

CrossState Credit Union Association
3rd Annual Membership Meeting
May 24, 2022

The 3rd Annual Meeting of the CrossState Credit Union Association was held at the Hard Rock Hotel and Casino in Atlantic City, NJ.

Board Chair Rick Stipa called the meeting to order at 9:00 a.m., Tuesday, May 24, 2022.

Board Chair Stipa appointed Dawn Darkes as Recording Secretary.

INTRODUCTION OF CROSSSTATE BOARD – Board Chair Stipa introduced the members of the CrossState Board of Directors.

RULES OF ORDER – The Rules of Order, adopted by the Association Board of Directors and printed in the Annual Meeting booklet, were announced.

STATEMENT OF QUORUM – Ernie Huggard, Chair of the Credentials Committee, advised that Article V, Section 5.6 of the Association Bylaws reads as follows:

"The presence in person of representatives authorized to cast the vote of ten percent (10%) of the Members of the Association shall be necessary to constitute a quorum at any meeting of the Association."

There were duly authorized delegates from 37 credit unions registered at this meeting.

MINUTES OF THE 2021 MEMBERSHIP MEETING – Board Chair Stipa advised that all member credit unions were provided access to CrossState's 2021 Association Membership Meeting Minutes, which have been approved by the Board of Directors as authorized by the membership.

MINUTES OF THE 2022 MEMBERSHIP MEETING – It was moved and seconded by to authorize the Association Board of Directors to approve the minutes of the 2022 Association Membership Meeting, a copy of which will be made available to all member credit unions.

ADOPTED

REPORT OF THE BOARD CHAIR – Board Chair Stipa thanked President & CEO Patrick Conway, the CrossState staff team and fellow board members for their support during his tenure as board chair. Chair Stipa acknowledged the extent of the Association's work to advance credit unions no matter their size or geography. He also recognized that the Association has positioned itself to be the primary advocate for credit unions in both New Jersey and Pennsylvania.

Chair Stipa commended his fellow board directors for their dedication and passion. He expressed his gratitude to directors John Murga and Tracy Sussmann as they end their terms on the board and welcomed Richard Garcia, CEO Newark Board of Education Employees CU as our newest director.

Chair Stipa expressed his honor to have served in the capacity of board chair and the privilege it has afforded him to interact with and meet so many outstanding people.

REPORT OF THE PRESIDENT & CEO – Patrick Conway reported that CrossState successfully navigated another year of changing conditions while continuing to achieve many accomplishments on behalf of our New Jersey and Pennsylvania credit unions.

The formation of CrossState created an amazing team with a deep and talented bench of professional credit union advocates. This has been displayed readily over the last two years with impactful letters, legislative visits, and successful advocacy efforts.

CrossState successfully protected the credit union tax status and defeated a proposal that would have required credit unions to report individual and business transactions to the IRS. We continue to lobby for expanded services to underserved communities as well as legislation to protect credit unions that provide services to legal cannabis-related commerce.

In the regulatory arena, we commented on a growing number of state legislative issues over the last year, including debit interchange fees, digital assets, elimination of the Regulation D transfer limit and swipe fees that have been labeled as junk fees by the CFPB.

Mr. Conway also thanked all those who provided feedback through our recent member satisfaction survey. We were pleased to see an increase in our Net Promotor Scores and to hear your message that advocacy, compliance, and networking, strategic priorities to the Association, remain highly important to you. Mr. Conway reported 2021 as a record-year for overall membership growth and a 97% member-retention rate as we entered 2022. CrossState is proud of its team's relationship-building efforts and is continuing to embrace that as another strategic priority.

In closing, Mr. Conway expressed his honor to be a part of the credit union movement, an industry that shares, works together and embraces a bright future together.

FINANCIAL REPORT – Treasurer T. Fetko reported that CrossState ended 2021 in a strong financial position, with combined net income from operations of more than \$500,000. As the Association financial statements indicate, CrossState is a well-capitalized, vibrant organization prepared to successfully serve our credit unions.

AUDIT REPORT – Audit Committee Chair David Ardire reported that, following meetings with the outside audit firm Brown Shultz Sheridan and Fritz, clean unqualified opinions were received for CrossState. The 2020 audit reports will be made available upon request.

REPORT OF THE GOVERNMENT RELATIONS COMMITTEE – Andy Jaeger, Committee Chair, acknowledged the strong and seasoned team of advocacy professionals within CrossState. He further affirmed the many accomplishments resulting from the Association's advocacy efforts in 2022 and provided background on the high-profile election year in front of us.

Mr. Jaeger then highlighted the role both the CrossState PAC and CU Action Fund play in the Association's ability to support credit union friendly candidates and advance the credit union

agenda. He encouraged any credit union who has not donated or signed a PAC participation agreement to do so.

Mr. Jaeger closed by thanking all who made the time to participate in Hike the Hill and the CUNA 2022 GAC hill visits, as well as those who provided feedback to our CrossState team, to government agencies or directly to elected officials. Their involvement enabled the CrossState team to continue their work for the benefit of all credit unions within our two states.

ADJOURNMENT – With no new business brought to the floor, Chair Stipa declared the meeting adjourned at 9:30 a.m.

Respectfully submitted,



Dawn Darkes
Recording Secretary