



L&N

F E D E R A L C R E D I T U N I O N

2 0 2 3 A N N U A L R E P O R T

MISSION / STATEMENT

BRINGING PEOPLE TOGETHER,
ENRICHING THEIR QUALITY OF LIFE,
AND BUILDING PERMANENT RELATIONSHIPS.



2023

CHAIRMAN'S REPORT



I am pleased to report that L&N Federal Credit Union had a very strong year in 2023. The Credit Union had positive growth in all key areas: assets, deposits, lending and membership.

Also, in 2023, L&N continued our commitment to improving technology, convenience, and branch access for members. Updates were made to our core banking software, ATMs, website, and our Mobile and Internet Banking products. Additionally, a new branch location was opened in Shepherdsville, Kentucky, to better serve Bullitt County and the surrounding community. Whether it is in a branch, online, or over the phone, we are always striving to offer the best experience possible to our members.

As a vital member of the community, giving back remains of high importance to L&N. In 2023, we participated in charity walks, and various fundraising events. Our employees also donated to the L&N Giving Fund. In total, we were able to give over \$600,000 to various charitable organizations that help improve the lives of many individuals and families in our community.

In closing, I would like to thank you, the member, for your loyalty and patronage of our Credit Union. I would also like to thank our staff and volunteers for all that they do. Their hard work and dedication make the Credit Union the success that it is.

A handwritten signature in black ink that reads "Gary Lord". The signature is fluid and cursive, with the first letters of "Gary" and "Lord" being capitalized and prominent.

Gary Lord
Chairman



2023

TREASURER'S REPORT



In 2023, our members' continued loyalty and participation in the Credit Union was key in securing another successful year.

As of December 2023, your Credit Union's assets grew by 8% for a total of \$2.08 billion. This ranks L&N in the top 5% of all Credit Unions in the United States, according to asset size. Shares grew 7% for a total of \$1.76 billion and loans increased by 17% for a total of \$1.61 billion.

As in the past, L&N has maintained a strong foundation for its growth. We are proud to announce that we gave back \$30.89 million to our members in the form of dividends. Your Credit Union continued strong stewardship of financial resources, with expenses and delinquency well below NCUA peer comparison.

As a valued member-owner of the Credit Union, you should feel extremely proud of your financial institution. L&N continues to maintain a strong foundation for its growth and has the resources necessary to continue offering the competitive financial products demanded in today's marketplace.

We look forward to 2024 with optimism and confidence.

A handwritten signature in black ink that reads "Roscoe W. Davis". The signature is fluid and cursive.

Roscoe W. Davis
Treasurer



2023

SUPERVISORY COMMITTEE REPORT



The Supervisory Committee consists of five members appointed by the Board of Directors. The Committee's main duties are to conduct a comprehensive annual audit of the Credit Union and to perform other audits as necessary. The Supervisory Committee also performs a financial and management oversight role, independent of the Board of Directors, on behalf of the Credit Union membership.

The Supervisory Committee has retained the services of Deming, Malone, Livesay & Ostroff, an independent Certified Public Accounting firm specializing in Credit Union audits, to conduct the 2023 audit. The committee is pleased to report excellent results on the annual audit report. In addition, all financial and operational areas reviewed by the Supervisory Committee are efficiently and accurately maintained.

In addition to the annual audit, quarterly audits are conducted by independent Internal Auditors who report directly to the Supervisory Committee. The Internal Auditors' main responsibilities are to assist the Supervisory Committee in ensuring that internal controls are in place and operating as intended, member assets are being safeguarded, and Credit Union policies and procedures are followed.

In 2023, your Credit Union's financial condition was found to be sound, safe and secure. It has been an honor to represent the Supervisory Committee of L&N Federal Credit Union.

Brian M. Stephenson

Brian M. Stephenson
Chairman



Tyrone Green
Member



Dewey Minton
Secretary



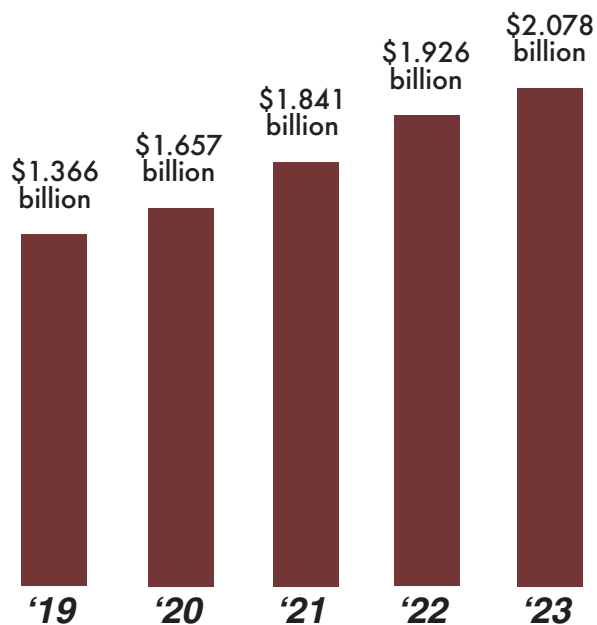
Chester King
Member



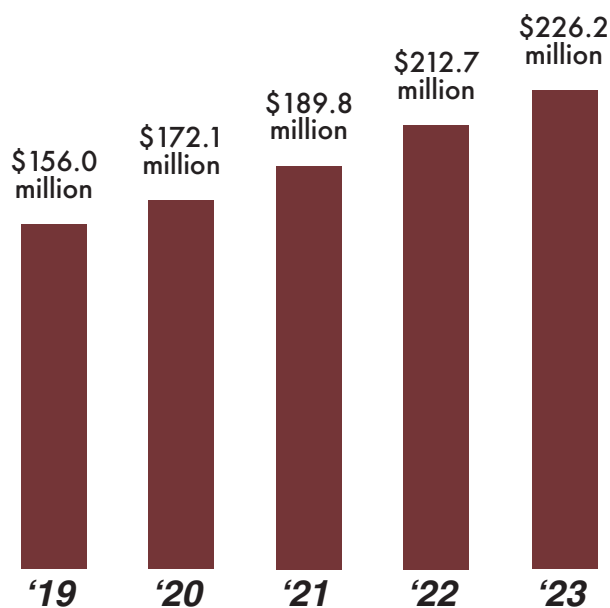
Alisa Williams
Member



2023 / PERFORMANCE

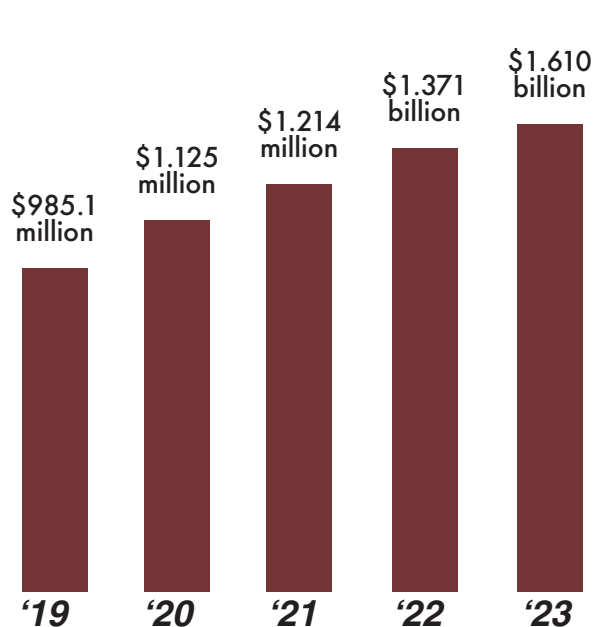


ASSETS

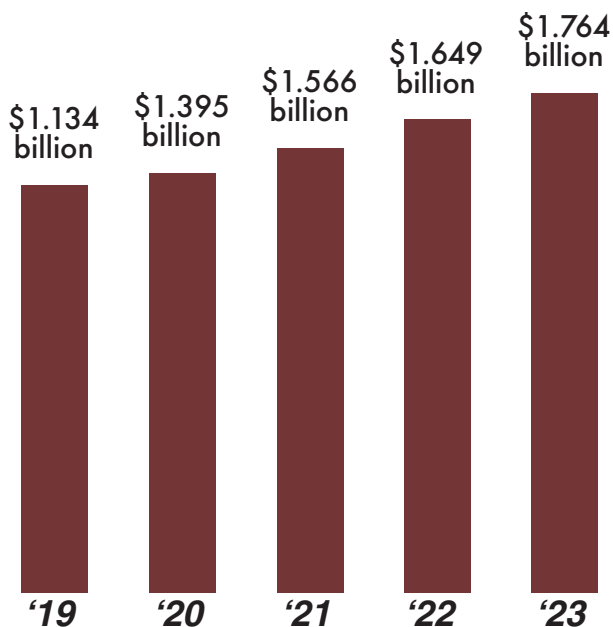


RESERVES

& Undivided Earnings



LOANS



SHARES

Comparative Annual Balance Sheet as of December 31, 2023 & 2022

ASSETS

	2023	2022
Loans	\$1,610,169,473	\$1,370,642,139
Cash	17,960,511	19,201,487
Investments	346,548,856	440,955,232
Land and Buildings	50,629,953	47,677,926
Other Fixed Assets	8,669,648	8,130,722
Other Assets	44,794,706	39,089,348
Total Assets	<u>\$2,078,773,147</u>	<u>\$1,925,696,854</u>

LIABILITIES AND MEMBERS' EQUITY

	2023	2022
Shares	\$1,764,026,312	\$1,649,423,754
Accounts & Notes Payable	88,544,053	63,564,588
Reserves	13,571,141	13,571,141
Undivided Earnings	212,631,641	199,137,371
Total Liabilities and Members' Equity	<u>\$2,078,773,147</u>	<u>\$1,925,696,854</u>

Comparative Annual Statement of Income and Expenses as of December 31, 2023 & 2022

INCOME

	2023	2022
Interest on Loans	\$68,245,102	\$52,590,340
Other Income	34,616,476	30,573,358
Total Income	<u>\$102,861,578</u>	<u>\$83,163,698</u>

EXPENSES

	2023	2022
Operating Expenses	\$27,875,288	\$23,693,654
Salaries & Benefits	30,601,869	25,814,788
Total Expenses	58,477,157	49,508,442
Reserves & Surplus	13,494,270	22,928,461
Dividends to Members	30,890,151	10,726,795
Total Distribution	<u>\$102,861,578</u>	<u>\$83,163,698</u>



2023

BOARD OF DIRECTORS





Gary Lord
Chairman



Darlene Mooney
Vice Chair



Roscoe W. Davis
Secretary/Treasurer



Ron Hennig Sr.
Board Member



Jim Goetz
Board Member



Tyrone Green
Board Member



Chris Brown
President/CEO

Past Board/Committee Members

PRESIDENT/CHAIR AND DATES SERVED

1st	W.H. Sullivan	03-24-54	- 01-19-55
2nd	J.L. Kleier	01-19-55	- 01-20-56
3rd	J.L. Harrison	01-20-56	- 01-31-58
4th	O.M. Ryan	01-31-58	- 01-30-59
5th	C.P. Bader	01-30-59	- 01-29-60
6th	L.A. Broadway	01-29-60	- 01-27-61
7th	E.A. Connelly	01-27-61	- 01-25-63
8th	P. Potter	01-25-63	- 01-31-64
9th	D.K. Bielefeld	01-31-64	- 08-10-65
10th	B.E. Logsdon	08-10-65	- 01-27-67
11th	D.K. Bielefeld	01-27-67	- 02-16-70
12th	D.C. Brown	02-16-70	- 06-30-80
13th	D.K. Bielefeld	07-01-80	- 03-28-87
14th	R.E. Jones	03-29-87	- 03-04-95
15th	J.R. Pair	03-04-95	- 03-01-97
16th	R.W. Davis	03-01-97	- 02-27-99
17th	B.H. Barnes Sr.	02-27-99	- 03-04-00
18th	J.R. Pair	03-04-00	- 03-04-06
19th	R.W. Davis	03-04-06	- 03-09-19
20th	C.E. Simpson	03-09-19	- 03-04-23
21st	G.C. Lord	03-04-23	- Present

VICE PRESIDENT/VICE CHAIR AND DATES

1st	J.L. Harrison	03-24-54	- 01-20-56
2nd	O.M. Ryan	01-20-56	- 01-31-58
3rd	C.P. Bader	01-31-58	- 01-30-59
4th	L.A. Broadway	01-31-59	- 01-29-60
5th	E.A. Connelly	01-20-60	- 01-27-61
6th	P. Potter	01-28-61	- 01-25-63
7th	N.J. McKinney	01-26-63	- 01-31-64
8th	B.E. Logsdon	02-01-64	- 08-10-65
9th	G.T. Fischer	01-19-66	- 01-27-67
10th	B.L. Parker	01-28-67	- 02-21-68
11th	D.C. Brown	02-22-68	- 02-16-70
12th	D.K. Bielefeld	02-17-70	- 02-16-79
13th	B.E. Coomer	02-16-79	- 02-15-80
14th	D.K. Bielefeld	02-16-80	- 07-01-80
15th	G.A. Deuser	07-02-80	- 10-13-81
16th	R.E. Jones	02-13-82	- 03-08-85
17th	B.E. Coomer	03-09-85	- 03-28-87
18th	J.R. Pair	03-29-87	- 03-04-95
19th	R.W. Davis	03-04-95	- 03-01-97
20th	B.H. Barnes Sr.	03-01-97	- 02-27-99
21st	J.W. Cherwak	02-27-99	- 03-04-06
22nd	J.R. Pair	03-04-06	- 05-07-06
23rd	G. Heinz	05-25-06	- 03-03-07
24th	G.W. Davis	03-03-07	- 03-07-09
25th	R.E. Jones	03-07-09	- 03-12-15
26th	C.E. Simpson	02-12-16	- 03-09-19
27th	G.C. Lord	03-09-19	- 03-04-23
28th	C.E. Simpson	03-04-23	- 11-24-23
29th	D.R. Mooney	12-14-23	- Present

TREASURER AND DATES SERVED

J.L. Linker	03-24-54	- 06-14-54
L.G. Lewis	06-15-54	- 03-29-55
B.W. Long	03-30-55	- 01-20-56
C.J. Voll	01-21-56	- 01-27-61
W.H. Sullivan	01-28-61	- 01-31-64
L. Puckett	02-01-64	- 08-02-65
D.K. Bielefeld	08-10-65	- 01-27-67
W.L. Cash	01-28-67	- 02-16-73
B.E. Coomer	02-17-73	- 02-14-75
W.H. Redmon	02-15-74	- 02-20-76
B.E. Coomer	02-21-76	- 02-18-77
G.A. Deuser	02-19-77	- 02-15-80
B.E. Coomer	02-16-80	- 02-13-81
W.H. Redmon	02-14-81	- 03-28-87
D.C. Wells	03-29-87	- 03-02-02
R.W. Davis	03-02-02	- 03-04-06
G.W. Davis	03-04-06	- 03-03-07
D.L. Disney	03-03-07	- 03-07-09
G.W. Davis	03-07-09	- 10-25-18
R.W. Davis	03-09-19	- Present

SECRETARY AND DATES SERVED

W.H. Sims	03-24-54	- 01-19-55
N.J. Phillips	01-20-55	- 01-20-56
E.M. Mason	01-21-56	- 01-18-57
C.J. Voll	01-19-57	- 01-17-61
W.H. Sullivan	01-28-61	- 01-31-64
L. Puckett	02-01-64	- 08-02-65
D.K. Bielefeld	09-10-65	- 01-27-67
W.L. Cash	01-28-67	- 02-16-70
W.H. Redmon	02-17-70	- 02-16-73
B.E. Coomer	02-17-73	- 02-14-75
W.H. Redmon	02-15-74	- 02-20-76
B.E. Coomer	02-21-76	- 02-18-77
G.A. Deuser	02-19-77	- 02-15-80
B.E. Coomer	02-16-80	- 02-13-81
W.H. Redmon	02-14-81	- 03-28-87
D.C. Wells	03-29-87	- 03-02-02
R.W. Davis	03-02-02	- 03-04-06
G.W. Davis	03-04-06	- 03-03-07
D. Disney	03-03-07	- 03-07-09
G.W. Davis	03-07-09	- 10-25-18
R.W. Davis	03-09-19	- Present

OTHER BOARD & COMMITTEE MEMBERS

H. Alexander	W.P. McCarthy
G.P. Barham	L.R. Miller
J.L. Berry	D.D. Minton
D.C. Bolden	J.E. Montgomery
E.W. Britt	D.R. Mooney
B.G. Broadhurst	D.L. Nance
F. Broadus	B.L. Parker
C.S. Brown	H.W. Peirson
A.S. Bryant	L.B. Pottinger
L.H. Crutcher	H.S. Rawert
J.E. Dorn	J.A. Revair
R.E. Drake	T.R. Reynolds
T. Ellis	J.K. Roby
R.E. Ewing, Jr.	D.B. Root
W. Flick	O.M. Ryan
J.R. Frank	E.J. Santinac
J.M. Fulton	B. Sayers
G.M. Gilfoy	P. Sayers
G.E. Goad	J. Schlosser
J.A. Goetz	E.T. Schubnell
T.E. Green	J.J. Shaughnessy
W.W. Groves	R.E. Showalter
M. Hagan	W.F. Sheer
G.W. Heavrin	O.W. Silcox
G. Heitkemper	M.L. Smith
M. Hennig	A. R. Stephens
R.R. Hennig	B.M. Stephenson
T.E. Heuke	J.D. Tompkins
W.W. Hunter	R. Traud
K.L. Johnson	E. Quinn
H. Kern	G. Weaver
C.R. King	W.J. Westerfield
A.O. Klotter	A. Williams
R. Latimer	S. Williams
H.G. Lawson	J.D. Wohlbold
R.W. LeMaster	P. Wright
M.S. Lemons	T. Ellis
J.G. Leshner	
R.G. Lincoln	
J.M. Macpherson	
W.R. Martin	
E.M. Mason	



2023

PRESIDENT/CEO'S REPORT



2023 was a successful year for our Credit Union. Assets, loans, and deposits all increased measurably. The Credit Union's assets grew by 8%, reaching over \$2 billion. Lending growth was also strong, increasing by 17.5% for a total of \$1.6 billion. Over \$114 million in deposits were added, bringing the total to over \$1.7 billion. More than 3,900 new members joined L&N in 2023, increasing total membership to over 113,000. In 2023, we helped over 1,300 members with their home loans by providing them with the most trusted and competitive mortgage and home equity products in the market. 100% of surveyed members, who closed a mortgage with us in 2023, reported an exceptional experience in all areas of the process. Additionally, 100% of surveyed members throughout the year said they would recommend L&N to family and friends. We are proud of these results and will always work to maintain this high level of service.

In July of last year, we opened our 23rd branch in Shepherdsville, Kentucky. In 2024, we will open two branches, located in Fern Creek and LaGrange, Kentucky as we continue to expand our branch network to better serve our members.

I am proud to announce, in 2023, L&N was recognized by Forbes as the #1 Credit Union in Kentucky. Individuals throughout Kentucky were randomly surveyed about their experience with Credit Unions in the areas of: overall satisfaction, trust, rates, products, and more. Additionally, for the eighth consecutive year, L&N was recognized as a "Best Place to Work In Kentucky". This is an employee based survey, that is sponsored by the Kentucky Chamber of Commerce. It is an honor to receive such high marks from members and our staff.

In closing, I would like to recognize L&N's 70th Anniversary and give a heartfelt THANK YOU to everyone – past and present – who has contributed to our success: Thanks to our members, our staff and our Board of Directors. Thanks to our founding members and volunteers. It was their vision, in 1954, that set us on a decades long journey of helping individuals and families with their most trusted financial needs. This journey is best summed up in our Mission Statement, "Bringing People Together, Enriching Their Quality of Life, and Building Permanent Relationships."

A handwritten signature in black ink, reading "Chris Brown". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Chris Brown
President/CEO



2023

COMMUNITY INVOLVEMENT

Each year L&N Federal Credit Union gives back to the community through various charitable contributions, event sponsorships and college scholarships. **Over \$600,000 was donated in 2023.**

L&N VOLUNTEERS, STAFF AND MEMBERS

Donations were made throughout 2023 to various charitable causes. Following is a list of some of the recipients:

Alzheimer's Association	Families for Early Autism Treatment	Orphan Care Alliance
American Red Cross	Fund for the Arts	Portland Christian School
American Cancer Society	Further Still Ministries	Portland Promise Center
American Diabetes Association	Grace United Methodist	Presentation Academy
American Heart Association	Home of the Innocents	Project Find Child Abuse
American Red Cross	Hosparus of Louisville	Relay For Life
Arthritis Foundation	Juvenile Diabetes	Rob's Kids
Baptist Health Foundation	Kentucky Harvest	Southeast Christian
Bethany House	Kentucky Humane Society	St. Jude's Children's Research Hospital
Big Brothers of Kentuckiana	Kid's Center for Pediatric Therapies	Susan G. Komen
Blessings in a Backpack	Kosair Charities	The ALS Association
Camp LEAP	Legal Aid Society	The Center for Women and Families
Catholic Charities of Louisville	Louisville Scottish Rite Foundation	The Leukemia and Lymphoma Society
Children's' Hospital Foundation	Louisville Urban League	The Lupus Foundation
Christian Academy	Make a Wish Foundation	The Salvation Army
Chron's & Colitis Foundation of America	March of Dimes	Tunnel to Towers Foundation
Crusade for Children	Maryhurst	United Negro College Fund
Dare to Care	Mental Health Association of KY	University of Louisville
DeSales High School Appeal	Metro United Way	Ursuline Pitt School
Extraordinary Olympics	Norton Children's Hospital	Wounded Warrior Project

2023 FRANK MOORE MEMORIAL SCHOLARSHIP

Shawn Nelson and Matthew Sanders were our winners for 2023. Each student will receive a total of \$10,000, over a four-year period, for college. Applications for the scholarship are accepted each year between January 1st and March 31st. Applications and information can be found in each branch or at www.LNFCU.com.

MOVE KENTUCKY FORWARD

L&N is proud to be a contributor to Move Kentucky Forward, which is a financial education course taught in Kentucky High Schools. The course teaches students about personal money management and other aspects of finances.

A sincere thanks to the L&N Board of Directors, staff and members who donated their time and treasures to make these contributions possible.



APPROVAL OF ORGANIZATION CERTIFICATE

Pursuant to the provisions of Section 4 and/or Section 16(c) of the Federal Credit Union Act, as amended, and Section 2 of Public Law 813, 80th Congress, 2d Session, the foregoing organization certificate of

..... L & N Employees Federal Credit Union
is approved this 3rd day of March, 1954



Heaven Gannon
Director
Bureau of Federal Credit Unions
Social Security Administration
DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE



1954

YEARS

2024





In February, 1954, fourteen employees of the L&N Railroad submitted a petition to the Federal Bureau of Credit Unions to charter a new Credit Union. That very next month, the charter was granted and the Credit Union began serving railroad employees and their family members. In those early days, business was conducted with a handshake and a trusted friend volunteer.

After a few years in operation, the Credit Union moved from a small rented space to a full-service branch on Heywood Avenue, complete with full-time staff. For nearly two decades, the Credit Union served only L&N Railroad employees and their families. In 1982, the Credit Union converted to a Multigroup Charter to serve Select Employer Groups. In 2004, L&N's charter was changed once more to serve the wider communities that we serve today.

L&N Federal Credit Union is open to everyone in Louisville Metropolitan Area/Southern Indiana, Southeast and Northern Kentucky. L&N now has assets over \$2 billion dollars, 23 branches and serves more than 113,000 members.