



KEYPOINT CREDIT UNION MINUTES OF THE 44th ANNUAL MEMBERSHIP MEETING April 25, 2024

CALL TO ORDER

The meeting was called to order at 5:00 pm by Chair Garcia. Mr. Garcia welcomed attendees to KeyPoint's 44th Annual Membership Meeting. With more than twenty-five (25) members present, it was determined that a quorum was present.

INTRODUCTIONS

Mr. Garcia has served as Board Chair for the past year and thanked everyone for their attendance and membership at our member-owned, not-for-profit credit union. Mr. Garcia shared a few procedure points:

- Annual Meeting will be recorded, to facilitate minute taking.
- A few questions were submitted, the questions and the related responses were posted to the KPCU website.
- Management nor the Board will not be entertaining additional questions during meeting.

Mr. Garcia introduced his fellow volunteers and thanked them for their significant time commitment with no compensation.

BOARD CHAIR

Mr. Garcia reported that 2023 was a challenging year for the banking industry, as liquidity issues with two local banks caused stress throughout the sector, yet KeyPoint thrived, as demonstrated by a few numbers:

- Welcomed 5,574 new Members
- Took in \$62.3 million in business checking account deposits
- Financed \$55 million in vehicle and equipment, unsecured term and SBA loans

KeyPoint was recognized for its Economic Empowerment Initiative—a unique collaboration between KeyPoint, local Chambers of Commerce and nonprofits that uplifts marginalized individuals and breaks the cycle of poverty. KeyPoint received the Dora Maxwell Social Responsibility Community Service Award at the state level (CUNA) and the Community Impact Award (Silicon Valley Business Journal).

Mr. Garcia introduced President/CEO Brad Canfield.

STATE OF THE CREDIT UNION

Mr. Canfield welcomed everyone to the Annual Membership Meeting and thanked Volunteers, staff, and members for their loyalty in contributing to the success of KeyPoint. In 2023, Branches and online channels were busier than ever. Branches handled 166,000 visits, 82% of Members logged into Mobile or Online banking and with Mobile/Online banking; Members made 101 thousand mobile deposits, paid 158 thousand bills, and used their debit and credit cards to make \$5.21 million purchases.

Services grew alongside Members' needs. KeyPoint introduced:

- A Kids Checking account to help our youngest Members develop financial skills.
- Zelle® to send and receive money with friends and family.
- *KP*, a digital assistant to get fast answers when calling the Contact Center.
- AI-based underwriting so borrowers can receive instant loan decisions.
- Two down payment assistance programs for first-time homebuyers

The Net Promoter Score ended the year with a rating of 74 which means that Members are very likely to refer friends and family to KeyPoint.

Mr. Canfield thanked the employees who work so hard to strengthen the service offering and empower KeyPoint's communities with financial literacy. KeyPoint employees voted KeyPoint a Top Workplace for 2023 sponsored by the San Francisco Chronicle/ Hearst Media.

Mr. Canfield introduced Mary Bennion the Secretary/ Treasurer.

2023 FINANCIAL OVERVIEW

Ms. Bennion shared that KeyPoint maintained a rating of "well-capitalized" by regulatory standards. Total assets stood at \$1.7 billion and total assets under management were \$2.2 billion. Total net loans were \$1.3 billion and total member balances were \$1.3 billion. Total revenue was \$76.4 million and net income was \$5.5 million. More details on financials are in the annual report.

Ms. Bennion introduced Tracy Wingrove, Supervisory Committee Member.

SUPERVISORY REPORT

Ms. Wingrove shared that the Supervisory Committee ensures that the highest fiduciary standards are maintained, and that members' interests are safeguarded. The Supervisory Committee engages an independent certified accounting firm who audited KeyPoint's consolidated financial statements and confirmed financial statements comply with GAAP and had no changes.

Ms. Wingrove turned the meeting over to Marsha Poenisch, Chair of the Nominating Committee.

NOMINATIONS REPORT

Ms. Poenisch reported that per KeyPoint's bylaws, the Nominating Committee is tasked with finding, interviewing, and selecting qualified member candidates to serve on the Board and Supervisory Committee. There was a total of four board positions available and one supervisory committee position open.

Per the bylaws, no vote is required if the number of candidates is the same or less than the number of open positions, as such there was no vote required.

Per the bylaws, KeyPoint notified its membership well in advance of the nomination period to solicit those that were interested in becoming part of our board, either through the Nominating Committee process or the membership petition process. As of the close of nominations on March 6th, no petitions were received from membership.

Per the bylaws, the Board is responsible for reviewing the recommendations provided by the Nominating Committee. After discussions, the Nominating Committee recommended qualified candidates to fill the positions on the board. I hereby report that on February 10th, the board confirmed the nominations as follows.

The following volunteers were deemed to be voted by acclamation.

Positions on the Board of Directors (Director)

- For 3 Year Terms: Priya Joshi, George Lin, John Tom
- For 2 Year Term: Brian Johns

Position on the Supervisory Committee (Member)

- For 1 Year Term: Tina Kobetsky

Position on the Associate Board Members:

- For 1 Year Terms: Agnes Jacob, Bobby Khattri, Kevin Ryan

Ms. Poenisch congratulated all the volunteers and turned the meeting back to the Chair, Garcia.

MINUTES

Minutes from the 2023 Annual Membership Meeting were dispensed prior to the meeting. An answer poll to approve the minutes was conducted. M/S/C to accept minutes as presented.

ADJOURNMENT

Mr. Garcia concluded that with no new or old business to report, the business for the evening was concluded and called for a motion to adjourn the meeting.

M/S/C to adjourn the meeting at 5:12 pm.

Approved by:

Submitted by:

Gary Garcia, Board Chair

Mary Bennion, Secretary/Treasurer