

Members Choice Financial Credit Union  
2020 Annual Meeting Minutes  
Meeting Time: June 3, 2020 6:00 P.M.

Richard Knouse welcomed everyone to the 66<sup>th</sup> annual meeting reviewing the year ending December 31, 2019. Due to the Covid-19 pandemic, this meeting was held virtually.

- Covid-19 did not impact performance but did affect the way we operated.
- The minutes, program, and video of the meeting were made available on our website.

Dan Angel, Board Chair, opened the meeting.

- Doug Bastian confirmed there were 44 members in attendance, meeting the quorum defined in our by-laws.

Dan Angel continued with the meeting after the quorum requirement was established.

- The minutes for the annual meeting held on April 3, 2019 were available on our website.
- Doug Bastian moved to accept the meeting minutes as presented and Matt Hoeger seconded the motion. The meeting minutes for April 3, 2019 were approved.
- The Treasurer's and Supervisory Committee Reports were made available in the annual meeting booklet on our website.

Matt Hoeger, Vice-Chair, acknowledged service milestones.

- Employees who reached the following milestones were recognized: 5, 10, 15, 20, and 25 years of service. The following individuals were recognized:
  - Mary Fasano, 10 years of service, Board Member
  - Doreen Artley, 20 years of service, Lead MSR
  - Barb Gemberling, 15 years of service, MSR
  - Mary Gratti, 10 years of service, Loan Servicing Assistant
  - Carla Schmidt, 5 years of service, Collections Manager

- Ali Munshower was also recognized for her exceptional performance at the 2019 Chapter Youth Ambassador Competition. Ali won the competition and was set to compete in the State Competition in Atlantic City in October.

Dan Angel continued the meeting with the Chairman's Report.

- The theme of this year's annual meeting was "Growing our Competitive Advantage: TRUST".
- Focus is not to compete on rates but to build a relationship of TRUST.
- Reviewed the community we service and how we provide that service.
- Led by our Chief Member Experience Officer Elba Arenas, and with the support of her team, we continue to invest our efforts in community outreach.
  - o Reviewed "Financial Literacy in the Park" (children's program)
  - o Reviewed "Rising Out of Poverty" (adult's program)
- Other community outreach done over the year is as follows:
  - o The annual golf outing raised \$20,000 for Post 40 Veterans emergency relief fund and think big.
  - o National night out saw a record number of people stopping at our booth.
    - A list of all community support was made available in the program.
- Cyber security was a focus throughout the year.
  - o We are lobbying for a National Data Security and Privacy Framework to protect all our members' data.
- Financially, the credit union had its best year ever.
  - o Assets \$157 million
  - o Loan balances \$114 million
  - o Dividends \$995K
  - o Net Income \$1.6 million
  - o Loan to share ration of 80.7%
  - o 13.6% of our loans in the communities we serve are member business loan.
- The executive team, Jim Barbarich, Elba Arenas, Jean Miller, and Brian Wiktor were recognized for their commitment and service.
- The board members, Matthew Hoeger, Rich Knouse, Mary Fasano, Doug Bastian, Christine Haririan, and Lindsey Marolf, were recognized for their service.
- Reviewed the benefits of being a member of a credit union.

Doug Bastian announced the results of the election for the board of directors.

- The nominating committee nominated two individuals to fill the two vacant board positions.
- Richard Knouse and Lindsey Marolf were nominated for the positions.
- There were no petitions filed with the nominating committee. Doug Bastian cast the ballot for them and both individuals were elected to serve a three-year term.

Dan Angel began the installation of the new board officers.

- The new officers were presented their duties and agreed to uphold them.
- The new officers were presented to the membership.

Jim Barbarich began the president's report.

- The presentation began with a review of the numbers, regarding asset growth, investment growth, loan decline, share growth, and retained earnings. The Statement of Income and ROA After NCUSIF Expense graphics were reviewed.
- 2019 was the strongest performance year Members Choice has had in its 66 years of operation.
- We have consistently outperformed credit unions in our asset group at a state level and nationally.
- The focus on TRUST and the changing service model was discussed.
- The credit union has focused on enhanced security, speed, and efficiency due to the continued trend toward digital platforms.
- The card programs were redesigned to better serve our members. The new service model was to allow members to pick the card that best suits their lifestyle and to provide an efficient and safe environment to conduct transactions.
- The forecast for 2020 was a rate neutral year. This report is being presented following the single largest decline in the stock markets and a time where the 10 Year and 30 Year Treasuries have dropped to their lowest level ever.
  - o This unprecedented decline in treasury yields is the set up for what will clearly be a challenging 2020 in the financial services space.
- The ways we can foster an environment of TRUST were examined.

- Next steps regarding the relaxing of the shelter in place order due the pandemic was reviewed, including social distancing and the wearing of masks within our buildings.

Jim Barbarich presented the President's Award.

- This award is for the non-exempt employee who sets the standard for living our Corporate Values.
- The following employees are past recipients:
  - o 2008 Emily Showers
  - o 2009 Becky Slater
  - o 2010 Jody Gardner
  - o 2011 Carol Altomare
  - o 2012 Diann Menapace
  - o 2013 Karen Rowe
  - o 2014 Nick Truax
  - o 2015 Deb Kowaleski
  - o 2016 Jessica Mordan
  - o 2017 Mary Gratti
  - o 2018 Doreen Artley
- Barbara Gemberling was recognized as the recipient of the 2019 President's Award.

Dan Angel asked for a motion to adjourn the meeting.

- Matthew Hoeger made a motion to adjourn the meeting, seconded by Doug Bastian.
- The 66<sup>th</sup> annual meeting was adjourned.