



ANNUAL REPORT

— 2022 —

Jefferson Financial 
FEDERAL CREDIT UNION



Welcome to the 56th Annual Meeting

“Helping Members achieve their financial success!”

Our top priority is serving our Members. We strive to the best of our abilities to ensure Members’ financial service needs are met - keeping them on the path to their own financial success. Our primary goal is to provide Members with a secure, sound financial institution.

LOAN PRODUCTS & SERVICES:

- New / Used Auto Loans
- Auto Refinancing
- Boat / Recreational Loans
- Motorcycle Loans
- Personal Loans
- Visa® Credit Cards
- Mortgage Loans
- Mortgage Refinancing
- Home Improvement Loans
- HELOCs (Home Equity Line of Credit)
- Savings & Checking Accounts
- Online & Mobile Banking
- Share Certificates (CDs)
- Direct Deposit & Payroll Deduction
- Individual Retirement Accounts (IRAs)
- Visit us online for more!

 **800.259.2471**

 **JeffersonFinancial.org**

2022 BOARD OF DIRECTORS

Susan Bloom

Chairwoman

Lloyd Clark

Director

George Horne

Co-Chairman

Feliciano Mendoza, Jr.

Director

Staci Ritchie

Treasurer

Natasha Richardson

Director

Craig Melancon

Secretary

Nathan Winesberry

Director

Floyd Grayson

Security Officer

Jefferson Financial
FEDERAL CREDIT UNION

As of 12.31.2022



Minutes of the 55TH Annual Meeting

The meeting was called to order by Board Chairwoman Bloom at The Four Columns, 3711 Westbank Expressway, Harvey, on the 23rd day of April 2022, at 10:01 a.m.

It was confirmed that there was a Quorum present.

Minutes

Moved by Nathan Winesberry, seconded by Lloyd Clark, the Board unanimously approved to accept the minutes from the May 1, 2021 Annual Meeting as published in the Annual Meeting booklet.

CEO's Report

Chairwoman Susan Bloom called on Mark Rosa to give the CEO Report as printed in the Annual Report.

Mark Rosa discussed page 5 and the chart on page 6 - he also mentioned there are now less than 5,000 credit unions. He went on to discuss the financials on page 9.

Supervisory Committee Report

Chairwoman Susan Bloom requested a motion to approve the Supervisory Committee Report as printed in the Annual Report.

Moved by Lloyd Clark, seconded by George Horne and unanimously approved to accept the Supervisory Committee Report.

Nominating Committee Report

Craig Melancon presented the Nominating Committee Report.

Floyd Grayson, George Horne and Craig Melancon submitted nomination requests. There were no other nominations received.

Moved by Lloyd Clark, seconded by Natasha Richardson and unanimously approved that the Board declare Directors Floyd Grayson, George Horne and Staci Ritchie to fill the three year terms are "elected" to fill their respective vacancies.

Unfinished Business

Board Chairwoman Susan Bloom called for any unfinished business. There was none.

New Business

Board Chairwoman Susan Bloom called for any new business. There was none.

Staff Recognition

The Board of Directors' Annual Longevity Awards were presented to the five Employees present - Madaline Barrios, Ashley Gambino, Teasha Sepulveda, Robert Pajares, Jr. and Brandi Brady. The remaining 2022 Longevity Award Recipients will be given to those Employees.

Door Prizes

Door prizes were awarded and a 50/50 cash drawing was conducted.

Adjournment

Board Chairwoman Susan Bloom called for any further questions from the floor. Moved by Nathan Winesberry, seconded by Natasha Richardson and unanimously approved to adjourn the meeting at 10:31 a.m.

2022 LONGEVITY AWARD RECIPIENTS

30 YEARS OF SERVICE

- **Madaline Barrios**, VP of Operations

25 YEARS OF SERVICE

- **Diane McDuff**, HR & Training Manager
- **Kathleen Murray**, Documentation Officer

20 YEARS OF SERVICE

- **Ashley Gambino**, Business Intelligence Analyst
- **Stacey Mullet**, Internal Auditor
- **Neirdra Pressley**, Visa Credit Card Manager

15 YEARS OF SERVICE

- **Teasha Sepulveda**, HR Generalist

10 YEARS OF SERVICE

- **Shana Butler**, Member Service Representative II
- **Julie Carpenter**, Compliance Officer
- **Bruce Griffin**, Member Service Representative II
- **Karla Macias**, Member Service Representative
- **Robert Pajares, Jr.**, Collections Manager

10 YEARS OF SERVICE (CONTINUED)

- **Jennifer Penisson**, Specialized Accounts Representative
- **Christine Seither**, Ops Support ODP / Recovery Specialist I
- **Angela Veal**, Loan Clerk

5 YEARS OF SERVICE

- **Carla Beauchamp**, Administrative Support Specialist
- **Debra Beaumont**, Loan Processor
- **Brandi Brady**, Branch Manager | Mandeville
- **Robert Briggs**, Collections
- **Lauren Holmes**, Commercial Lending Support Specialist
- **Rita Jaycox**, Branch Manager | 3900 Veterans
- **Kevin Kives**, Systems Administrator
- **Tremaka St.Cyr**, Recovery Specialist
- **Lupina Thompson**, Member Service Representative II
- **Renell Webre**, Member Service Representative



**Congratulations to all of
our Longevity Recipients!**



Board Chairwoman & CEO Report

Welcome to the annual membership meeting of Jefferson Financial Federal Credit Union.

From one extreme to another. The credit crisis of 2008 and 2009 coupled with the COVID outbreak of 2020 brought us near zero interest rates, the lowest our nation has ever seen. Rates remained basically at zero for ten years after the credit crisis was over. When rates are that low for such a long time, the business gets positioned around that pricing. A smooth transition is required to restore us to normal operations.

What was recently delivered as part of a cure for inflation, was anything but smooth or normal. Our Federal Reserve Bank began its attack against inflation with one of the most aggressive campaigns of rate hikes that we have ever seen. Rates on deposits get expensive very quickly while loan demand slows to a trickle. That combination put enormous pressure on the earnings ability of the Credit Union. Income in 2021 was reduced to what some call a “rounding error,” income so small that it was hardly noticeable at \$81,592. We collectively wished for that rounding error again in 2022, but the cumulative effects of the Fed’s rate hikes drove net income into a loss of \$1,215,826. Tough conditions to say the least.

JEFFERSON FINANCIAL HIGHLIGHTS

	2022	2021	2020
Number of Employees:	147	147	167
Total Loans:	\$549,646,416	\$474,000,223	\$471,388,100
Total Shares:	\$640,002,864	\$699,707,582	\$732,098,430
Total Assets:	\$863,492,657	\$845,941,474	\$882,065,346
Total Net Worth:	\$87,583,100	\$88,756,926	\$88,633,334



What is the good news? Your credit union's capital is strong, a primary component in any financial statement. Investments in infrastructure and technology have not only served the membership but have positioned us to grow into the future, a necessary component to succeed.

Being true to our mission as a credit union, your Board of Directors meets monthly to review loan and deposit rates to bring these products to you, our Members, in the most competitive way possible. Our rates and products consistently are ahead of our peer credit union. We continue to serve the unbanked, under-banked and the under-served, designing products and services to meet their needs.

Some other accomplishments and highlights of your Credit Union, Board and Staff in 2022 were:

- Received the highest rating possible on the annual Certified Public Accountant (CPA) Audit
- Board Members, Members of the Supervisory Committee along with our Staff completed mandated training requirements
- We continue involvement in the community and with our largest sponsor groups – Jefferson Parish Public Schools System, LCMC Health System and Ochsner Health Systems. We belong to all of the Chambers of Commerce in areas where we have offices.

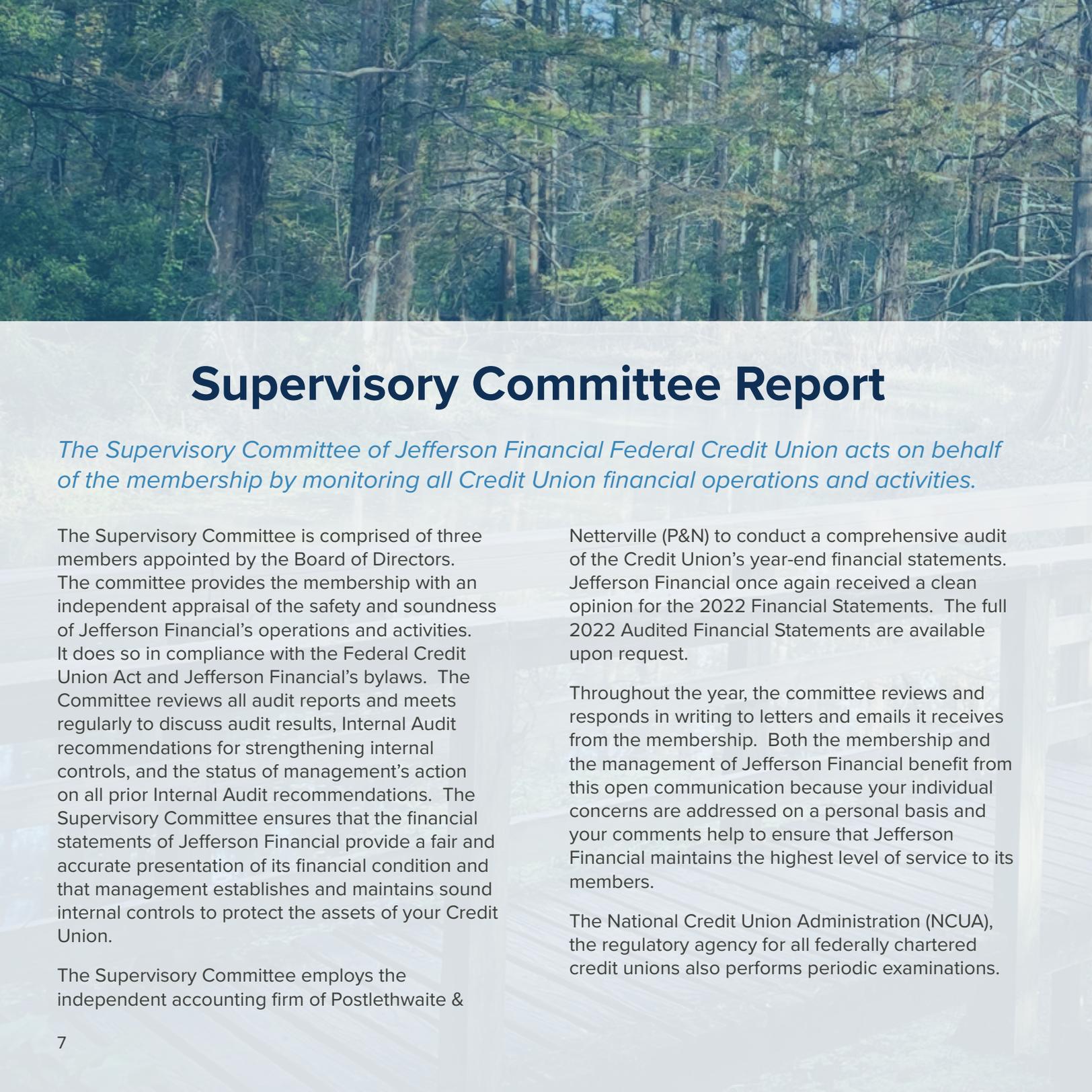
In conclusion, I would like to thank the membership for the unwavering support and confidence. It is our goal to be your financial service provider for life. Our resilience in this still rocky economic market is a testament to the credit union's management team, volunteer board and Supervisory Committee and the will and desires to offer our members the best and latest products available in the financial arena.

Sincerely,

Susan Bloom
Chairwoman

&

Mark Rosa
Chief Executive Officer



Supervisory Committee Report

The Supervisory Committee of Jefferson Financial Federal Credit Union acts on behalf of the membership by monitoring all Credit Union financial operations and activities.

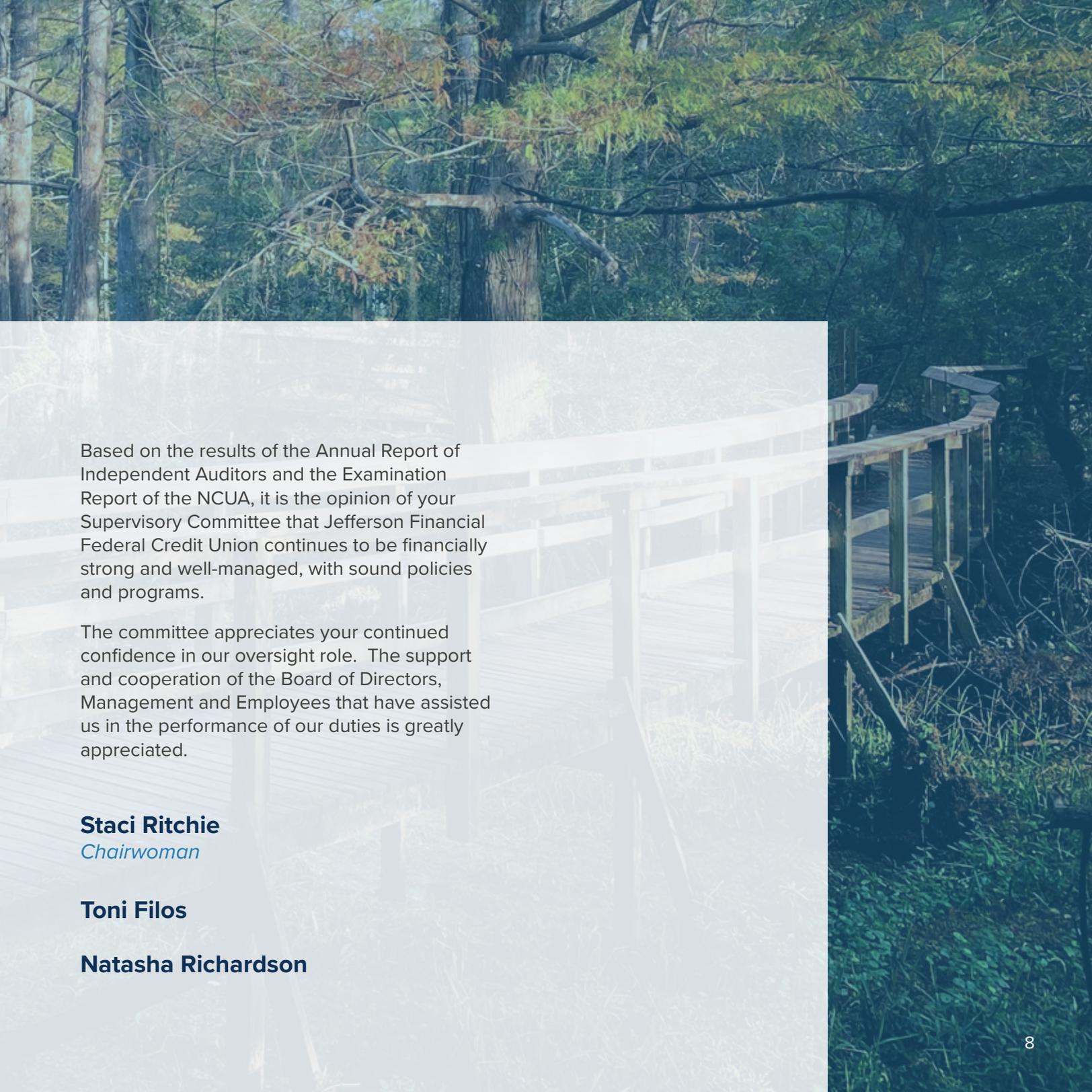
The Supervisory Committee is comprised of three members appointed by the Board of Directors. The committee provides the membership with an independent appraisal of the safety and soundness of Jefferson Financial's operations and activities. It does so in compliance with the Federal Credit Union Act and Jefferson Financial's bylaws. The Committee reviews all audit reports and meets regularly to discuss audit results, Internal Audit recommendations for strengthening internal controls, and the status of management's action on all prior Internal Audit recommendations. The Supervisory Committee ensures that the financial statements of Jefferson Financial provide a fair and accurate presentation of its financial condition and that management establishes and maintains sound internal controls to protect the assets of your Credit Union.

The Supervisory Committee employs the independent accounting firm of Postlethwaite &

Netterville (P&N) to conduct a comprehensive audit of the Credit Union's year-end financial statements. Jefferson Financial once again received a clean opinion for the 2022 Financial Statements. The full 2022 Audited Financial Statements are available upon request.

Throughout the year, the committee reviews and responds in writing to letters and emails it receives from the membership. Both the membership and the management of Jefferson Financial benefit from this open communication because your individual concerns are addressed on a personal basis and your comments help to ensure that Jefferson Financial maintains the highest level of service to its members.

The National Credit Union Administration (NCUA), the regulatory agency for all federally chartered credit unions also performs periodic examinations.



Based on the results of the Annual Report of Independent Auditors and the Examination Report of the NCUA, it is the opinion of your Supervisory Committee that Jefferson Financial Federal Credit Union continues to be financially strong and well-managed, with sound policies and programs.

The committee appreciates your continued confidence in our oversight role. The support and cooperation of the Board of Directors, Management and Employees that have assisted us in the performance of our duties is greatly appreciated.

Staci Ritchie
Chairwoman

Toni Filos

Natasha Richardson

2022 FINANCIALS

Balance Sheet

Assets	12.31.2022	12.31.2021
Cash	\$55,230,955	\$74,660,925
Investments	173,706,174	220,593,259
Loans (Net)	549,646,416	466,677,991
Property & Equipment (Net)	35,004,935	36,373,192
NCUSIF Deposit	6,038,828	6,434,203
Other Assets	43,865,348	41,201,904
Total Assets	\$863,492,657	\$845,941,474
Liabilities & Members' Equity	12.31.2022	12.31.2021
Accrued Expense & Other Liabilities	\$160,537,387	\$60,245,183
Total Shares	640,002,864	699,707,582
Other Comprehensive Income	(24,630,695)	(2,768,217)
Total Net Worth	87,583,100	88,756,926
Total Liabilities & Members' Equity	\$863,492,657	\$845,941,474

(Unaudited)

Income Statement

Income	12.31.2022	12.31.2021
Loan Interest Income	\$25,314,360	\$21,815,109
Investment Income	4,695,691	3,286,349
Fee Income	4,944,673	4,841,686
Other Income	4,857,404	10,428,577
Total Income	\$39,812,128	\$40,371,721
Expense	12.31.2022	12.31.2021
Operating Expense	\$28,259,758	\$27,148,403
Provision for Loan Loss	1,254,575	1,918,212
Dividend Expense	9,742,969	10,060,578
Total Expense	\$39,257,302	\$39,127,193
Gain/(Loss) On Sale	(\$2,241,256)	(\$1,702,689)
Non-Operating Income	\$470,604	\$539,753
Net Income	(\$1,215,826)	\$81,592

(Unaudited)

Jefferson Financial 
FEDERAL CREDIT UNION

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Federally Insured by NCUA.