



# 2019 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.

Highlighting our 2019 accomplishments, we began offering a student loan refinancing program in May. By year-end we had funded 154 loans totaling more than \$541,000. In addition, we continued to offer low loan rates for new and used vehicles, RVs, motorcycles, unsecured and share secured loans, lines of credit and credit cards, as well as offering very competitive dividend rates, best in class services and free online tools.

2019 was one of our most profitable years. As a result, we made an additional commitment mid-year to return profits to our members and did so through special promotional rates for one and two-year Certificates of Deposit. Many members took advantage of this and deposited a total of \$5 million in LFCU's special CD offering.

The first phase of our 2020 strategic plan has been finalized, which is to modernize the way we deliver services to you. We will continue investing in technology to keep pace with our desire to provide the same unlimited credit union services to you regardless of your location. Our goal is to control cost with a mix of self-service and manned service options. So, whether you work from home, a Full Service Unit or in one of our other multistate locations, we want to bring our best in class credit union services directly to you.

We're greatly humbled by the trust that you, our members, have 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 19.05 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 \$311,993 in dividends in 2019, an increase of \$73,329 over 2018. Favorable interest rates and a strengthening economy motivated many of our members to buy new or previously owned vehicles. In 2019, LFCU made loans totaling more than \$13 million which included \$8.6 million in new and used vehicle loans.

As loan demand has increased by 16.37 percent from 2018 to 2019, 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 2020.

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, 2018 through September 30, 2019. During the exit conference the auditors reported no major findings resulting from the audit.

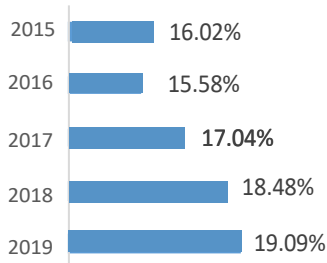
The primary organization governing federally chartered credit unions like ours is the National Credit Union Administration. NCUA performed its examination of Lifetime FCU's policies, procedures and accounting methods July 1, 2018 through December 31, 2019. No major findings resulted from that examination.

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, 2018 through November 30, 2019. No material exceptions were found related to the provisions of the BSA, CIP, OFAC policy or the USA Patriot Act.

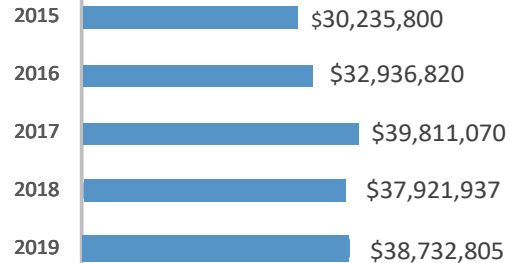
Credit Union Resources, Inc. conducted the last verification of member accounts as of December 31, 2018. No material exceptions were noted. Our next verification of member accounts is scheduled for December 31, 2020.

Paul Garcia  
Supervisory Committee Chairman

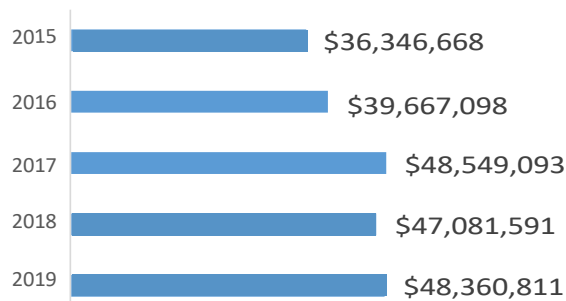
## CAPITAL RATIO



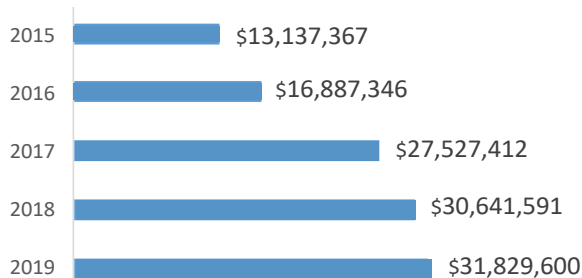
## DEPOSITS



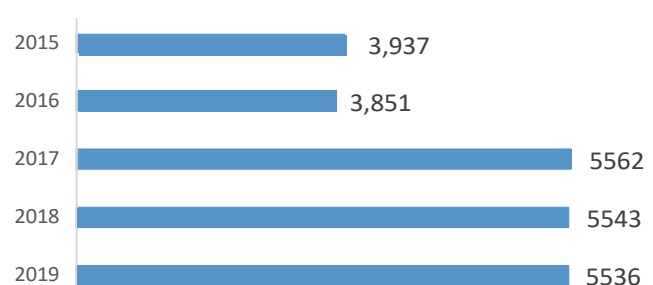
## ASSETS



## LOANS



## MEMBERSHIP





## 2019 FINANCIALS

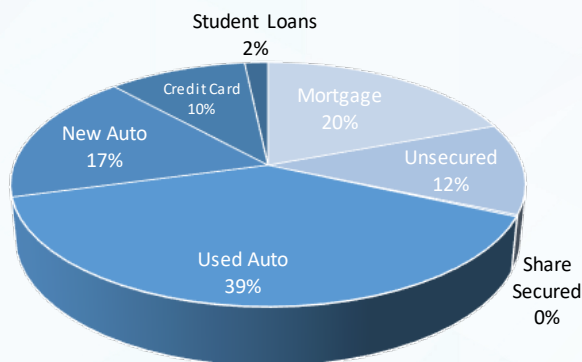
### CONSOLIDATED INCOME & EXPENSE STATEMENT

Income	12/31/2019	12/31/2018	Variance \$	Variance %
Investment Income	\$339,633	\$299,961	\$39,672	13%
Interest Income (Loans)	\$1,731,755	\$1,567,232	\$164,523	10%
Fee Income	\$772,461	\$725,688	\$46,773	6%
<b>Total Income</b>	<b>\$2,843,849</b>	<b>\$2,592,881</b>	<b>\$250,968</b>	<b>10%</b>
Expenses	12/31/2019	12/31/2018	Variance \$	Variance %
Operating Expense	\$1,706,552	\$1,789,385	(\$82,833)	-5%
Reserve for Loan Loss	\$294,966	\$313,324	(\$15,358)	-6%
Dividend Expense	\$311,933	\$238,664	\$73,329	31%
<b>Total Expense</b>	<b>\$2,313,512</b>	<b>\$2,341,373</b>	<b>(\$27,861)</b>	<b>-1%</b>
<b>Net</b>	<b>\$530,338</b>	<b>\$251,508</b>	<b>\$278,830</b>	<b>111%</b>

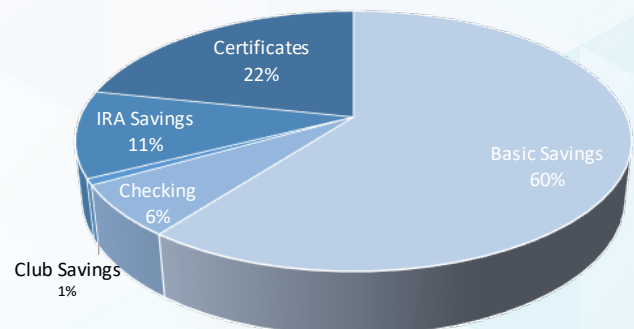
### CONSOLIDATED BALANCE SHEET

Assets	12/31/2019	% of Assets	12/31/2018	% of Assets
Investments	\$15,896,356	33%	\$15,098,699	32%
Loans	\$31,829,600	66%	\$30,641,591	65%
Other Assets	\$959,647	2%	\$1,782,492	4%
Loan Loss Reserves	(\$324,793)	(-1%)	(\$441,191)	(-1%)
<b>Total Assets</b>	<b>\$48,360,812</b>	<b>100%</b>	<b>\$47,081,591</b>	<b>100%</b>
Liabilities and Equity	12/31/2019	% of Liabilities	12/31/2018	% of Liabilities
Shares	\$38,732,805	80%	\$37,921,937	81%
Dividends Payable	\$32,448	0%	\$9,366	0%
Accounts/Notes Payable	\$365,856	1%	\$450,923	1%
Reserves & Equity	\$9,229,703	19%	\$8,699,365	18%
<b>Total Liabilities &amp; Equity</b>	<b>\$48,360,812</b>	<b>100%</b>	<b>\$47,081,591</b>	<b>100%</b>

2019 Distribution of Loans



2019 Distribution of Deposits



### BOARD OF DIRECTORS, SUPERVISORY COMMITTEE AND STAFF

Executive Officers	Board of Directors	Supervisory Committee	Staff	
Bryant Phipps Chairman of the Board	Suzy Greer	Paul Garcia Chairperson	Darryl Trammell President	Brittney Sprowles Member Service Rep
Laurie Wilmoth Vice Chairperson	Billy Hannon		Ruth Aguilar Loan Officer	Dana Trosper Member Service Rep
Jack Arthur Treasurer	Jean Perkins	David Guillory	Evan Brown Operations Specialist	Christy Walker Member Service Rep Supervisor
	Mandy Smith		Karla Cortés Accountant	Brittany Wilhite Member Service Rep
Ann Colwell Tucker Secretary	Jim Wilson	Charles Reed	Janice Duncan Loan Clerk / Collector	Jeff Wolverton Lending / Collections Manager
			Brenda Nunez Member Service Rep	Sharon Yosenick Loan Officer