

Winston-Salem Federal Credit Union Virtual Annual Meeting
2021 Annual Meeting Minutes
May 27, 2021 – 6:00 PM

- **Meeting Call to Order**

Kevin Lyons, Chairperson of the Board, called the virtual annual meeting to order at 6:00pm and welcomed all in attendance both physically and virtually.

- **Ascertainment of Quorum**

Chairperson Lyons explained that the by-laws had been amended to allow the Credit Union to have a virtual annual meeting due to COVID-19. Following CDC guidelines, the Credit Union decided to hold its 2021 Annual Meeting virtually. Also, Chairperson Lyon explained for those attending virtually how to vote online and if there were any questions, list them in the comments section or email the moderator so staff may respond via email or a phone call. He explained that, according to the bylaws, fifteen (15) members must be in attendance to meet the Quorum. There were 8 members on site and 16 members viewing virtually. A quorum was determined, and the meeting began.

- **Minutes**

Members were given time to read the minutes from the previous annual meeting and dispense with the reading of the minutes. A motion was made by Richard Long and properly seconded by Shelby Powell. The 2020 meeting minutes were approved and accepted.

- **Report of Officials**

- **Kevin Lyons, Chairperson of the Board of Directors**

Chairperson Lyons reported that 2020 was a challenging year for the Credit Union and its members. During the pandemic, many changes had to be made and the Credit Union had to rethink how services were delivered to its membership. To protect our members and employees the lobby was closed. The phone system was placed to allow more incoming calls and allow more employees to answer calls. Phone ahead services were established for cashiers checks to be pick up at the member's convenience. Other improvements included expansion of drive thru lanes; enhanced Courtesy Pay program; added a special pandemic-related skip-a-pay; provided a method to remotely make loan payments using a debit or credit card; improved online, audio, and mobile banking. The drive-thru has been updated and new computer equipment to allow employees to work remotely. The year began with trying to rebuild the Credit Union to recover from previous year's losses through loan charge-offs then the pandemic occurred. There were regulatory issues that required a large amount of staff's time and financial resources. Substantial deductions were made to operating expenses and fee adjustments to bring the Credit Union in line with industry practices while remaining competitive. The Credit Union successfully ended the 2020 year with a

total membership of 14,381 and total assets of \$67M. Thanks were given to the volunteers and employees of WSFCU.

- John Jameson, CEO/President

Mr. Jameson reported that much has changed at Winston-Salem FCU to ensure that it continues to enrich and empower the membership. Due to the pandemic, employees' and members' safety were a priority and the Credit Union closed its lobby. Management made changes to remain safe, sound, efficient and effective financial co-operative on behalf of our members. Internal controls have been strengthened for the safety of deposits and lending operations. Strategically, the Credit Union has improved internal monitoring of interest rate risk and credit risk. The account opening process has been made more convenient for our members and comply with governmental regulations. The Credit Union has maintained its financial strength with a net worth ratio of 11.31% and holds a strong liquidity position. The primary goal is to lend to members. Excess funds will be safely invested with an acceptable return on our investments. Members' deposits are safe and insured by NCUA. In 2020, there was a net loss of \$10,350. Capital reserves increased from \$7.4 million to \$7.6 million and loan net of reserves decreased to \$7.2 million. Several initiatives have been implemented to improve member service in lending, account opening, and teller services. These initiatives include investing in our core provider to make lending more efficient; reduce risk of loan losses; and improve the account opening process. Mr. Jameson reported that there has been enhanced employee training to improve member services. Even during this pandemic, the Credit Union is financially sound and able to continue providing member service. WSFCU is dedicated to supporting the mission of Habitat for Humanity; Experiment in Self-Reliance of Forsyth County; strengthening its partnership with Financial Pathways of the Piedmont; and the student run credit unions. Mr. Jameson gave thanks to the volunteers, committee members, employees of WSFCU and our membership.

- Greg Bradsher, Chairperson of the Supervisory Committee

Mr. Bradsher reported the role and responsibility of the Supervisory Committee. The Supervisory Committee is responsible for ensuring that the Credit Union policies and procedures adequately protect our members' interest and are properly followed. He explained the various audits and examinations the credit union adhered to during 2020. Bradsher reported that the credit union is in sound financial condition and well managed. He thanked the membership for their confidence and continued support of Winston-Salem Federal Credit Union. Mr. Bradsher informed the membership that the Supervisory Committee has vacant spots and is seeking interested volunteers.

- Richard Long, VP of Lending & Sales, Loan Review Committee

Richard Long reported on behalf of the Loan Review Committee. Mr. Long offered the report explaining the role and the responsibility of the Loan Review Committee. The Loan Review Committee reviews member loan applications that were denied because they did not meet underwriting guidelines. Also, the Loan

Review Committee reviews loan requests from Credit Union officials, Board and Committee members. Its focus is to keep in mind the best interest of WSFCU and its members. Members were thanked for their confidence and continued support of the committee.

- **Report of the Nominating Committee**

Nick Jamison of the Nominating Committee submitted the following report. Three (3) members were nominated for positions on the Board of Directors: Dale Throckmorton, Ritchie Brooks, and Kenny Faulkner.

- **Election Results**

Kevin Lyons reported that the following persons were elected by acclamation: Dale Throckmorton, Ritchie Brooks, and Kenny Faulkner

- **Adjournment**

A motion to adjourn the meeting was made, and the motion was seconded. The motion was approved, and the annual meeting was adjourned.

Respectfully Submitted,

Shelby Powell

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