

# PRESS RELEASE

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*For immediate release Jan. 29, 2018*



## **Jefferson Financial Reports 147% Earnings Growth, 46% Membership Growth**

METAIRIE, La. — After raising \$12 million in secondary capital earlier in the year, Jefferson Financial FCU has reported record financial results for calendar year 2017. The credit union’s earnings increased 147.1%, from \$3.5 million in 2016 to a whopping \$8.6 million in 2017.

Secondary capital paved the way for three mergers that produced 2017’s year-over-year record numbers. Net worth grew 75% from \$48.6 million to \$84.9 million. Assets increased 82%, from \$490 million to \$890 million. And membership increased 46%, from 43,175 members to more than 63,191 as of Dec. 31, 2017.

The credit union’s efficiency ratio also improved from 80% to 72%.

“The injection of secondary capital was the driver of these results. Would couldn’t have achieved this level of financial success without it,” said Jefferson Financial CEO Mark Rosa. CU Capital Market Solutions, an Atlanta-based CUSO, assisted the credit union with its secondary capital plan and non-member funding.

“Now we can capitalize on significant opportunities in our market,” Rosa added. “Access to secondary capital and non-member funding sources provided by CMS means credit unions have new opportunities to serve more members.”

The CUSO currently has 18 credit unions in 14 states seeking secondary capital and that number keeps growing, according CMS President and Chief Strategist Robert Colvin.

“Secondary capital unlocks the potential in the strategic plans of well-managed, well-capitalized low-income credit unions across the country,” Colvin said. “The performance of LICUs like Jefferson Financial, as they assisted low- and moderate-income families during the financial crisis, set them apart from other financial institutions in their market. Access to secondary capital and non-member funding sources now allows them to expand this business model so they can serve even more members.”

These financial tools are readily available to thousands of LICUs; however, to achieve results as impressive as Jefferson Financial’s, credit unions must also have a visionary senior management team and board, and must develop and implement a responsible, well-managed secondary capital plan. With all key

components in place, secondary capital allows credit unions to better serve existing members and attract new members, too.

“Our membership is up almost 50%,” Rosa said, “and our plan directly benefits our members.”

More than 1.3 million members will benefit from the secondary capital strategies underway at credit unions currently working with CMS.

“That’s a significant impact on local economies,” said CMS CEO Lewis Lester. “It’s clear that Mark and his team, along with the Jefferson board, understand and embrace the enormous benefit for their members.”

CMS provides a turn-key approach for LICUs seeking secondary capital. The process includes the application process, funding through the CU Secondary Capital Fund and assistance with the implementation of the plan.

“Consistent and reliable access to secondary capital allows the credit union movement to thrive and keep pace with the ever-expanding needs of members,” Lester said.

### **About Jefferson Financial FCU**

Jefferson Financial Federal Credit Union is a member-owned, not-for-profit financial institution serving more than 63,000 members with more than a dozen locations across Southern Louisiana and Alabama. Originally chartered in 1966, the first JFFCU branch was located on the second floor of a floral shop and existed primarily to serve employees of the Jefferson Parish Public School System. Fifty years later, we are proud to continue our service not only to the school system, but also to dozens of Business and Community Partners throughout our service regions.

### **About CU Capital Market Solutions (CMS)**

CU Capital Market Solutions (CMS) is a credit union service organization (CUSO) and Registered Investment Advisor (RIA) specializing in innovative capital market solutions, earnings and balance sheet optimization, and specialized assets and loan programs. These financial tools are designed to enhance credit unions’ ability to maximize earnings, grow assets and expand net interest margin. CMS provides secondary capital, term funding and overnight funding to qualified low-income designated credit unions (LICUs). CMS also provides unique, approved, alternative asset products, and USDA and SBA loan participations and programs to all qualified credit unions. The CMS “Total Solution” has a proven track record of delivering the results that credit unions need to excel. To learn more about secondary capital and the programs that CU Capital Market Solutions can provide for your credit union, please contact Robert Colvin at 913-402-2616 or email at [rcolvin@cucmsllc.com](mailto:rcolvin@cucmsllc.com).