



signalfinancial
Federal Credit Union

2024 Annual Report

Bank easier.
Bank faster.
Bank better.



Chairman & President's Report

2024



Kenyahda Cahoon
President & CEO



Andrew Mekelburg
Chairman of the Board
of Directors

2024 was a year of enhancements designed to benefit our members. We introduced new Signal Smart™ solutions, revamped our brand and website, and more. All with the same goal in mind—to provide our members with a greater member experience that can empower them to take ownership of their finances.

In 2024, we unveiled our new brand to reinforce that Signal Financial is *your credit union*, with local roots and a modern banking experience. We aligned our mission statement, vision statement, and core values to highlight what we stand for and what we set out to achieve each day as your trusted financial partner.

This year, we launched Signal Smart Plus, our way of saying “Thank you” for choosing our credit union as your financial partner. Our Signal Smart Plus Checking and Signal Smart Plus Savings pay higher dividend rates, and include exclusive member perks and more ways to save. We also introduced Signal Smart Checking, our smart spending account that has no minimum balance or transactions requirements, and no maintenance fees. This suite of Signal Smart solutions is truly meant to support you throughout your entire financial journey, no matter where you are on it.

Signal Financial also added several complimentary services designed to upgrade the member experience. In February 2024, Credit Score Dashboard was added to our online banking platform, offering you access to your credit score, full credit report, credit monitoring, and more—all without impacting your credit score. CardFree CashSM became available in fall 2024, giving our debit card holders easy access to their funds without a physical debit card in hand. Via our mobile app, Signal members can withdraw cash from select ATMs nationwide. Plus, with Signal's new digital card, you no longer need to wait for your new credit card to arrive in the mail. Once approved, your new credit card can be delivered via text directly to your smartphone for you to store in your Google or Apple Wallet.

Financial education and fraud protection were also at the forefront of our credit union in 2024. We unveiled new Financial Literacy resources on our website, including our Content Corner and Fraud Protection and Identity Theft webpage. This continued focus on financial education aligns with our mission as a not-for-profit credit union. We will continue to drive awareness around banking best practices and how you can stay alert to fraudulent activity in this ever-changing environment.

Thank you to our Board of Directors and Supervisory Committee members for their ongoing stewardship of Signal Financial Federal Credit Union. They work tirelessly on behalf of our membership. We would also like to remember Debbie Cullen, a long serving volunteer and advocate for our members, who stepped down in 2024 and unfortunately passed away last year. Lastly, we would like to thank our outgoing President & CEO, Francois Verleysen, who retired at the end of 2024 after ten years of service to Signal Financial.

As always, thank you for your support of Signal Financial Federal Credit Union. 2025 will see a continued commitment to helping you be Signal Smart about your finances.

Kenyahda Cahoon
President & CEO

Andrew Mekelburg
Chairman of the Board of Directors



2024 Highlights



Introduced new **Signal Smart solutions**, including our power duo Signal Smart Plus



Enhanced services to provide our members with a **greater member experience**



Unveiled our new brand to reinforce that Signal Financial is **your credit union**.

Our mission is to enable you to make smart financial decisions, for today and tomorrow, by building stronger relationships and smarter solutions to bank easier, bank faster, and bank better.

Treasurer's Report



Signal Financial Federal Credit Union is committed to being our members' lifelong financial partner.

In 2024, we paid **\$5.4 million in interest to our members' share and savings accounts** largely via the competitive dividend rates for our Signal Smart™ solutions. This was a **more than 50% increase in interest paid to our members compared to 2023**. Our ability to give back in such a way was due to our \$1.3 million net gain on sales of assets from our sale of Visa stock holdings.



\$392M+
in total assets



\$5M+
paid to our members

Signal Financial closed out 2024 with **\$392,437,246 in total assets**. This was a decrease from the prior year by \$17.9 million which primarily reflects a strategic reduction in the Credit Union's loan portfolio and adjustments in investment holdings to align with changing market conditions and risk management strategies. Our net loan portfolio saw a reduction of more than \$19 million year-over-year due to a reduction in commercial loans held by the Credit Union to manage risk and maintain a balanced portfolio mix.

At the end of 2024, Signal had a **net worth ratio of 9.36%**. The net worth ratio is the percentage of a credit union's net worth compared to its total assets, and it is used by the National Credit Union Administration (NCUA) to measure a credit union's financial health. A net worth ratio at or above 7% is considered by the NCUA to be well capitalized. I am pleased to report that we maintained a net worth ratio above this threshold last year.

The Credit Union achieved a **net income of \$24,809**, demonstrating that we continue to drive operational efficiency and make smart business decisions in response to the ever-changing market conditions. We are looking forward to a successful 2025 offering more smart solutions, and more ways to help our members be Signal Smart™ about their finances.



Mary McCormick
Treasurer

Supervisory Committee's Report

The Supervisory Committee's role is to protect member assets and ensure that they are properly safeguarded. The Committee provides oversight for the implementation and maintenance of internal controls, and appropriate maintenance and accurate retention of all records.

Signal Financial's external auditor, DeLeon & Stang, is currently performing an independent financial statement audit for the 2024-year end. We also completed our examination by the National Credit Union Administration (NCUA). Signal was notified of areas of opportunity for the organization. These have been promptly addressed or are in progress of being addressed to the satisfaction of the NCUA.



Yolanda Arrington
Supervisory Committee Chairperson

Statement of Financial Condition



Total Liabilities and Members' Equity

\$392,437,246
2024

\$410,356,389
2023



Assets

2024

2023

Cash and Cash Equivalents	\$21,433,794	\$9,918,588
Securities – Available-for-Sale	\$56,315,455	\$63,146,193
Other Investments	\$762,300	\$1,405,000
Loans, Net	\$290,268,564	\$309,779,044
Accrued Interest Receivable	\$1,103,349	\$1,005,544
Premises and Equipment, Net	\$5,779,323	\$5,675,499
NCUSIF (National Credit Union Share Insurance Fund) Deposit	\$3,255,300	\$3,516,739
Credit Union Owned Life Insurance	\$3,893,630	\$4,206,521
Operating Lease Right of Use Assets	\$1,900,190	\$2,346,538
Other Assets	\$7,725,340	\$9,356,722
Total Assets	\$392,437,246	\$410,356,389



Liabilities and Members' Equity

2024

2023

Liabilities		
Members' and Nonmembers' Share and Savings Accounts	\$331,005,330	\$356,030,037
Borrowed Funds	\$30,000,000	\$27,055,000
Accrued Interest Payable	\$922,225	\$79,124
Accrued Expenses and Other Liabilities	\$6,740,443	\$3,265,559
Operating Lease Liabilities	\$1,968,545	\$2,400,230
Total Liabilities	\$370,636,543	\$388,829,950
Members' Equity		
Regular Reserves	\$31,806,074	\$ —
Undivided Earnings	\$24,809	\$31,806,961
Accumulated Other Comprehensive Loss	\$(10,030,181)	\$(10,280,439)
Total Members' Equity	\$21,800,703	\$21,526,439

Statement of Operations



Net Income

\$24,809
2024

\$489,052
2023



Interest Income

2024

2023

Loans	\$16,685,964	\$16,021,449
Investments and Cash Equivalents	\$1,690,940	\$1,501,667
Total Interest Income	\$18,376,904	\$17,523,116



Interest Expense

Members' and Nonmembers' Share and Savings Accounts	\$5,463,993	\$3,571,092
Interest on Borrowed Funds	\$1,384,468	\$1,347,293
Total Interest Expense	\$6,848,461	\$4,918,385
Net Interest Income	\$11,528,444	\$12,604,731



Provision for Loan Losses

Provision for Loan Losses	\$ —	\$125,000
Net Interest Income After Provision for Loan Losses	\$11,528,444	\$12,479,731



Non-Interest Income

Service Charges and Fees	\$2,719,492	\$3,158,658
Other Non-Interest Income	\$527,468	\$1,137,365
Net Gain on Sale of Assets	\$1,376,512	\$ —
Total Non-Interest Income	\$4,623,471	\$4,296,023



Non-Interest Expense

General and Administrative: Employee Compensation and Benefits	\$7,855,665	\$8,896,340
Office Occupancy and Operations	\$4,212,713	\$4,199,247
Other Operating Expenses	\$4,058,728	\$3,191,115
Total Non-Interest Expense	\$16,127,106	\$16,286,702

Board of Directors

Andrew Mekelburg, *Chair*
Jonathan Morrison, *Vice Chair*
Mary McCormick, *Treasurer*
Frank Qualls, *Secretary*
Mark Fieni, *Director*
Laura Groat, *Director*
Tammy Jeffers, *Director*

Supervisory Committee

Yolanda Arrington, *Chair*
Abera Abebe
Greg Billing
Laura Groat

Maryland

Kensington Branch & Main Office

3015 University Boulevard, West
Kensington, MD 20895

Leisure World Branch

3701 Rossmoor Boulevard,
Admin building
Silver Spring, MD 20906

Virginia

One Loudoun Branch

44747 Brimfield Drive
Ashburn, VA 20147

Washington, DC

City Center Branch

1101 New York Avenue NW
Washington, DC 20005

Mobile

Signal On The Go Truck



signalfinancial
Federal Credit Union

3015 University Boulevard, West
Kensington, MD 20895

301-933-9100

memberservice@signalfinancialfcu.org
signalfinancialfcu.org

