

Board of Directors

W. Ford Rau, Jr.
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Director

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Director

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Associate Director

Supervisory Committee

Vikki Hower.....Chair

Dennis EchternachCommittee Member

Rick Skolny..... Committee Member

Kevin Lee.....Committee Member

Branch Locations

Schneider Office: 300 Schneider Dr. Lebanon, PA 17046

Evergreen Office: 301 E. Evergreen Rd. Lebanon, PA 17042

Myerstown Office: 653 E. Lincoln Ave. Myerstown, PA 17067

Campbelltown Office: 121 Farmshed Rd. Palmyra, PA 17078

Jonestown Office: 508 Jonestown Rd. Jonestown, PA 17038

Coming soon: Annville Office: 853 Killinger Rd. Annville, PA 17003

iTalk Audio Banking: Phone - 717.272.4550

"We Have Roots in Lebanon County...
...Not Just Branches!"



2023 ANNUAL REPORT



www.lebanonfcu.org | 717.272.2210 |   

President's Message

2023 was a challenging year for the credit union industry and for many of our members. Inflationary pressure continued from 2022 into 2023 prompting further rate hikes from the Federal Reserve Bank. Increased rates and continued inflation were and continue to be felt by consumers and businesses alike putting additional pressure on purchasing power. While higher rates this past year have provided benefit to those able to save their funds, borrowing costs have made homeownership and vehicle purchases less affordable. Borrowers optimistically are looking forward to potential rate cuts from the Fed in 2024 to help lower borrowing costs and increase affordability of goods and services.

The failure of several major banks in 2023 was also a concern for many Americans. The result, existing and many new members turned to credit unions as a safe and secure place to deposit their funds. Credit unions in good times and in difficult times have proven to be an important financial partner in looking for ways to best serve and protect our members. The Board of Directors and Management are most appreciative to our members for your trust in 2023, enabling us to see an impressive 11.18% growth in member shares and a strong 5.01% increase in membership growth.

Our capital position remains well above regulatory requirements and we ended 2023 in a strong liquidity position that will allow our credit union to help meet member loan demand in 2024. Rest assured, when you deposit or borrow with Lebanon Federal Credit Union, you are doing so in a safe and sound organization that prioritizes investment in our local community.

Lebanon FCU remains focused on providing comprehensive, high-quality products and services that enrich the lives of our membership. A credit union is a financial cooperative that is owned and operated by our members. That translates to a financial institution that is dedicated to providing for the mutual benefit of all our members. Our loyalty is to our members, not shareholders. Simply put, our loyalty is to you.

It is with this attitude and approach that Lebanon Federal Credit Union achieved some important milestones, despite the many changes and challenges that 2023 brought. LFCU experienced another strong year as 2023 ended with sound financials, great membership and loan growth, strong deposit growth, solid income, and controlled delinquencies and charge offs.

As we move into the new year, we will continue to make member focused, prudent decisions to improve your experience as a member. Our technology investment remains a priority. We saw record use this year with our online and mobile banking services and we look forward to providing you with new tools that allow you to conveniently bank anytime, anywhere. The credit union also invested heavily into additional IT and cybersecurity infrastructure to further protect member and credit union information.

Since our founding in 1969, we have been committed to the community and encourage our employees to devote themselves to fulfilling our primary objectives: supplying quality financial services with low fees, great rates, and outstanding member service. We accomplished these goals while being dedicated to our community through education, community involvement and charitable giving.

Thank you for being a member and for allowing us to achieve a strong 2023. We are honored to be your financial partner.

Daniel Wolford

Daniel Wolford, President/CEO

Supervisory Committee's Report

The Supervisory Committee, a group of volunteers appointed by the Board of Directors, is primarily responsible for monitoring the safety and soundness of the Lebanon Federal Credit Union. The committee meets quarterly to monitor adherence to operating practices and procedures. In addition, LFCU contracted with the independent certified public accounting firm of RKL, LLC to audit the Credit Union's 2023 and 2022 records.

We are pleased to report the assets held by Lebanon Federal Credit Union are safe and secure. Furthermore, our review concludes that Lebanon Federal Credit Union is in compliance with federal regulations and standards promulgated by the National Credit Union Administration (NCUA).

On behalf of the Supervisory Committee, I congratulate Lebanon Federal Credit Union volunteers, managers and members on another successful year.

Victoria Hower

Victoria Hower, Supervisory Committee Chair

Statements of Financial Condition (Unaudited)

	2023	2022
ASSETS		
Loans to members, Net	\$ 336,690,500	\$ 309,860,100
Loans Hold for Sale		
Cash	40,723,500	25,674,800
Investments	74,462,200	71,914,100
Share Insurance Fund	4,024,100	3,547,200
Premises and Equipment	8,370,000	7,880,600
Other Assets	5,285,000	4,665,500
TOTAL ASSETS	\$ 469,555,300	\$ 423,542,300
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Total Shares	\$ 434,192,900	\$ 390,544,500
Advances from FHLB	-	4,000,000
Accounts Payable and Accrued Expenses	7,018,000	4,060,100
TOTAL LIABILITIES	441,210,900	398,604,600
MEMBERS' EQUITY		
Regular Reserve & Undivided Earnings	28,344,400	24,937,700
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 469,555,300	\$ 423,542,300

Statements of Income (Unaudited)

	2023	2022
REVENUE		
Interest Income	\$ 20,136,700	\$ 15,399,800
Non-interest Income	4,509,200	4,526,400
TOTAL REVENUE	24,645,900	19,926,200
EXPENSE		
Operating Expense	13,646,000	12,061,600
Interest on Borrowings	14,900	102,700
Provision for Loan Losses	1,410,000	995,000
TOTAL EXPENSE	15,070,900	13,159,300
NET INCOME BEFORE MEMBERS' DIVIDENDS	9,575,000	6,766,900
Dividends on Members' Accounts	5,693,300	1,766,000
NET INCOME	\$ 3,881,700	\$ 5,000,900

2023 Growth Highlights

LOANS

8.66%

REGULATORY EQUITY

9.97%

ASSETS

10.86%