



## 2024 Annual Report



JOIN. THRIVE. PROSPER.

## A Message From The Chairman and President/CEO

This year marks our 62nd year of service to our membership! We were originally founded on February 13, 1963 as FAA Southern Federal Credit Union to serve FAA employees and their immediate families in the seven state Southeast region. Today we serve more than 31,000 members with assets of \$533.9 million, 500+ Select Employer Groups and 12 counties in our field of membership.

As we close out the year 2024, I want to take a moment to reflect on the successes and milestones that have shaped this remarkable year for The Southern Credit Union. Your continued trust and loyalty have been the foundation of our growth. Because of your trust and loyalty, we are very pleased to report that during 2024 we experienced another year of excellent earnings with net income of \$3,738,014. Strong earnings mixed with controlled asset growth has allowed us to continue building our capital and strengthen our capital ratio. We finished the year with a net capital ratio of 11.46%, up from a 10.88% at the close of 2023 and 9.59% at the close of 2022. And just like in 2023, we either met or exceeded our peer credit unions in five of our six key industry operating ratios in 2024.

The safety and security of our member data is paramount, and in 2024 we continued to allocate significant resources to upgrade and enhance our network security to further safeguard and protect our member data. We also spent the latter half of 2024 engaged in an extensive search to identify a new core processor to replace our current core that we've been operating on for close to 40 years. We want to make sure that this system upgrade ultimately aligns with The Southern's goals and more importantly our members' needs. With a new core selected, we will embark on a multi-year journey focused on preparing for the conversion which will include a comprehensive data cleanup effort to ensure the integrity and accuracy of all member information prior to migration. This will be a long and worthwhile endeavor, and we anticipate the conversion to take place in late 2027.

To better serve our members, we are in the final stages of a total rebuild of our Newnan branch facility. This location is expected to reopen in July 2025 and will be our flagship full service branch complete with a drive-thru and ATM. This new facility will also house our disaster recovery systems complete with a generator and redundant file servers in order to better protect against downtime in the event of an actual disaster.

During 2024, we fully implemented our instant issue debit cards that are now available at all of our branch locations. We have also just rolled out contactless credit and debit cards, and we anticipate all of our card products will be instant issue and contactless by summer of 2025. This is just one more example of how we work to keep our product offerings current and easily accessible to our members.

Whether our members prefer to do their banking in person, online, or both, we continue to provide our members with the most competitive products and services while maintaining strong financial stability. We truly appreciate the trust you've placed in The Southern Credit Union, and we look forward to continuing to grow and succeed together. Thank you for your support, and I would also like to thank our staff and the board of directors for their hard work and dedication that makes The Southern the success that it is.

**Morris D. Kelly**  
Chairman of the Board

**Ray B. Hull**  
President/CEO

# Financials

Consolidated Statement of Financial Condition | As of December 31, 2024 (Unaudited)

ASSETS	2023	2024
<b>Loans</b>		
Regular Loans	\$146,711,405	\$132,470,299
First Mortgage Loans	\$44,628,970	\$46,449,002
Other Real Estate	\$22,852,034	\$28,934,137
Visa Loans	\$10,074,629	\$9,839,907
Collateral in Process	\$102,027	\$4,960
<b>Total Loans</b>	<b>\$224,369,065</b>	<b>\$217,698,305</b>
Allowance for Loan Loss	\$ (1,110,700)	\$ (980,500)
<b>Net Loans</b>	<b>\$223,258,365</b>	<b>\$216,717,805</b>
Cash and Cash Equivalents	\$18,061,132	\$34,428,479
Federal Agency Securities	\$199,380,503	\$191,635,553
Certificates of Deposit	\$42,187,614	\$43,178,310
Corporate Credit Union-Capital Shares	\$987,886	\$901,886
<b>Total Investments</b>	<b>\$260,617,135</b>	<b>\$270,144,225</b>
Fixed Assets	\$15,821,765	\$18,722,121
Accrued Interest Receivable	\$1,190,886	\$1,218,833
NCUSIF Deposit	\$4,777,754	\$4,588,486
Other Assets	\$21,785,017	\$22,544,590
<b>Total Assets</b>	<b>\$527,450,922</b>	<b>\$533,936,060</b>
<b>LIABILITIES</b>		
Dividends Payable	\$554,524	\$912,599
Other Liabilities	\$7,743,800	\$6,298,080
<b>Total Liabilities</b>	<b>\$8,298,324</b>	<b>\$7,210,679</b>
<b>MEMBERS' SHARES</b>		
Shares	\$267,261,237	\$250,339,844
Share Drafts	\$88,528,328	\$90,127,342
Money Market Accounts	\$50,728,332	\$43,724,361
Individual Retirement Accounts	\$15,170,839	\$13,935,676
Share Certificates	\$60,070,984	\$83,656,097
<b>Total Members' Shares</b>	<b>\$481,759,720</b>	<b>\$481,783,320</b>
<b>MEMBERS' EQUITY</b>		
Undivided Earnings	\$37,392,878	\$44,942,061
<b>Total Members' Equity</b>	<b>\$37,392,878</b>	<b>\$44,942,061</b>
<b>Total Liabilities, Members' Shares and Equity</b>	<b>\$527,450,922</b>	<b>\$533,936,060</b>

# Financials cont.

Statement of Income | For the period ended December 31, 2024

INCOME	2023	2024
Interest on Loans	\$10,642,478	\$12,028,370
Interest on Investments	\$6,502,788	\$7,031,905
Non-Interest Income	\$5,513,465	\$5,615,982
<b>Total Operating Income</b>	<b>\$22,658,731</b>	<b>\$24,676,257</b>
<b>OPERATING EXPENSES</b>		
Compensation and Benefits	\$8,602,120	\$9,385,708
Office Occupancy	\$760,422	\$807,410
Office Operations	\$1,973,785	\$2,050,719
Loan Servicing	\$1,726,909	\$1,761,885
Professional and Outside Services	\$1,816,001	\$1,744,193
Provision for Loan Losses	\$736,765	\$388,285
Depreciation	\$860,636	\$871,549
Operating Fee	\$57,831	\$56,882
Other Operating Expenses	\$838,366	\$531,644
<b>Total Operating Expenses</b>	<b>\$17,372,835</b>	<b>\$17,598,275</b>
Income from Operations	\$5,285,896	\$7,077,982
Non-Operating Gains (Losses)	\$2,012,872	\$226,500
Dividends	-\$1,797,963	-\$3,566,468
<b>Net Income</b>	<b>\$5,500,805</b>	<b>\$3,738,014</b>

## AUDIT COMMITTEE REPORT

The Audit Committee is pleased to report that The Southern Credit Union's assets have been managed in a professional and appropriate manner. We are confident and want to assure our Credit Union's membership that the financial statements as presented in this report are accurate and reflect the Credit Union's financial condition.

The certified public accounting firm of Mauldin & Jenkins, LLC assisted the Committee in its efforts by conducting a thorough financial statement audit. As part of the annual audit, the accounting firm reviewed procedures to ascertain that the Credit Union has operated in a fiscally sound manner and, in all material respects, in accordance with applicable federal and state regulations.

If any member wishes to review the audit report, or make recommendations for improvement, please contact me or any other member of the Audit Committee.

Sincerely,  
Robert Matthews, Chairman  
Audit Committee

*The laws of Georgia, which govern Georgia credit unions, and the bylaws of The Southern Credit Union provide for the establishment of a Audit Committee. The Audit Committee works independently of the Board of Directors and Credit Union management and is made up of Credit Union members who volunteer their time to support the credit union movement. Their principal function is to ensure the accuracy of The Southern Credit Union's financial statements and compliance with sound business practices and procedures.*

# Committed To Our Mission



We believe in providing financial solutions that empower our members to achieve their goals.

## PRODUCTS

- Share Savings Accounts
- Checking Accounts:
  - Southern Way Checking
  - Basic Checking
  - Checking Plus
  - Heritage Club Checking
- ATM and Instant Issue Visa® Debit Cards
- Money Market Savings Accounts
- Share Certificates of Deposit
  - 91-Day to 5-Year Terms
- Christmas and Vacation Club Accounts
- IRA - Traditional / Roth
- Visa - Classic, Gold, and Platinum
- Personal Loans
- Fast Cash Personal Line of Credit
- Auto Loans - New / Used
- Recreational Vehicle Loans
- Member Business Loans
- Mortgage Loans
  - First and Second Mortgages
  - Vacation & Second Homes
  - Home Equity Lines of Credit
  - Adjustable Rate Mortgages
  - Land Loans
  - VA / FHA Loans
  - USDA Loans

## SERVICES

- Online Banking and Bill Payment
- Mobile App with Remote Deposit Capture
- eStatements - Electronic Monthly Statements
- TellerPhone - 24/7 Automated Account Access
- Direct Deposit and Payroll Deduction
- Wire Transfers
- Extended Warranties
- Credit Disability, Life and Involuntary Income Loss Insurance on Loans
- GAP Insurance
- Safe Deposit Boxes
- Notary Public Services

 *The Southern has always supported me and my financial goals. They truly treat you like family.* 

*since 1963*

## BOARD OF DIRECTORS

Morris Kelly  
Wilton Marchman  
Ray Hull  
Rick Halbert  
Robert Matthews  
Michael Foran  
Randy Hobbs

## BRANCHES

### Fayetteville

430 East Lanier Avenue  
Fayetteville, GA 30214

### Griffin

1610 Highway 16 West  
Griffin, GA 30223

### Jonesboro

2236 Mount Zion Road  
Jonesboro, GA 30236

### LaGrange

117 Bull Street  
LaGrange, GA 30240

### McDonough

2097 Hwy 20 West  
McDonough, GA 30253

### Newnan — *Temporary Location*

6 Jefferson Parkway  
Newnan, GA 30263

## AUDIT COMMITTEE

Robert Matthews  
John DeCotis  
Morris Kelly

### Peachtree City

1400 Commerce Drive  
Peachtree City, GA 30269

### Sharpsburg

1790 Hwy 154  
Sharpsburg, GA 30277

## BRANCHES IN SECURED FACILITIES

FAA — College Park  
1701 Columbia Avenue  
College Park, GA 30337

FAA — Hampton  
299 Woolsey Road  
Hampton, GA 30228

KIA — West Point  
7777 Kia Pkwy  
West Point, GA 31833

JOIN | THRIVE | PROSPER

770.719.1111

[southernonline.org](https://southernonline.org)



Federally insured by the NCUA.

NMLS: 411595