

2023

Annual Report



Keesler Federal
CREDIT UNION

Federally Insured by NCUA

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Mission

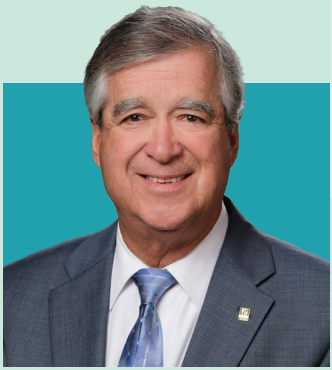
Be Extraordinary

Purpose

To build a better community

One member · One relationship · One financial solution at a time

Message from the Board



James Hollingsworth
Chairman



Jamie Perronne
Vice Chairman



Cynthia Payne Childers
Treasurer



Josie King
Secretary



Melanie Williamson
Director



David Ford
Director



Tony Taylor
Director



Building upon Keesler Federal's 76-year legacy of commitment to members and the communities we serve, 2023 proved to be yet another successful step forward in our journey together. From its modest beginning at Biloxi's Keesler Field, your credit union has transformed into a leading financial institution that today serves the financial needs of more than 318,000 members worldwide and operates 40 branch locations across Mississippi, Alabama, Louisiana, and the United Kingdom. This remarkable growth is firmly rooted in the same guiding principle of "people helping people" that inspired our founders. Keesler Federal now enjoys a position of exceptional financial strength and stability and continues to focus on delivering you the highest quality products, services, and experience. This all will not be possible without loyal members like you!

Keesler Federal closed 2023 with over \$4 billion in total assets and a regulatory net worth ratio of 13.34%, indicating a strong, well-capitalized institution. Nearly 13,000 new members were welcomed into the Keesler Federal family. New loans totaling more than \$1.1 billion were made to help people purchase homes, land, autos, boats, and finance important goals. Members also earned nearly \$25 million in dividends on their deposits last year. Since growing and protecting your wealth is paramount, especially during times of economic volatility, we prioritized the offering of safe, value-added opportunities such as HIMMA Premier and certificate specials with competitive yields. Additionally, we increased the yield on our Kasasa Cash checking account from 3% to 5%

for qualifying members, making it one of the strongest deposit accounts available on the market today. According to the independent research firm Datatrac, Keesler Federal continued to outperform our competitors, saving members more than \$71 million last year.

Improved access for members resulted from the opening of a new full-service branch in Jackson in July and the addition of a drive-thru branch at Stennis Space Center in November. Other advances included the introduction of a new mortgage solution that allows for applications via mobile device, improved debit card alerts and controls, upgraded Visa credit cards with tap-to-pay technology for greater convenience and security. You may also now choose from 22 custom debit card designs, all available instantly at any branch, including a range of patriotic cards honoring our military roots.

An important benefit of Keesler Federal membership is access to valuable free services such as financial education, guidance, and counseling. With the help of our certified counselors and online programs, members can learn how to reach their full financial potential and save for goals such as buying a home or retirement – all at no cost.

One extraordinary difference between Keesler Federal and other financial institutions is that our focus on giving back to members goes beyond great dividends, lower loan rates, and fewer fees. In fact, in 2023, members received more than \$12.6 million in givebacks through Kasasa checking account rewards, Visa credit card rewards, car giveaways,

Mississippi Aquarium discounts and, of course, our innovative monthly Member Giveback drawings. This is our way of saying thank you for choosing Keesler Federal as your financial partner. Additional special givebacks last year included drawings for three brand new cars and 60 \$1,000 giveback prizes during the holidays.

We also continued to fulfill our purpose statement, “To build a better community – one member, one relationship, one financial solution at a time” by investing time and financial resources to assist local non-profits in improving the lives of those around us. As a member, you can be proud of the many ways we made a difference in 2023 through our involvement with organizations such as Combat Wounded Veterans of South Mississippi, CASA and Child Advocacy Centers, and Make-a-Wish Foundation to name just a few, along with signature Keesler Federal initiatives such as the First Responder of the Year Awards, Backpacks for Bright Futures, and Educator Impact Awards. We also created the innovative 5,000 Reasons online and social media campaign to allow members an opportunity to nominate and vote for deserving local non-profits to receive \$5,000 donations each.

As you can see, 2023 was a year of exciting achievements and there will be much more to come as 2024 unfolds. You can count on us to continue delivering exceptional financial products and services, as well as extraordinary givebacks throughout the year. We will also soon open a new freestanding branch in Mandeville on West Causeway to better serve increasing demand in our Northshore and

New Orleans markets. More expansion news will be forthcoming as we open our field of membership to an even broader audience. And, to recognize our military family's sacrifices, we are constructing a Gold Star Family Memorial Monument at the Superdome in New Orleans. On behalf of the entire board of directors and Keesler Federal team, thank you for your membership, your continued loyalty, and for allowing us the privilege of being part of your lives.

Best Bank/Credit Union

-WXXV Viewer's Choice

Reader Rankings Best Credit Union

-New Orleans City Business

Reader's Choice Favorite Credit Union

-Edge of the Lake

Readers' Favorite Best Home Loans

-Inside New Orleans

Northshore's Best Credit Union

-Sophisticated Woman

Report

Supervisory Committee Report



Mike Ladner
Chairman



Robert Landry
Member



Allan L. Micksch
Member



Tony Taylor
Member



The Supervisory Committee is created by law and appointed by your Board of Directors to represent all members independently. We evaluate Keesler Federal Credit Union's activities and operations to ensure soundness, compliance, and reliability and appraise the adequacy of internal controls. Our duties also include ensuring the performance of a comprehensive annual audit, independently verifying member accounts, and objectively investigating formal complaints. Your Committee is composed of volunteers with career backgrounds in accounting, communications, training and education, and cyber security.

To maintain these high standards and fulfill our financial and regulatory compliance responsibilities, we meet and regularly interact with Keesler Federal Credit Union's Board of Directors, the senior management team, and the Credit Union's internal auditors.

To fulfill our audit responsibilities for 2023, we hired the accounting firm Doeren Mayhew, CPAs and Advisors, to conduct an independent, in-depth audit of Keesler Federal Credit Union's financial operations and issue a report. We're proud to announce their December 31, 2022, report showed the financial statements fairly represent, in all material respects, the financial position of Keesler Federal and conform with Generally Accepted Accounting Principles (GAAP) in the United States of America.

The National Credit Union Administration (NCUA), the regulatory agency for all federal charter credit unions, performs periodic examinations. As of June 30, 2023, their last examination results confirmed that Keesler Federal Credit Union remained financially sound.

After reviewing the results of these audits and examinations, our Supervisory Committee can confidently report that Keesler Federal continues to be financially solid and well-managed with sound policies and programs. Keesler Federal complies with the Credit Union's bylaws, Mississippi state laws relating to credit unions, and applicable federal laws and regulations.

Respectfully,

Mike Ladner, Chairman, Supervisory Committee

By the Numbers

Total Assets

2017	\$2,572,628,320
2018	\$2,734,647,835
2019	\$3,038,778,779
2020	\$3,718,626,085
2021	\$4,319,919,600
2022	\$4,186,101,632
2023	\$4,074,446,833

Total Shares

2017	\$2,171,768,918
2018	\$2,311,901,194
2019	\$2,577,367,483
2020	\$3,229,446,229
2021	\$3,804,002,732
2022	\$3,434,769,944
2023	\$3,147,405,030

Total Loans

2017	\$1,675,119,291
2018	\$2,077,649,881
2019	\$2,390,862,368
2020	\$2,646,006,174
2021	\$2,756,491,145
2022	\$3,158,204,056
2023	\$3,081,076,800

New Loans for 2023

Loan Type	Number	Amount
Signature Loans	7,339	\$49,758,028
Kreditline	56	166,278
Direct Auto New	1,391	55,503,615
Direct Auto Used	6,608	149,923,096
Indirect Auto New	3,488	143,851,250
Indirect Auto Used	5,480	163,192,151
Boats, Campers, & RVs	910	29,011,047
Indirect Merchant Loans	253	8,773,124
Credit Card	3,030	366,988,492
First Mortgage Loans	478	90,630,522
Home Equity Loans & Lines of Credit	493	19,010,329
Business Loans	156	36,465,270
Share Secured Loans	1,860	16,969,172
All Other Loans	85	1,539,767
New Loans Disbursed	31,627	\$1,131,782,142

Statistical Information

2023	2022	Change
Number of Members		
318,904	306,033	12,871
Number of Loans Made for Year		
31,627	50,310	(18,683)
Dollar Amount of Loans for Year		
\$1,131,782,142	\$1,613,269,419	\$(481,487,277)
Dividends Paid		
\$24,997,117	\$23,653,115	\$1,344,002

2023 Total Member Givebacks \$12.6+ Million

Over \$12.6 million in member givebacks through monthly member giveback drawings, Mississippi Aquarium savings, scholarship awards, and more!





By the Numbers

Statement of Financial Condition

ASSETS	2023	2022	Change
Cash	\$242,107,466	\$162,789,409	\$79,318,057
Accounts Receivable	3,978,170	8,293,002	(4,314,832)
Investments:			
Available-for-Sale	596,995,906	499,358,389	97,637,517
Other	36,827,791	242,545,072	(205,717,281)
Loans Held for Sale	-	-	-
Loans (Net of Allowance for Loan Losses)	3,081,076,800	3,158,204,056	(77,127,256)
Accrued Interest Receivable:			
Investments	3,199,170	3,385,493	(186,323)
Loans	9,771,189	8,895,409	875,780
Prepaid & Other Assets	25,987,615	23,176,242	2,811,373
Other Real Estate Owned (OREO)	128,279	1,178,039	(1,049,760)
Fixed Assets	44,077,259	44,326,416	(249,157)
NCUSIF Deposit	30,297,188	33,950,105	(3,652,917)
Total Assets	\$4,074,446,833	\$4,186,101,632	\$(111,654,799)
LIABILITIES AND MEMBERS' EQUITY			
Liabilities:	2023	2022	Change
Members' Share and Savings Accounts	\$3,147,405,030	\$3,434,769,944	\$(287,364,914)
Dividends Payable	1,682,505	1,408,780	273,725
Accounts Payable	45,132,355	45,912,416	(780,061)
Other Liabilities	441,006,989	252,702,278	188,304,711
Total Liabilities	\$3,635,226,879	\$3,734,793,418	\$(99,566,540)
Members' Equity:			
Regular Reserves	\$14,634,751	\$14,634,751	\$0
Undivided Earnings	496,339,181	520,163,357	(23,824,175)
Other Equity	(71,753,978)	(83,489,894)	11,735,916
Total Members' Equity	\$439,219,954	\$451,308,214	\$(12,088,259)
Total Liabilities and Members' Equity	\$4,074,446,833	\$4,186,101,632	\$(111,654,799)

Note: Other Liabilities include borrowings for year-end 2023

Statement of Income

INTEREST INCOME:	2023	2022	Change
Loans to Members	\$166,805,321	\$136,122,192	\$30,683,129
Investments	20,122,986	9,985,518	10,137,468
Total Interest Income	\$186,928,307	\$146,107,710	\$40,820,597
INTEREST EXPENSE:			
Interest on Borrowed Money	\$17,718,711	\$1,563,855	\$16,154,856
Dividends on Members' Shares	24,997,117	23,653,115	1,344,002
Net Interest Income	\$144,212,479	\$120,890,740	\$23,321,739
Provision for Loan Losses	\$33,202,919	\$11,402,960	\$21,799,959
Net Interest Income After Provision for Loan Losses	\$111,009,560	\$109,487,780	\$1,521,780
NON-INTEREST INCOME:			
Miscellaneous Operating Income	\$37,305,568	\$42,083,834	\$(4,778,266)
Fees and Service Charges	30,632,411	27,982,389	2,650,022
Total Non-Interest Income	\$67,937,979	\$70,066,223	\$(2,128,244)
NON-INTEREST EXPENSE:			
Compensation and Employee Benefits	\$63,453,854	\$54,641,038	\$8,812,816
Office Operating Costs	38,665,623	44,025,889	(5,360,266)
Other Expenses	45,134,055	33,780,235	11,353,820
Total Non-Interest Expense	\$147,253,532	\$132,447,162	\$14,806,370
Non-Operating Gains / (Losses)	553,817	(1,659,222)	2,213,039
NET INCOME	\$32,247,824	\$45,447,620	\$(13,199,795)





Minutes 2023

1. The 75th Annual Meeting of Keesler Federal Credit Union was called to order at the Coast Coliseum, Biloxi, Mississippi by Chairman James Hollingsworth at 7:01 p.m. on March 23, 2023.
2. The presentation of the colors was led by Biloxi High Junior ROTC.
3. Third Coast Harmony sang the National Anthem.
4. The pledge was led by James Hollingsworth, Chairman of the Board.
5. The invocation was given by Chaplain Lt Col-Ret Jim Kirkendall.
6. Chairman Hollingsworth introduced the board of directors: James Hollingsworth, Chairman of the Board; Tony Taylor, Board Member; Melanie Williamson, Board Member; David Ford, Board Member; Josie King, Secretary; Cynthia Payne Childers, Treasurer; Jamie Perronne, Vice Chairman; Billy Guice, Credit Union Attorney; Andrew Swoger, President/CEO; Rochelle Diaz, Recording Secretary; Mike Ladner, Chairman of the Supervisory Committee; Lt Col-Ret Jim Kirkendall, Chaplain.
7. Those who are no longer with us were recognized: Scotty Broome, Gerald "Jerry" Caldwell, Donald "Don" McCormick, Dean Todd, Tommy Adkins, Chris Moore.
8. Chairman Hollingsworth recognized employees for 20 years of service with the Credit Union to: Melissa Bailey, OJT Teller Supervisor, Seaway Branch; Michelle Augustine, Director Loan Operations, Consumer Lending; Analyn Ambion, Mortgage Underwriter, Mortgage Loans; Devon Alexander, VP-Enterprise Risk Management; Angela Jones, Teller Service Rep II, Pass Road Branch; for 25 years of service with the Credit Union to: Lisa Spicer, Accounts Payable Specialist II, Accounting; Jada Foster, Branch Manager III, D'Iberville Branch; for 35 years of service with the Credit Union to: Hollie Gaffney, Teller Service Representative II, Ocean Springs Branch; for 40 years of service with the Credit Union to: Jill A. Jennings, Director Branch Operations West Region.
9. Advisory members who were present from Hattiesburg, Jefferson Parish and Slidell were recognized; Hattiesburg Advisory Panel: Rafael Bailey, Mavis Creagh; Jefferson Parish Advisory Panel: Sal LaRock; Slidell Advisory Panel: Kentrell Jones, Miranda Parker, Bruce Anzalone.
10. Secretary, Josie King, reported a quorum was present.
11. Rochelle Diaz was appointed Recording Secretary and Attorney Billy Guice was appointed Parliamentarian.
12. Larry Burk made a motion to accept the Minutes as they appeared in the printed Annual Report for 2022; seconded by Gia James; motion carried.

2024 Agenda

2024 Annual Meeting Agenda

13. Chairman Hollingsworth presented the 74th Annual Report of the Board of Directors. A motion to accept the report was made by Allan Micksch; seconded by Victoria Todd; motion carried.
14. Mike Ladner presented the Supervisory Committee's Report on behalf of the Supervisory Committee. He introduced the members of the Supervisory Committee: Robert Landry, Member; Allan Micksch, Member; Jim Mitchell, Member. A motion was made by James Wimberly to accept the Supervisory Committee's Report; seconded by Betty Cox; motion carried.
15. Cynthia Childers, Treasurer; presented the Treasurer's Report and Loan Statistics. A motion was made by Jeff Siegel to accept the Treasurer's Report; seconded by Sharonda Marshall; motion carried.
16. Chairman Hollingsworth called for any unfinished business from the floor from the 74th Annual Meeting.
17. Secretary, Josie King, stated there is no unfinished business.
18. Chairman Hollingsworth called for any new business from the floor. Several questions were asked by members and addressed by the appropriate member of management – topics were: Safety & soundness of KFCU, scams targeting KFCU members, disposition of KFCU repo vehicles, personal credit card payment & personal bill pay and credit union's support of ESG (Environmental, Social and Governance).
19. Josie King, Chairman of the Nominating Committee, introduced the Nominating Committee: Josie King, Melanie Williamson and Tony Taylor. Josie King presented the report of the Nominating Committee. There were no nominations by petition. A motion was made by Ruthy Lawrence that the nominees, Cynthia Payne Childers, Jamie Perronne and David Ford for the Board of Directors be elected by acclamation; seconded by Virginia Weaver; motion carried.
20. Chairman Hollingsworth awarded \$100 cash prize to the most senior member of the Credit Union to 104-year-old, Ida Shaw and \$100 cash prize to the youngest member of the Credit Union to six-month-old, Myles Polovich.
21. The drawing of door prizes was conducted by the Chairman.
22. Billy Guice made a motion to adjourn the meeting; seconded by Victoria Todd; motion carried. There being no further business to come before the meeting, it was adjourned at 8:35 p.m.

1. Meeting called to order
2. Presentation of Colors, National Anthem, Pledge of Allegiance, Invocation, VIP Recognition, Team Member Recognitions, Memoriam
3. Ascertainment of quorum
4. Minutes of last meeting
5. Report of Board of Directors
6. Report of Treasurer
7. Report of Supervisory Committee
8. Election
9. Report of election
10. Unfinished business
11. New business
12. Awarding of prizes
13. Adjournment

Community



Local Groups

Throughout the year, hundreds of donation and sponsorship requests are granted to support non-profit organizations and events that positively impact the communities we serve.

\$300,927

382 organizations

Donation and Sponsorship Requests

\$25,000

5 non-profits

5,000 Reasons Campaign

Building Better Communities Since 1947



Keesler Federal is committed to investing financial resources, time, and talents to worthy causes in the communities we serve and call home. It is deeply rewarding to have a positive impact on the lives of members and non-members alike.



Children

We care deeply about the wellbeing of vulnerable children in our communities and partner organizations such as Make-a-Wish Foundation, CASA (Court Appointed Special Advocates), Child Advocacy Centers, and Kinship Navigator Program to make a difference in their lives.

4 wishes fulfilled

Make-a-Wish Sponsorship

\$8,000

holiday toy drive

7 cases completed & 2 in progress

Kinship Navigator Program

2,258 children received rolling duffle bags filled with comfort items

CASA and CAC

Bit of Joy

Spreading seasonal cheer is joyful for recipients as well as givers.

890 gift cards at \$50 each Bit of Joy

Impact

Education

We recognize that education at all levels is a pillar of our communities.

\$561,473

15,887 students

186 schools

in **26** school districts

Backpacks for Bright Futures

\$10,000

10 college students

Lisa J. Stubbs Memorial
Scholarship Contest

\$84,000

24 teachers received

\$2,500 and their
schools received

\$1,000

Educator Impact Awards

Veterans and Heroes

We are proud to honor the dedication and sacrifices of our veterans and local heroes through sponsorships and donations to causes such as the Combat Wounded Veterans of South Mississippi, and R3SM (Recover, Rebuild, Restore Southeast Mississippi).

\$100,000+
raised

Combat Wounded Veterans
of South Mississippi

Eagles Under the Oaks Golf Tournament

\$14,800

88 recipients

First Responder of the Year Awards

6 renovations completed
& **3** in progress

Veteran Families' Home Repair Support





Locations



Keesler Federal
CREDIT UNION

Locations

Coastal Mississippi

1. BAY-WAVELAND
481 Highway 90
2. BILOXI KEESLER AFB
600 Larcher Boulevard
3. BILOXI - PASS ROAD
2602 Pass Road
4. DIAMONDHEAD
4402 East Aloha Drive
Suite 4
5. D'IBERVILLE - AUTOMALL
10521 Auto Mall Parkway
6. D'IBERVILLE - LAKEVIEW
11505 Cinema Drive,
Suite 1
7. GAUTIER
3501 Dolphin Drive
8. GULFPORT - DOWNTOWN
2505 14th Street, Suite 100
9. GULFPORT - DRIVE-THRU
2720 25th Avenue
10. GULFPORT - ORANGE GROVE
12240 Highway 49 North
11. GULFPORT - SEAWAY
13083 Seaway Road
12. LONG BEACH
524 Klondyke Road
13. OCEAN SPRINGS
2420 Bienville Boulevard
14. PASCAGOULA
1509 Telephone Road
15. PICAYUNE
2270 Highway 43 South
16. ST. MARTIN
6835 Washington Avenue
Suite K
17. STENNIS SPACE CENTER
1 Stennis Space Center
Building 1100
18. STENNIS DRIVE-THRU
1 Stennis Space Center
Building 2122
19. VANCELEAVE
11621 Highway 57
20. WIGGINS
1080 West Frontage Road

Jackson Metro

21. JACKSON - FARM BUREAU
1401 Livingston Lane
22. FLOWOOD - LAKEWOOD COMMONS
389 Ridge Way
Building K/#3
23. JACKSON - MDOT
401 North West Street
24. MADISON - WELCH FARMS
1944 Main Street
25. RIDGELAND - LAKE HARBOUR
733 Lake Harbour Drive,
Suite F
26. JACKSON - MEADOWBROOK
1300 Meadowbrook Road

Hattiesburg

27. HATTIESBURG - TURTLE CREEK
6175 US 98, Suite 20
28. HATTIESBURG - WESLEY
201 Methodist Boulevard
29. PETAL - EVELYN GANDY
1119 Evelyn Gandy Parkway

United Kingdom

39. RAF ALCONBURY
Building 582
40. RAF LAKENHEATH
Building 987
41. RAF MILDENHALL
Building 131

Louisiana

30. COVINGTON
2101 N Highway 190
Suite 107
31. MANDEVILLE - BEAU CHÉNE
4250 Highway 22, Unit C
32. OPENING SOON!
MANDEVILLE WEST CAUSEWAY
1725 W. Causeway Approach
33. SLIDELL
1338 Gause Boulevard
34. SLIDELL - CROSSGATES
2925 East Gause Boulevard
35. NEW ORLEANS - MID-CITY
3700 Orleans Avenue, Suite 107
36. METAIRIE LAKESIDE
2949 Veterans Memorial Blvd.
Suite A2

Alabama

37. MOBILE - WESTWOOD PLAZA
7765 Airport Boulevard
Suite 201
38. MOBILE - MIDTOWN
100 North Florida Street
Suite E-4

US: 1-888-KEESLER
(533-7537)
UK: 0-800-585-765
www.kfcu.org



KeeslerFederal
CREDIT UNION

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