

**SHELTER FEDERAL CREDIT UNION
ANNUAL MEETING MINUTES
FEBRUARY 8, 2021**

In wake of the pandemic, for the first time in the Credit Union's history, the meeting was held virtually through Microsoft Teams. President Jacki Swank opened the meeting by introducing herself and welcoming members and guests to the 64th annual meeting. She also discussed with the attendees the protocol to be followed to participate in the virtual meeting.

Next, she introduced the Board of Directors. She acknowledged the broad experience and expertise of the Board members and expressed her appreciation for them volunteering their time and knowledge.

Ms. Swank went on to discuss the roles of each of the key committees and introduced the committee members to the attendees. She expressed her appreciation for their service and contribution to the Credit Union.

The Asset Liability Management Committee chaired by Darren Moore meets monthly and has the important function of measuring and managing the various risks of the Credit Union including recommending changes to loan rates, dividend payments and investment policies. Special recognition and thanks was extended to Shelter retiree Gary Ford for his contribution to this committee and the advisory services he provides.

The Supervisory Committee provides oversight and guidance for internal operation and Daniel Jaegers is the Chairperson. The Committee monitors and audits various areas for compliance throughout the year.

Finally, the Credit Committee chaired by Naomi McGee is a very active committee that meets every Tuesday and Thursday to review loan applications.

Ms. Swank expressed her pride and appreciation of the credit union staff and introduced each one to the attendees. She also thanked Chris Guiling and Brad Johnson for their technical assistance with this virtual meeting.

At that time, the meeting was turned over to Board Chairperson, Brian Trenhaile.

The 64th annual meeting of the Shelter Insurance Federal Credit Union was called to order at 7:06 pm on February 9, 2021 by Board Chairperson, Brian Trenhaile.

Mr. Trenhaile acknowledged and thanked the Credit Union staff for their dedication and efforts this past year while recognizing that 2020 was a challenging year. He then declared a quorum was present.

The first order of business was approval of the 2020 annual meeting minutes. Stacye Smith moved for approval and Jon Imhoff seconded. The minutes were approved by a voice vote of the attending members.

Treasurer Jon Imhoff gave The Treasurer's Report for 2020. Highlights included:

- Assets increased \$4.8 million to over \$37 million
- Net worth increased by \$125,530
- In 2020, the decline in interest rates resulted in lower than expected certificate of deposit revenue and thus lower net income after dividends and interest paid to members. Even so, the retained earnings increased by \$91,871.
- Expenses were higher in 2020 with the significant factor being a voluntary increase in the provision for loan losses.
- Mr. Imhoff discussed the 2021 budget and the fact that a \$31,542 loss is expected after paying dividends and interest to members. He went on to comment that the loss is a reflection of the continued low interest rate environment and that the Credit Union remains financially strong.

On a motion from Jeanne Collins, a second from Sheila Joyce and an affirmative voice vote from the attendees, the Treasurer's report were approved. A copy can be found in the Original Minutes Book.

Next, Committee Chair Naomi McGee described the Credit Committee duties and gave the 2020 Report. Ms. McGee noted that the pandemic was the driving factor in a decrease in loan volume for 2020. In total for the year, there was \$4.55 million in approved loan volume.

Committee Chair Dan Jaegers then described the role of the Supervisory Committee. He presented the Supervisory Committee Report and summarized the internal control review procedures performed by that group. Overall, the Committee found the Credit Union to be in compliance for various regulations. In the 4th quarter of 2020, the Committee performed a search for a new CPA firm to perform the Credit Union's annual audit. The firm of J. Tenbrink and Associates was chosen and is currently performing the 2020 audit.

At that time, President Trenhaile opened the floor was opened for questions or comments regarding the committee reports. On a motion made by Doug McClure and a second from Stacye Smith, the committee reports were approved by a voice vote of the members present.

Board President Trenhaile then turned the meeting over to Jacki Swank for the President's Report.

President's Report

Ms. Swank opened the President's Report by echoing the fact that 2020 presented challenges across many aspects of our lives. She went on to mention her pride of the Credit Union team, its board & committees and Shelter Insurance for providing the Credit Union with the resources and information to remain open during this pandemic. She described how processes were shifted quickly and hopefully much of that was seamless to our members. She also highlighted the following accomplishments in 2020:

- In 2020, we were able to successfully practice our disaster recovery and able to have some of our team working remotely from home and they continue to do so. Our team was able to keep the credit union open and serving our members in as safe of a manner as possible.
- Investment income was down in 2020 but we continue to have a strong financial position. At the same time, we continue to offer competitive loan rates.
- In late 2019, we began offering the ability to sign loan documents electronically in a secure environment. This pro-active change helped us tremendously in 2020.
- One new addition for online banking is the ability to view check images for checking accounts. Looking to the future, we hope to soon offer mobile banking, a new face to our website, and remote deposit capture.

President Swank closed by thanking the membership for their support and stated that she looks forward to a successful and safe 2021. She then turned the meeting back over to Brian Trenhaile.

Old Business

The floor opened for discussion of old business and there was none.

New Business

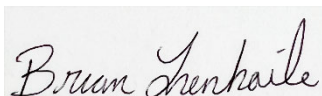
Chairperson Trenhaile presented the 2021 Budget and opened the floor for comments. On a motion from Chuck Collins that was seconded by Jessie Ray, the 2020 budget was approved by a voice vote from the members attending.

The Election of Directors was conducted next. Ballots were distributed to all attendees to vote to fill four (4) Board of Directors positions becoming available. The listed nominees were Jon Imhoff, Todd Sanders, Darren Moore, and Lisa Brock. After the floor opened for discussion, Connie Gray voiced a motion that the four listed nominees be accepted by acclamation. Dena Kartheiser seconded the motion, and the nominees were approved by a voice vote from the attending members.

In her final comments, President Swank thanked everyone for their attending and discussed the handling of door prizes.

Brian Trenhaile then entertained a motion that the meeting be adjourned. Jon Imhoff made the first motion and Connie Gray seconded it. After an affirmative vote by the attending members, the meeting adjourned at approximately 7:30 pm.

Respectively submitted,



Brian Trenhaile , Chairperson



Al Finley , Secretary