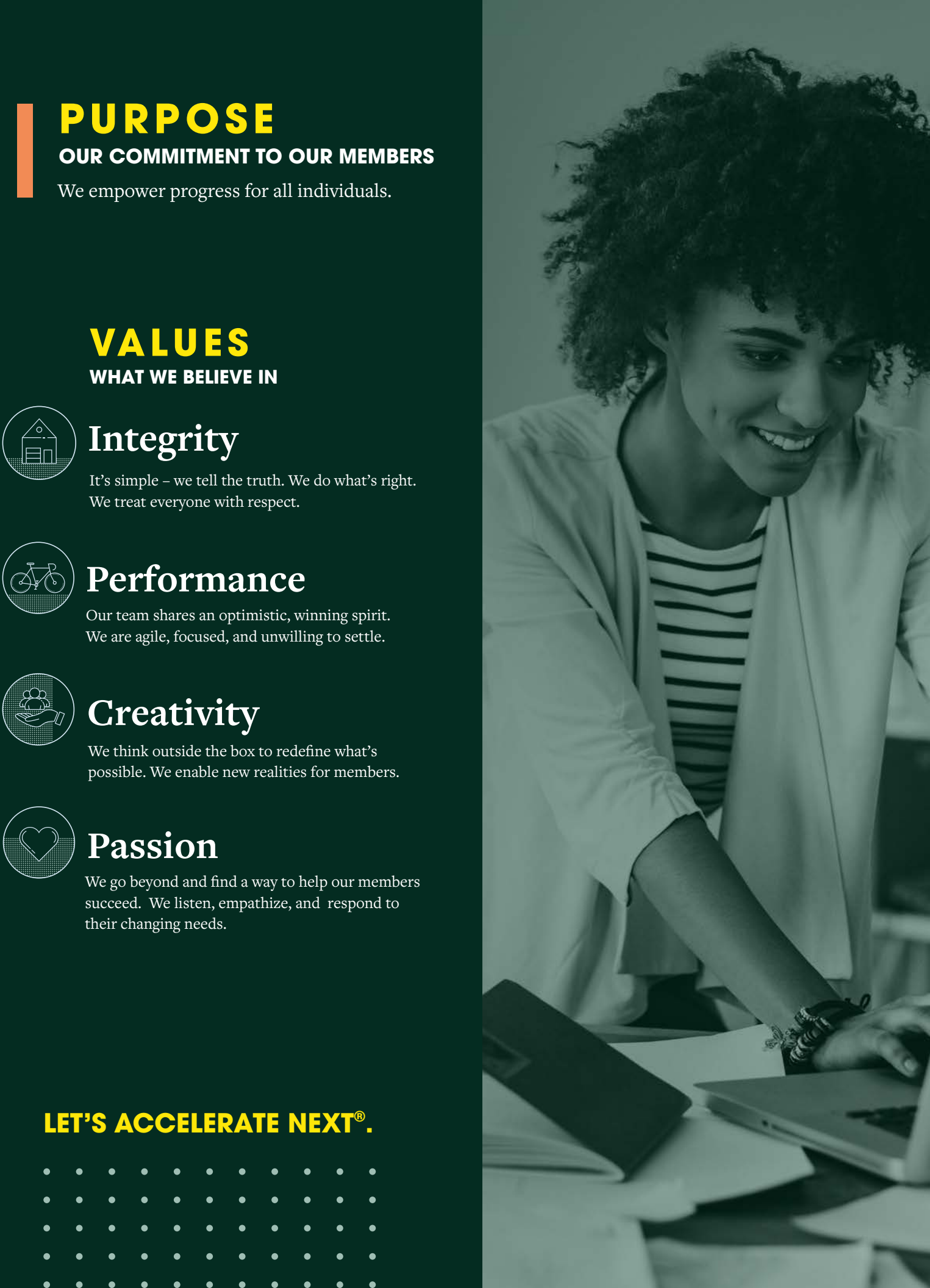




ANNUAL REPORT

**Next
Mark**
CREDIT UNION



PURPOSE

OUR COMMITMENT TO OUR MEMBERS

We empower progress for all individuals.

VALUES

WHAT WE BELIEVE IN



Integrity

It's simple – we tell the truth. We do what's right.
We treat everyone with respect.



Performance

Our team shares an optimistic, winning spirit.
We are agile, focused, and unwilling to settle.



Creativity

We think outside the box to redefine what's possible.
We enable new realities for members.



Passion

We go beyond and find a way to help our members succeed. We listen, empathize, and respond to their changing needs.

LET'S ACCELERATE NEXT®.

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LET'S ACCELERATE NEXT®



JOINT REPORT OF THE CHAIRMAN AND PRESIDENT/CEO

A year of opportunity.

2022 sure kept us on our toes. Fluctuating interest rates and gas prices, along with inflation, forced us to reassess our strategic priorities to ensure that our operational tactics remained in line with our goals. Despite these economic challenges, our perseverance toward adapting to change empowered us to finish 2022 in a strong and sound position. We closed the year with \$510 million in assets and \$397 million in loans. Loans grew by 11% and share certificates by 4%. Our commitment to offering creative and competitive solutions that help our members turn financial goals into fantastic realities remained a top priority. We continuously tweaked products to make them better and introduced new ones that were unique to the market. New products included the 40-Year Home Equity Line of Credit that allowed for lower and more flexible payments and the 15-Month Certificate that provided higher earnings on deposits. Behind the scenes, our technology and security teams maintained a focus on protecting member data from vulnerability and fraud. Our innovation and experience teams worked on anticipating the next “best solution” and explored new tools and resources to help boost member confidence toward managing the daunting world of money.

Meeting members where they are.

We understand that members like to have options when it comes to interacting with us, so we invested in new technologies to accelerate ease and convenience. Our online chat & video tool empowered members to communicate with our staff more easily, allowing them to get the information they needed faster and in a more secure environment. We engaged in more than 2,000 online chats that saved our members over 85 hours of wait time. We integrated with Zelle® to make transferring money to friends and family easier and more secure. We launched a credit and debit card app called NextMark Go that helps members review transactions, report suspicious activity, and lock cards while on the move. Digital interactions continued to increase as members chose to utilize online and mobile banking and apply for loans online. More than 1,000 of our members enrolled in online banking, and we processed 11,000 mobile check deposits.

Giving back to our communities.

NextMarkers continued to volunteer their time at clothes donation warehouses, food pantries and other support organizations, performing over 75 hours of service at local non-profits. We contributed more than \$42,000 in charitable donations. In addition, our annual scholarship competition awarded three \$2,500 scholarships to creative and committed students who were able to demonstrate how NextMark helped them **Accelerate Next®** on their financial journey.

Feedback helps us thrive.

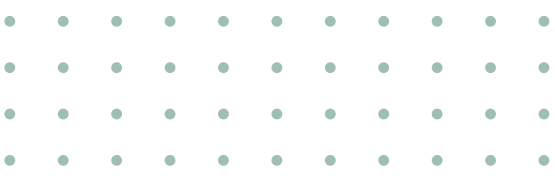
We are intentionally member-focused, and our commitment to service reflects our 4.7/5 Google Review score. Similarly, our on-line chat review score averaged 4.5/5. We appreciate the feedback and invite you to submit your review, as well. We encourage you to follow us on Facebook, Instagram, and LinkedIn so you can see what we’re up to.

Looking into the future.

As we embrace what 2023 has in store for us, our focus will remain on becoming more accessible. We are excited about the upcoming renovations in our Fairfax, Springfield and Government Center branches. Although branch access will be slightly shifted, we assure you that we will remain responsive and accessible. We also will continue to focus on introducing new digital technologies that will streamline our members’ experience while maintaining safety and soundness. Our goal is to help you propel your future so you can turn financial goals into fantastic realities. Thank you for allowing us to help you succeed, and for referring us to your family and friends.

Roberta “Bobbie” Deegan
Chairman

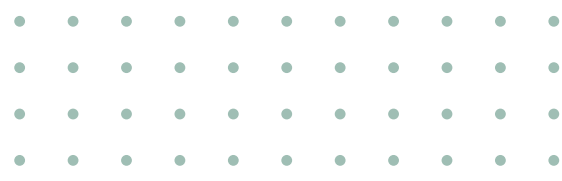
Joseph D. Thomas, Jr.
President/CEO



FINANCIALS

Statement of Financial Condition

ASSETS	2022	2021
Loans To Members	\$ 397,533,400	\$ 358,415,894
Allowance for Loan Losses	\$ (3,315,678)	\$ (3,683,803)
Cash on Hand	\$ 1,051,882	\$ 1,353,986
Investments and Deposits	\$ 89,268,755	\$ 133,519,425
Fixed Assets (NET)	\$ 4,769,457	\$ 4,730,431
Other Assets	\$ 21,563,443	\$ 19,833,022
Total Assets	\$ 510,871,259	\$ 514,168,955
LIABILITIES, SHARES AND EQUITY		
Accounts Payable and Other Liabilities	\$ 68,646,291	\$ 61,987,822
Total Liabilities	\$ 68,646,291	\$ 61,987,822
SHARES		
Savings and Club Accounts	\$ 119,081,775	\$ 124,681,853
Share Draft Accounts	\$ 67,216,052	\$ 66,222,616
Share Certificates	\$ 113,627,141	\$ 109,395,549
IRA Deposits	\$ 22,724,724	\$ 23,386,378
Money Market Accounts	\$ 55,703,526	\$ 58,781,368
Total Shares	\$ 378,353,218	\$ 382,467,764
EQUITY		
Statutory Reserves	\$ 857,083	\$ 857,083
Undivided Earnings	\$ 72,826,535	\$ 69,045,708
Unrealized Gain (Loss) on AFS Securities	\$ (9,811,868)	\$ (189,422)
Secondary Capital	\$ 0	\$ 0
Total Equity	\$ 63,871,750	\$ 69,713,369
TOTAL LIABILITIES, SHARES AND EQUITY	\$ 510,871,259	\$ 514,168,955



FINANCIALS

Statement of Income and Expenses

INCOME	2022	2021
Income on Loans	\$ 16,921,426	\$ 15,530,984
Income on Investments	\$ 1,667,137	\$ 1,177,086
Other Income	\$ 2,257,849	\$ 3,218,174
Total Income	\$ 20,846,412	\$ 19,926,244
OPERATING EXPENSES		
Compensation and Benefits	\$ 7,428,976	\$ 6,998,598
Office Occupancy	\$ 485,863	\$ 513,779
Marketing	\$ 226,761	\$ 135,274
Office Operations	\$ 2,762,610	\$ 2,800,659
Supervision/Exam	\$ 91,076	\$ 116,846
Loan Servicing	\$ 1,238,939	\$ 710,219
Outside and Professional Services	\$ 510,137	\$ 546,549
Other Expenses	\$ 374,325	\$ 186,087
Total Operating Expenses	\$ 13,118,687	\$ 12,008,011
Provision for Loan Losses	\$ 0	\$ 0
Dividend and Interest Expense	\$ 3,946,898	\$ 3,939,491
Net Income	\$ 3,780,827	\$ 3,978,742

HOME EQUITY LOAN
PRODUCTION

\$107M

LOANS ISSUED

716

FIRST MORTGAGE
PRODUCTION

\$16.06M

LOANS ISSUED

35

AUTO LOAN
PRODUCTION

\$10.95M

LOANS ISSUED

360

CREDIT CARD
PRODUCTION

\$613K

CARDS ISSUED

76

NextMark - Board of Directors

Our member-elected volunteer Board of Directors works tirelessly to ensure NextMark operates in a safe and sound manner.



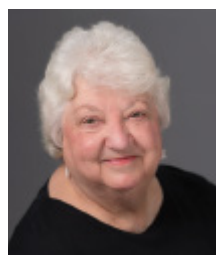
Roberta "Bobbie" Deegan
Chairman



James E. Sandifer
Treasurer



John C. "Jake" Lay
Emeritus



Martha L. Collier
Secretary



Gilbert Osei-Kwadwo
Member



Brian C. Waymire
Member

Report of the Supervisory Committee

It is the responsibility of NextMark Credit Union's Supervisory Committee to supervise an annual audit of the financial records of the credit union, verify members' accounts and report the results to the Board of Directors and the members. The Supervisory Committee contracted with Doeren Mayhew, CPAs and Advisors, a firm of certified public accountants, to perform the annual audit and member verification.

The Supervisory Committee also ensures that internal controls are effectively maintained and members' interests are protected. Many of our functions are performed in accordance with an annual audit plan and are directly performed or supervised by the internal auditor that emphasized cybersecurity, fraud prevention, and fair lending.

After reviewing the reports and records, it is the unanimous opinion of the Supervisory Committee that NextMark Credit Union is a financially solid credit union and is being operated safely and soundly. This is in no small part the direct result of the commitment, stewardship, and the hard work of all of the credit union's staff, management, and Board.

To contact the Supervisory Committee, please write to:

**NextMark Credit Union
Supervisory Committee
P.O. Box 3713, Fairfax, VA 22038.**

Respectfully submitted,
Shirley Buckley, Chairman
Nick Blaskoski
George Kamis



Shirley Buckley
Supervisory Committee
Chairman

Making an impact in Members' Lives.

Home Equity Loan Production: 716 home equity loans totaling \$107M

We helped **716 members** with home equity loans or lines of credit so they could fund vacations, home remodeling projects, tuition expenses, and much more.

First Mortgages Production: 35 1st mortgages totaling \$16M

We helped **35 members** obtain first mortgages so they could purchase their dream homes and begin building memories in them.

Auto Loan Production: 360 auto loans totaling \$10M

We provided auto loans to **360 members** so they could purchase vehicles that would help them get to work, run errands, go to doctor's appointments, and take family vacations.

What our members have to say about NextMark...



"NextMark's super friendly and efficient staff helped me get the sports car I really wanted, at a great rate! The loan officer I worked with went the extra mile to make it happen. Thank you, NextMark!!"

Jahangir Chand



"I am grateful to NextMark for helping me reach my academic goals. As a graduate school student, NextMark has helped me with scholarships, financial planning, and plans to invest my money in the future to continue my education."

Seher Raza



"It's so exciting to interact with this many people in the same company that provides professional, personable, and fast customer service. I have NEVER had a more seamless transaction than with the folks at NextMark with my real estate transaction!"

David Comfort

Impact Numbers

DIGITAL ENGAGEMENT

2,091 CHATS

MOBILE CHECK DEPOSITS

10,762 CHECKS

ONLINE BANKING ENROLLMENTS

1,058 ENROLLMENTS

NEXTMARK SCHOLARSHIPS
AWARDED

3 SCHOLARSHIPS

We presented three Jake Lay Scholarship Awards to passionate and creative students working to reach their educational goals.

CONGRATULATIONS
NEXTMARK
SCHOLARSHIP WINNERS!



AKIBU KOROMA



SEHER RAZA



ROHIL BHINGE



75+
VOLUNTEER HOURS

Making an impact in our Community.

Making an impact in our community is more than offering financial support. It's showing up and rolling our sleeves to make a difference in people's lives. In 2022 NextMark participated in 20 volunteer events and gave back to the community by offering community shred events, cleaning invasive plants, preparing snack packs, and helping serve 200+ women and 500+ children with gifts and toys for the holidays. In addition, NextMark donated \$10 for every Google review received in 2022 to a local not-for-profit organization helping to serve our community.



Explore your
Possible®



Next Mark

CREDIT UNION

NextMarkCU.org
(703) 218-9900

LET'S ACCELERATE NEXT®

BRANCHES

FAIRFAX BRANCH

4201 Members Way
Fairfax, VA 22030

GOVERNMENT CENTER BRANCH

12000 Government Center Pkwy.
Fairfax, VA 22035

HERRITY BRANCH

12055 Government Center
Pkwy.
Fairfax, VA 22035

SPRINGFIELD BRANCH

6506 Loisdale Rd.
Springfield, VA 22150

For the most current branch information and hours
please visit: NextmarkCU.org/locations-atms

