

2021 Virtual Annual Meeting Treasurer's Report

Overall, the credit union size as measured by total assets increased by \$601 million or 16.17%. Similar growth was experienced in member shares which increased by \$575 million. Loan growth was exceptionally solid with loan balances increasing \$110 million. In addition, your credit union made 43,606 loans to your fellow members, totaling just over \$1.3 billion.

Because of our growing relationship with local car dealers and the credit union's reputation for low auto rates, new and used auto loans, continue to be our most popular loan products. Auto loans represented 47.05% of our portfolio with 68,120 loans totaling \$1.3 billion at the end of 2021.

We continued to add to our local business relationships in 2021. By year-end, we opened 2,611 new business accounts with 161 loans totaling \$63 million.

Another leading contributor to our amazing loan growth is the increase in the credit union's mortgage loan portfolio. More and more consumers are choosing Keesler Federal as their real estate lender. Real Estate loans increased in 2021 by \$24.9 million or 2.78% over the previous year.

We had another notable year of earnings in 2021. These earnings, as measured through return on assets, were 0.77%. Net Income of \$31 million was added to members' equity, which is also known as net worth, or capital. Our credit union continues to be considered "well-capitalized" as measured by the NCUA with a Net worth ratio at year-end of 11.33%. This measure represents an extremely high level of safety and soundness and offers an added protection to the possibility of any unforeseen losses. Additionally, net worth provides Keesler Federal the capacity to

offer new and enhanced future services, an extensive branch network, as well as, the opportunity to support strong future growth.

Keesler Federal remains a trusted financial partner, keeping your needs our highest priority. Because of this, members know there is tremendous value in the products we offer. This holds true with Kasasa checking and savings accounts. We only introduced this product in 2020 and, last year, we had a total of 16,263 Kasasa checking accounts, 4,299 of which were opened in 2021. The Kasasa suite of products contributed to a deposit growth of \$84.4 million and a total member giveback of \$2,125,696 in Kasasa rewards.

You can count on your credit union to provide a wide range of loan and deposit products to help you achieve your financial goals. You will find more details about all of last year's financial information in the 2021 Annual Report, which will be available online at the time of the 2022 virtual annual membership meeting. We are grateful you are a part of this growing financial cooperative. Thank you for your loyalty and dedication and thank you for choosing Keesler Federal Credit Union.