

# MEMBERS CHOICE FINANCIAL CREDIT UNION

## 2018 ANNUAL MEETING

APRIL 3, 2019

The Annual Meeting for the year 2018 was held on April 3, 2019 at The Pine Barn Inn. All members signed the Attendance Books when they arrived.

A social hour preceded the meeting.

Francis Mahoney presented the invocation.

Richard Knouse, board member, welcomed all members to the 65th Annual Meeting. He recognized John Pope as one of the charter members. He also recognized John Packer who retired from the board this year.

Board Vice-Chair Matthew Hoeger called the meeting to order. He forwarded Board Chair Mary Fasano's apologies for not being able to attend the meeting due to a work conflict. He explained to the members the purpose for the annual meeting is to hear reports on the financial condition of Members Choice Financial Credit Union and thanked them for attending. The first order of business was to ask if there was a quorum present.

It was confirmed that a quorum was present with 176 members in attendance.

Mr. Hoeger declared this to be a legal membership meeting of Members Choice Financial Credit Union.

Mr. Hoeger directed members to the annual meeting program which included the minutes from the April 5, 2017 meeting. The minutes were approved on a motion by Jack Gerst and seconded by Francis Mahoney.

Mr. Hoeger directed members to the program for the details of the Treasurer's Report.

The report showed that the Credit Union generated net income of \$893,444, and assets increased to \$151,844,748. The net worth ratio was 8.57%. Strong growth and higher interest rates were the highlights of the 2018 performance. The Credit Union continues to pay a 17-basis point premium dividend over our peers.

Members were directed to the Annual Meeting program for the Supervisory Committee Report. In 2018, the Supervisory Committee executed the annual audit plan through external auditors RKL. The detailed financial information in the Annual Audit for 2018 is available upon request.

Board Secretary Christine Haririan acknowledged the employees and board members who had reached service milestones. She directed the members to the Annual Meeting program for a list of community organizations the Credit Union partnered with in 2018.

The floor was turned to Matthew Hoeger to present the Chairman's Report.

Mr. Hoeger discussed the theme of the annual meeting “Community”. He discussed the diverse communities within the membership. The “Core Membership” community is the largest with needs related to traditional financial services. The “Financial Literacy” community has been created through the passion of Elba Arenas, Chief Member Experience Officer, which develops financial life skills for the unbanked. The “Second Chance” community, comprised of non-violent offenders, were taught financial skills as part of their rehabilitation plan. The “High School Student” community was comprised of students who wanted to climb out of poverty and were taught the benefits of financial discipline and basic financial literacy knowledge. The community impact of these programs was so significant that the Pennsylvania Credit Union Association awarded the program the 2018 First Place Award for “Adult Literacy Programs”. He congratulated Elba and her team for their accomplishment. (The full report can be found in the Annual Meeting Program.)

Richard Knouse announced the election results. He told the members there were three positions up for election. According to the credit union bylaws, the Nominating Committee must nominate members to fill the number of vacancies on the Board of Directors. Those nominees are Mary Fasano, Dan Angel and Douglas Bastian. Since there were no petitions filed with the Nominating Committee, he cast a ballot for the three nominees and declared them elected for a three-year term. The elected directors were installed.

Jim Barbarich gave the Presidents Report. He presented charts showing key metrics for the Credit Union.

He discussed how in 1934 Congress authored the Federal Credit Union Act which allowed the creation of Credit Unions which defined their purpose as “promoting thrift among its members and creating a source of credit for prudent or productive purposes”. In 2018, Members Choice fulfilled that responsibility by growing member base by 5.4%, growing loans by 9.1% achieving a loan to share ratio of 89.5%. He discussed a major victory for Credit Unions with the passage of S.2155 regulatory relief which successfully defended the Credit Union tax exemption. He introduced the “Open Your Eyes” campaign which is a national brand awareness program to inform Americans of the benefits of Credit Union membership and how they are eligible to join. He closed with a discussion of Plan 250 which is a long-term strategic growth plan which focuses on reaching \$250 million in assets. (The full report can be found in the Annual Meeting Program.)

He recognized the board of directors, the executive team, the service delivery team, committee volunteers and the members which all play a critical part in our success.

He then asked the board members to join him at the podium to present John Packer with a tribute for his dedicated years of service on the board.

Mr. Barbarich announced the recipient of “The President’s Award”. This award recognizes a non-exempt employee for their contributions to the organization for consistently living our corporate values. The recipient displays the highest level of accountability, integrity, and teamwork and shares their skill and knowledge for the betterment of others and the organization.

The 2018 Presidents Award was awarded to Doreen Artley.

Mr. Barbarich recognized Elba Arenas for her work with the financial literacy program which earned the 2018 PCUA Desjardins Award.

The meeting was then turned over to Jean Miller to announce the winners of the prizes and the 50/50 drawing.

Mr. Hoeger concluded the meeting by thanking the members for their attendance. The meeting was adjourned on a motion by John Packer and seconded by Robert Pegg.

Respectfully submitted,

Christine Haririan  
Secretary