

# Minutes of the 57<sup>th</sup> Annual Business Meeting

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Prior to the meeting call to order, Vice President of Marketing, Craig Boivin welcomed attendees and reminded staff to sign in before leaving. He mentioned there are also remote attendees who are listening to the meeting via Zoom.

Mr. Boivin paused to acknowledge that UMassFive's corporate headquarters in Hadley, Massachusetts occupies the land of both the Pocumtuc and Nipmuc Peoples.

Mr. Boivin provided the names of those speaking this evening: Board Chair, Bob Harrison; Board Secretary, Ruth Yanka; President & CEO, Rich Kump; and Supervisory Committee Chair, Ellen Rutan. He mentioned Board Chair Harrison has served on the Board since 2012, and as the Board Chair since 2014. Mr. Boivin then asked Mr. Harrison to call the meeting to order.

1. **Call to Order:** The 57th Annual Business Meeting was called to order by Board Chair Bob Harrison at 6:03 PM.
2. **Board of Directors in Attendance:** Directors present included (*those marked with an asterisk attended remote*): Robert Harrison, Board Chair; Jacqui Watrous, Board Vice Chair; Ruth Yanka, Board Secretary; \*Karl Kowitz, Director; Curt Shumway, Director; Julius Lewis, Director, and Sam Killings, Director.
3. **Determination of a Quorum:** Board Secretary Ruth Yanka confirmed a quorum of members were present.
4. **56<sup>th</sup> Annual Meeting Minutes:** Chair Harrison said that the meeting minutes from the 56<sup>th</sup> Annual Meeting along with the agenda for the 57<sup>th</sup> Annual Meeting were emailed to members who registered for this meeting, and are also available on the UMassFive public website. A motion was then made and seconded to dispense with the reading of the Minutes of the 56<sup>th</sup> Annual Meeting. So voted. Board Secretary Yanka then called on Bob Harrison to provide his Board Chair report.
5. **Board Chair Report:** Chair Harrison introduced the Board of Directors in order of tenure.  
Chair Harrison was pleased to report that UMassFive grew in many key financial categories last year, including increasing our net membership by nearly 7.50% and a 15% increase in loan growth. He detailed that our assets stood at over \$700 million at the end of 2023, and our capital ratio ended at 8.75, which shows that we are financially sound, while still leveraging our resources to invest in the technologies and people that will sustain UMassFive long into the future.

Chair Harrison shared several achievements from 2023, which included: the Credit Union having a record-breaking year in solar lending with almost 1,300 new loans, totaling nearly \$51 million; UMassFive being accepted into the MassHousing home loan program, enabling us to make homeownership more accessible; and our business banking team now supporting nearly 600 local businesses. He also shared plans to build and grow in Hampden County in future years.

Chair Harrison encouraged attendees to read the annual report, themed "It's All About You!" He said that a copy of the report would be emailed to all members on file with the Credit Union and is also available on our website: [umassfive.coop](http://umassfive.coop).

Chair Harrison reflected on our mission of people helping people. He gave a few examples of the incredible employees working at the Credit Union. Mr. Harrison expressed gratitude to staff and members for their loyalty in choosing UMassFive. Chair Harrison asserted that as we continue to grow our sole purpose will never waver - we are committed to having a positive and direct impact and influence on our members' financial well-being. Chair Harrison then called on Rich Kump to present his President & CEO report.

6. **President & CEO Report:** President & CEO Rich Kump introduced the UMassFive senior management team and, with special introductions and recognition, the assistant vice presidents.

President & CEO Kump shared some of the 2023 headwinds in the financial world, and explained how they affected UMassFive and the credit union industry. Regardless, Mr. Kump said 2023 ended up as the most "normal" since 2019. President & CEO Kump then highlighted some of UMassFive's strategic plans moving forward:

- Branch Expansion
  - ♦ Relocating our Flagship Branch to a more visible location on Route 9
  - ♦ Building a hub branch in Hampden County
  - ♦ Locating a place for a microbranch in a Springfield "banking dessert"
  - ♦ Mr. Kump also defined hub, spoke, and micro branches

- **Decarbonize Commercial Buildings Project:** We will be kicking off a pilot thanks to a \$650,000 grant from Mass Clean Energy Center to help the Commonwealth reach its clean energy goals. Our solar lending program increased about 50% from the previous year. What made this particularly impressive is that new solar production in the Commonwealth actually went down by 72%.
- **Online & Mobile Banking:** We will choose our next online and mobile banking system to offer the best experience for our members.
- **Mission Statement:** A revised mission statement will be rolled out to staff and members. This will help to provide guardrails as we grow, as well as help us prioritize objectives and strategic initiatives moving forward.

Kump then called on Ellen Rutan to provide the Supervisory Committee report.

7. **Supervisory Committee Report:** Supervisory Committee Chair Ellen Rutan introduced the volunteers who serve on the Supervisory Committee. She then provided the following report.

Ms. Rutan said that the purpose of the Committee is to protect UMassFive's members' interests and ensure that the financial condition of the Credit Union is accurately and fairly presented in the Credit Union's financial statements. To meet this responsibility, the Supervisory Committee employs accounting and other qualified firms to perform necessary audits, account verifications, and risk assessments under its supervision. The Committee engaged the accounting firm of Wipfli, Certified Public Accountants, to conduct the annual financial audit for the year ending December 31, 2023. They had conducted the previous two annual financial audits for UMassFive, and began ongoing internal audit and compliance functions in 2023. As a result of the most recent Annual Financial Audit, which is nearing completion, UMassFive is expected\* to receive an unmodified opinion that our financial statements conform to generally accepted accounting principles.

For many years, the Supervisory Committee has contracted with an outside accounting firm to perform a more comprehensive internal audit program than is possible in-house. This work continued in 2023, with various reports presented throughout the year by Wipfli to the Supervisory Committee on the findings of their work, much of which centered on regulatory compliance and whether adequate internal controls were in place for various functions and processes. The Committee also engages GraVoc, a technology consulting firm, to perform certain computer assessments and testing. Supervisory Committee Chair Rutan then called on Board Chair Harrison.

8. **Unfinished Business:** Chair Harrison advised that there was no Unfinished Business to report.
9. **New Business:** Chair Harrison also advised that there was no New Business to report. He then called Board Secretary Ruth Yanka to report on election results.
10. **Election Results** Board Secretary Yanka reported that the Nominating Committee nominated the following individuals to serve on the Board of Directors for additional three-year terms: Incumbents Bob Harrison, Jacqui Watrous, Julius Lewis, and Sam Killings. As there was only one nominee for each open position, and in accordance with the Bylaws of UMassFive, Board Secretary Yanka cast one vote to elect the slate of candidates as presented.
11. **Closing:** President & CEO Kump referenced Tom Brokaw's quote "It's easier to make a buck. It's tougher to make a difference." He then shared our Community Outreach mantra "We don't just write checks, we show up." He then provided examples of the numerous events that UMassFive employees volunteered at in the past year. He went on to mention that 1 employee attended over 80 community events, and that more than 60% of employees attended at least 1 or more event in 2023. He also stated that we raised over \$18,000 for nonprofits - primarily the UMass Cancer Walk in Worcester and the Food Bank of Western Mass. Because of these efforts and commitment, UMassFive was recognized with the 2023 Dora Maxwell Social Responsibility and Community Service Award. This award is given to one credit union in the Commonwealth each year that embodies civil service the best.

Mr. Kump's final message was to be proud of the Credit Union, its employees, and the directors chosen by our members to oversee our mission and how your money is spent as members. Pride and commitment are what it's all about.

12. **Business Meeting Adjournment:** A motion was made and seconded to close the Annual Business Meeting.

\*This was later confirmed after the Annual Business Meeting was held.