

HCP Credit Union Annual Meeting Minutes September 28, 2022 • Zoom Meeting

Call to Order: President/CEO Darrell Rawlings called the meeting to order at 6:30 pm and welcomed attendees with the following comments: On behalf of the board of directors of HCP Credit Union, I'd like to welcome one and all to our 47th Annual Meeting. The first order of business for tonight's meeting to is determine that a quorum is present - according to NCUA Bylaws, a minimum of 15 credit union members constitutes a quorum. A quick review of our virtual roster indicates that we do indeed have a quorum of members present on our Zoom meeting.

Approval of Minutes: The next item on our Agenda is to present the Minutes from last year's Annual Meeting for consideration. The minutes are posted on hcpfcu.org for review as well as linked to the chat on this zoom meeting. After reviewing the minutes, are there any amendments that need to be made? And if not, at any time we can accept a nomination to approve the Minutes as presented for formal approval. Minutes were approved as presented - Motion: Tim Love; Second: Bruce Watts - motion carried.

President/CEO - Opening Comments: Thank you once again for joining us. This is the 33rd Annual Meeting I've had the privilege of conducting - my first one was way back in 1990. At that time, the credit union was approx. \$1.8 million in assets and since that time, we have averaged 10.25% growth per year to end 2021 \$34.2 million in assets. During that time we've consistently added to the products and services that we provide to make HCP Credit Union one of the most progressive credit unions in the State. Our asset size is considered small but we deliver a much larger footprint that has been recognized by numerous individuals and companies that we come in contact with. We are thankful for our volunteer board of directors and supervisory committee members for their continued dedication to the goals and objectives of HCP Credit Union. To credit union staff we offer thanks as well, recognizing that in order to deliver the superior results of the past year, it couldn't be done without their efforts. Management has received so many comments of thanks for the hard work of our staff. Finally, to our members - the majority of whom are healthcare workers - we are very grateful for the continued support now for more than 47 years ... since 1975.

CEO/Management Report:

As President/CEO of HCP Credit Union, I'm pleased to offer the following highlights of the past year:

Financial Wellness/Education: Financial wellness/education continues to be one of our main priorities at HCP Credit Union. We are excited about our new HCP CREDIT REVIEW PROGRAM. We can help any member completely review their credit report without any negative impact on their credit score. We have already helped countless members identify areas in which they can not only save money on their total monthly outlay for loans, but improve their credit score at the same time. And that leads to a whole other round of potential savings because so many services tend to cost less each month as a person's credit score increases. The feedback has been incredibly positive, some members even stating that it has started a change in their financial lives that they could not imagine living without. If you're interested in a credit review for yourself, visit our website - hcpfcu.org - and click on the CREDIT REVIEW option at the very top of the page. We've had multiple consultants that we work with comment that it's hard to believe we're a "small credit union." While it might be easy to randomly add services just to say you have them, adding them in a way that brings value to members is another thing entirely. We are immensely proud to now offer full financial planning services through our affiliation with Skylight Financial. The results have already been extremely positive because again, it is approached from a member-education point-of-view. The fact is that money is one of the hardest things to discuss. When it can be done in a non-judgmental, no pressure environment, great results can happen. One comment we hear often is that a member feels they don't know enough about money to feel comfortable asking questions. HCP is the right place to ask questions. For more information, visit our website to request an appointment with our Skylight professional.

Renovation: As many of you may know, HCP completed our interior renovation of the credit union in 2021 . The results are fantastic and we've received so many positive comments, not only from our members, but from our business partners and the community. In fact, HCP received a Community Improvement Award for the remodel of our space. We now have a beautiful, modern, and comfortable space from which to care for our member's financial business.

Debit Cards/Credit Cards: Just to briefly mention one of many additional projects we are working on, HCP is working to bring tap-to-pay debit and credit cards into our list of product offerings. Watch for more information as we move forward in 2022 and 2023.

Supervisory Committee Report: The Supervisory Committee of HCP Credit Union is tasked with keeping a watchful eye on the financial operations at HCPFCU. The Supervisory Committee is appointed by the Board of Directors to independently evaluate the soundness of Health Care Professionals Federal Credit Union. One of the primary tasks of the Supervisory Committee is to engage an external auditor to review the credit union accounting records and review other aspects of the credit union for threats and weaknesses in our operation. Whiting and Company of Muncie, Indiana completed the past year's audit for the Supervisory Committee and no material deficiencies were noted.

Financial Report: In spite of 2021 being a year that was definitely impacted by COVID, HCP had one of the best years in our history.

Some of the financial highlights:

Asset Growth - 9.55% to \$34.2 million

Loan Growth - 27.29% to \$14.6 million

Share Growth - 10.00% to \$28.8 million

Net Worth Growth - 8.76% to \$5.24 million

All these results taken as a whole mean that HCP's Net Worth Ratio ended 2021 at 15.34%. NCUA puts a credit union on the "Watch List" when the Net Worth Ratio is below 7.00%. HCP is more than double that percentage which means that we're one of the strongest credit unions in the State and, in fact, across the nation.

Old Business: DR is not aware of any Old Business that needs to be addressed during the Annual Meeting.

New Business: Additionally, there is no New Business that needs attention during the Annual Meeting.

Elections: Once again this year, the Nominating Committee is responsible for nominating at least one individual for each open position on the Board. In addition, the Nominating Committee asks for nominations from the membership to be submitted for the open board position. This year, there were two open seats on the board of directions - and for those positions, the Nominating Committee contacted the following individuals who have agreed to serve for a three-year term if elected:

Belinda A. Suggs Sharon K. Collier-Rayborn

No nominations were received by the closing date announced in the March newsletter, and, as a result, the slated of candidates put forth by the Nominating Committee is elected by acclamation.

Adjournment: There being no further business, the meeting was adjourned at 6:55 pm. Motion: Cassandra Garcia; Second: Jeff Glen - motion carried.

Signed: Thom Herrman, Board Chairman Shawn Mathey, Recording Secretary

Door Prizes were drawn from the list of attendees and credit union staff will notified winners the the following day.