



VERMONT FEDERAL
CREDIT UNION

2022 Annual Meeting Minutes

Wednesday, November 9th at 5:30pm

Winch welcomes members to the 69th Annual Meeting of Vermont Federal Credit Union and confirms that he is the Director of Marketing at Vermont Federal Credit Union.

Winch states that today's meeting is being recorded for future use and distribution to our membership and that members in attendance are welcome to vote on motions made during the business meeting. Winch explains in order to cast your vote for a motion, you will be prompted with a pop-up on your screen that includes the motion along with the range of responses.

Winch states as an attendee you are welcome to submit a question to be addressed during the new business section of the meeting. Winch recommends that attendees utilize the Q&A feature located on the control panel to ask questions.

Winch states that it gives him great pleasure to introduce the Vermont Federal Credit Union Board of Directors.

Winch states that Megan Manahan Bliss is our Board Chair and is currently an Attorney and Shareholder with Cahill, Gawne, Miller & Manahan in St. Albans, Vermont.

Winch states that Will Voigt, is our Board Vice-Chair. Will is a Senior Accountant at DW Voigt CPA, a tax and consulting firm in South Burlington, Vermont.

Winch states that Joe Finnigan is our current Board Treasurer and served as President/CEO of Vermont Federal Credit Union for more than 30 years, retiring in March 2009. Joe served on the Board of Directors of the Credit Union National (CUNA) as a National Director from 1991 to 1996. Joe received recognition and was nominated for the Director of the Year Award for the Credit Union Executive Society's Educational Forum in 1999. In 2005, Joe was inducted into the Credit Union's Executives Society's Hall of Game. Joe has served on many state, regional & national credit union Boards, which

include the Credit Union Legislative Action Council (CULAC) and the American Credit Union Museum. Joe also spent several years serving on the Board of Directors for TriCorp Federal Credit Union and the New England Credit Union Heritage Foundation. Most recently, he worked with the World Council of Credit Unions and made several trips to Kenya to develop financial literacy and promote credit union values. He also served on many Vermont community boards & non-profits.

Winch states that Neal Robinson is our Board Secretary. Neal recently retired from St Michael's College where he served as their Vice President of Finance for 15 years. Prior to St. Michael's, Neal had an extensive career as a Chief Financial Officer for large local banks in both Vermont and New York

Winch states that Director, Ethan Hutchins is employed at Polly as a Lead Software Engineer and Technical Lead.

Winch states that Director, Paul Politano is employed by Middlebury College as their Head Golf Professional.

Winch states that Director, Lisa Rees is the principal of LTR Leadership, a coaching and consulting business specializing in emotional intelligence and appreciative inquiry. Before starting coaching and consulting business, Lisa worked for the US Citizenship and Immigration Services for 37 years and became a member of Vermont Federal Credit Union in 1987.

Winch states that Director, Michael Costa is the Chief Executive Officer for Northern Counties Health Care, a non-profit organization dedicated to serving the Northeast Kingdom of Vermont.

Winch states that Director, Emily Byrne is an Associate Fiscal Officer for the Joint Fiscal Office of the Vermont General Assembly.

Winch overviews the members of the Vermont Federal Credit Union Supervisory Committee, which include, Louise Thabault serving as Chair, Paulette Bergeron, Donald Turner, Jr., and Jason Plaza.

Winch states that he would like to invite our Board Chair, Megan Manahan Bliss to Call the Meeting to Order.

Manahan Bliss welcomes members to the 69th Annual Business Meeting of Vermont Federal Credit Union. Manahan Bliss calls the meeting to order and asks Neal Robinson, secretary of the board to establish a quorum.

Robinson responds by confirming that the business meeting has a quorum.

Manahan Bliss states that today's meeting will be conducted according to Robert's Rules of Order.

Manahan Bliss states that all registered attendees were provided a copy of the minutes from the 2021 Annual Meeting electronically along with meeting instructions.

Motion by Manahan Bliss to accept the 2021 Annual Meeting Minutes as presented, seconded by Doug Robinson. So voted.

Manahan Bliss states that a survey poll will now be launched for voting. All those in favor, please signify by selecting "Yes" on the survey poll. Opposed, please signify by selecting "No" on the survey poll.

Manahan Bliss allows a few moments for the poll results to be tabulated.

Manahan Bliss states based on the poll results, the motion passes and moves on to her Chair report.

Manahan Bliss states that she would like to take this opportunity to report on the Credit Union's key achievements over the last year.

Manahan Bliss states that 2021 will be remembered as one of the most unpredictable years in recent memory. As an organization, we confronted challenges of Covid-19, an uncertain economy and the local impact of a global staffing shortage. Throughout the year, we dealt with changing health guidelines, Covid-19 variant surges and a general state of uncertainty among our members.

Manahan Bliss states that despite these obstacles, our credit union responded to the challenge with strong leadership and determination.

Manahan Bliss states that Vermont Federal Credit Union also experienced tremendous growth in 2021 and remains fiscally strong and ready to support its member owners for many years to come.

Manahan Bliss states that our Credit Union continues to be recognized for dedication to our members and our communities. In 2021, we received Forbes Best-In-State credit union designation for the fourth consecutive year, and Vermont Business Magazine's Best of Business Award as the best Credit Union for Addison, Franklin and Grand Isle Counties for the fifth consecutive year.

Manahan Bliss emphasizes that our credit union also continues to rank among the top in the country and is ranked FIRST in the state of Vermont by the independent research group Callahan & Associates for the amount of value given back to our members each year in the form of higher deposit rates, lower loan rates, fewer service fees, and increased member engagement through our products and services.

Manahan Bliss states that Vermont Federal Credit Union received the 2021 Raddon Crystal Performance Award. The award is given in recognition of outstanding performance in key metrics like service, member relationships, and sales. Our credit union was one of only 21 Credit Unions across the US in the top 3% of Raddon Analytics' yearly metric analysis.

Manahan Bliss states that 2021 was a year of other significant accomplishments as well, as we developed and rolled out a new logo design, grew our branch footprint and expanded our Field of Membership.

Manahan Bliss emphasizes our new building, located at 275 Kennedy Drive in South Burlington, which was completely refurbished to become our new operations center and corporate headquarters and we welcomed our staff of over 100 employees into the building in July of 2022. In addition to serving as an operations center, the Kennedy Drive location also features new, state-of-the-art branch and drive through facilities, to provide our members additional access to services.

Manahan Bliss states that our Essex membership have long requested a branch in their community, and in June 2021, the Credit Union successfully opened its newest branch facility at One Carmichael Street. It was a huge success, ending the year with almost \$16 million in deposits.

Manahan Bliss states in August, 2021, we received approval from our regulator, the National Credit Union Association, for a statewide field of membership. Our long-term vision has been to serve all Vermonters. When Federal Regulations changed to allow for this possibility, we immediately applied for a field of membership modification. We are very happy that we can now offer our services throughout the state, and we currently have a team of staff working on plans for expansion, through both branching and digital services.

Manahan Bliss emphasizes that none of the success and achievements I've shared would be possible without the tireless efforts and dedication of the credit union management team, staff, Supervisory Committee and Board of Directors whose collective mission is "to make a decided difference in the lives of our members."

Manahan Bliss is pleased to introduce the President & CEO of Vermont Federal Credit Union, Jean Giard who will share the President's report with you all.

Giard states in 2021, the pandemic continued to be an agent of change. In Vermont, we experienced the highs and lows that accompanied a yearning to return to normal life. Economic uncertainties and

inflation brought higher costs of living which impacted family budgets. COVID brought many changes that we all lived through and to which we continue to adapt. Despite these changing social and economic conditions, your Credit Union continued to grow in strength and membership.

Giard states as a cooperative financial institution, our mission is to support our membership through good times and bad. Throughout 2021, we continued to offer emergency relief loans, grant mortgage deferrals, and approve payment relief requests. For our business members, we granted another round of PPP loans, totaling more than \$14 million over the two year period. These funds not only benefited the recipient business; they were injected directly into the Vermont economy – paying employees, purchasing product, and paying rent.

Giard emphasizes that despite the changing social and economic climate of the past year, Vermont Federal Credit Union had another year of exceptional performance and growth.

Giard states that members continued the cautious trend of increasing savings as we all faced more pandemic-induced economic uncertainty. In addition, deposit growth was assisted by Federal Stimulus Checks sent to members in early 2021. As a result, Credit Union assets grew by \$134 million, the second highest asset growth in our history, and we ended the year with \$873 million in assets.

Giard mentions that during this time, interest rates remained at an all-time low. The Credit Union helped our members to get the financing that they needed to lower interest rates and meet their goals, originating \$301 million in loans.

Giard emphasizes that our membership grew by 5.96% and we ended 2021 with 47,425 members. The Credit Union expects to celebrate 50,000 members before the end of 2022. Key ratios at year end include Return on Assets of 1.05% and Net Worth of 8.27%.

Giard states the demand is for digital solutions that make money management simpler and more convenient. During the pandemic, members continued to utilize our digital services, including online banking and online account opening. In 2021, we had 30,000 active online banking users who performed over 1.8 million transactions through our digital channels.

Giard states that with these trends in mind, the Credit Union maintains a multi-year strategic plan that focuses our transformation on three key areas: technology, growth, and people.

Giard states that in 2021, we completed a number of key initiatives tied to these areas of focus, as we continue to pursue our long-term vision to become a leading provider of financial services for all Vermonters.

Giard states in May 2021, the Credit Union successfully completed the implementation of a website accessibility tool. This tool helps to ensure that internet users of all abilities, including those with visual impairments, have access to the content and resources available on our website. The accessibility tool allows users to adjust and control their visual experience with our website to suit their needs and preferences.

Giard states in September 2021, we selected an industry leading Mortgage Loan Origination System. This system provides an end-to-end automation-based digital solution that brings increased efficiencies and scalability. It includes a borrower portal and automatic updates to keep our members informed throughout their mortgage application process. The project was completed in the fall of 2022, and we are excited to offer this enhanced mortgage experience to our new borrowers. Another project that was planned in 2021 and completed in February 2022, we introduced a contact-less debit card. This new card is equipped with tap-to-pay technology for fast and secure, touch-free purchases.

Giard states as we look ahead, we have a number of initiatives planned for 2023 and beyond including a new consumer loan origination system that will make the process of obtaining a consumer loan simpler and more convenient; a new performance management system for managing the employee life cycle; and the introduction of Robotic Process Automation to automate manual processes and improve efficiency.

Giard mentions that none of this would be possible without the dedication and support of our highly talented team of employees, who are passionate about improving the lives of our members and the communities that we serve.

Giard states that on behalf of the leadership team, I want to thank our staff for going above and beyond. Their commitment to our members never wavers. They show resilience and courage in the midst of unprecedented challenges and continued to dedicate their efforts to serving our membership. As a credit union, we continued to work remotely in 2021 and the early part of 2022. This has turned out to be highly successful and we continue to operate in a hybrid work environment today.

Giard thanks our members for their patience and continued trust in the Credit Union. That continued trust and partnership has allowed our Credit Union to thrive and grow.

Giard emphasizes the Credit Union remains fiscally healthy. We have a strong balance sheet and are well-capitalized. We have a regulatory examination by the NCUA and an annual audit by our external auditors, Crowe LLP. I am happy to report that we have a clean bill of healthy from both entities.

Giard mentions a summary of our year-end financial statements is provided in our Annual Report. If you would like a copy of the audited financial statements, please contact us and we would be happy to fulfill your request. On behalf of your Credit Union's entire team of staff and volunteers we thank you all for joining us today and for being a member of Vermont Federal Credit Union! And now I'd like to turn the meeting back to our Board Chair, Megan Manahan Bliss.

Manahan Bliss thanks Giard for her report.

Manahan Bliss states that the report of the Supervisory Committee is included in the Annual Report which was provided to members electronically along with the meeting instructions.

Manahan Bliss would like to invite Neal Robinson, a member of the Nominating Committee to give his report.

Robinson states that a Nominating Committee was established according to Vermont Federal Credit Union Bylaws. Robinson now shares his Nominating Committee report and states that there are three directors to be elected to the Board. The Committee submitted the following candidates for nominations to the Board Chair.

Robinson states that Joseph Finnigan was elected to the Board of Directors and as Treasurer of Vermont Federal Credit Union in 1978. He served as President/CEO for more than 30 years, retiring in March 2009. He served on the Board of Directors of the Credit Union National Association (CUNA) as a National Director from 1991 to 1996. Finnigan received recognition and was nominated for the Director of the Year Award for the Credit Union Executive Society's Educational Forum in 1999. In 2005, he was inducted into the Credit Union Executives Society's Hall of Fame.

Robinson states that Finnian has served on many state, regional & national credit union Boards which include the Credit Union Legislative Action Council (CULAC) and American Credit Union Museum. He spent several years serving on the Board of Directors of TriCorp Federal Credit Union and the New England Credit Union Heritage Foundation. Most recently, Finnigan worked with the World Council of

Credit Unions and made several trips to Kenya to develop financial literacy and promote credit union values. He also served on many Vermont community boards & non-profits.

Robinson states that Ethan Hutchins is a University of Vermont alumnus who grew up in Barre, Vermont. Hutchins started his career in 2008 in the software development industry and is currently employed at Polly as a Lead Software Engineer and Technical Lead.

Robinson states that Hutchins actively participates in the entire software development lifecycle and finds the problem solving aspects of the role extremely rewarding, yet challenging. Hutchins played for the University of Vermont Men's Soccer team and is currently on their Hall of Fame committee.

Robinson states that Michael Costa is the Chief Executive Officer for Northern Counties Health Care, a non-profit organization dedicated to serving the Northeast Kingdom of Vermont with a rural network of five community health centers, three dental practices, two express care clinics, and a home care and hospice division.

Costa earned a Bachelor of Arts degree from Bates College and a law degree from the University Of Wisconsin School Of Law. In addition, he received a Master of Health Care Delivery Science from Dartmouth College in Hanover, New Hampshire. Costa graduated from the Snelling Center's Vermont Leadership Institute, and the Millbank Memorial Fund Emerging Leaders Program. Costa also volunteers his time on numerous boards and community organizations, such as the Visiting Nurses Association of Vermont, Bi-State Primary Care Association, and the Vermont Association of Hospitals and Health Systems

Robinson states that our Credit Union bylaws allow members to be nominated by petition in addition to those submitted by the Nominating Committee. Robinson states that nominations by petition must have been received at least 40 days prior to the Annual Meeting. Robinson states that "No petitions have been received".

Robinson states as indicated in the Vermont Federal Credit Union bylaws, in the event there is only one nominee for each position to be filled the nominees will be elected by general consent.

Manahan Bliss thanks Robinson and congratulates the newly elected officials.

Manahan Bliss inquires if there is any unfinished business to come before the Annual Meeting.

Winch confirms that there is no unfinished business.

Manahan Bliss inquires if there is any new business to come before the Annual Meeting.

Winch states there is no new business to come before the meeting.

Manahan Bliss adjourns the 2022 Annual Meeting.

Winch thanks Manahan Bliss and all members in attendance this evening. Winch states that all members who attended the 2022 Annual Meeting, they will be receiving a thank you package in the mail as a small token of our appreciation.

The Vermont Federal Credit Union 2022 Annual Meeting was adjourned on Wednesday, November 9th at 5:52pm.