



MINUTES OF THE ANNUAL MEMBERSHIP MEETING FEBRUARY 19, 2020

Board Chairman Patricia Floyd called the meeting to order at 5:25 pm. in the credit union lobby.

Supervisory Committee Member as the Vote Teller, Stephen Halfaker, announced there were 20 members in attendance, constituting a quorum.

Motion to approve the Annual Meeting minutes of February 20, 2019 was made by Paul Schnaubelt and seconded by Ezequiel Cardenas. The vote to approve the minutes was unanimous.

Patricia Floyd gave the report of the Chairperson of the Board of Directors. 2019 was a terrific year for East County Schools Federal Credit Union and I want to extend a thank you, to the membership, staff, and volunteers. We have added free seminars that covered everything from housing to how to improve your credit. Onboarding was implemented which gives more information to new members on all of our products and services. We now offer free credit reviews, pre-paid cards, Classified School Employee Summer Assistance Program and a Summer Savings account.

Steven Devan gave the report of the President/CEO. Our efforts to connect with school district administrators, bargaining unit leadership and governing board members has effectively demonstrated our "school employee benefit business model" which serves a group in our back yard.

We just had the largest growth in loans in the 63-year history of this credit union. Mortgages were the driver for the increase resulting in more mortgages in 2019 than any other 3-year period combined. Providing home seminars and down payment assistance programs has contributed to the success.

Our operating expenses are 30% lower than our peer group, and they charge more in fee's. Most financial institutions live off of their fee income while our fee income is generated mostly from merchants and not our member's pockets.

We strive to provide "High-Tech" and "High-Touch" service to our member-owners. This allows us to communicate to our members the way they want us to so it is the most convenient for them.

Sossy Hyatt gave the report of the Supervisory Committee. Hyatt stated that Supervisory Committee has reviewed audits from Richard & Associates and Doeren Mayhew. Both audits reflect strong financials with no material findings.

Chairman Floyd asked if there was any old business to come before this meeting. None

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Supervisory Committee Member, Stephen Halfaker reported on the results of the election as follows:

We received and verified a total of 347 ballots. A total of 0 ballots were disqualified due to duplicate voting, or voting irregularities, leaving 347 ballots. The three candidates receiving the largest number of votes, thereby electing them to a 2-year term on the Board of Directors of East County Schools Federal Credit Union are Patricia Floyd, Rachel Kenny, and Paul Schnaubelt.

Chairman Floyd asked the existing Board Members to stay for a few minutes in order to conduct the Organizational Meeting prior to attending the candidate's dinner at the Brigantine in La Mesa. The dinner will begin at approximately 6:00 pm.

The meeting adjourned at 5:39 pm.