

ANNUAL REPORT



BOARD OF DIRECTORS

H.E. "Budd" Manuel, Jr., *Chairman* • William "Bill" Collins, *1st Vice Chairman*
Jeff Lind, *2nd Vice Chairman* • Bodin Hugger, *Secretary*
Frank Granier, *Treasurer* • Donald Brady, *Director, resigned 2008*
Richard "Dick" Sickels, *Director* • LaNard Robinet, *Director*
Zigmund "Ziggy" Sobolewski, *Director* • Greg "Za" Maurin, *Director*

LEADERSHIP

Rhonda Hotard, *President & CEO* • Deborah Varnam, *Executive Vice President*
Kim St. Amant, *HR Manager* • Jill Zeringue, *Branch Operations Manager*
Jacquelyn Fluence, *Comptroller* • Arneadra Zeno, *Risk Management Officer*
Anthony Landreneau, *Director of IT*
Mia Perez, *Director of Marketing & Business Development*



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2008





Wow, 2008 is finally over and what a year it has been! As we watched the rising gasoline prices, the falling of our retirement portfolios, the meltdown of Wall Street and a presidential election that brought new definition to the need and desire for change, your credit union remained focused on our vision of education, diversification, growth and enhancement. We continued to make solid decisions on our loan policies, growth, investment products and services to ensure that we continued to meet the needs of you, our members. Our policies and procedures allowed us to be prudent on how and who we lent funds to and strived to offer the best competitive rates on all products and services thereby insuring the financial safety and soundness of our credit union. We are absolutely thrilled to report to you that Louisiana Federal Credit Union is as solid financially today as ever. Our capital position and ability to offer you the best services possible has never been better.

Our focus continues on financial literacy by developing more educational programs for both you our members, and your children. Louisiana FCU is reaching out to our membership to better provide services geographically by starting construction on the new Gramercy branch that will open early in 2009. We have not lost sight of the need to provide those financial products that will empower you to take charge of your financial future. Your staff and volunteers are particularly proud of the fact that, unlike many in the financial world, we did not and do not practice those types of predatory lending that have gotten so many of our friends and neighbors in financial trouble this past year. Rest assured that we will continue to practice solid policies and procedures that both keeps your investments safe and provides you the most sensible products.

2009 will be a very challenging and interesting year. We will have to remain diligent ensuring we make solid decisions at appropriate times. It is unfortunate that we see a societal issue of moving more and more towards rewarding incompetence and not adequately rewarding competence. There is a growing sense of entitlement within our society. Jack Walsh, the former CEO of GE, once wrote: "The individual is the fountainhead of creativity and innovation, and we are struggling to get all of our people to accept the counter-cultural truth that often the best way to manage people is just to get out of their way. Only by releasing the energy and fire of our employees can we achieve the decisive, continuous productivity advantages that will give us the freedom to compete and win in any business anywhere on the globe." Our focus at Louisiana FCU has been not to "win" but to ensure our employees have the requisite tools and training to empower them to serve you in the best possible manner.

It is our sincere hope that we are meeting your financial needs. If we are not, tell us about it so we can make the necessary changes to meet your needs. Louisiana FCU will continue to serve you and stand ready to meet the challenges and opportunities 2009 will bring. Our vision—Education, Diversification, Growth, and Enhancement—is the core of whom we are and we will do everything we can to sustain and maintain. Thanks to you, our membership, for your outstanding trust and support. For, you are who we are!

H.E. "Budd" Manuel, Jr., Chairman
Rhonda Hotard, President & CEO

FINANCIAL PERFORMANCE

BALANCE SHEET

ASSETS	12/31/2008	12/31/2007
Cash and Cash Equivalents	\$6,159,315	\$15,662,413
Time and Interest Bearing Deposits	1,000,000	971,586
Investment Securities - Held to Maturity	16,893,406	12,184,009
Investment in Credit Union Service Organization	100,000	100,000
Loans Receivable, Net of Allowance for Loan Losses	83,229,235	71,494,000
Accrued Interest Receivable	318,774	296,898
Property and Equipment, Net	3,478,974	2,629,192
NCUSIF Deposit	918,854	858,581
Assets Held in Liquidation of Loans	148,499	36,266
Other Assets	427,104	449,131
Total Assets	\$112,674,161	\$104,682,076

LIABILITIES AND MEMBERS' EQUITY

Members' Shares and Savings Accounts	\$101,069,321	\$94,160,808
Accrued Expenses and Other Liabilities	346,814	414,869
Total Liabilities	101,416,135	94,575,677
Members' Equity, Substantially Restricted		
Regular Reserve	1,927,051	1,927,051
Undivided Earnings	9,330,975	8,179,348
Total Members' Equity	11,258,026	10,106,399
Total Liabilities and Members' Equity	\$112,674,161	\$104,682,076

INCOME STATEMENT

	12/31/2008	12/31/2007
Interest Income		
Loans Receivable	\$5,959,222	\$5,095,440
Investments Receivable	806,134	1,272,429
Total Interest Income	6,765,356	6,367,869
Interest Expense		
Members' Shares and Savings Accounts	2,079,571	2,009,576
Interest on Borrowed Funds	337	223
Net Interest Income	4,685,448	4,358,070
Provision for Loan Losses	326,250	313,199
Net Interest Income after Provision for Loan Losses	4,359,198	4,044,871
Non-Interest Income	2,514,605	2,276,234
Non-Interest Expense		
General and Administrative	5,722,176	5,288,176
Net Income	\$1,151,627	\$1,032,929

C O M M U N I T Y

Louisiana FCU actively supports the following organizations & initiatives either by donation, collaboration, or participation:

- > 4H Welcome to the Real World Program
- > American Cancer Society
- > Chamber of Commerce, Hammond
- > Chamber of Commerce, Ponchatoula
- > Chamber of Commerce, River Region
- > East St. John Wildcat Student-run Branch
- > Ed Reed/Valero St. Charles Golf Classic
- > Frisco Fest
- > Junior Achievement
- > Louisiana FCU Financial Literacy Program
- > Louisiana FCU Finance Fest
- > Louisiana Jump\$tart Coalition
- > River Parishes Tools for Schools
- > Ronald E Thomas Memorial Scholarship
- > Rotary Club of LaPlace
- > Second Harvesters Food Bank
- > Special Olympics
- > St. Charles Business Association
- > Susan G Komen for the Cure
- > United Way

