



ANNUAL REPORT

— 2023 —

Jefferson Financial 
FEDERAL CREDIT UNION



Welcome to the 57th 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 while 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)
- Commercial Lending
- Savings & Checking Accounts
- Online & Mobile Banking
- Share Certificates (CDs)
- Direct Deposit & Payroll Deduction
- Individual Retirement Accounts (IRAs)
- Credit Score Monitoring
- Visit us online for more!

 **800.259.2471**

 **JeffersonFinancial.org**

2023 BOARD OF DIRECTORS

Susan Bloom

Chairwoman

Eric Bosch

Director

George Horne

Vice-Chairman

Lloyd Clark

Director

Addie Prewitt

Treasurer

Feliciano Mendoza, Jr.

Director

Craig Melancon

Secretary

Nathan Winesberry

Director

Floyd Grayson

Security Officer

Jefferson Financial
FEDERAL CREDIT UNION

As of 12.31.2023



Minutes of the 56TH Annual Meeting

The meeting was called to order by Board Chairwoman Bloom at The Four Columns, 3711 Westbank Expressway, Harvey, on the 29th day of April 2023, at 10:04 a.m.

It was confirmed that there was a Quorum present.

Minutes

Moved by Nathan Winesberry, seconded by Floyd Grayson, the Board unanimously approved to accept the minutes from the May 23, 2022 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 the financial highlights on page 5 - he discussed the struggles the Credit Union has seen over the past couple of years. JFFCU remains the largest CU in assets in the Greater New Orleans Area. He went on to discuss the financials on pages 9 & 10.

Supervisory Committee Report

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

Moved by Eric Bosch, seconded by Addie Prewitt and unanimously approved to accept the Supervisory Committee Report.

Nominating Committee Report

George Horne presented the Nominating Committee Report.

Eric Bosch, Lloyd Clark and Nathan Winesberry submitted nomination requests. There were no other nominations received.

Moved by George Horne, seconded by Addie Prewitt and unanimously approved that the Board declare Directors Eric Bosch, Lloyd Clark and Nathan Winesberry 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 four Employees present - Angelle Kliebert, Rob Crowley, Trenese Gibbs and Jean Helmer. 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 Floyd Grayson and unanimously approved to adjourn the meeting at 10:43 a.m.



2023 LONGEVITY AWARD RECIPIENTS

35 YEARS OF SERVICE

- **Lauren Murphy**, Internal Auditor
- **Guizell Rosales**, Senior Loan Officer
- **Trina Shano**, Consumer Loan Manager

20 YEARS OF SERVICE

- **Tricia LeMoine**, Branch Manager | Baton Rouge

15 YEARS OF SERVICE

- **Cheri Castellon**, Mortgage Manager
- **Amie K. Gros**, Branch Manager | Williams
- **James A. Knoth Jr.**, Branch Manager | Micro Branches
- **Glenda Montreuil**, Member Service Rep II
- **Kristin Morrison**, Chief Operations Officer
- **Zach Vandergriff**, Indirect Lending Manager

10 YEARS OF SERVICE

- **Regina Hofmann**, Share Draft / ACH Clerk
- **Kevin Crowl**, Core Systems Manager
- **Dawn Howell**, Collector
- **Nancy Manix**, Collector
- **Steven Smith**, Facilities Manager

5 YEARS OF SERVICE

- **Evan Catalanotto**, Network Administrator
- **Zelda Johnson**, Member Service Rep
- **Jessica Nicholas**, Member Service Rep
- **Richard Recile**, Mortgage Loan Officer
- **Tameka Welch**, Member Service Rep

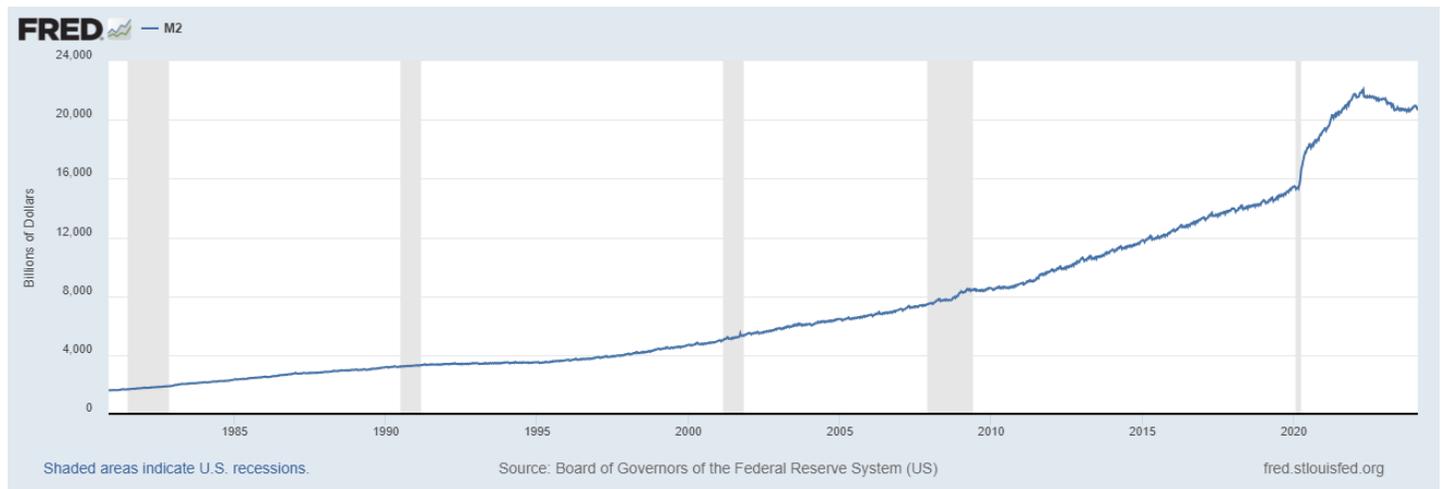
Congratulations to everyone!

Board Chairwoman & CEO Report

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

Last year I reported on the damaging effects of interest rate risk and mentioned where it came from and said how I wish that it would all go away. Jefferson Financial FCU remains involved in the financial ills that plague the nation. How I wish we could be back in 2019.

Financial stimulus rushed into the economy as an initial response to COVID; our Central Bank, The Federal Reserve simultaneously lowered many market interest rates to near zero, the lowest our nation has ever seen, while pushing the money supply to record levels. The combined action ignited inflation that reached a level not seen in forty years. While the rate of increase in inflation has fallen significantly, it has continued to increase each month since it began just a few years ago.



For Jefferson Financial, deposit rates were rising faster than loans were growing to pay for them, that combination put enormous pressure on the earnings. Income in 2023 rebounded a bit over the loss we incurred in 2022; our financial performance appears to be healing but this economic cycle seems far from over.

So, where are we? 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.

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

Some other accomplishments and highlights of your Credit Union, Board and Staff in 2023:

- Received the highest rating possible on the annual Certified Public Accountant (CPA) Audit
- Board Members, Members of the Supervisory Committee and 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.

I 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

JEFFERSON FINANCIAL HIGHLIGHTS

	2023	2022	2021
Number of Employees:	150	147	147
Total Loans:	\$501,640,042	\$549,646,416	\$474,000,223
Total Shares:	\$535,436,756	\$640,002,864	\$699,707,582
Total Assets:	\$754,373,601	\$863,492,657	\$845,941,474
Total Net Worth:	\$82,447,083	\$87,583,100	\$88,756,926



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 EisnerAmper LLP to conduct a comprehensive audit of the Credit Union's year-end financial statements. Jefferson Financial once again received a clean opinion for the 2023 Financial Statements. The full 2023 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.

Toni Filos
Chairman

Natasha Richardson

Staci Ritchie

2023 FINANCIALS

Balance Sheet

Assets	12.31.2023	12.31.2022
Cash	\$27,897,212	\$55,230,955
Investments	158,871,558	173,706,174
Loans (Net)	501,640,042	549,646,416
Property & Equipment (Net)	34,084,998	35,004,935
NCUSIF Deposit	5,567,306	6,038,828
Other Assets	26,312,485	43,865,348
Total Assets	\$754,373,601	\$863,492,657
Liabilities & Members' Equity	12.31.2023	12.31.2022
Accrued Expense & Other Liabilities	\$157,140,573	\$160,537,387
Total Shares	535,436,756	640,002,864
Other Comprehensive Income	(20,650,811)	(24,630,695)
Total Net Worth	82,447,083	87,583,100
Total Liabilities & Members' Equity	\$754,373,601	\$863,492,657

(Unaudited)

Income Statement

Income	12.31.2023	12.31.2022
Loan Interest Income	\$28,198,085	\$25,314,360
Investment Income	5,745,713	4,695,691
Fee Income	4,674,442	4,944,673
Other Income	4,735,688	4,857,404
Total Income	\$43,353,928	\$39,812,128
Expense	12.31.2023	12.31.2022
Operating Expense	\$28,636,198	\$28,259,758
Provision for Loan Loss	1,226,039	1,254,575
Cost of Funds	14,844,799	9,742,969
Total Expense	\$44,707,036	\$39,257,302
Gain/(Loss) On Sale	\$343,863	(\$2,241,256)
Non-Operating Income	\$459,883	\$470,604
Net Income	(\$549,362)	(\$1,215,826)

(Unaudited)

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Federally Insured by NCUA.