



## **2020 Annual Members' Meeting Minutes**

November 12, 2020 – GoToWebinar Platform

The meeting started at 5:00 pm Pacific Time.

Veronica Madrigal, President of Self-Help FCU Retail, welcomed everyone. Veronica Madrigal reviewed logistics, pointed out where to access the handouts packet, and introduced Maggie Cervantes, Board Chair.

Maggie Cervantes, Board Chair, started the official meeting. She again directed members to find the handouts packet within the dashboard of the GoToWebinar platform, and explained the virtual voting process and how to ask questions or make comments through the Questions box of the GoToWebinar platform. She turned the meeting over to Carl Rist, Board Vice-Chair.

Carl Rist discussed board elections. The board voted to increase the number of Board members from seven to nine. The Board nominated six candidates, four of which were existing board members nominated for new terms, and two of which are new candidates. The nominated slate of all six Board candidates was approved by a margin of 95% Yes, to 5% No.

Raul Raymundo, Board Secretary, directed members to look in their handouts packet for the Annual Meeting minutes from 2019. Members were given the opportunity to ask questions via the Questions box of the virtual meeting platform, and none were submitted. Raul then declared the minutes approved.

Arnold Pugh, Board Treasurer, explained and reviewed the Supervisory Committee Reports and also presented the SHFCU Financials – Balance Sheet and Income and Loss Statement. He explained that Self-Help Federal received an unqualified opinion in their audit, which is the highest rating that could be received. The Supervisory Committee Report was approved, and no questions were asked. During the financials review, he directed members to the Balance Sheet and explained that the total assets have grown approximately \$300M from 2019 to 2020, and the majority of that has been put into loans and investments. Mr. Pugh directed members to the Income and Loss Statement, and highlighted the difference in provisions for loan loss from \$3.3M 2019 to \$6.7M 2020 due to the economic downturn in 2020, and to cover any losses. He also explained that the net income has decreased from 2019 to 2020 because the provisions for loan loss have increased, but we are still in good shape for moving forward.

A member asked a question about COVID impacts for the next year, and Randy Chambers explained that mortgage deferments increased this year, but we don't expect too many charge-offs this year or next year. The same member asked a question about lower personnel expenses this year, which, Randy explained, is lower only because the 2020 numbers reflect the first three quarters of 2020, and not the full year.

Maggie Cervantes asked for a motion to close the meeting. The meeting ended at 5:25 pm Pacific Time.

*Raul Raymundo*

Raul Raymundo  
Board Secretary,  
Self-Help Federal Credit Union