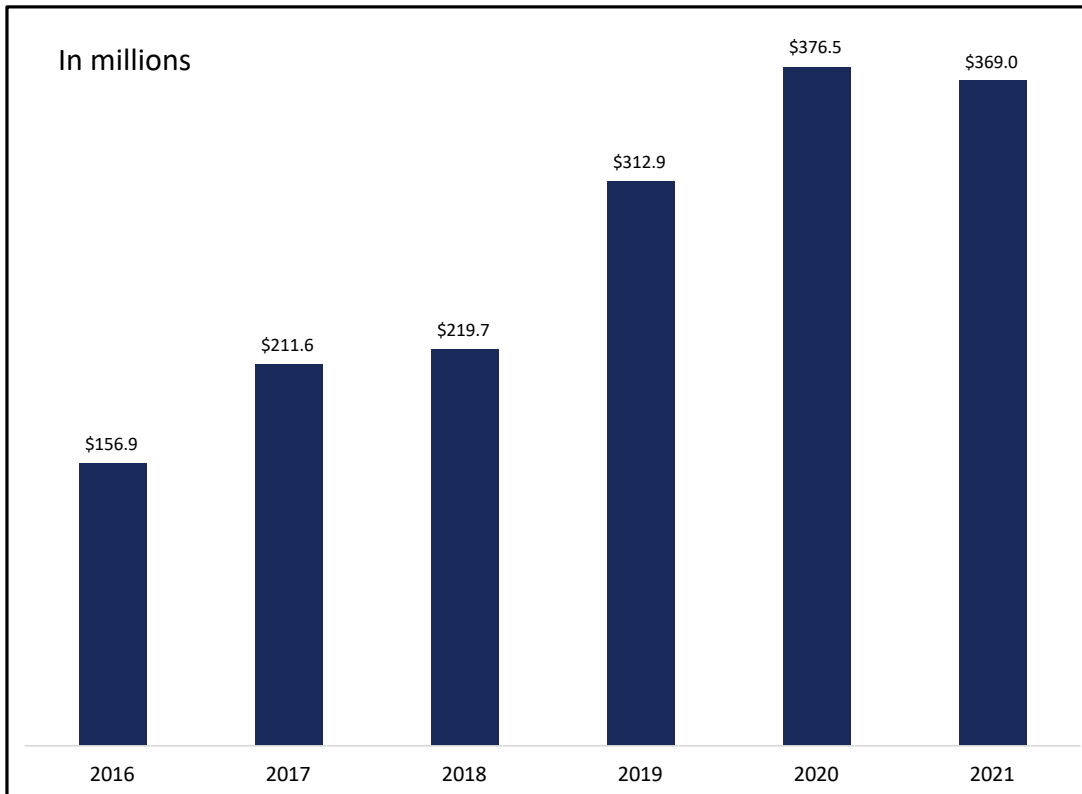
# TOTAL Assets



# TOTAL Member Shares

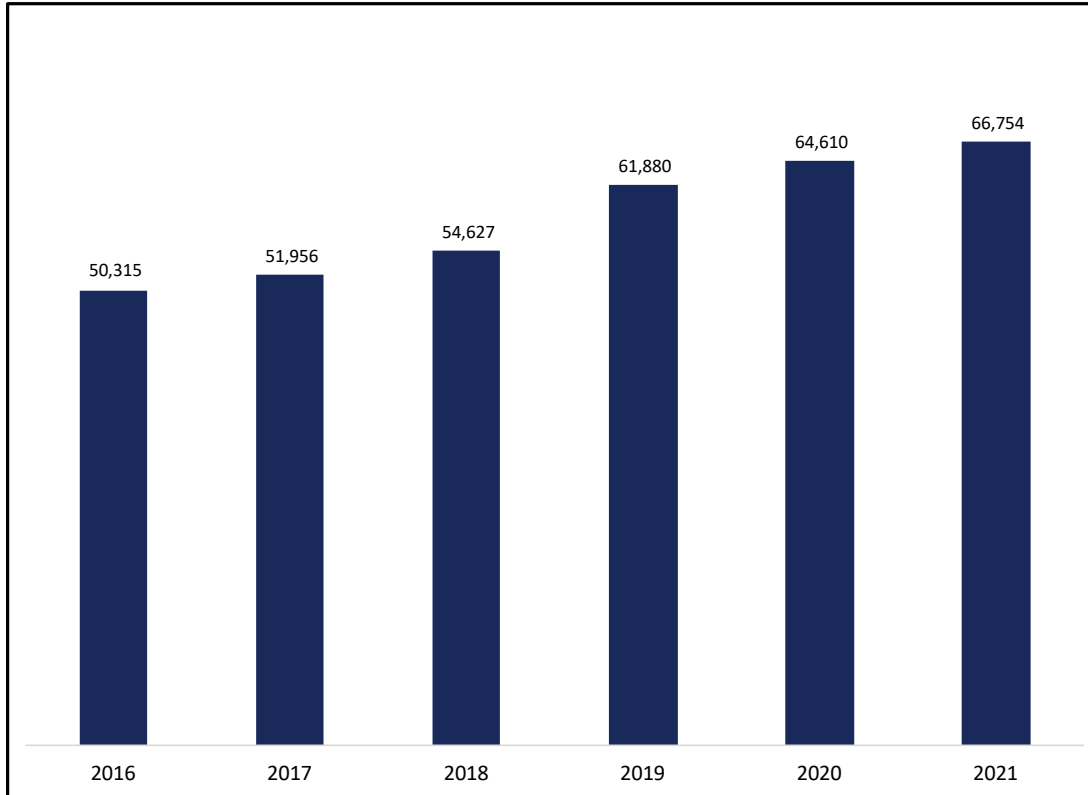


# LOAN Originations



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.

# TOTAL Members



## Board of DIRECTORS

Karin Flanagan, Chair

Heather M. Crofford, 1st Vice Chair

Diane Corral-Lopez, 2nd Vice Chair

Patrick Creighton

Stephen Considine

Kathi Harper

Hugh Jones

Petros Kitsos

Harry Q. H. Lee, II

Elizabeth Pitts-Madonna

Rob Polvino

Eric Scholten

Pamela Wade

## Supervisory COMMITTEE

Wayne Watanabe, Chair

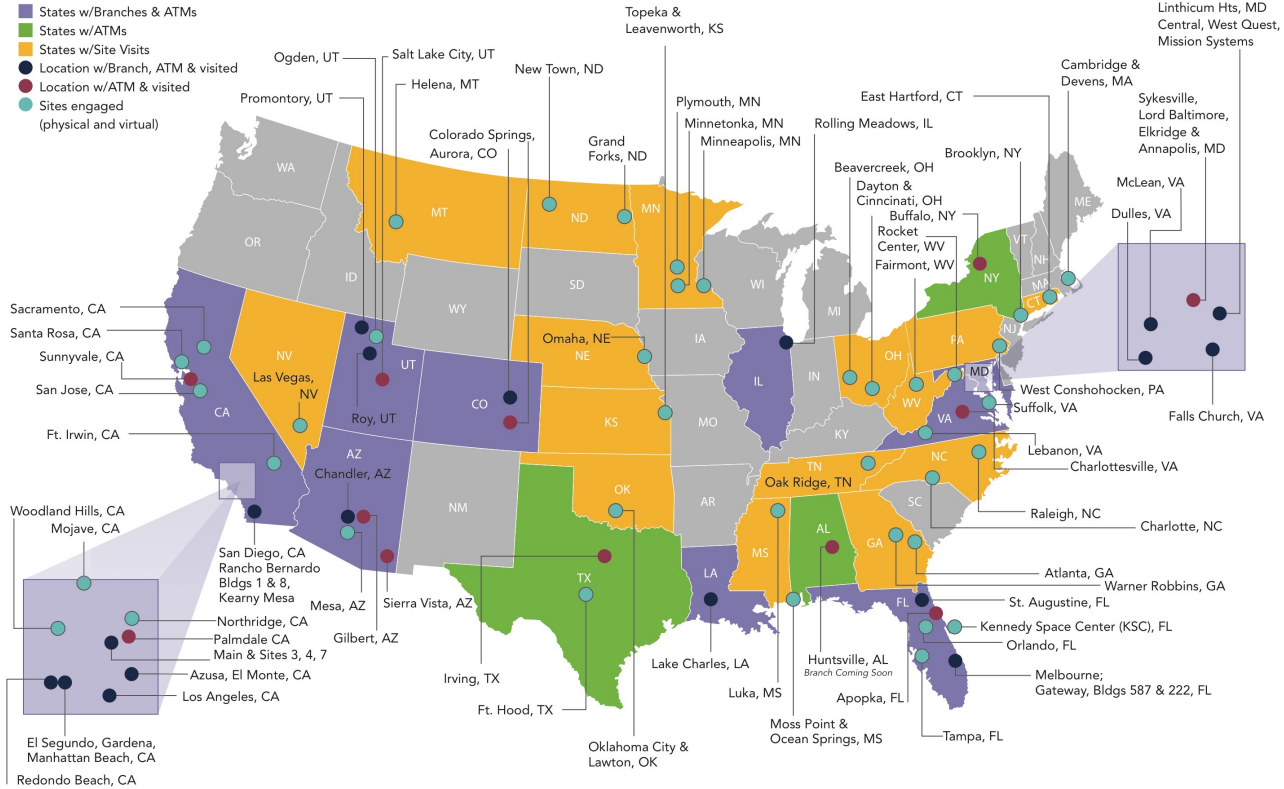
Matthew Barrett, Secretary

Leigh Cokonis

Jessica Couch

Darryl Heath

NGFCU provides service from 26 offices/branches and 51 ATMs at or near NG locations in 12 states with site engagements to even more states.



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

