

MINUTES - 87TH LEAGUE ANNUAL MEETING

Chairman Stuard called the 87th Annual Business and Membership Meeting of the Virginia Credit Union League to order.

Chairman Stuard stated that the League's Senior Vice President/Chief Advocacy Officer David Miles would be serving as parliamentarian for the business meeting.

Chairman Stuard introduced Suzanne Beckstoffer, member of the Governance Committee, who will give the credentials report.

Ms. Beckstoffer stated the following attendance: 31 credit unions are represented; we have 25 delegates (1 designee per credit union); 121 other credit union representatives; 109 vendors/guests; 12 League staff members; with a total attendance of 242.

Ms. Beckstoffer moves the adoption of this report. Chairman Stuard asked for any discussion on the credentials report. Hearing none, she put the adoption of the credentials report to a vote and it was

VOTED by the Delegates to accept the Credentials Report.

Chairman Stuard declared that a quorum is present.

Chairman Stuard stated the next order of business was the adoption of the Business Session Rules, a copy of which is available in the delegate packet placed in each seat in the delegate area. She asked for a motion to approve the adoption of the convention rules.

Upon motion made and seconded, it was

VOTED by the Delegates to approve the adoption of the convention rules.

Chairman Stuard stated the agenda for the business session is in the delegate packet placed in each seat in the delegate area. She asked for a motion to approve the agenda.

Upon motion made and seconded, it was

VOTED by the Delegates to adopt the Business Session Agenda as presented.

Chairman Stuard stated that she would like to acknowledge the long-standing and important partnership between CUNA Mutual Group and the Virginia Credit Union League and welcomed Tom Munley to give CUNA Mutual Group's 2021 report.

Mr. Munley thanked the League Board for the invite and the opportunity to speak as well as the hospitality extended to the CUNA Mutual team. CUNA Mutual was founded 85 years ago. Its purpose was and is to help create financial security for credit unions and their members.

However, the world is changing fast. There are tons of competition. Digital platforms to navigate; FinTechs; and stifling regulations. One thing is clear: running a credit union today is much more complex, much more difficult than it used to be. The good news is you have a financial partner in CUNA Mutual.

Mr. Munley stated that CUNA Mutual Group is now 4,000 employees strong; \$4.1 Billion in annual revenue; and rated A+ by S&P Global. All our employees wake up focused on one thing: credit unions and credit union members. We're spending a lot of money investing to be more relevant.

Mr. Munley stated CUNA Mutual is focusing on three things to transform to serve you better:

1. Doubling down on serving CUs and CU members & helping them build financial security.

2. Our venture capital unit (CMFT Ventures) is focused on Fintech Investment and bringing new technology into the space.

3. We're investing and innovating around the future of lending.

Mr. Munley again thanked the League for the opportunity to speak and stated CUNA Mutual really appreciates the partnership of Virginia credit unions and the Virginia League.

Chairman Stuard thanked Mr. Munley for his report and most importantly for CUNA Mutual's partnership.

Report of the Chairman

Chairman Stuard began her report by stating what a privilege it has been to serve as League Chairman this past year. She is also grateful we can gather in person to celebrate the Commonwealth's credit unions, to celebrate the spirit of cooperation and collaboration that energizes us, unites us, and strengthens us.

The COVID pandemic tested us as leaders. Its lessons were many. Its demands seemingly endless. But we rose to the challenge. We learned to adapt, to pivot, and yes, even to Zoom.

But if we learned anything in the past 20 months, it's that leadership matters. I'm proud of what our League accomplished in protecting, promoting and unifying the Commonwealth's credit unions during the pandemic.

On the advocacy front, our League didn't miss a beat. Our League remains our ever-watchful guardian, whether we're looking to Washington or to Richmond.

She encouraged everyone to review the League Impact Report and Annual Report for a full accounting of the League's work on behalf of credit unions and our members. And it must be said those reports are as much about our credit unions as about the League itself.

They reflect your support and your investment of time, talent and treasure in advancing our industry and the credit union system here in Virginia. I'm mindful to, of the importance of our League and the increasing critical role it plays in our collective success.

Through our League we pursue a common vision for a thriving credit union industry united in our desire to help Virginians from all walks of life achieve financial security and pursue their financial dreams. Through our League we speak with one voice on Capitol Hill and in Capitol Square, in the offices of state and federal legislators, and in the marketplace. As we look ahead to 2022 and beyond, I'm confident our League is writing our next chapter of our story. Together we can ensure that next chapter is indeed our greatest yet. So, thank you very much.

Report of the Treasurer

Chairman Stuard called on Patsy Smith to present the Treasurers and Audit reports.

MINUTES - 87TH LEAGUE ANNUAL MEETING

Ms. Smith stated the League invested more than \$1.3 million in advocacy initiatives in 2020, approximately 40% of the total operating expenses.

While legislative and regulatory advocacy have long been our focus, in recent years judicial advocacy has assumed an increasingly prominent role in our work on behalf of credit unions.

Other program costs included consulting, our popular compliance and employment hotlines, pandemic guidance, education and webinars.

The League and its wholly owned subsidiary had a net income of \$1,270,000 through the year ending December 31, 2020. Most of this income was generated by the sale of the League's Lynchburg building which resulted in a gain of \$1.2 million. The League had net income from operations of \$54,000 after income taxes.

The League's cash balances increased \$1.7 million from December 31, 2019 to December 31, 2020. Again, driven primarily by the sale of the Lynchburg office. The League's 2020 budget indicated operating net income of \$35,000 after income taxes. Actual operating net income after income taxes was \$54,000 (or \$19,000 over budget).

We're grateful for the trust you place in your League not only by providing your dues dollars to support our work but also by contributing your time and talent in service to the credit union industry.

Through your membership and engagement, we're insuring a brighter future for Virginia credit unions and members. This concludes the Treasurers report.

Audit Report

Ms. Smith stated the certified public accounting firm, Davidson, Doyle and Hilton, was engaged to perform an audit of the financial affairs of your League and its wholly owned subsidiary, Virginia Credit Union Services, Inc. for the year ending December 31, 2020. The League received an unqualified, clean opinion. Upon completion of the audit, the League Board met to review and approve the audit report. Copies of the Financial Statements are included in the annual report. She thanked the League's accounting staff, Kathy Smith and RB Martin, for another successful audit report.

Chairman Stuard thanked Patsy Smith for those reports.

Chairman Stuard stated that 2021 marks a momentous year for your League as we welcome our new League President/CEO Carrie Hunt. Many of you are meeting her this week for the first time. Some of you have known Carrie for years thanks to her almost 20-year career at NAFCU.

But as Board Chair, and on behalf of the League Board, I want to formally welcome Carrie to the League.

She stepped into this role prepared to lead and ready to face whatever challenges confront us while bringing a fresh perspective on enhancing the League's ability to be our advocate, our premier resource for business solutions, and to be a catalyst for collaboration.

Carrie Hunt will present the Report of President followed by a presentation of her vision for the League. Please join me in a warm welcome for our new President/CEO Carrie Hunt.

Report of the President

President Hunt stated she is very honored and excited to be the President of the Virgin-

MINUTES - 87TH LEAGUE ANNUAL MEETING

ia Credit Union League. For CUs nationwide, 2020 certainly was a story of resilience. I think that the credit union industry rose to meet those challenges plus did it in a way that really showed the credit union difference.

There was flexibility, there was compassion, there was pivoting. And for the League, I think the League did change very well. The League provided education, compliance assistance, network opportunities and a lot of what the League did is, of course, reported in the full annual report.

President Hunt stated for her personally, she's very excited to join the League at a point where it's a pivotal time for credit unions. Credit unions are being recognized for what they do to support the economy and what they do to support the average American and she looks forward to, at the League, helping you do your jobs better to serve as many individuals as we can in Virginia and beyond. So that we can provide provident credit to everyone who needs it.

President Hunt stated here in Virginia we have a lot of important priorities relevant to the General Assembly. With the most recent election we have a seat change and we will see how that impacts the agenda going forward.

She is very excited to be engaged with both state laws and federal laws because they do go hand in hand and you do need to impact advocacy on the legislative side both at the state level and at the federal level to have the strongest system we possibly can have.

We have a dual chartering system for credit unions on purpose and those two charters are not the same but they both need to be vibrant and strong and she looks forward to leading the League to make sure that going forward

that can happen.

President Hunt stated that the League has been more active and engaged with judicial advocacy and she expects that will continue as well. Most recently, the League has been involved in a field-of-membership lawsuit here in Virginia and even though that lawsuit and case is involving a state-chartered credit union here in Virginia, it has the potential to impact all credit unions down the road.

President Hunt stated we need to start thinking about advocacy differently. One of her biggest goals is how do we take our advocacy forward and how can we create the best environment possible for credit unions to thrive. Advocacy can be very mechanical and it takes a lot of work but it can be improved upon.

President Hunt mentioned some other keys to our success. One is going to be business needs. Credit unions are cooperatives but still businesses and we need to have tools at your disposal so that you can run your institutions efficiently and also ways that you can continue to innovate.

One of the biggest things credit unions have to do is to provide services in a manner that your members need and want and your non-members need and want because that's how you're going to be able to grow and be successful.

Another key is collaboration. That is going to be a huge focus of the League because collaboration is how we learn from each other, work with each other, and take advantage of the collective so that we can be more successful. That collaboration and cooperation actually falls through everything that the League does.

President Hunt concluded the Report of President and will now talk about her vision for the

MINUTES - 87TH LEAGUE ANNUAL MEETING

League. She highlighted three pillars: Advocacy, Business Solutions and Collaboration.

Advocacy: At its core, advocacy is protecting credit unions, working with legislators and regulators to try to achieve success. The core to any successful advocacy program is first you must establish relationships with your legislators, your regulators.

So what you are going to see a lot from your League is us really focusing on a lot of engagement on the advocacy side. What you advocate for really does matter.

Business Solutions: The league needs to provide you opportunities to have access to entities and vendors who can help you be successful.

A lot of that focus needs to be on innovation.

Collaboration: This is probably the most important part of what I want everyone to take away from today when they think about the League and what it is we're doing.

From a collaboration standpoint, obviously the most important thing is the collaboration between you, the credit union members, and us the League.

That involves lots of dialogue, discussion, and feedback on both sides to make sure we have incredibly positive goals for us as an organization.

Chairman Stuard thanked President Hunt and stated we are so glad to have her as our new League President/CEO and we're extremely excited about her vision and future for the Virginia Credit Union League.

Chairman Stuard asked Suzanne Beckstoffer

back to the podium to present the nominating report.

Governance Committee

There are three terms up for election this year. One director will be elected from Region III and two directors will be chosen to serve at-large. The Governance Committee has nominated:

Region	Nominee	Credit Union
III	Janine Williams (Incumbent)	UVA Community Credit Union
At-Large	Kim Little	Chartway Credit Union
At-Large	Joe Thomas (Incumbent)	Next-Mark Credit Union
At-Large	Chris Williams (Incumbent)	Henrico Federal Credit Union

In each case, the winning candidates will serve terms of three years.

The election results are:

Janine Williams has been elected to a three-year term representing Region III
Chris Williams and Joe Thomas have each been elected to serve three-year terms as At-Large Directors.

Ms. Beckstoffer concluded the report with

MINUTES - 87TH LEAGUE ANNUAL MEETING

congratulating the newly elected Directors on behalf of the committee.

Chairman Stuard thanked Ms. Beckstoffer for the report and congratulated the newly elected Directors and asked they stand and be recognized.

Before closing, Chairman Stuard thanked everyone for their patience as we had to do some rearranging due to the power outage.

Chairman Stuard asked for a motion to adjourn the 87th Annual Business and Membership Meeting.

Upon motion made and seconded, it was

VOTED by the Delegates to adjourn the 87th Annual Business and Membership Meeting.

Janine Williams

Janine Williams
Secretary,
Virginia Credit Union League