
MEETING MINUTES

CU*Answers Annual Stockholders Meeting

JW Marriott Grand Rapids

Grand Rapids, MI 49503

June 19, 2019

8:00 P.M. ET

STOCKHOLDERS

PRESENT AT THE MEETING WERE REPRESENTATIVES FROM:

1. AAA Federal Credit Union
2. AAC Credit Union
3. Affinity Credit Union
4. Allegan Community Federal Credit Union
5. ATL Federal Credit Union
6. Brewery Credit Union
7. Bridge Credit Union
8. Cherokee Strip Credit Union
9. Cincinnati Ohio Police FCU
10. CommStar Credit Union
11. Community West Credit Union
12. Day Air Credit Union
13. Element Federal Credit Union
14. First United Credit Union
15. FOCUS Credit Union
16. Forest Area Federal Credit Union
17. Frankenmuth Credit Union
18. GR Consumers Credit Union
19. Greater Metro FCU
20. Honor Credit Union
21. HPC Credit Union
22. Isabella Community Credit Union
23. Kent County Credit Union
24. Lenco Credit Union
25. Madison County FCU
26. Members Source Credit Union
27. Michigan Legacy Credit Union
28. Notre Dame Federal Credit Union
29. Public Service Credit Union
30. RIPCO Credit Union
31. River Valley Credit Union

32. Safe Harbor Credit Union
33. San Antonio Citizens Federal Credit Union
34. Service 1 Federal Credit Union
35. Services Center Federal Credit Union
36. Sioux Empire Federal Credit Union
37. TBA Credit Union
38. Tri-Cities Credit Union
39. TruChoice FCU
40. Viriva Community Credit Union
41. Western Districts Members Credit Union
42. Wolverine State Credit Union

OTHERS PRESENT WERE REPRESENTATIVES FROM:

1. Randy Karnes, CU*Answers, CEO
2. Geoff Johnson, CU*Answers, CU*Answers, COO
3. Bob Frizzle, CU*Answers, CFO
4. Stephanie Underwood, CU*Answers, VP of Administration
5. Patrick Sickels, CU*Answers, Internal Auditor
6. Scott Page, CU*Answers, CU*Answers
7. Scott Collins, CU*Answers, EVP Sales/Marketing
8. Jim Vilker, CU*Answers, VP of Professional Services
9. Laura Welch-Vilker, CU*Answers, VP of Client Services and Education
10. Becky Frankowski, CU*Answers. VP of Finance
11. Joe Salamone, CU*Answers, Manager of Accounting
12. Joe Tomaszewski, Crowe
13. Starla Honea, CU*South
14. Brian Maurer, CU*Answers, EVP of Programming
15. Dave Wordhouse, CU*Answers, EVP of Network Services
16. Vic Pantea, CU*Answers, Manager of Marketplace Alliances
17. Chuck Papenfus, Inland Valley FCU
18. Terri Maloney, Catholic United Financial CU
19. Rick Preble, RVA Financial
20. Matt Selke, Pinnacle CU
21. Thor Dolan, Illinois Community CU
22. Tricia Karnes
23. Chip Filson
24. Joan Filson

Quorum present? **Yes**

CALL TO ORDER

- Chairman Scott McFarland, Honor Credit Union, St. Joseph, MI, called the meeting to order. He welcomed everyone to the JW Marriott and thanked everyone for coming.

MINUTES

- The minutes of the June 27, 2018, Annual Meeting were reviewed.

Action Item: A motion by Kris Lewis, Allegan Community Credit Union, and supported by Barbara Page, Kent County Credit Union, was made to accept the minutes of the June 27, 2018, Annual Meeting. Motion passed.

CHAIRMAN'S COMMENTS

- Chairman Scott McFarland's message this year was "What will we take to the future."
 - The Chairman's welcomed the 3 new owners.
 - Discussion followed on the approaching 50-year anniversary of CU*Answers in 2020.
 - Chairman McFarland discussed the theme "We are Evolving Pioneers."
- The Board of Directors were recognized for their dedicated work. Linda Bodie, Tom Gryp, Kris Lewis, Jeff Jorgensen, Dean Wilson, Vickie Schmitzer and Scott McFarland.

ELECTION OF BOARD

Regular Election

The nominating committee this year included Tom Gryp (Chair), Notre Dame FCU, Scott McFarland, Honor CU, Dean Wilson, FOCUS CU.

There are 136 Class A shareholders entitled to vote at this meeting. A notice of the meeting, proxy statement, and form of proxy were mailed/mailed to all shareholders on May 1, 2019.

Tom Gryp, Nominating Committee Chair, announced there were two director positions available, and two candidates running for election. The two candidates running for election are Linda Bodie, Element FCU, and Jeff Jorgensen, Sioux Empire FCU for a 3-year term to begin October 1, 2019 through September 30, 2022.

The candidates were introduced, and each said a few words.

Action Item: A motion by Mark Richter, First United CU, and supported by Janelle Franke, River Valley CU, was made to cast a unanimous consent to elect the candidates. Motion passed.

The candidates were elected unanimously.

Tom Gryp announced the introduction of 2 Associate Board Members: Carolyn Mikesell, Public Service CU and Bill Burke, Day Air CU. Don Mills will be serving on the investment committee.

FINANCIAL STATEMENT

- Bob Frizzle reviewed the Financial Statement and presented “A Model for the Future.” For those not able to attend, the presentation will be posted on the CU*Answers website, www.cuanswers.com.
- Bob highlighted the following:
 - Importance of new owners for the future.
 - Net Income & Patronage Dividends were discussed.
 - 2018 numbers worth celebrating were discussed.
 - Year-end 2018 dividend payments – these numbers can flex, and Bob predicts they will change in the future.
 - 2018 return on investment was \$7,060,522.
 - Understanding the formula is important to how we set the boundaries for our future, and Bob discussed the 2018 return per total dollars received.
 - Discussion on the projected revenues for 2019-year end.
 - Bob discussed the importance of the firm’s per-share price.
- Joe Tomaszewski, Crowe, LLP, was available for any questions on the audited financials.

CEO COMMENTS

- This year’s theme for the CEO’s comments was, “Unique Organizations Pioneering the Next 50 Years?” Randy Karnes discussed the following:
 - How we are preparing for the 50th Anniversary Milestone.
 - Finding new norms.
 - Honoring the Core Competencies that Secure our Future.
 - How do we get to the next milestone?

MISCELLANEOUS

Chairman McFarland recognized Randy Karnes for his 25 years of service as the CEO of CU*Answers.

Action Item: A motion by Glenn Kretchmer, ATL CU and supported by Greg Gurka, Forest Area FCU was made to adjourn. Motion passed.

Scott McFarland, Chairman

Linda Bodie, Secretary/Treasurer