



# Lifetime

FEDERAL CREDIT UNION

*"Better Because You Own It"*

The background features a collage of financial-related images: a bar chart with a value of 98.71, a stack of silver coins, and a close-up of a US dollar bill. A large blue diamond shape is overlaid on the center, containing the text '2022 ANNUAL REPORT'.

# 2022 ANNUAL REPORT

[lifetimefcu.org](http://lifetimefcu.org)



# Chairman and President's Report

Welcome to the seventy fourth annual meeting of Lifetime Federal Credit Union. We want to thank you for joining us, and we commend you for taking an active interest in our one-member, one-vote structure and philosophy.

We spent much of 2022 deploying new credit union systems; beginning with the transition onto a credit union managed network. This involved the purchase of credit union owned and managed hardware.

Next, we upgraded to a new credit card platform in early May 2022 and finally we converted to a new credit union core software platform in mid-year. Many of you have already commented favorably on your user experience with our new software.

As you will see in the Annual Report, Lifetime Federal Credit Union performed reasonably well in the fiscal year 2022. Some of the highlights of that report include:

- Lifetime Federal Credit Union (LFCU) continues to be a well-capitalized financial institution, with a strong net worth ratio of 20.41 percent, compared to our peer average of 11.62 percent.

We experienced an increase in expenses due to investing heavily in cutting-edge technology and modernized systems to provide you, our members, with best-in-class services. These investments, along with the one-time reimbursement of non-operating income from the NCUA in 2021 resulted in a decline in year over year earnings, totaling \$223,000. Nevertheless, our earnings remain strong at \$228,000 for 2022.

- You, the member-owners of this institution, were approved for 1,444 loans totaling more than \$14 million during fiscal year 2022. Overall, we experienced a loan portfolio increase of 12.52 percent compared to -7.56 percent in 2021. This reflects the competitive rates Lifetime FCU is able to offer, despite the upward trend in interest rates we've seen nationally. We experienced a slight increase in delinquency which resulted from the turnover in personnel.

- Our deposits declined slightly in 2022; however, the board intends to improve our liquidity position which will ultimately stimulate deposit growth for 2023.

We supported the actions of our sponsor, HCSC, and continue to do everything possible to provide a safe experience for you, the members, as well as the credit union staff.

Finally, we would like to recognize all the LFCU board and committee members for their dedication to this credit union. United in leadership, they are responsible for ensuring your credit union has a capable, qualified, and transparent management team, and we can say without hesitation that we do. The strength of this board's commitment to the highest standards of governance and management is essential to LFCU's well-being, sustainability, and prosperity.

Our board of directors is a diverse group of talented individuals with a broad range of financial and managerial expertise that together make a top-notch board to lead us into the future.

We would like to express our deepest confidence in the wisdom and guidance of our esteemed board of directors, the commitment of our dedicated staff, and the support and loyalty of our member-owners. We look optimistically into the future because, as this last year has shown, LFCU is well positioned to face any challenge and seize any opportunity that presents itself in the future.

Thank you, ladies, and gentlemen. We wish you and your families the very best in the coming years.

**Bryant Phipps**  
*Chairman of the Board*

**Darryl Trammell**  
*President / CEO*



# Supervisory Committee Report

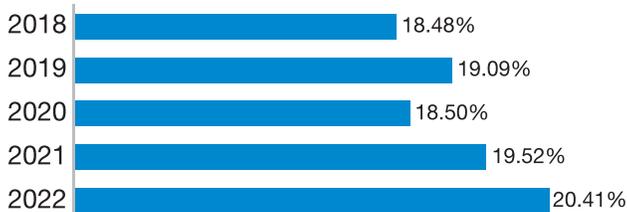
The credit union industry is highly regulated by various federal and state agencies. The Supervisory Committee of Lifetime Federal Credit Union is appointed by the Board of Directors to monitor the credit union's operations and report its findings to the Board, as well as to manage the compliance requirements of the credit union. Lifetime FCU's most recent Supervisory Committee Review of the accounting records is pending for the period of October 1, 2021, through September 30, 2022, by Credit Union Resources, Inc.

The primary organization governing federally chartered credit unions like ours is the National Credit Union Administration. NCUA performs its examination of

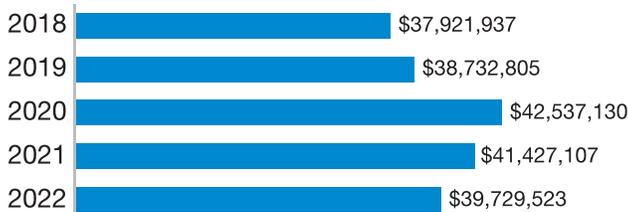
Lifetime FCU's policies, procedures, and accounting methods. Our next NCUA examination is scheduled for November 2023. The annual Office of Foreign Assets Control (OFAC), Bank Secrecy Act (BSA) and Customer Identification Program (CIP) compliance reviews were performed December 31, 2022. Credit Union Resources, Inc. conducted the last verification of member accounts as of December 31, 2022. No material exceptions were noted. Our next verification of member accounts is scheduled for December 31, 2024.

**Charles Reed**  
*Supervisory Committee Chairman*

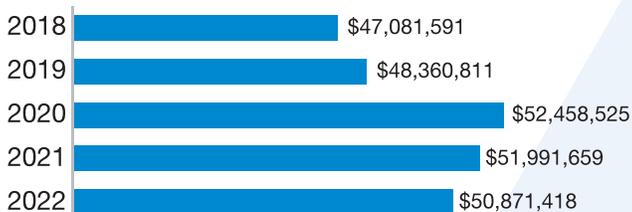
### Net Worth



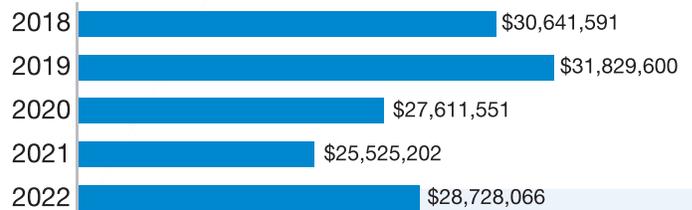
### Deposits



### Assets



### Loans



### Membership



## 2022 Financials

# Consolidated Income & Expense Statement

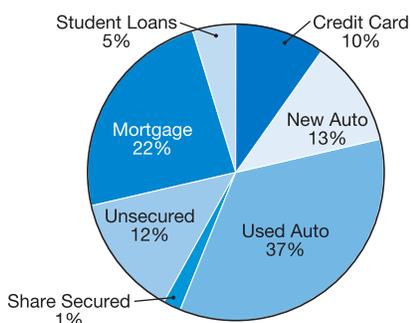
| Income                                | 12/31/2022         | 12/31/2021         | Variance \$        |
|---------------------------------------|--------------------|--------------------|--------------------|
| Investment Income                     | \$202,836          | \$184,165          | \$18,671           |
| Interest Income (Loans)               | \$1,520,174        | \$1,508,461        | \$11,713           |
| Fee Income                            | \$404,532          | \$674,794          | (\$270,262)        |
| <b>Total Income</b>                   | <b>\$2,441,812</b> | <b>\$2,367,420</b> | <b>\$314,270</b>   |
| Expenses                              | 12/31/2022         | 12/31/2021         | Variance \$        |
| Operating Expense                     | \$1,801,241        | \$1,820,926        | (\$19,685)         |
| Reserve for Loan Loss                 | \$97,682           | \$0                | \$97,682           |
| Dividend Expense                      | \$276,529          | \$241,259          | \$35,270           |
| <b>Total Expense</b>                  | <b>\$2,175,452</b> | <b>\$2,062,185</b> | <b>\$113,267</b>   |
| <b>Net Operating Income (Expense)</b> | <b>\$266,360</b>   | <b>\$305,235</b>   | <b>(\$38,875)</b>  |
| <b>Non-Operating Income</b>           | <b>(\$38,435)</b>  | <b>\$145,317</b>   | <b>\$183,752</b>   |
| <b>Net Income</b>                     | <b>\$227,925</b>   | <b>\$450,552</b>   | <b>(\$222,627)</b> |

## 2022 Financials

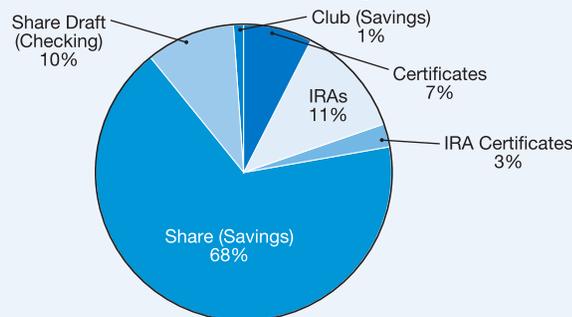
# Consolidated Balance Sheet

| Assets                                | 12/31/2022          | % of Assets      | 12/31/2021          | % of Assets      |
|---------------------------------------|---------------------|------------------|---------------------|------------------|
| Investments                           | \$20,733,907        | 41%              | \$23,881,340        | 46%              |
| Loans                                 | \$28,728,066        | 56%              | \$25,525,202        | 49%              |
| Other Assets                          | \$1,675,775         | 6%               | \$2,846,983         | 6%               |
| Loan Loss Reserves                    | (\$266,330)         | -1%              | (\$261,866)         | -1%              |
| <b>Total Assets</b>                   | <b>\$50,871,418</b> | <b>100%</b>      | <b>\$51,991,659</b> | <b>100%</b>      |
| Liabilities & Equity                  | 12/31/2022          | % of Liabilities | 12/31/2021          | % of Liabilities |
| Shares                                | \$39,729,522        | 79%              | \$41,446,319        | 79%              |
| Dividend Payable                      | \$0                 | 1%               | \$14,443            | 1%               |
| Accounts/Notes Payable                | \$760,309           | 1%               | \$377,234           | 1%               |
| Reserves & Equity                     | \$10,381,587        | 19%              | \$10,153,663        | 19%              |
| <b>Total Liabilities &amp; Equity</b> | <b>\$50,871,418</b> | <b>100%</b>      | <b>\$51,991,659</b> | <b>100%</b>      |

**2022 Distribution of Loans**



**2022 Distribution of Deposits**



## Board and Committee Appointments

### Board Officers\*

|  |  |
|--|--|
| <b>Bryant Phipps</b><br>Board Chairperson    | <b>Jim Wilson</b><br>Education Chairperson |
| <b>Laurie Wilmoth</b><br>Vice Chairperson    | <b>Suzy Greer</b><br>Loan Chairperson      |
| <b>Jack Arthur</b><br>Treasurer              |  |
| <b>Evan Krause</b><br>Secretary              |  |
| <b>Mandy Smith</b><br>Membership Chairperson |  |

### Asset/Liability Committee\*\*

|  |
|--|
| <b>Darryl Trammell</b><br>President / CEO              |
| <b>Jack Arthur</b><br>Board Treasurer                  |
| <b>Bryant Phipps</b><br>Board Chairperson              |
| <b>Jeff Wolverton</b><br>Lending & Collections Manager |
| <b>Reondra Hughes</b><br>Accountant                    |

### Credit Commtee\*\*

|  |
|--|
| <b>Darryl Trammell</b><br>President/CEO                |
| <b>Jeff Wolverton</b><br>Lending & Collections Manager |
| <b>Arpita Das</b><br>CU Collector                      |
| <b>Laurie Wilmoth</b><br>Board Member                  |

|                                      |
|--------------------------------------|
| <b>Raj Rao Kathi</b><br>Board Member |
| <b>Mandy Smith</b><br>Board Member   |
| <b>Billy Hannon</b><br>Board Member  |

### Supervisory Committee\*\*

|   |
|---|
| <b>Charles Reed</b><br>Chairperson        |
| <b>David Guillory</b><br>Committee Member |
| <b>Jim Wilson</b><br>Committee Member     |