

63RD ANNUAL MEETING MINUTES

CHRISTIAN COMMUNITY CREDIT UNION

March 26, 2020

Mike Pate, Chairman of the Board, welcomed all to the 63rd Annual Meeting of Christian Community Credit Union. Chairman Pate introduced Board Member Tom Matlock who gave the Invocation. In attendance were Directors Pate, Bee, Barrett, Torry and Matlock as well as Supervisory Committee Chairman Bargaehr and members Gardner and Barton.

Due to the COVID-19 pandemic, the Credit Union took the necessary steps to ensure the health and safety of our member. The meeting was attended remotely by approximately 30 members. Chairman Pate called the business meeting to order at 2:00 p.m. and declared that a quorum was present. First act is to approve the 62nd Annual Meeting minutes. A motion was made and seconded that the minutes from the 62nd Annual Meeting be accepted. Motion passed unanimously.

Chairman's Report: For over 60 years, the Credit Union has faithfully served the financial service needs of our members. Christian Community Credit Union is strong-not just in finance, but also in generosity. The Credit Union is one of the largest faith-based credit unions in the United States and is ranked in the top 8.5% of all credit unions in the country. Your money is building God's Kingdom – we have donated over \$4.9 million dollars to date through the "Cards that Give to Missions" Program, over \$1 million awarded to students through the "Scholarships for Success" Program. Over \$147 million has been provided in new church, home and auto loans and \$250,000 donated for national and global missions projects. Chairman Pate thanked the hardworking staff, who continue to serve our members in an excellent manner. Chairman Pate also thanked all our members for their valued trust, partnership, and the opportunity to provide God-honoring service.

Chairman Pate introduced Director Cathy Barrett, Treasurer of the Board of Directors. Director Barrett introduced Jason Thomas, SVP/CFO to give a report on the financials. When looking at 2019, Jason started out by talking a little bit about Membership and Share growth: This is a member owned financial institution, and our success since 1957, to 2019, and going forward is a result of their support and faith in us. During the year, we added 2,264 new members and finished the year with 30,448. In addition, we grew our total shares by \$47.6 million. This share growth exceeded our budget by \$29.6 million, and on a percentage basis, our shares or deposits grew by 8.66%. This was the largest percentage share growth we've seen in the last 10 years (since 2009). It was the banner year of the decade as far as share growth. Our total assets were \$694 million (5.7% annual growth) or just shy of \$700 million. We exceeded budgeted asset size by \$29.2 million (\$665 million was budget). While this may not seem large when compared to the mega banks, we are in the top 8.5% of all credit union in the US in asset size. That is a great accomplishment and we look forward to moving up that list over time. Balance Sheet Composition: In 2019, 95% of our member's deposits were lent back out to other members. We made \$147 million new loans to member and our Total loans finished the year at \$565 million. About 45% of our loans are to Ministries and Businesses, and about 55% were to individuals. Financial Health of the Credit Union: The net worth of a financial institution represents its earnings over time and represents a cushion to weather times of financial stress. It's in times like 9/11, the Great Recession, and now the Covid-19 pandemic, those earnings from the past come to bear. In 2019, we budgeted for and achieved about \$4.7 million in net income. From a ROA perspective (return on average assets), we budgeted 0.73% and we achieved 0.69%. The difference was due to extra share growth we received which grew our total assets. Our Net Worth ratio was 13.10% at the end of 2019, which was well above our peer average of 11.29%. We continue to compare ourselves to other financial institutions that are \$500 million to \$1 billion in asset size. It was a great 2019, the Credit Union is safe and sound, and we look forward to an excellent 2020. Chairman Pate asked that the Treasurer's report be accepted as presented, motion made, seconded and passed unanimously.

Chairman Pate introduced Director Rick Bee, Chairman of the CEO Search Committee. Director Bee then introduced our new CEO Blair Korschun who shared a few brief words reflecting his excitement about his new role as President/CEO.

Chairman Pate gave the benediction.

The meeting adjourned at 2:28 pm.



Richard Bee, Secretary

NOMINATING COMMITTEE REPORT

The election process was according to a mail ballot procedure. Last October we notified all members of the two openings on the board of directors and one opening on the supervisory committee and gave the opportunity for nominations. The Nominating Committee review the nominations and submit one name for each position. The following persons were nominated: Board of Directors for a three-year term ending 2023: Dorothy Kim as Associate Director and Mark Bargaehr to fill John Pearson's 2019-2022 term. The following terms were renewed Board of Directors, Dale Torry for 2020-2023. Supervisory Committee Jeffrey Salladin to fill the remaining term for Mark Bargaehr (term ending 2022) and Dave Barton for 2020-2023. No other nominations were received before close of nominations. Mr. Chairman, this is the Nominating Committees Report.

Chairman Pate, consistent with Article 5, Section 501 D of the Credit Union bylaws because of the number of the nominations received was not greater than the number of vacant positions those nominated are hereby declared elected.

SUPERVISORY COMMITTEE REPORT

Each year Christian Community Credit Union is audited by a certified public accountant firm. This year's report shows the Credit Union's accounts were managed professionally, confidentially and with integrity. The audit also verified that the Credit Union was operated in a sound financial manner and in compliance with all applicable state and federal laws and regulations. Based on the firm's report, the Supervisory Committee feels confident that the policies set by the Credit Union Board of Directors were being carefully followed. This is respectfully submitted by Mark Bargaehr, Chairman, Member David Barton and Member Cheryl Gardner.