

Minutes of the 56th Annual Business Meeting

The 56th Annual Business Meeting of the UMassFive College Federal Credit Union was held on Wednesday, March 22, 2023, at 6:00 p.m. at our flagship branch at 200 Westgate Center Drive, Hadley, MA.

Prior to the meeting call to order, Craig Boivin, VP of Marketing, welcomed attendees. Craig mentioned there are also attendees joining remote via Zoom who are muted, but can hear us. He advised that the chat window was blocked.

Craig paused to acknowledge that UMassFive's corporate headquarters in Hadley, Massachusetts occupies the land of both the Pocumtuc and Nipmuc Peoples, whose connection to this land we remember, and whose past, present, and future presence we respect.

Craig provided the names of those speaking this evening: Board Chair, Bob Harrison; Alternate Board Secretary, Jacqui Watrous; President and CEO, Rich Kump; and Supervisory Chair, Ellen Rutan. He called Board Chair, Bob Harrison to call the meeting to order. He mentioned Bob has served on the Board since 2012, and as the Board Chair since 2014.

1. **Call to Order:** The 56th Annual Business Meeting was called to order by Chair Robert Harrison at 6:02 PM.
2. **Board of Directors in Attendance:** Directors present included (*those marked with an asterisk attended remote*): Robert Harrison, Board Chair; Ruth Yanka, Board Secretary; *Karl Kowitz, Vice Board Chair; Jacqui Watrous, Technology Planning Committee Chair; *Amy Proietti, Director; Curt Shumway, Director; and Julius Lewis, Director, *Jeremy Bentley, Director, and Sam Killings, Director Emeritus.
3. **Determination of a Quorum:** Chair Harrison and Alternate Board Secretary Watrous determined a quorum of members were present.
4. **55th Annual Meeting Minutes:** Chair Harrison announced that the meeting minutes from the 55th Annual Meeting along with the Agenda for the 56th Annual Meeting were emailed to members who registered for this meeting, and were also available on the UMassFive public website. A motion was then made and seconded to dispense with the reading of the Minutes of the 55th Annual Meeting. So Voted.
5. **Board Chair Report:** Chair Harrison introduced the Board of Directors in order of tenure.

Chair Harrison was pleased to report that UMassFive grew in many key financial categories, including increasing our net membership by 3% year-over-year and experienced a 13.10% increase in loan growth. At the end of 2022, our assets stood at over \$647.3 million, and our capital ratio of 9.22 shows that we are financially sound, while still leveraging our resources to invest in the technologies and people that will sustain us long into the future.

Chair Harrison reflected on our mission of people helping people, from our focused Board of Directors, President & CEO and senior leaders, to our dedicated management and staff-level employees. He gave a few examples of the incredible employees working at the Credit Union. Chair Harrison expressed gratitude to staff and members for their loyalty and choosing UMassFive. As we continue to grow, Chair Harrison asserted our promise and our sole purpose will never waver; we are committed to having a positive and direct impact and influence on your positive financial well-being.

Chair Harrison announced that Amy Proietti is stepping down as Director and that Robert Mishol is retiring from his seat on the Board. He thanked both Amy and Robert for their time served on the Board, for offering their time, vision, leadership, and wisdom to the Credit Union. Chair Harrison then called on Rich Kump, President & CEO of UMassFive.

6. **President & CEO Report:** President & CEO Rich Kump introduced the senior management team members. President & CEO Kump reviewed and explained some of the Credit Union's financial results and rankings among the 139 credit unions in Massachusetts. He reported the following:

- ▶ Assets: \$647.3 million | 28th largest Credit Union in MA putting us in the top 20th percentile
- ▶ Return on Assets: 54 Basis Points ranking us as the 37th highest in MA placing us at the 26th percentile
- ▶ Net Worth: 9.22% ranking us as the 103rd highest in MA

Mr. Kump shared some of the Giveback to our members, and reviewed the technology investments that were made with a goal to have the best digital banking system in Western Massachusetts: Business Digital Banking (*online banking for Business*), Zelle (*person/person funds transfer*), Coconut (*online appointment scheduler*), MoneyPass (*Fee-free ATM network*), and Debit Card Controls (*in-app control features*).

President & CEO Kump then addressed the recent shutdown of Silicon Valley Bank, and why we care about it. Mr. Kump stated that UMassFive does not have the same issues that drove the failure at Silicon Valley Bank. President Kump then called on Ellen Rutan, Chair of the Supervisory Committee to provide the Supervisory Committee report.

Supervisory Committee Report: Ellen Rutan introduced the volunteers who serve on the Supervisory Committee. She then provided the following report.

Ms. Rutan stated that the purpose of the Committee is to protect the Credit Union's members' interests and ensuring that the financial condition of the Credit Union is accurately and fairly presented in the Credit Union's financial statements. To meet this responsibility, the Supervisory Committee employs accounting and other qualified firms to perform necessary audits, account verifications, and risk assessments under its supervision. The Committee engaged the accounting firm of Wipfli, Certified Public Accountants, to conduct the annual financial audit for the year ending December 31, 2022. They had previously conducted the annual financial audit for the year ending December 31, 2021 and began ongoing internal audit and compliance functions in 2022, taking this function over from CliftonLarsonAllen, the previous accounting firm used by UMassFive. As a result of the most recent Annual Financial Audit which is nearing completion, UMassFive expects to receive an unmodified opinion that our financial statements conform to generally accepted accounting principles.

For many years, the Supervisory Committee has contracted with an outside accounting firm to perform a more comprehensive internal audit program than is possible in house. This work continued in 2022, with various reports presented throughout the year by Wipfli to the Supervisory Committee on the findings of their work, much of which centered on regulatory compliance and whether adequate internal controls were in place for various functions and processes. The Committee also engages GraVoc, a technology consulting firm, to perform certain computer assessments and testing. Ms. Rutan then called on Board Chair Harrison.

7. **Unfinished Business:** Chair Harrison advised that there was no Unfinished Business to report.
8. **New Business:** Chair Harrison advised that there was no New Business to report. He then called Alternate Board Secretary, Jacqui Watrous, to report on election results.
9. **Election Results:** Alternate Board Secretary, Jacqui Watrous, reported that the Nominating Committee nominated the following individuals to serve on the Board of Directors: Incumbents Ruth Yanka and Karl Kowitz to serve another three-year term, along with Kerri Bohonowicz to serve a three-year term, and Evelyn Ashley to serve a two-year term. As there was only one nominee for each open position, and in accordance with the Bylaws of UMassFive, one vote was cast by Jacqui Watrous to elect the slate of candidates as presented.
10. **Closing:** President & CEO Kump closed by recognizing four individuals who have been honored by having a brick installed at America's Credit Union Museum in Manchester, NH: Kathy Hutchinson who led UMassFive for 22 years as President & CEO, Mike Sullivan, a founding member of UMassFive who served on the Board for 39 years, Robert Mishol who served on the Board for 34 years, and Sam Killings who served on the Board for 25 years. Mr. Kump also mentioned that Don Pelkey would also be getting a brick installed for his 34 years of service on the Board.
11. **Business Meeting Adjournment:** A motion was made and seconded to close the Annual Business Meeting.