



2018 Annual Report



CHAIRMAN'S AND PRESIDENT'S REPORT

We want to recognize the Board of Directors and Committee members of Lifetime Federal Credit Union for their leadership, dedication and passion for this organization. The strength of their commitment is key to our long-term sustainability and prosperity. As a united body of leadership, we are responsible for ensuring that we have a competent, qualified and trustworthy management team. We can say unequivocally that we do.

We celebrated our one-year anniversary a few months ago as a merged credit union with our Oklahoma members. We have spent an enormous amount of time in 2018 strengthening this bond beginning with our data system consolidation which now allows all our members to experience the same best in class services and products regardless of location.

We have centralized our multistate telephone systems and developed departmental options to provide a faster response to incoming telephone inquiries.

We consolidated our credit card program with the transition to a new processor which required a mass card reissuance to all cardholders and resulted in the development of a Platinum card program and many other added card features.

The Board promoted its financial literacy agenda with the approval of Credit Sense, an online tool that allows

members to monitor their credit score in real-time and receive individual credit score updates. This product is free and immediately available to all credit union members.

We expanded our gift card program to the Texas branch now allowing sales at both locations.

In 2019 we plan to offer a student loan refinancing program in addition to establishing a member relationship pricing model to reward members for using our products and services.

Additionally, we have targeted year-end 2019 for completion of an expanded surcharge-free ATM network.

To our members, we're greatly humbled by the trust you've placed in us. Your support is a testament to our strength as a financial institution. And we are grateful that so many of you are turning to Lifetime Federal Credit Union for your financial needs.

Bryant Phipps
Chairman of the Board

Darryl Trammell
President/CEO

TREASURER'S REPORT

I'm pleased to announce that Lifetime Federal Credit Union (LFCU) continues to be a well-capitalized financial institution, with a strong net worth ratio of 18.45 percent. To put that in perspective, a net worth position above 7 percent is considered well capitalized by our regulators, and our peer average is 13 percent.

We paid our members \$238,664 in dividends in 2018, an increase of \$36,994 over 2017. Favorable interest rates and a strengthening economy motivated many of our members to buy new or previously owned vehicles. In 2018, LFCU made loans totaling more than \$11 million which included \$8.5 million in new and used vehicle loans.

As loan demand has increased by 12.37 percent from 2017 to 2018, delinquencies remain low at less than one percent. This is a reflection of two things: the competitive rates we're able to offer and your strong commitment to honoring your financial obligations.

Lifetime Federal Credit Union looks forward to serving you well in 2019.

Jack Arthur
Treasurer

SUPERVISORY COMMITTEE REPORT

The credit union industry is highly regulated by various federal and state agencies. The Supervisory Committee of Lifetime Federal Credit Union is appointed by the Board of Directors to monitor the credit union's operations and report its findings to the Board, as well as to manage the compliance requirements of the credit union.

Lifetime FCU's most recent Supervisory Committee Review of the accounting records was conducted by Credit Union Resources, Inc. for the period beginning October 1, 2017 through September 30, 2018. During the exit conference the auditors reported no major findings resulting from the audit.

The primary organization governing federally chartered credit unions like ours is the National Credit Union Administration. NCUA generally conducts its examination of Lifetime FCU's policies, procedures and accounting methods during the first quarter of each year. However, due to our October 1, 2017 merger with Group Service Employees Federal Credit Union and the ensuing March

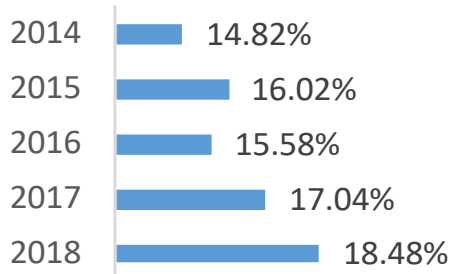
31, 2018 data system merger, NCUA elected to extend our examination to a 21-month review period of October 1, 2016 through June 30, 2018. No major findings resulted from that examination.

The Mullins Group, Inc. was engaged to perform the annual Office of Foreign Assets Control (OFAC), Bank Secrecy Act (BSA) and Customer Identification Program (CIP) compliance review for the period beginning August 1, 2017 through October 31, 2018. No material exceptions were found related to the provisions of the BSA, CIP, OFAC policy or the USA Patriot Act.

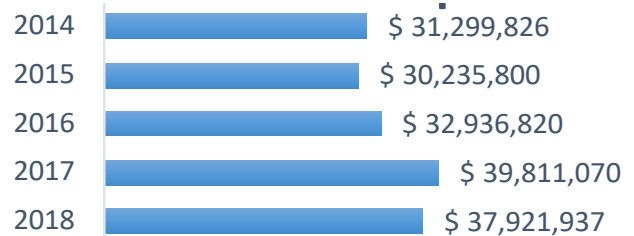
Credit Union Resources, Inc. conducted the last verification of member accounts as of December 31, 2018. No material exceptions were noted. Our next verification of member accounts is scheduled for December 31, 2020.

Paul Garcia
Supervisory Committee Chairman

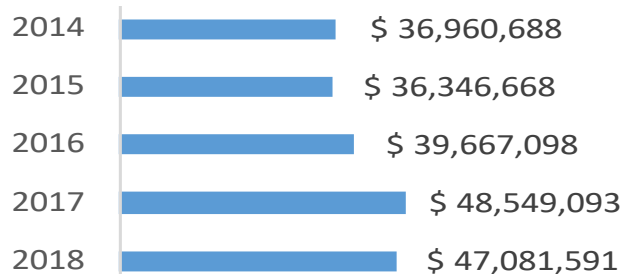
CAPITAL RATIO



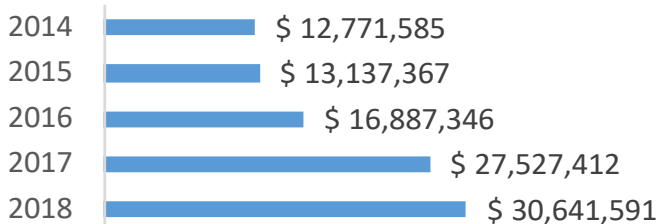
DEPOSITS



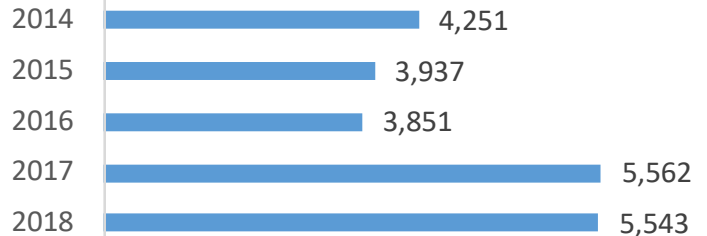
ASSETS



LOANS



MEMBERSHIP



2018 FINANCIALS

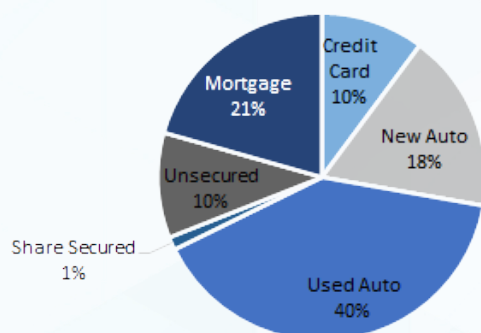
CONSOLIDATED INCOME & EXPENSE STATEMENT

Income	12/31/2018	12/31/2017	Variance \$	Variance %
Investment Income	\$299,961	\$261,260	\$38,701	15%
Interest Income (Loans)	\$1,567,232	\$1,103,127	\$464,105	42%
Fee Income	\$725,688	\$435,259	\$290,429	67%
Total Income	\$2,592,881	\$1,799,646	\$793,235	44%
Expenses	12/31/2018	12/31/2017	Variance \$	Variance %
Operating Expense	\$1,789,385	\$1,106,612	\$682,773	62%
Reserve for Loan Loss	\$313,324	\$173,824	\$139,500	80%
Dividend Expense	\$238,664	\$201,670	\$36,994	18%
Total Expense	\$2,341,373	\$1,482,106	\$859,267	58%
Net	\$251,508	\$317,540	(\$66,032)	21%

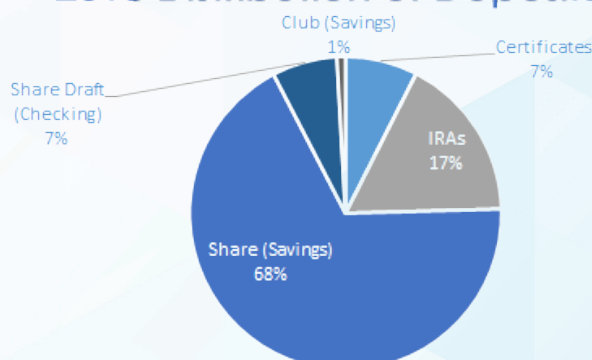
CONSOLIDATED BALANCE SHEET

Assets	12/31/2018	% of Assets	12/31/2017	% of Assets
Investments	\$15,098,699	32%	\$20,254,378	42%
Loans	\$30,641,591	65%	\$27,591,327	57%
Other Assets	\$1,782,493	4%	\$1,062,196	2%
Loan Loss Reserves	(\$441,191)	(-1%)	(\$387,123)	1%
Total Assets	\$47,081,591	100%	\$48,520,778	100%
Liabilities and Equity	12/31/2018	% of Liabilities	12/31/2017	% of Liabilities
Shares	\$37,921,937	81%	\$39,782,756	82%
Dividends Payable	\$9,366	0%	\$15,464	0%
Accounts/Notes Payable	\$450,923	1%	\$274,701	1%
Reserves & Equity	\$8,699,365	18%	\$8,447,857	17%
Total Liabilities & Equity	\$47,081,591	100%	\$48,520,778	100%

2018 Distribution of Loans



2018 Distribution of Deposits



BOARD OF DIRECTORS, SUPERVISORY COMMITTEE AND STAFF

Executive Officers

Bryant Phipps
Chairman of the Board

Laurie Wilmoth
Vice Chairperson

Jack Arthur
Treasurer

Ann Colwell Tucker
Secretary

Board of Directors

Suzy Greer

Jean Perkins

Jim Sires

Mandy Smith

Jim Wilson

Supervisory Committee

Paul Garcia
Chairperson

David Guillory

Charles Reed

Staff

Darryl Trammell
President

Ruth Aguilar
Loan Clerk

Karla Cortés
Accountant

Janice Duncan
Loan Clerk / Collector

Brenda Nunez
Member Service Representative

Brittney Sprowles
Member Service Representative

Dana Trosper
Member Service Representative

Christy Walker
Member Service Representative Supervisor

Brittany Wilhite
Member Service Representative

Jeff Wolverton
Lending / Collections Supervisor

Sharon Yosenick
Loan Officer