



# 2021 VIRTUAL ANNUAL MEETING MINUTES

The 81<sup>st</sup> Annual Meeting of the Members of Kinecta Federal Credit Union was held virtually on April 29, 2021, at Kinecta Federal Credit Union's Operations Center, 2100 Park Place, El Segundo, California.

## BOARD OF DIRECTORS

Mary Yasui-Yamabe, Chair (Present)  
Jeffrey Yonemura, Vice-Chair (Present)  
Jacqueline Stafsudd, Treasurer (Present)  
Robert Young, Secretary (Present)  
Suzanne Curtin, Associate Treasurer (Present)  
Jeffrey Conrad, Assistant Secretary (Present)  
Paul James, Director (Present)  
Roni Crichton, Director (Present)  
Judy Novak, Director (Present)

## DIRECTORS EMERITI

Andy Savoy (Online)  
Janet Sparrow (Absent)  
John Tessier (Absent)

## SUPERVISORY COMMITTEE

Jeffrey Wells, Chair (Online)  
Keith Landenberger, Secretary (Online)  
Mark Byrne (Online)  
Kristen Stewart (Online)  
Mark Vlasic (Online)

## ADVISORY COUNCIL

Mark Vlasic, Chair (Online)  
Mary Yasui-Yamabe (Present)

## VOLUNTEER ASSOCIATES

John Buttrill (Online)  
Mark Cunningham (Online)  
Spencer Leslie (Online)  
Donald Rory (Online)  
Dennis Ruffner (Online)  
Heather Smith (Online)

## EXECUTIVE STAFF

Keith Sultemeier, President/CEO (Present)  
Donna McNeely, SVP/COO (Online)  
Sharon Moseley, SVP/CIO (Online)  
Mark Holbrook, SVP/CRO (Online)  
Brett Stubbs, SVP, CFO (Online)  
Luis Peralta, SVP, CAO (Online)  
Michael Squire, SVP, CLO (Online)  
Kim Graham, VP, Human Resources (Online)

## PARLIAMENTARIAN

William Adler, Partner, Styskal, Wiese & Melchione (Online)

## SERGEANT-AT-ARMS

N/A

## GUESTS

N/A

Board Chair Mary Yasui-Yamabe welcomed everyone to the 81<sup>st</sup> Kinecta Federal Credit Union's Annual Meeting of members held virtually on Thursday, April 29, 2021 at 4:00 p.m. Vice-Chair Jeffrey Yonemura led the Pledge of Allegiance.

Chair Yasui-Yamabe began the formal proceedings by once again expressing her pride in Kinecta's management for their continued efforts to protect its members and staff in light of the continuing COVID-19 pandemic. She then extended a warm welcome to the members of Xceed Financial Federal Credit Union who joined Kinecta as a result of the recent merger between the two credit unions. Chair Yasui-Yamabe then introduced Kinecta's Board of Directors, the members of the Supervisory Committee, the Advisory Council, the new Volunteer Associates from

Xceed, Kinecta's Directors Emeriti, the Board of Directors of Kinecta Financial Management Company, LLC, and the Credit Union's Executive Staff.

## **QUORUM**

In accordance with the Federal Credit Union Act and Credit Union Bylaws, Chair Yasui-Yamabe called the Business Meeting to order and declared a quorum.

## **ANNUAL MEETING MINUTES**

Chair Yasui-Yamabe referred the attendees to the Housekeeping slide on the WebEx presentation. The first item of business was to review the 2020 Annual Meeting Minutes; there being no objections, the reading of the 2020 Annual Meeting Minutes was waived and the Minutes were declared approved, as presented.

## **OFFICIAL REPORTS**

### **Board of Director's Report**

Chair Yasui-Yamabe presented the Board of Directors' Report on behalf of the whole Board, as required by the Federal Credit Union Bylaws. She reported that in 2020 the Credit Union achieved strong financial performance and served more than 232,091 members nationwide, with nearly \$5.3 billion in assets.

### **President's Leadership Report**

President and CEO, Keith Sultemeier, provided the 2020 Overview for the Credit Union. As of December 31, 2020, Kinecta is financially secure and ended 2020 with \$5.3 billion in assets, with a net worth ratio of 7.88%, a .32% delinquency ratio, and 232,091 members.

In light of the ongoing COVID-19 pandemic, Kinecta assisted more than 20,000 members by providing \$500M in loan deferments, \$3.5M in 0% emergency loans, \$100M in PPP (Payroll Protection Program) loans, all branches remained open during regular hours, and offered extended hours with appointment times for high-risk groups.

Kinecta continues to serve members' needs with an online loan portal where members can apply for loans and deposit accounts electronically; redesigned its website to provide for easier navigation, and added an Automated Digital Assistant and online appointment scheduling.

Kinecta was named the "South Bay's Favorite" by readers of the Daily Breeze, the Beach Reporter and the Palos Verdes Peninsula News; named "Best of the Westside" by readers of the Argonaut News, and earned a 2020-2021 Great Place to Work certification. Kinecta continues to be dedicated to community! In 2020, even amidst the pandemic, the Kinecta Team donated over 4,500+ of volunteer hours, participating in 145 community events, and raised over \$634,000 for various local non-profit organizations. In addition, Kinecta awarded \$16,000 in college scholarships, provided five \$11,000 Teaching Grants for Growth and had 8,800 online modules of Financial Empowerment completed.

Mr. Sultemeier then welcomed the new Xceed members to the Kinecta family pursuant to the merger with Xceed Financial Federal Credit Union on April 1, 2021. With this merger, Kinecta has over \$6B in combined assets, over 275,000 members and 30 branch locations, including El Segundo, Northern California, New Jersey and New York, offering lower fees and new products. Kinecta's core systems conversion (the two credit unions fully integrated) is scheduled to take place on November 1, 2021! In addition to the merger, Kinecta will be opening a new branch in Manhattan Beach in the summer of 2022, the Westminster branch will undergo branch upgrades, and the Torrance Crossroads branch will be relocated.

### **Treasurer's Report**

On behalf of Treasurer, Jacqueline Stafsudd, Chair Yasui-Yamabe referred the membership to pages 6 and 7 of the 2020 Annual Report, and the overview of the Credit Union's Financial Condition and Consolidated Statements of Income for the years ended December 31, 2020 and 2019. Chair Yasui-Yamabe reported in summary, that at year-end 2020, the Credit Union's assets are approximately \$5.3 billion, with a net worth ratio of approximately 7.88%. The Credit Union remains secure and stable, and well-equipped to serve the many financial needs of all its members.

### **Supervisory Committee Report**

On behalf of Supervisory Committee Chair, Jeffrey Wells, Chair Yasui-Yamabe reported that Crowe, LLP completed the Credit Union's audit for the fiscal year ending December 31, 2020. Chair Yasui-Yamabe indicated that the audit conducted by Crowe, LLP confirms that Kinecta's financial statements fairly present, in all material respects, the financial position as of December 31, 2020, and the results of operations of the Credit Union for the year then ended.

### **Old Business**

None.

### **New Business**

Chair Yasui-Yamabe announced that there were no petitions for the Board of Directors from the membership at large. Accordingly, the following individuals nominated by the Nominating Committee have been re-elected to the Board for three (3) year terms: Jeffrey Conrad, Suzanne Curtin and Jaqueline Stafsudd.

Before adjourning, Chair Yasui-Yamabe took a moment to acknowledge Kinecta's employees for their tremendous efforts to support members throughout the continuing pandemic and expressed on behalf of the Board, how grateful they are for the dedication of the frontline employees for taking care of the Credit Union's needs. She addressed the devastating effects of the racial inequality that our nation continues to face today, and expressed Kinecta's continued commitment to stand united in its pursuit of social justice and dignity for all.

Chair Yasui-Yamabe officially concluded Kinecta Federal Credit Union's 81st Annual Meeting. Hearing no objections to adjourning the meeting, she thereby declared the 2021 Annual Meeting adjourned at 4:30 p.m.

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Suzanne Curtin, Secretary

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Mary Yasui-Yamabe, Chair

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Jeffry Yonemura, Vice-Chair