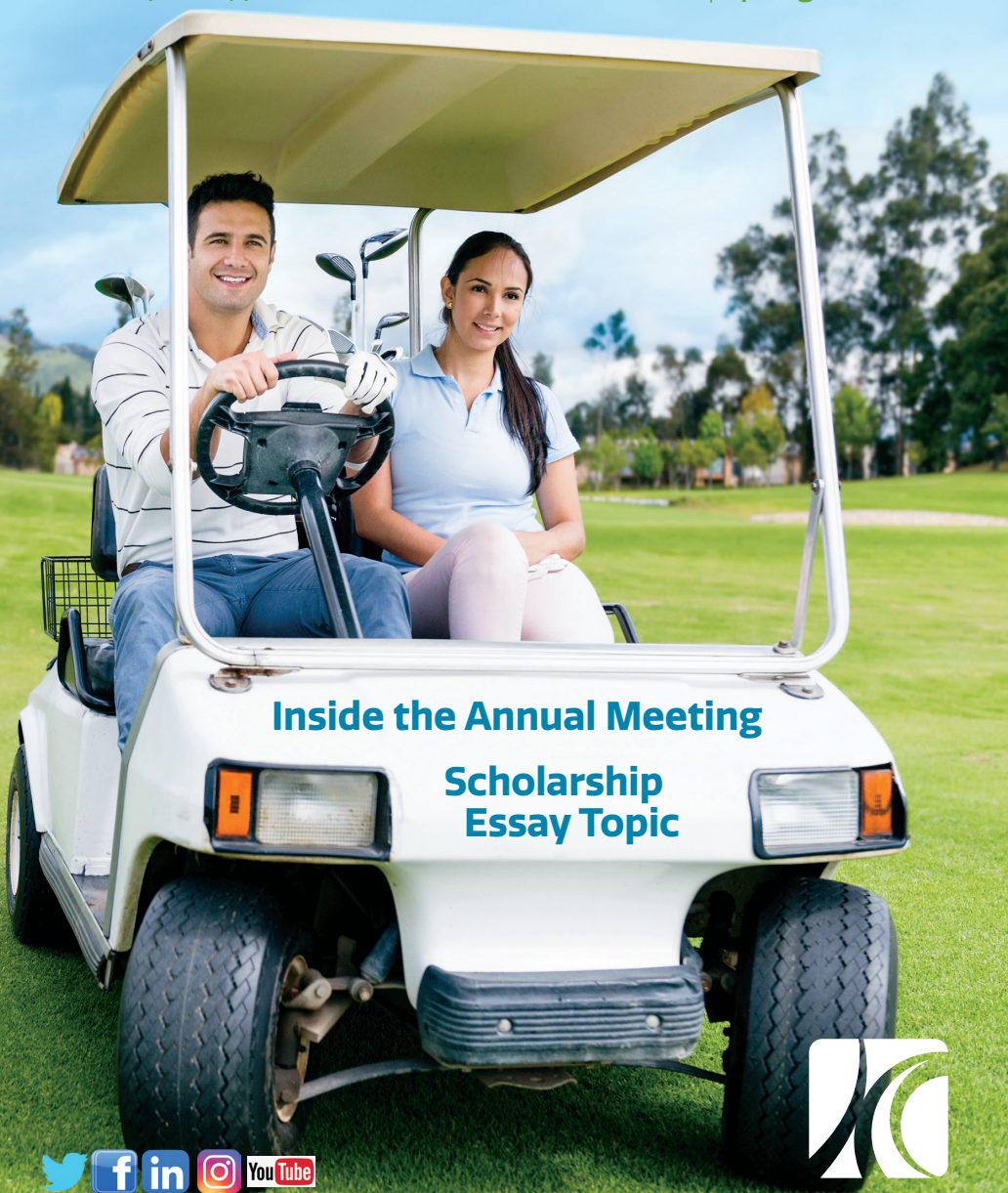


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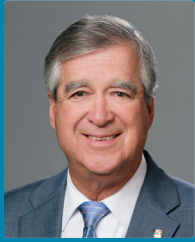
A quarterly publication of Keesler Federal Credit Union | Spring 2023



Inside the Annual Meeting

**Scholarship
Essay Topic**





James Hollingsworth
Chairman,
Board of Directors

Spring's arrival signals new beginnings, pleasant weather, and the return of our in-person Annual Membership Meeting, which took place on Thursday, March 23, at the Mississippi Coast Coliseum and Convention Center. Thank you to all who came to this year's event, which was our 75th meeting – a true milestone! Members in attendance were entered into drawings for 30 \$1,000 prizes, one \$7,500 prize, and one Toyota RAV4. We also celebrated the occasion with "5 Days of Giveaways" throughout the week, which automatically included all members, no meeting attendance necessary. These drawings awarded \$75 to 75 members each day, \$1,000 to one member per day, and another Toyota RAV4 grand prize for the week. This extraordinary level of member appreciation is just one example of the many ways in which Keesler Federal is different from other financial institutions!

In this issue, you will find financial recaps from the 2022 Annual Report, which may be read in its entirety on our website at kfcu.org/about. I am proud to announce that Keesler Federal enjoyed another remarkably strong year, despite the global economic challenges faced by everyone last year. We owe this in large part to the continued loyalty of our now more than 306,000-strong membership who entrust us with their financial hopes and dreams. It is a responsibility we are honored to have and take very seriously.

In addition, Keesler Federal maintains a strong financial footing during this recent period of financial turmoil in the banking sector for several key reasons. As one of the largest credit unions in the Southeast with over \$4 billion in assets, we are considered "well-capitalized" from a regulatory standard with 13% capital – almost double the 7% regulatory requirement. Your credit union also has a well-diversified deposit base and abundant liquidity, as opposed to largely concentrated deposits catering to a specific industry. In short, we are very different from "high risk" banks that have failed recently. As a Keesler Federal member, you can rest assured that your money is safe and accessible, and as a financial institution, we are fiscally strong and stable. This balanced, sound, and conservative approach to serving our members' needs, regardless of fluctuating economic conditions, has kept Keesler Federal moving forward for over 75 years.

Thank you for choosing us as your financial partner. We wish you and yours all the best that spring has to offer.

Yours in service,

James Hollingsworth

"NCUA-Insured" Means Your Money's Secure



Negative economic news impacts us all whether directly with financial loss or indirectly with stress and anxiety about the future. Rest assured that when you trust your deposit accounts to Keesler Federal, those funds are protected by the NCUA – National Credit Union Administration – an independent agency of the United States government, which regulates, charters and supervises federal credit unions. Like the FDIC, which insures deposits in most traditional banks, NCUA insurance covers up to \$250,000 per account owner, per institution and per ownership type. This means your money is secure – even if the credit union fails.

And, if you're thinking about taking any extreme measures to hide your physical cash at home, you'd better think again. The typical

homeowner's policy covers only \$200 – \$300 in cash if stolen or lost due to a peril such as a house fire or natural disaster.

Even more importantly, unlike a jar buried in the back yard, Keesler Federal deposit accounts offer the distinct advantage of earning dividends that allow your balance to grow!

Finally, it's important to note that not all credit unions are NCUA-insured. The NCUA automatically insures federally chartered credit unions, which have "federal" in its official name, like Keesler **Federal** Credit Union.

For more details about NCUA insurance and your accounts, stop by any branch, talk with a team member or visit kfcu.org.

A look inside the 2023 Annual Meeting

From the 5 Days of Giveaways to the drawings at the event, the 75th Annual Membership Meeting on March 23 was a celebration of member loyalty and a welcome opportunity to gather in person again. Thank you for making it a memorable evening!



Steven C. of Saucier with grand prize Toyota RAV4.



Some of the more than 2,000 members in attendance.



Asia N. of Covington with Board Chairman James Hollingsworth and Marketing Director Pam Belk.



Betty J. of Biloxi, Keesler Federal Board Chairman James Hollingsworth, and Steven C. of Saucier.



Key Highlights of 2022

TOTAL MEMBERS

306,033



TOTAL ASSETS

\$4,186,101,632



TOTAL SHARES

\$3,434,769,944



TOTAL LOANS

\$3,158,204,056



NEW LOANS

\$1,613,269,419



For a copy of the Annual Report go to kfcu.org/news and click on **Annual Report**.

MEMBER giveback

2022 Total
Member Givebacks
\$11.2 Million

\$9,911,385
Visa Credit Card Rewards

\$1,167,831
Kasasa Checking Rewards

\$137,013
Monthly Member
Giveback Drawings

\$60,888
Mississippi Aquarium Savings

\$19,470
Lisa J. Stubbs
Memorial Scholarship



Be Smart with Your Tax Refund

Let's be clear; your tax refund is not a "bonus" or "free money" or any other type of windfall. It is, in essence, the government repaying an interest-free loan you made to them during the previous year. That money came right out of your paycheck or other money that you already earned. So, you should treat it like the earned money that it is. That means not rushing to your favorite gaming venue and putting it all on red, loaning it to family (for any reason), or depositing it into a low-interest account. That money has been out of circulation for a while and it needs to show a return to make up for lost time. Since there are probably more ways to blow it than to grow it, here are some

financially sound alternatives to consider:

Pay down debt: Nothing burns a hole in your pocket like high-interest debt. Think about using a portion of your tax refund to pay off credit-card debt or other high-interest loans partially or completely.

Energize your emergency fund: If you don't have an emergency fund, now is an excellent time to start one. Consider placing part of your refund in a high-interest savings account.

Invest in yourself: You are your most valuable resource. Enroll in a continuing education, trade association or college course to

improve your job-related skills. The money you spend up-front on your own development may repay you exponentially by increasing your potential earning power.

Live a little: Take 10 to 25 percent of your refund and splurge on a weekend getaway, a great meal or some other small treat. Then put the rest to work as suggested above or sock it away, in a high-interest product, for a big vacation later.

References: money.com, mmbb.org, Paul Mallery.



A Commitment to Member Service

Extraordinary Employees.

Extraordinary Credit Union.

Keesler Federal team members believe in the credit union philosophy, and it shows in their tenure. Our team members are dedicated to making a difference in the lives of members, and, in turn, Keesler Federal has made a difference in their lives. This may explain why so many people begin and end their careers with Keesler Federal.

Keesler Federal team members are recognized for service in 5-year increments (3-year in the UK). We are proud to recognize the following team members who have service anniversaries during the first quarter of 2023:

35 YEARS OF SERVICE

Hollie Gaffney, *Teller Service Rep II*

20 YEARS OF SERVICE

Devon Alexander, *VP-Enterprise Risk Mgmt*

15 YEARS OF SERVICE

Crystal Helveston, *Internal Auditor I*

Marion Hood, *Director-Financial Crimes*

Lynne Mccubbin, *Teller Service Rep III*

Robert Pegoda, *Manager-Facilities*

Natalie M. Thaxton, *Digital Lending Team Lead*

Franzella Jackson, *Titles Team Lead*

10 YEARS OF SERVICE

Jennifer Zuniga, *Branch Manager II*

5 YEARS OF SERVICE

Preston L. Bailey, *Teller Supervisor*

America L. Gerard, *Financial Service Rep II*

Shelby R. Seymour, *Financial Service Rep II*

Rashonda Travis, *MCC Team Lead*

Alisha Kuliak, *Dealer Services Rep I*

Kimberly Calawor, *Retail Support Spec I*

Brittane Davis, *Digital Lending Rep II*

Samantha Frederickson, *Asst Branch Manager II UK*

Michael L. Hands, *Legal/Recovery Specialist*

Lauren L. Ishee, *MCC Team Lead*

Olivia Martin, *Asst Branch Manager I*

Angel N. Norris, *Loan Portfolio Specialist*

Chinara Whavers, *Sales & Service Rep*



COMMUNITY
giveback



within the foster care system. Many of these children have no way to transport or store their personal belongings when they are transitioned from one living situation to another. To assist, Keesler Federal team members recently distributed 2,800 rolling duffel bags outfitted with comfort and personal care items including a blanket, dental kit, nightlight with USB ports, a notebook and pen to CASA groups in South Mississippi, Hattiesburg, Jackson, New Orleans, Slidell, Covington and Mobile.

For a copy of the **Community Impact Report** go to kfcu.org/about/giving-back.



Giving Back

Keesler Federal's Community Giveback program seeks to make a positive difference in the lives of those around us and one of the organizations we are proud to support is **CASA (Court Appointed Special Advocates)**, which advocates on behalf of abused and neglected children

Fraud Awareness



Be Vigilant. Protect Your Information.

Your personal information is a valuable commodity, and protecting it is key to your financial security. Scam artists are constantly seeking new ways to access your personal identifiable information (PII). Fraud attempts can be disguised at texts, emails, and social media posts appearing to be from familiar businesses, such as your credit union. Now more than ever, it's important to know how to protect yourself. Please be cautious and remember:

Keesler Federal will never ask for your personal information through email, text, or social media.

- If you receive an unexpected request, no matter how urgent it may seem, slow down, and think before you act.
- Do not automatically respond or provide personal information (account number, social security number, online banking login, date of birth).
- Routinely monitor your account activity and credit reports for any unexplained or suspicious transactions.
- Report suspicious messages by calling 1-888-533-7537 or forwarding it to abuse@kfcu.org.

Learn more about fraud and subscribe to our weekly newsletter at
[Kfcu.org/resources/fraud-security](https://kfcu.org/resources/fraud-security).



Managing Debt as Interest Rates Rise

Debt can be a challenge to manage, even in the best of times. Now, with the economy in the news nearly every day, how do you effectively manage your debt as the cost of borrowing for things like homes, cars, and credit cards rise?

Here are five general questions to ask to minimize the hit to your wallet in the face of rising interest rates.

What's your current credit score and history? Knowing this information helps you understand how rising interest rates will apply to you. Some research shows that only 33 percent of Americans checked their credit score in the past year. Regularly monitoring your credit can alert you to errors, protect you from fraud, and provide you valuable information to strengthen your credit score – which can potentially minimize the rising cost of borrowing.

What's your debt portfolio?

Another helpful course of action is to make a list of your current debt such as credit cards, car loans, student loans and other debt. Although it's a simple step, this can make a big difference in visualizing the big picture of your financial situation. Part of seeing the impact of rising interest rates is understanding exactly where you stand.

What are your current interest rates? An effective next step is to regularly review your balances, terms, and interest rates. If you opened a credit card two years ago with an adjustable rate based on the prime rate, that rate has increased, and your credit card debt is now more expensive. By staying on top of these details, you can adjust and make informed decisions about taking a more aggressive approach to reducing existing balances. A debt payoff strategy that starts with eliminating balances on your highest

interest credit cards and loans first usually makes the most sense.

What is a realistic payment plan?

If you are able, consider paying credit card balances in full by the due date each month. You can avoid interest charges on what you purchase, which means rising interest rates may not have much of an effect on your household finances.

What is your overall financial plan?

To stay financially healthy and minimize the impact of rising interest rates, it is key to earn more than you spend and have enough money to build savings for the future. Keeping an eye on your spending is the most important step in creating a budget without the cost of high-interest debt. Once you develop a household budget and start tracking income and spending, it becomes clear where the money is going and where you need to make

adjustments to achieve your financial goals. By setting financial goals, preparing a financial plan, sticking to a budget, and setting up an emergency fund for the unexpected, you ensure that your financial wellbeing does not suffer even when interest rates rise.

Trusted Resource

There may be times when you need additional help to manage everything going on financially—especially as the cost of borrowing becomes more expensive.

Our partner, the trusted national nonprofit GreenPath Financial Wellness, provides guidance to help you understand your credit history, as well as debt management advice.

[Learn more at kfcu.org/resources/free-financial-counseling](https://kfcu.org/resources/free-financial-counseling).





Annual Lisa J. Stubbs Memorial Scholarship Essay Contest

Here's your chance to win \$1,000 towards your education! Keesler Federal will award scholarships to six dependent and four adult college students for winning entries in this year's essay contest.

ALL APPLICANTS

- The contest is open to Keesler Federal members in good standing who will be full-time college students in the upcoming school year. Employees and officials of Keesler Federal and their dependents are not eligible to compete in the scholarship contest.
- Applicants must submit an entry of 500 words or less that is typed in the space provided through the online application.
- School classification for the upcoming school year will be college freshman, sophomore, junior, senior or graduate student.

ADULT APPLICANTS

- Adult students must not be dependents of their parents and must be at least 21 years old and a member in good standing with Keesler Federal.
- Your entry should include your name, address, phone number, major, school name and school classification for the upcoming year.

DEPENDENT APPLICANTS

- Dependent applicants and at least one parent must be members in good standing with Keesler Federal.
- Your entry should include your name, address, phone number, major, school name and school classification for the upcoming year and your parent/guardian's name.

The 2023 essay topic is:
"How do you think artificial intelligence will shape the future of education?"

All applications must be submitted online no later than 11:59 pm CST on May 27, 2023. Printed applications will not be accepted. To apply, visit kfcu.org/scholarship.

In 1992, the scholarship program was dedicated to Lisa J. Stubbs, a Keesler Federal employee of over 8 years. While employed full time at the credit union, Lisa attended night classes, working toward her degree. Lisa died at the age of 25 after a lifelong struggle with cystic fibrosis. Since Lisa's courage and determination were an inspiration to all who knew her, the scholarship program was renamed in her honor in hopes that her spirit of achievement would inspire others to reach new heights.



Understanding APR and APY

If you are borrowing money or financing a purchase, you'll want to know the annual percentage rate (APR) of interest you'll be paying on the loan; the lower the better. However, if you are looking for an investment account, you'll be interested in the annual percentage yield (APY) that you will earn on your money. Higher is better for APY. Here's what differentiates them:

Both APR and APY are calculated based on interest rates. When interest is compounded on an annual basis, APR and APY are the same number. However, when interest is compounded more frequently, the APY becomes larger than the APR because the interest already paid earns additional interest on itself throughout the year. Unlike the APY, the APR does not consider compounding effects.

Compound interest is the interest you earn on interest. This can be illustrated by using basic math: if you have \$100 and it earns 5% interest each year, you'll have \$105 at the end of the first year. If you don't personally add to the account at all, at the end of the second year, you'll have \$110.25, \$115.76 the third year and so on.

If you only earned interest on your original deposit of \$100, that's called simple interest. You would earn \$5 per year equalling \$115 after the third year. If interest is compounded more frequently, e.g. monthly, quarterly or semi-annually, your money will grow faster.

Whether you are borrowing or saving, Keesler Federal Credit Union is here to help.

Sources: americanexpress.com, calculators.org, corporatefinanceinstitute.com



AACE Champions

What is the AACE Recognition Quarterly Awards Program?

Keesler Federal encourages team members to create an extraordinary culture by exhibiting approachability, authenticity, commitment and empathy in their day-to-day interactions with one another and our loyal members. Each quarter, select team members, nominated by their peers, are recognized for exemplifying these values.



Approachability Authenticity Commitment Empathy



Christina Barrett
Financial Service
Representative I
Ocean Springs



Laura Farris
Development
Team Lead
Information Technology



Ashley Miner
MCC Training
Development Supervisor



Danny Trahan
Regional Manager
U.S. Branch Operations
Beau Chene



Susan Whisenant
Financial Service
Representative II
Larcher

Budgeting for a Family

If you're expecting your first child, establishing a budget that includes your growing list of expenses is important for helping you manage your finances.

Starting a family is one of life's most rewarding experiences. However, it will also profoundly impact your financial picture, with a list of expenses that grows by the year. (One estimate pegs the total expenses for a child's first 18 years at \$233,610.)¹

As you begin planning for your first child, consider these key areas and their associated expenses.

Healthcare

One of the first steps you are likely to take prior to welcoming your child is to modify your healthcare plan to make sure that your baby is covered. You can choose a managed care plan, such as a health maintenance organization (HMO), which offers lower up-front costs than a preferred provider organization (PPO) plan, though which may require you to pay at least 20 percent of care costs. However, a PPO plan may provide you with more options as to which providers you can see and whether you need a referral to see a specialist.

Deductibles, coinsurance amounts, copayments and monthly premiums vary greatly; review the options available to you carefully before making your selection. For those expenses not covered by health insurance, consider a medical reimbursement account (MRA) or health savings account (HSA), if available from your employer. These can pay for items such as deductibles, copayments, and orthodontics.

Childcare

You may be eligible to receive tax benefits as a parent, with the Child Tax Credit providing a credit of up to \$2,000 per child under age 17 (as of 2020).² Part of the credit is refundable, which means that you could receive a tax refund (up to \$1,400 per qualifying child) even if you don't owe any tax. To qualify, your child must have a Social Security number before you file your tax return.

Note that the credit is reduced for married taxpayers filing jointly if their adjusted gross income (AGI) exceeds \$400,000, and for other taxpayers if their AGI exceeds \$200,000.

Insurance

As you enter parenthood, consider the value of purchasing disability insurance or life insurance.

A financial professional may be able to provide guidance as to the recommended amounts of coverage for each. Some general guidelines include a disability policy that covers at least 60 percent of your income and a life insurance policy that equals 5 to 10 times your family's annual income.

Call (228) 385-4558 for your no-cost, no-obligation appointment today!

Dennis Liverett,
Ron Weatherly,
Nathan Roberts and
Lynn Hartfield are
LPL Financial Advisors with
Keesler Financial Group located
at Keesler Federal CU.

Check to see if your employer offers these policies, they are often less expensive than those that you purchase independently.

Estate Planning

Consider drawing up a will that designates a legal guardian for your child, in the event that you and your spouse die together (or if you are a single parent, if you should die). Without a will, if you and your spouse die together, a court will decide whom to appoint as your child's guardian. The will should apply to your future children, too. By carefully budgeting for your baby, you can help secure the financial futures of both you and your child.

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Not Credit Union Guaranteed	
Not Credit Union Deposits or Obligations	May Lose Value

¹ <https://www.usda.gov/media/blog/2017/01/13cost-raising-child>.

² <https://www.irs.gov/newsroom/child-tax-credit-by-the-numbers>.

Keesler 
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Retirement ■ Investments ■ Insurance



Keesler Federal
CREDIT UNION

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It pays to be a member

\$11,000,000

in givebacks!

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 giveback

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Important to you. Important to us.™