

LIBERTY FEDERAL CREDIT UNION

Annual Report

2024



Federally Insured by NCUA

“ We have had nothing but excellent service since my wife and I opened our accounts at Liberty. I especially like the 3.50% APY interest rate on my checking account. My previous credit union paid virtually no interest in either my checking or savings accounts. We are both very happy with Liberty. ”

Leonard H.
Spring Hill, TN



Vertical CHECKING 3.50% APY

“ Liberty FCU was incredibly helpful throughout the entire process of buying my home. They communicated often, reminding me of documents needed to process my loan. My loan officer was there to support me every step along the way and there to celebrate with me during closing. I couldn't be happier with the services provided by Liberty and with my new home! ”

Tracy H.
Evansville, IN

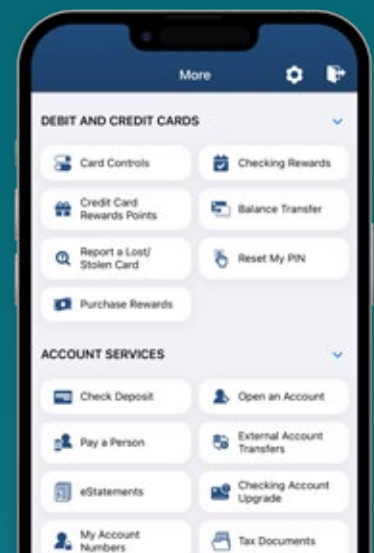


“ From the initial interaction, it was clear that our loan officer was knowledgeable, experienced, and genuinely cared about clients beyond the transaction. Despite the complexity of construction loans, Liberty made the process seamless and maintained consistent communication. Their commitment to accessibility, transparency, and personalized attention stood out, especially since we hadn't encountered such care from a loan officer before. ”

Chad R.
Nashville, TN

“ The app is very user-friendly, and it also has all the information that I need. I am able to pay my bills, transfer money, and update all information on my app. Last week, I was looking at my credit score and viewing ways to help improve it. All I need is at my fingertips! ”

Hailey L.
Richland, IN



2024 PERFORMANCE HIGHLIGHTS

Total Members:
253,527

Total Employees:
836

New Checking Accounts:
13,915

Total Checking Accounts:
119,695

Real Estate Lending:
\$954.6 Million

Total Lending:
\$1.6 Billion

Total Loans Outstanding:
\$3.21 Billion

Total Assets:
\$4.22 Billion

#1

**Ranked #1 in *Evansville Courier & Press*
2024 Readers' Choice Awards**

Best Credit Union

Best Mortgage Lending Company

Best Financial Planning Services *Liberty Wealth Services*

Best Investment Firm *Liberty Wealth Services*



MINUTES OF THE EIGHTY-EIGHTH ANNUAL MEETING

The eighty-eighth annual meeting of the Liberty Federal Credit Union was held at the Liberty Federal Credit Union's main office in Evansville on March 12, 2024. Approximately 104 members attended the meeting.

Jane Magary, chairwoman of the board, welcomed members to the business portion of the meeting at 6 p.m. She introduced current president and CEO William Schirmer, LFCU Board of Directors, and Supervisory Committee Members. Chairwoman Magary also recognized LFCU management and staff in attendance.

Secretary Bob Suhrheinrich ascertained a quorum was present, and chairwoman Magary received approval of the minutes of the eighty-seventh annual meeting.

Ms. Magary reported on behalf of the Liberty Federal Credit Union Board of Directors; Pete Hillenbrand, chairman of the supervisory committee, reported on behalf of the committee; Aaron Veech, senior vice president and chief financial officer, reviewed the financial reports for 2023; and William Schirmer, LFCU president and CEO, presented the President's Report.

Chairman Suhrheinrich announced that Jane Magary, Connie Ralph, Lori Sutton and himself ran for re-election uncontested. All four candidates were elected to three-year terms on the board.

Door prizes were awarded to members in attendance. Door prizes consisted of three \$50 gift cards. There being no further business, the meeting adjourned at 6:16 p.m.



Vertical Checking is a really great checking account. The interest rate is great,
but I really love that you pay the fee when I use another ATM!

Bailee Evansville, IN

Liberty Federal Credit Union Board of Directors



Wayne Kinney
Chairman



Connie Ralph
Vice Chairman



Harold Smith
Treasurer



Gary Hackney
Secretary



Pam Blessing



Andrew Guarino



Jane Magary



Bob Suhrheinrich



Lori Sutton



Jim Watson



Ken Wempe

LETTER FROM OUR BOARD CHAIRMAN & PRESIDENT

We had many successes and things to celebrate at Liberty Federal Credit Union over the past year.

Several key highlights for 2024 are shown below.

We welcomed **16,970 new members** into the LFCU family. Total membership at year-end was 253,527.

We increased net worth by **\$40.6mm** for the year. Total equity finished the year at \$433mm.

Total loans outstanding grew by 2% or **\$51mm** to a total of \$3.21 billion.

It was another solid year for residential real estate lending as we funded an aggregate 4,589 mortgages in the amount of **\$955mm**.

Our Business Lending Team funded **\$178mm** in commercial loans.

Our Consumer Lending Teams funded an aggregate **\$313mm** in auto and other consumer loans.

The amount of loans we service increased by **\$100mm** to a total of \$7.1 billion.

Total assets grew by **\$390mm** or 10% to a total of \$4.22 billion.

Our Investment Division, Liberty Wealth Services, continues to serve the membership well with a total of **\$684mm** of invested assets which increased by 22% for the year.

During 2024 LFCU received the following recognition for our superior value and service to our members:

#1 in the 'Total Return to the Member' category in the state of Indiana as rated by Callahan & Associates, a nationally recognized independent credit union rating organization.

For the twelfth consecutive year, LFCU received the **Platinum Award for Best Credit Union** in the *Evansville Courier & Press* Readers' Choice Award.

For the fifth consecutive year, LFCU received the **Best Mortgage Lender Award** in the Tri-State region.

LFCU also received *Courier & Press* Readers' Choice awards for **Best Overall Leadership**, as well as **Best Financial Planning Service** and **Best Investment Firm** (Liberty Wealth Services).



Wayne Kinney
LFCU Board Chairman

Bill Schirmer
President and Chief Executive Officer

We are very thankful for our past success and recognition. However, our focus remains on our financial return to the membership. In that regard, LFCU paid a record-high **\$62 million** to members who took advantage of our certificate of deposit interest rate specials. This amount represents a **\$13 million** increase from the amount returned to members in 2023 from certificate of deposit account programs. Our Vertical Checking account returned an additional **\$11 million** to our members. The total return to members through our checking, savings, money market and certificate of deposit account holders was a **record high \$74 million** for the year.

During 2024, we added two new branch locations. The first was on Veterans Parkway in Murfreesboro, Tennessee. The second was opened on Indian Lake Drive in Hendersonville, Tennessee. We are excited to be in a position to better serve our members in these regions. We also opened our new West Evansville branch office on Rosenberger Drive. This contemporary new location features 5,000 square feet with three easy access drive-thru lanes as well as additional parking to better serve our west side members.

Our contemporary mobile banking application allows members to apply for an auto or mortgage loan online, review credit scores, make LFCU loan payments from outside accounts, turn debit or credit cards on or off, report debit or credit cards lost or stolen, review progress toward checking rewards, reset personal identification numbers, deposit a check online, open a new account, transfer funds to and from external accounts, pay bills online, review credit union statements and tax documents, track personal spending versus budget goals, as well as view LFCU and outside brokerage account balances on one page. These features allow your desktop computer or digital device to be your personal banker. Be sure to review these and our other innovative mobile banking features designed to simplify your financial life.

In conclusion, 2024 was another rewarding year thanks to our dedicated Board of Directors, Supervisory Committee, and 836 staff members. From our tellers to our senior staff, we are here to provide you with the absolute best in financial products and services. Thank you for choosing LFCU as your financial institution of choice and recommending us to your friends and family. We greatly appreciate your business and look forward to serving all your financial needs in 2025.



SUPERVISORY COMMITTEE REPORT

Pete Hillenbrand, Supervisory Committee Chairman

The success of Liberty Federal Credit Union continued through 2024, with another year of growth and opportunity, amid a challenging climate, while keeping our focus on delivering the best services to our valued members.

In accordance, the Supervisory Committee is pleased to report another accomplished year for its five-member volunteer team.

During 2024, the Supervisory Committee met monthly to:

- Work with the Chief Risk Officer in addressing risks within the financial environment.
- Facilitate and review the various internal and external audits as required by regulation.
- Remain apprised of fraud detection and prevention.
- Oversee the handling of member concerns and grievances.
- Seek ways to assist with member communications.

The annual financial statement audit assured that the credit union's financial records remain in conformity with generally accepted accounting principles of the United States of America.

It is an honor to serve Liberty Federal Credit Union and its greatest asset, you the members, in this capacity.

A heartfelt thanks goes out to those who served on the Supervisory Committee during this past year.



Kathryn Kornblum-Zelle



Andy Owen



Mike Russ



Doug Wurmnest

Volunteer Management Committee
LFCU Service Organization, LLC
LFCU Lending Services, LLC

Marina Flory-Jenkins
Vic Chamness

Scott Edmond
Bill Pedtke

Brenda Scheidler
Ken Wempe

STATEMENT OF FINANCIAL CONDITION



Aaron Veech, Senior Vice President of Finance and Chief Financial Officer

STATEMENT OF FINANCIAL CONDITION

	December 31, 2024	December 31, 2023
LOANS		
Consumer Secured Loans	\$ 213,581,724	\$ 274,366,504
Consumer Unsecured Loans	72,529,382	77,807,494
Real Estate Loans	2,023,257,752	2,076,076,732
Commercial Loans	900,073,996	730,387,780
TOTAL LOANS	3,209,442,854	3,158,638,510
Allowance for Loan Loss	(6,345,998)	(6,100,764)
NET MEMBER LOANS	3,203,096,856	3,152,537,746
Cash	550,405,033	250,382,050
Available-for-Sale Securities	68,888,251	73,553,755
Other Investments	57,879,691	41,295,035
NCUSIF	26,879,491	27,656,413
Accrued Interest Receivable	10,625,542	10,082,777
Fixed Assets (Net of Depreciation)	183,502,880	164,753,420
Other Assets	119,123,651	109,849,929
TOTAL ASSETS	\$ 4,220,401,395	\$ 3,830,111,125
LIABILITIES		
FHLB Advances	689,000,000	424,000,000
Other Liabilities	76,552,829	67,989,818
TOTAL LIABILITIES	765,552,829	491,989,818
SAVINGS		
Shares	1,582,879,351	1,561,764,580
Deposits	1,454,954,411	1,400,793,087
TOTAL SHARES	3,037,833,762	2,962,557,667
EQUITY		
Regular Reserve	25,457,400	25,457,400
Undivided Earnings	316,518,542	295,683,741
Uninsured Secondary Capital	50,000,000	50,000,000
Unrealized Gain / (Loss) on Investments	(15,535,135)	(16,412,302)
Net Income	40,573,997	20,834,801
TOTAL EQUITY	417,014,804	375,563,640
TOTAL LIABILITIES & EQUITY	\$ 4,220,401,395	\$ 3,830,111,125

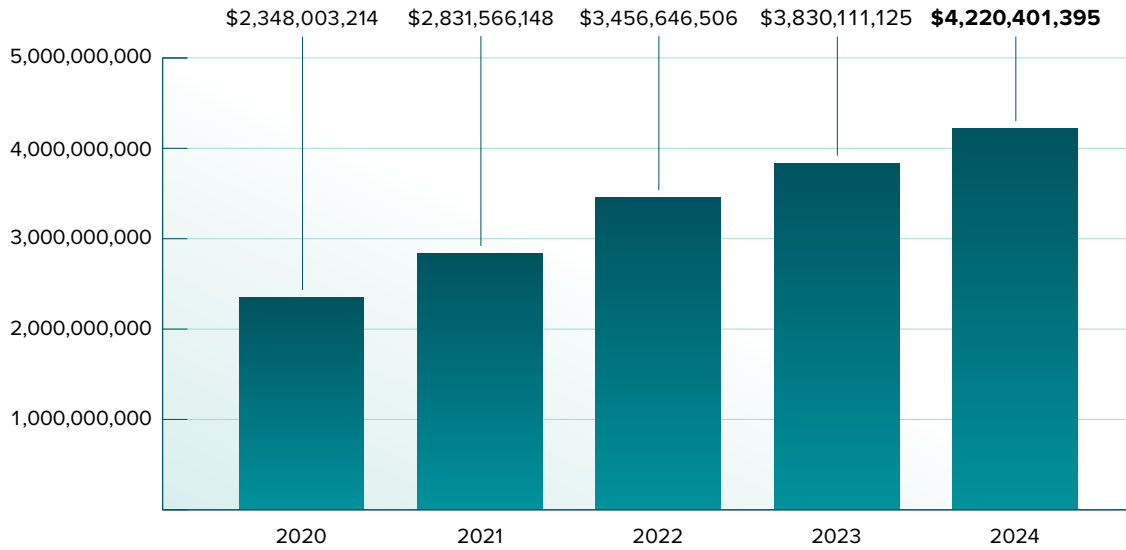
STATEMENT OF FINANCIAL CONDITION

STATEMENT OF INCOME AND EXPENSES

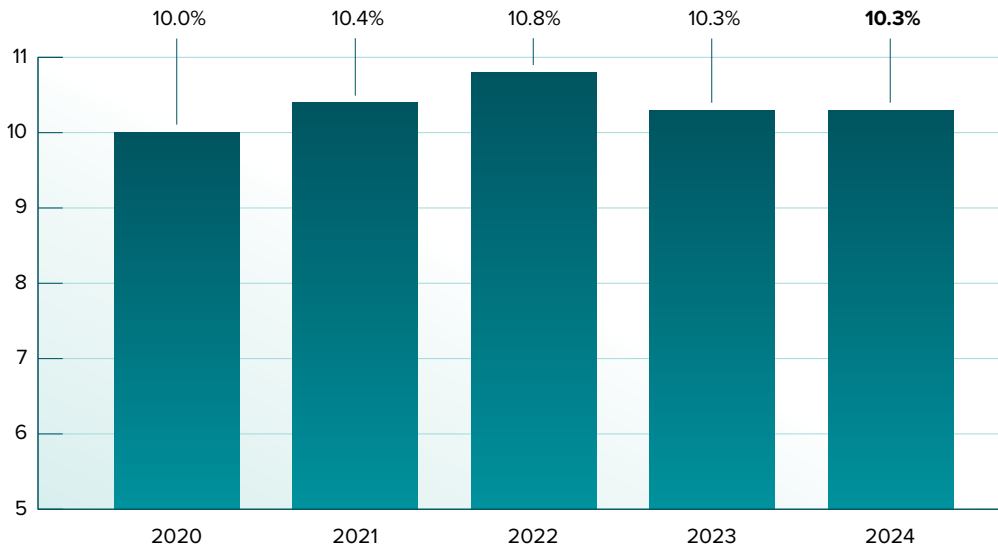
	FOR THE YEAR ENDED	
	December 31, 2024	December 31, 2023
INTEREST INCOME		
Interest on Loans	\$ 147,066,511	\$ 133,785,391
Interest on Investments	31,163,544	14,908,092
TOTAL INTEREST INCOME	178,230,055	148,693,483
COST OF FUNDS		
Dividends	11,490,763	12,576,405
Interest on Deposits	62,493,885	49,353,686
Interest on Borrowed Funds	24,367,035	11,475,091
TOTAL INTEREST EXPENSE	98,351,683	73,405,182
NET INTEREST INCOME	79,878,372	75,288,301
PROVISION FOR LOAN LOSSES	4,205,000	3,580,000
NET INTEREST INCOME AFTER PLL	75,673,372	71,708,301
NON INTEREST INCOME		
Fee Income	22,329,160	19,138,410
Other Operating Income	66,906,941	45,946,070
TOTAL NON INTEREST INCOME	89,236,101	65,084,480
OPERATING EXPENSES		
Compensation	51,935,702	47,877,546
Employee Benefits	12,776,889	11,735,532
Travel and Conference	423,818	367,013
Association Dues	148,727	227,792
Office Occupancy	8,036,549	7,370,645
Office Operations	22,392,509	21,095,254
Education and Promotional Expenses	4,338,813	4,470,744
Loan Servicing	18,274,109	17,215,577
Professional Fees	5,477,168	5,179,083
NCUA Operating Fees	524,113	410,196
Cash Over and Short	2,860	4,355
Annual Meeting Expense	4,407	19,639
Miscellaneous Operating Expense	7,230	9,754
TOTAL OPERATING EXPENSES	124,342,894	115,983,130
INCOME FROM OPERATIONS	40,566,579	20,809,651
Gain / (Loss) on Sale of Assets	7,418	(3)
Gain / (Loss) on Sale of Real Estate Owned	—	25,153
Gain / (Loss) on Sale of Investments	—	—
TOTAL GAIN / (LOSS) ON SALE OF ASSETS	7,418	25,150
NET INCOME	\$ 40,573,997	\$ 20,834,801

STATEMENT OF FINANCIAL CONDITION

ASSETS



CAPITAL/ASSETS



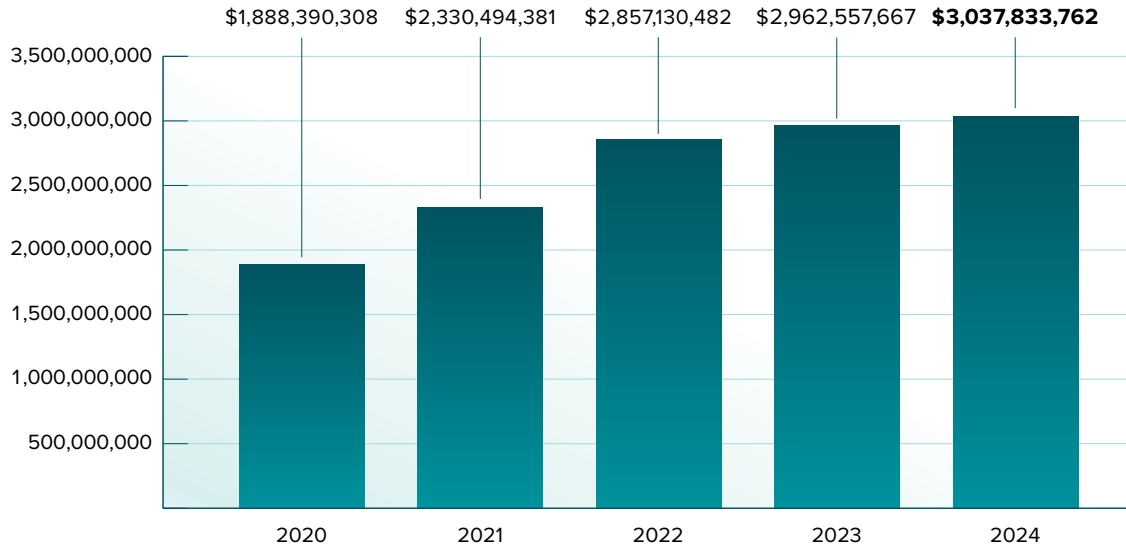
The people there are great, the interest rate is great, ATMs are free... I can't say anything bad about this place. I have been banking with them for almost two years.

I will continue to bank here and recommend Liberty to anyone!

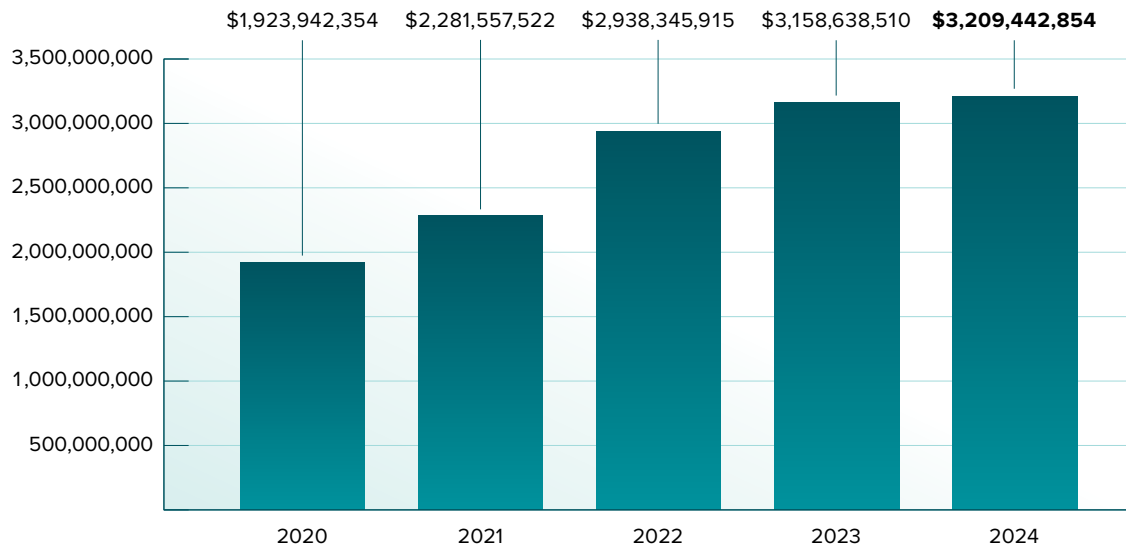
Bob A. Louisville, KY

STATEMENT OF FINANCIAL CONDITION

SHARES OUTSTANDING



LOANS OUTSTANDING

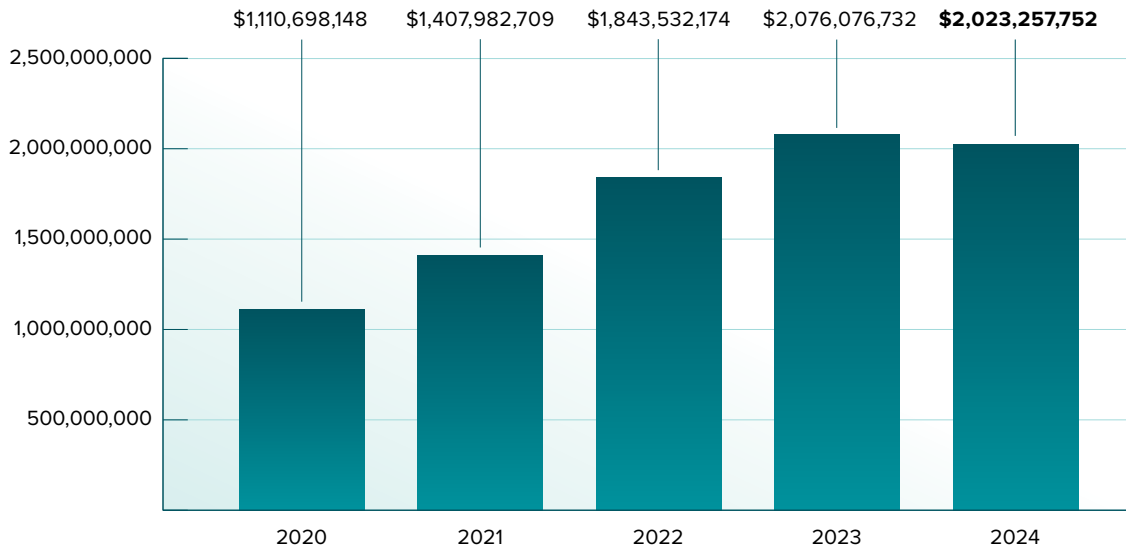


The interest rate on your checking account is high, which is why we moved our account to Liberty from another bank. Since we've been at Liberty, the staff have always been so nice. We are happy customers!

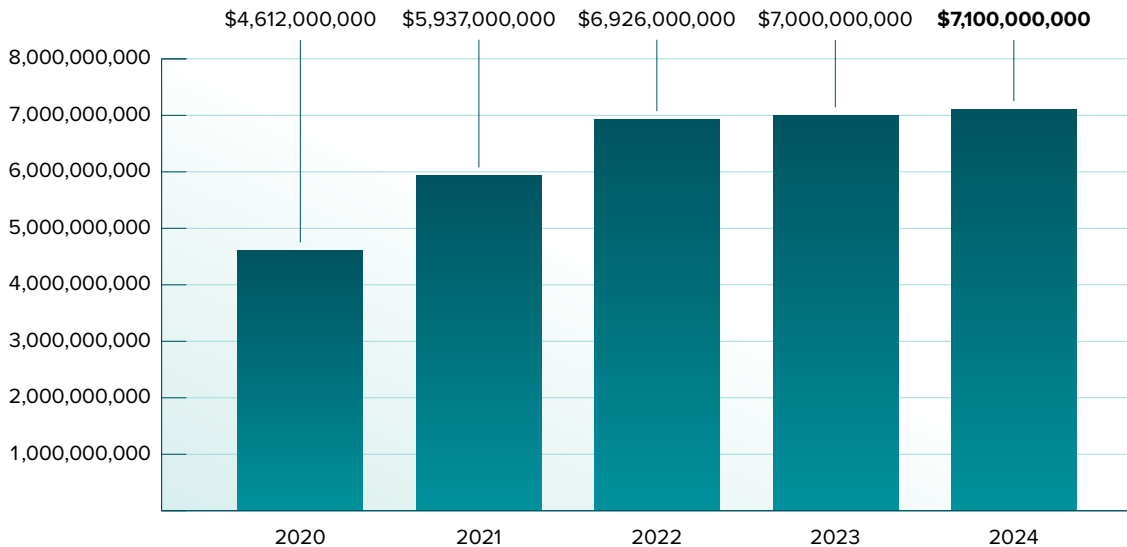
Katherine B. Crestwood, KY

STATEMENT OF FINANCIAL CONDITION

REAL ESTATE LOANS OUTSTANDING



TOTAL LOANS SERVICED



The Liberty Federal Credit Union app is super easy to use, and it provides instant access to all of your accounts in a matter of seconds. I can't say enough great things about Liberty FCU. They're great people!

Shelly R. Evansville, IN

2024 COMMUNITY HIGHLIGHTS

Liberty FCU contributed more than

\$2,500,000

back into the community through scholarships,
sponsorships, and donations

Including



More than
\$450,000
to the EVSC Foundation,
EVSC, and its schools

More than
\$150,000
to Habitat for Humanity



More than
\$75,000
to the United Way



\$50,000
to graduating
high school seniors
through the Ted Hitch
Scholarship program

More than
\$33,000
to Junior Achievement



Other community partners include





1



2

- 1 Liberty Federal Credit Union established large sponsorships with the EVSC and Castle to place branding in each of their gymnasiums and on their football fields. These sponsorships will return nearly \$2 million back to these schools over the next decade.
- 2 LFCU Downtown Office Manager Damien Odom interacts with local middle school students at JobSpark, a Junior Achievement initiative designed to make students more aware of skills needed for in-demand occupations.
- 3 The credit union announced a partnership with the University of Southern Indiana through which it secured naming rights to Liberty Arena, the school's basketball and volleyball facility. The partnership will benefit programs throughout the university.

3



Website libertyfcu.org

Email contact@libertyfcu.org

Facebook facebook.com/mylibertyfcu

