

Electrical Federal Credit Union
Minutes of the 66th Annual Meeting
April 20, 2019

Presented by Janet Franz

Chairman Tilden Hollcroft called the meeting to order at 9:50am. He welcomed everyone and thanked them for attending the 66th Annual Meeting.

Tilden then gave the Chairman's Report, once again reviewing our mission statement. This is not just a mission statement but words our board takes into account for all decisions made for the betterment of this credit union and its membership.

2018's main priority was to continue to provide and introduce technology to our membership while keeping security as a top priority.

We have grown our assets and have now surpassed the \$39 million mark with our reserves continuing to grow to support the asset growth.

Tilden expressed that it is our greatest honor to stand "Union Strong" - through our membership and our staff.

Once again, on behalf of our entire board and staff, thank you to every member of Electrical Federal Credit Union, current and throughout the past 66 years.

Tilden then introduced the board members. Dave Humphreys- Vice Chairman, Mark Sainz-Treasurer, Janet Franz-Secretary, Adam Quintana, Jack Cox and John Soper.

Mark Sainz made a motion to approve the Chairman's Report, John Soper seconded, motion passed.

Janet Franz was then asked to read the minutes for the 65th annual meeting. John Soper made a motion to approve the minutes as read. Al Kunze seconded the motion and the motion passed unanimously.

Mark Sainz was then asked to present the Treasurers Report.

Electrical Federal Credit Union is pleased to report our financial condition from 2018. Our credit union finished strong this past year, as we were able to continue the growth that 2017 brought us. Both the Income Statement and the Balance sheet are in your packet.

Our net Income concluded the year at \$349,725.00. This was about a \$90,000.00 increase over 2017.

Dividends paid to our member totaled \$98,180.00 which is an increase of 39.56% over 2017. We continued to see an increase in our loan income- the interest income grew by \$1,162,993.00. Total operating expense decreased by \$11,238.00 from last year to a balance of \$1,270,934.00.

For 2018, EFCU's total assets are at \$39,991,956.00 with a capital ratio of 9.30%.

We are proud of what our credit union has accomplished this year. It is always a priority to end each year positively and on a path for success. We were able to do so in 2018. As we continue into the year 2019, our objective will remain to accommodate our members' needs while focusing on our financial growth.

Janet Franz moved to approve the Treasurers report as presented. Louise Perkins seconded. The motion carried unanimously.

Tilden then presented Jack Cox to give the Supervisory Committee Report.

The report stated that the supervisory committee authorized an external audit that was performed by Clower Credit Union Services. This audit is completed annually to verify the accuracy of the financial condition of the credit union. The audit determined that the financial statements and supporting documents fairly state the financial condition of the credit union and the financial statements published to our membership.

The report explained the supervisory committee's commitment to ensuring the accuracy and safety of the deposits held at Electrical Federal Credit Union. The report further explained that the committee continues to act as an independent committee, not responsible to the Board of Directors or Management of the credit Union, but is only responsible to the membership.

Jack then presented the members of the Supervisory Committee. Jack Cox- Chairman, Louis Pino- Vice Chairman, Louise Perkins and Darcy Wyckoff. Jack then stated that they are looking to replace a vacant seat on this committee and if anyone at this meeting could think of someone please contact Karen at the credit union so she can pass the word along to jack.

John Soper moved to approve and Mark Sainz seconded the motion to accept the supervisory committee report. The motion passed unanimously.

Tilden then called upon Karen Rusan to give the Presidents Report. Karen referred to her printed report showing 2018 continued to be a year of updating the office. Namely updating our sign above our drive-thru with the new LOGO, painting the directional signs at the exits and adding a sign to the West side of the building for people driving on Sheridan to know where we are. This was on of the suggestions we have been hearing from new members trying to find our location.

We also started investing in more technology for our members use. These projects tend to take a long time to finish before we can roll them out to the members. One of our biggest was creating an app. This task was given over to our younger employees. I want to thank both Sheila Gonzales and Monique Rodriguez for all the hours they devoted to this project. We were able to rollout the app to our membership on February 1, 2019.

As mentioned at last year's meeting, our credit union needs to continue to build our capital to be prepared for fluctuations in the economy. With the economy on the upswing, now is the time to prepare for a downturn. Our capital increased from 9.05% at the end of 2017 to 9.30% at the end of

2018.

Even with opening an average of 27 accounts per month, the credit union still experienced a decline in membership by 88 members. Several are due to the member being deceased. Some closure was due to the dormancy fee the board approved. These dormancy fees are only for members who do not complete any transaction on their account for over a year. These members are sent a letter prior to the fee being implemented on their account. The implementation of the fee has eliminated many accounts from having to be sent to the State of Colorado for the Great Colorado Payback, which the state considers abandoned assets.

Membership growth is one of our goals every year. We are promoting family eligibility as well as union affiliation in hopes of growing. We continue to look for unions who do not have a credit union available to them or a union-based credit union to have merged into Electrical Federal Credit Union.

Our loan department has increased our total loans to over \$20,000,000.00 which is a 4.00% growth for loans in 2018.

As our membership knows the credit union would not be what it is today without our Board of Directors led by Tilden Hollcroft, Supervisory Committee led by Jack Cox but especially our staff. Karen then presented her team to the membership. Monique Rodriguez- Accounting Manager/Member Services Manager, Sheila Smith- Loan Manager, Keri Foltz-Member Services II, Lexi Levitt- Member Services Rep II, Jessica Roland- Loan Officer, Ruth Marquez-Teller and Jasmine Rodriguez-Felix- Teller. Jasmine brings with her a fluency in Spanish.

Educating the staff on the ever-changing environment that we now live in has also been a key directive from our board. We have applied for grants for some of these classes and will continue to look towards the future needs of our members and staff education opportunities.

Janet Franz made a motion to approve the Presidents Report, John Soper seconded. The motion passed.

Ted Thomas was nominated as the election teller by Al Kunze, seconded by Juanita Fuentes. The motion passed. Ted asked for two more members to be tellers. Leonard Martinez and Manual Pino stepped up. Dave advised the members we have three board of director positions open. Incumbents are John Soper, Janet Franz and Jack Cox. Jon Alvino has also expressed an interest in being on the board. Dave called for nominations from the floor. No further nominations were forthcoming. It was noted that the ballot states to pick two, this should read three. The final page of your packet had a short biography for each candidate. All ballots were collected and given to Ted Thomas for counting.

While the ballots were being tabulated, we held our door prize drawing. Keri Foltz and Rachel Haley drew tickets from our Gene Shipman ticket depository. Twenty-six attending members were our lucky winners. Two grand prizes were also presented. They were a dash camera and a Sheet Metal Flag provided by Smart Local 9. The winner of the Dash Camera was Stephanie Pino. The winner of the Sheet Metal flag was Jasmine Rodriguez.

Ted Thomas then gave the results of the election. Of the thirty-six ballots cast with one being voided, the following is the results of the election. John Soper-8, Janet Franz-32, Jack Cox-32, Jon Alvino-29.

Tilden Hollcroft made a motion to adjourn the meeting at 10:58 AM. Ted Thomas Seconded. Tilden Hollcroft once again mentioned the education of all staff, volunteers and again thanked all the members who came to this annual meeting. Tilden then called for a vote on the motion. The motion passed.

Tilden Hollcroft- Chairman

Janet Franz- Secretary