

REAL MEMBER REAL VALUE



Joshua Young, a NASA Federal scholarship recipient

"I am honored to have received the Mitchell-Beall-Rosen Scholarship Award. This financial support is greatly appreciated. Scholarships like these are the reason I am able to pursue a Yale education. The Scholarship Committee and NASA Federal Credit Union have my sincerest thanks and gratitude for selecting me."

In 2022, NASA Federal donated a total of \$36,000 in scholarships to eight deserving members. Learn more at nasafcu.com/scholarship.

CALENDAR

- **April 24: NASA FEDERAL ANNUAL MEETING**
5 p.m., Collington Center branch office.

A NOTE FOR OUR MEMBERS

In light of recent news in the financial industry, it is understandable for you to have questions or concerns. We want to assure you that NASA Federal Credit Union is well-capitalized, has access to ample liquidity, and has a diversified balance sheet and member base.

Unlike for-profit banks, NASA Federal Credit Union is a not-for-profit financial cooperative focused on providing financial benefits directly to you, our member owners, not stockholders. This means we can offer lower loan rates, higher deposit rates, and lower fees compared to banks.

What's more, deposits at NASA Federal Credit Union are federally insured by NCUA up to \$250,000. This coverage is on single ownership accounts and additional separate coverage options are available for joint, retirement, and trust accounts. Credit union members have never lost a penny of insured savings at a federally insured credit union. To learn more about share insurance coverage, visit nasafcu.com/share-insurance.

NATIONWIDE

More Than 5,000 Branch Network Locations

36,000 Free ATMs

Plus, Get Cash at More Than
7,900 7-Eleven® Stores



Find a location near you at nasafcu.com/locations



P.O. Box 1588 | Bowie, MD 20717-1588

Telephone

Local..... 301-249-1800
Toll-Free..... 1-888-NASA-FCU (627-2328)
Contact-24..... 1-888-NASA-FCU (627-2328), press 1
Lost/Stolen Credit Card..... 1-888-NASA-FCU (627-2328)
Lost/Stolen Debit Card..... 1-866-708-9364

Fax

Mortgage Services..... 301-249-0798
Loan Services..... 301-249-0799
Member Services..... 301-249-0587

Your NASA FCU deposits (excluding investment accounts) are federally insured to at least \$250,000 by the National Credit Union Administration, an agency of the U.S. Government.



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www.nasafcu.com



The quarterly news & service update for NASA Federal members

Insight

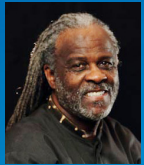
April 2023



MEMBER REPORT

Our Work for You in 2022





Lewis Andrews
Chairman



Adam Greenstone
Vice Chairman



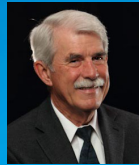
Michael Frueh
Treasurer



Alotta Taylor
Secretary



Martin Henning
Director



William Tumulty
Director



Karen White
Director



John Sissala
Director Emeritus



Leonard Rawicz
Director Emeritus



David Stoughton
Director Emeritus



Andrea Eley
Associate Director



Mark Flemming
Associate Director

Supervisory Committee Report



Supervisory Committee

From left to right:
Joanne Sprunk, Chair,
Karen White,
Elaine Slaugh,
and Dan Rozman

The Supervisory Committee is responsible for ensuring that the Credit Union's Board of Directors and management establish practices and procedures to properly safeguard members' assets. The Committee is also responsible for obtaining the annual financial statement audit from a licensed, independent auditor to ensure that the Credit Union's financial statements comply with Generally Accepted Accounting Principles and fairly represent the financial condition of NASA Federal Credit Union. In fulfilling these responsibilities, the Committee engaged the independent certified public accounting firm of CliftonLarsonAllen LLP, which directly reports to the Committee.

We are pleased to report that the annual audit conducted by CliftonLarsonAllen LLP for 2022 was completed successfully, and NASA Federal Credit Union's financial statements were certified as fairly and appropriately presented, and in accordance with Generally Accepted Accounting Principles, on March 30, 2023.

Joanne Sprunk
Chair, Supervisory Committee

CONSOLIDATED STATEMENT OF INCOME

December 31, 2022

INTEREST INCOME

Interest on Loans	\$ 138,840,670
Interest on Investments	(7,769,488)
Total Interest Income	\$ 131,071,182

INTEREST EXPENSE

Net Interest Income	97,678,260
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PROVISION FOR LOAN LOSSES

Net Interest Income after Provision for Loan Losses	84,622,369
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Other Operating Income

OPERATING INCOME

Before Operating Expenses	124,610,735
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OPERATING EXPENSE

Employee Expense	45,590,912
Operating Expense	33,405,428
Total Operating Expense	78,996,340

CONSOLIDATED NET INCOME

Less: Non-Controlling Interest Earnings	9,572
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NET INCOME

\$ 45,604,823

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

December 31, 2022

ASSETS

Cash and Cash Equivalents	\$ 446,002,546
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LOANS TO MEMBERS

Less: Allowance for Loan Losses of \$17,571,639	3,643,571,579
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INVESTMENTS	144,969,976
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OTHER ASSETS	229,158,915
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TOTAL ASSETS

4,463,703,016

LIABILITIES AND MEMBERS' EQUITY

Members' Share Accounts	3,639,755,343
Payables and Other Liabilities	356,572,057

TOTAL LIABILITIES

3,996,327,400

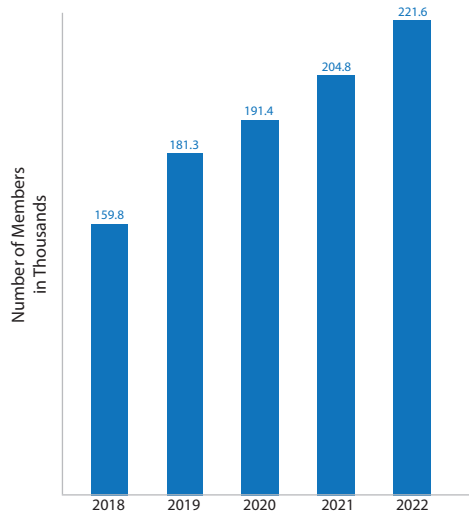
TOTAL MEMBERS' EQUITY

Non-Controlling Interest	349,001
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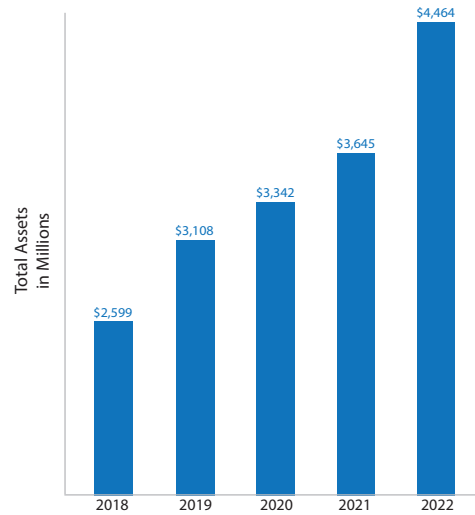
TOTAL LIABILITIES AND MEMBERS' EQUITY

\$ 4,463,703,016

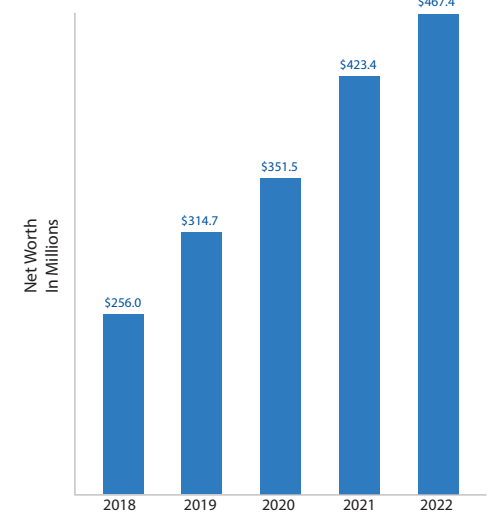
MEMBERSHIP GROWTH



ASSET GROWTH



CONSOLIDATED NET WORTH



CORPORATE SOCIAL RESPONSIBILITY

We are grateful to our employees, our community partners and our members for their continued trust in NASA Federal Credit Union and their faith in our shared mission. In 2022, NASA Federal and our more than 360 employees delivered the following benefits:

This 2022 Corporate Social Responsibility (CSR) scorecard details the scope and depth of our community activities.

2022 SCORECARD

Charitable Giving & Employee Volunteerism



\$90 thousand

in philanthropic donations to college scholarships, Children's Hospitals and local food banks

Environmental Stewardship



276 tons

Reduced carbon footprint by investing in LED replacement and improved HVAC efficiencies

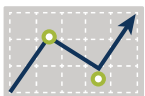
Employee Knowledge



11,554 hours

of training for employees, including financial and leadership topics

Economic Opportunity



\$1.25 million

in liquidity assistance for smaller and Latino credit unions to serve lower-to-moderate income communities

Responsible Home Ownership



\$889 million

in innovative mortgage products designed for home buyers with little or no down payment, first-time home buyers, and those looking to refinance their existing mortgage to a lower interest rate

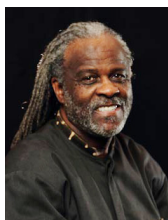
Member Savings



\$75 million*

in member savings through lower interest rates on loans, higher deposit rates, fewer fees, and improved services

*The Credit Union National Association's (CUNA) most recent Member Benefits Report estimates that NASA Federal provided \$75 million in direct financial benefits to its members in 2022 when compared to other financial institutions.



Lewis Andrews
Chairman



Michael Frueh
Treasurer



Doug Allman
President/CEO

Our Work for You in 2022

We are pleased to report that our work over the past year yielded notable results in several important areas. As always, we had you—our most valued member—at the forefront of our focus.

Indeed, our dedication to helping you achieve a brighter financial future can be seen in everything we delivered in 2022. This included new technologies to make your banking safer and easier; excellent value to help you keep more money in your pocket; and outstanding member service to keep you satisfied and coming back for more.

Not surprisingly, these things, taken together, also resulted in remarkable financial performance for the Credit Union. We proudly share our 2022 successes with you below.

New Technologies, Better Banking

Our efforts to provide you with safer, more efficient banking products and services continued throughout 2022. We delivered several new technologies and programs designed to save you time, make your life simpler, and keep your accounts safer. These included:

- A new caller authentication system that helped reduce potential fraud risk on member accounts, delivered an easier member verification process, and cut down on the amount of time members spend on the phone receiving service.
- An improved mortgage application portal delivering a more intuitive and seamless online application process for members applying for NASA Federal mortgages.
- A new solar lending program delivering affordable financing to members seeking to upgrade their homes to cheaper, more ecologically friendly solar technology.
- State-of-the-art fraud programs that improved Credit Union fraud detection and mitigation efficiency and saved hundreds of thousands of dollars in potential losses.
- A modernized platform for our intranet that has provided more efficient site navigation for employees, ultimately making it easier and quicker for them to serve members.
- Completion of a digital banking vendor review, marking the first step toward our eventual move to a more modern digital banking platform and improved member web and mobile experiences.

Excellent Value and Satisfaction

Next, as in prior years, the Credit Union ensured excellent value for members through competitive loan and deposit rates and low and no fee products and services. In fact, several of our savings rates were notably above the national average throughout the year, some as high as 16.5 times the national average.

Because of this, when compared to other financial institutions, NASA Federal provided over \$75 million in direct financial benefits to its members in 2022 (up from \$45 million in 2021), according to the Credit Union National Association's (CUNA) most recent report. In addition, at 92%, our member satisfaction numbers remained strong throughout 2022, indicating that you and other members like you continued to be pleased with our ability to meet your needs and serve you well.

Record Growth and Efficiency

In addition to the aforementioned technologies, value, and service delivered on your behalf in 2022, the Credit Union achieved record growth on several fronts. We completed the year just shy of \$4.5 billion in assets, which represented a 22% increase over 2021's \$3.65 billion and a new milestone for asset size. At the same time, we welcomed more than 43,500 new members to the Credit Union from across the country, bringing our member base to 221,588. This, too, was a new record, and represented an 8% year-over-year increase.

"NASA Federal completed the year with **\$4.5 billion** in assets, a **22% increase** over the prior year... and a new milestone for asset size."

We also funded a total of \$1.8 billion in loans last year, an increase of 20% over 2021's \$1.5 billion. This included record growth in home loans of \$889 million, \$630 million in auto loans, and \$319 million in other loans.

What's more, our efficiency ratio remained very strong at 53%. This is noteworthy, as it shows that we were able to control expenses while maximizing the value we deliver to members.

Finally, we ended the year with a net worth to asset ratio of 10.47%. Total reserves, a measure of NASA Federal's safety and soundness, topped \$467.4 million. As a further measure of financial strength, Bauer Financial, an independent rating agency, awarded NASA Federal a 5-star rating.

Community Care

Our list of 2022 successes would not be complete without mentioning our community involvement. As always, NASA Federal remained committed to serving and caring for the community throughout the year.

In April, NASA Federal volunteers convened in downtown D.C. to participate in the Cherry Blossom Ten-Mile Run supporting the Children's Miracle Network. Our \$20,000 sponsorship supported Children's National Hospitals, sick kids, and families, while also enabling approximately 18,000 runners, 12 of which were NASA Federal employees and family members and 22 of which were NASA Federal members.

At the same time, we provided \$36,000 in scholarships to eight deserving student members, demonstrating our ongoing commitment to helping young people prepare for the future through higher education and financial responsibility. This was our 39th year providing scholarships through the contest, having awarded more than \$500,000 to over 200 student members since its inception.

Finally, in December, the Credit Union conducted its Annual Virtual Food Drive. Because of these efforts, we were able to support those in need by donating \$34,000 to eight food banks throughout the DMV.

A Rewarding 2023

As we make our way through 2023, we are committed to continuous improvement as we work to bring you the most rewarding banking products and services possible. To that end, we will focus on projects like moving from our existing digital banking platform to a new platform to deliver improved member web and mobile banking experiences by year end. In addition, by implementing a single interface for our internal operating systems in April, we will improve back-office efficiencies and, ultimately, deliver more seamless banking for members. Finally, we will also begin issuing contactless credit cards to provide a secure, convenient, and touch-free way for members to pay.

The balancing act would not be complete, however, without mentioning our ongoing efforts to support the community and provide exceptional member value and service throughout the year. As always, we are confident that NASA Federal will successfully do it all on your behalf in 2023.

Your volunteer Board of Directors, Credit Union management and all of the NASA Federal employees appreciate your business. We look forward to the privilege of serving you and meeting your financial needs throughout the upcoming year and beyond. Thank you for entrusting us with your membership.

Lewis Andrews
Chairman

Michael Frueh
Treasurer

Doug Allman
President/CEO