
MEETING MINUTES

CU*Answers Annual Stockholders Meeting

Grand Rapids, MI

June 16, 2021

7:30 P.M. ET

STOCKHOLDERS

PRESENT AT THE MEETING WERE REPRESENTATIVES FROM:

1. 1st Community FCU
2. 1st Street Credit Union
3. AAC Credit Union
4. Affinity Credit Union
5. Allegan Community FCU
6. Alpena Alcona Area Credit Union
7. Brewery Credit Union
8. Calcite Credit Union
9. CommStar Credit Union
10. Cumberland County FCU
11. Day Air Credit Union
12. Element Federal Credit Union
13. First United Credit Union
14. FOCUS Credit Union
15. Forest Area FCU
16. Frankenmuth Credit Union
17. GR Consumers Credit Union
18. Gratiot Community Credit Union
19. Greenwood Municipal FCU
20. Hawaii Central FCU
21. Honor Credit Union
22. Horizon Utah FCU
23. HPC Credit Union
24. Isabella Community Credit Union
25. Kent County Credit Union
26. Lenco Credit Union
27. Limestone FCU
28. Members Source Credit Union
29. Michigan Legacy Credit Union
30. Muskegon Co-Op Credit Union
31. Muskegon Governmental Credit Union
32. Notre Dame FCU
33. Public Service Credit Union

34. RIPCO Credit Union
35. River Valley Credit Union
36. Safe Harbor Credit Union
37. San Antonio Citizens FCU
38. Sioux Empire Federal Credit Union
39. TBA Credit Union
40. Tri-Cities Credit Union
41. West Michigan 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 Collins, CU*Answers, EVP Sales/Marketing
7. Joe Tomaszewski, Crowe
8. Brian Maurer, CU*Answers, EVP of Programming
9. Dave Wordhouse, CU*Answers, EVP of Network Services
10. Jim Vilker, CU*Answers, VP of Professional Services AuditLink
11. Liz Winninger, CEO, Xtend
12. Chuck Papenfus, CEO, Inland Valley FCU
13. Rick Preble, CEO, RVA Financial
14. Pete Winninger, CU*Answers, VP of Professional Services
15. Debie Keese, Spokane Media FCU
16. Melissa Medley, Xtend, Administrative Assistant
17. Laura Welch-Vilker, CU*Answers, VP of Client Services & Education
18. Tony Muka, CU*Answers, Web Services Manager

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 meeting and thanked everyone for coming.

MINUTES

- The minutes of the June 17, 2020, Annual Meeting were reviewed.

Action Item: A motion by Liza Edinger, RIPCO Credit Union, and supported by Tom Gryp, Notre Dame FCU, was made to accept the minutes of the June 17, 2020, Annual Meeting. Motion passed.

CHAIRMAN'S COMMENTS

- Chairman Scott McFarland's message this year was "A Year for the Record Books."
 - What can we do to impact the trendlines of our network for the next 10 years?
 - The Chairman's welcomed the 12 new owners.
- 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. And Associate Board members Bill Burke and Carolyn Mikesell.
- Chairman McFarland presented a video on the CEO Succession project regarding the progress to find a successor for current CEO, Randy Karnes.

ELECTION OF BOARD

Regular Election

The nominating committee this year included Dean Wilson (Chair), FOCUS CU, Vickie Schmitzer, Frankenmuth CU.

There are 145 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 3, 2021.

Dean Wilson, Nominating Committee Chair, announced there were three director positions available, and three candidates running for election. The three candidates running for election are Scott McFarland, Honor CU, Kris Lewis, Allegan Community CU, Tom Gryp, Notre Dame FCU for a 3-year term to begin October 1, 2021 through September 30, 2024.

The winners of the 2021 Election were Scott McFarland, Kris Lewis, and Tom Gryp.

Action Item: A motion by Mark Richter, First United CU, and supported by Brian Turmell, AAC CU, was made to approve a unanimous resolution. Motion passed.

FINANCIAL STATEMENT

- Bob Frizzle reviewed the Financial Statement and presented "A Great Year in Spite of the Asterisk", the presentation will be posted on the CU*Answers website, www.cuanswers.com.
- Bob highlighted the following:
 - Net Income & Patronage Dividends were discussed.
 - 2020 numbers worth celebrating were discussed.
 - Year-end 2021 dividend payments – these numbers can flex, and Bob predicts they will change in the future.
 - 2020 return on investment was \$8,242,521.00

- Understanding the formula is important to how we set the boundaries for our future, and Bob discussed the 2020 return per total dollars received.
- Discussion on the projected revenues for 2021-year end.
- Bob discussed investing in a community and building a network.
- The importance of the value per share vs. the purchase price for stockowners.

CEO COMMENTS

- This year's theme for the CEO's comments was, "Awaken a Network" Randy Karnes discussed the following:
 - Randy's five tips for driving a successful cooperative:
 - Do not over serve the customer.
 - Feed the owner's heart.
 - Invest in the owner's agenda.
 - Know the difference between evolution and revolution-innovate.
 - Over share: teach owners about and include them in the inside game.
 - Announcement of the 2021 CEO Strategies event: November 8-10, 2021
 - Discussion on the Innovation Center: National Center for Collaboration & Innovation.

Action Item: A motion by Don Mills, , and supported by Dean Wilson, was made to adjourn the meeting. Motion passed.

Scott McFarland, Chairman

Linda Bodie, Secretary/Treasurer