



Oregon State
Credit Union®

Minutes of the 2024 Annual Business Meeting

Board Chair Kelley Kaiser called the meeting to order at 6:01 p.m. and appointed Pansy Kemp as recording secretary. There were 73 voting member-owners in attendance.

Meeting minutes

The minutes of the prior Annual Business Meeting were posted in advance for member-owners on Oregon State Credit Union's website. With no objections or revisions, Board Chair Kaiser declared the minutes of the April 5, 2023, Annual Business Meeting approved as presented.

Board Chair's report

Board Chair Kaiser expressed appreciation to the member-owners for their attendance and introduced the other members of the Board of Directors: First Vice Chair Rebecca Badger, Second Vice Chair Nadine Davison, Secretary/Treasurer Jay Conroy, Michael Green, Tim Rocak, Dr. Ana Lu Fonseca, Jamie Hughes and Mary Beth Altmann Hughes. Kaiser then introduced Supervisory Committee Member Jon Sassaman (Chair). Altmann and Britsch were unable to attend. She thanked the Board and Supervisory Committee members for their contributions. Kaiser also acknowledged former Board

members Shannon Grindy and Thomas Elzinga and recognized their many years of commitment to the Board.

Kaiser presented the Board of Directors' annual report, during which she confirmed Oregon State Credit Union's commitment to provide unsurpassed member service.

Oregon State Credit Union's community investments surpassed \$262,000 in 2023, benefiting 135 organizations, schools and non-profits. This included a two-year sponsorship to support the Salem Health Foundation's Families Matter Project. Additionally, Oregon State Credit Union sponsored the Great Pumpkin Run benefiting Home Life Incorporated, a private non-profit organization providing safe, integrated community-living services to individuals with intellectual and developmental disabilities.

Tomorrow's Leaders Today (TLT) \$2,500 scholarships continue to be awarded each spring to 10 students who will be attending Oregon universities or colleges, and the Credit Union also continues to provide additional funding for scholarships at other local universities and community colleges.

The Community Education program facilitated 319 financial education presentations in 2023 benefiting 13,000 individuals, more than 3,000 of them youth. In addition, more than 7,000 adults and youth accessed financial education through our sponsored online education center available on our website.

The Credit Union's Education Grant program awarded a total of \$15,000, which benefited over 8,300 youth. The grants continue to extend the Credit Union into new regions within our field of membership, including those attending schools in Deschutes, Jackson, Josephine and Tillamook counties.

The Credit Union further expanded our free community shred efforts, adding Polk County as a fifth collection location. In 2023 our team volunteered to serve more than 2,100 community members, providing secure disposal of nearly 74,000 pounds of sensitive document shredding to combat identity theft and benefit local recycling. The shredding and recycling of over 33 tons of paper saved more than 600 trees, nearly 250,000 gallons of water and 116 cubic yards of landfill. Participants also donated cash and food to their local food shares, collectively dedicating more than \$4,500 and 3,100 pounds of food. This year we will expand our sustainability efforts by adding a sixth shred event to serve Yamhill County in McMinnville.

Kaiser emphasized Oregon State Credit Union's commitment to providing inclusive financial solutions and the continued focus on serving the needs of member-owners. Oregon State Credit Union's 2023 annual member-owner survey results were positive and consistent with other years' survey results. 91% of member-owners were satisfied overall, and 80% have previously

recommended Oregon State Credit Union to family, friends or co-workers. Kaiser thanked the member-owners for their continued trust as well as appreciation for fellow Board and Supervisory Committee members.

Kaiser went on to express gratitude and appreciation to outgoing President and CEO Richard "Rick" Hein on behalf of the official family of Oregon State Credit Union. Rick retired on April 1, 2024, after 24 years of dedicated service.

Kaiser then invited attendees to view the special commemorative video celebrating Oregon State Credit Union's 70 years of member service and community contributions. Kaiser then introduced new President/CEO Gary Schuette II.

President's report

President/CEO Schuette thanked everyone for attending the annual meeting and for the warm welcome he has received after joining the Oregon State Credit Union team.

President/CEO Schuette acknowledged the progress in membership, beginning in 1954 with 171 members and ending 2023 with 147,000. The Credit Union continued to grow, ending 2023 with more than \$2.1 billion in assets and net worth growing to 12.02% of total assets. According to our regulator, the National Credit Union Administration, we continue to be well capitalized year in and year out.

Consumer spending continues to drive our nation's economic growth, and we remain committed to being there to meet members' lending needs. In 2023, Oregon State Credit Union funded nearly \$57 million in loans benefiting individuals and small businesses alike.

As a cooperative among cooperatives, Oregon State Credit Union partners member needs and resources to improve the financial well-being of the membership. To date, the membership has saved over \$180,000 in premiums by using the services of Oregon State Credit Union Insurance Agency, and in 2023 members enjoyed over \$20 million in earned dividends through competitive deposit rates. Additionally, the overall membership recognized direct financial benefits totaling \$14.7 million through lower loan rates, high savings rates and fewer fees than banking institutions.

Schuette acknowledged that Oregon State Credit Union prioritized financial literacy and financial empowerment. In 2023, through our advocacy efforts in partnership with former Oregon Senator Rick Metsger, the Pac/West Lobby Group and a delegation of Oregon credit unions, we were successful in seeing passage of Senate Bill 3. Senate Bill 3 restores financial education as a high school graduation requirement, closing more than a 20-year gap.

Though Oregon State Credit Union is exempt from income taxes, nearly \$2.7 million in property and payroll taxes were paid in 2023. Additionally, Oregon State Credit Union purchased just under \$12 million in products and services within our field of membership.

Schuette reported that Oregon State Credit Union takes responsibility to protect members against the expanding threats from fraud. In 2023, we prevented over \$2.3 million in losses to the membership due to fraud and scam activities. We also launched our new Trusted Contact form, inviting members to provide a personal contact who can serve as their trusted advocate should we suspect they have fallen victim to fraudulent activity.

Schuette acknowledged delivering unsurpassed member service includes ever-expanding ways for members to conduct credit union business. Just last month our new online loan and account opening services became available.

Oregon State Credit Union's team volunteered over 3,800 hours to our communities with over 89% contributing on their own time. The Credit Union team also demonstrated passion for credit union advocacy by participating in our annual advocacy campaign. Donations made were matched dollar-for-dollar by both Oregon State Credit Union and our advocacy partner, National Association of Federally-Insured Credit Unions (NAFCU), which resulted in over \$88,000 donated to the Children's Miracle Network to support Doernbecher Children's Hospital in Portland and PeaceHealth Sacred Heart Medical Center in Springfield. The Credit Union team also participated in a successful United Way campaign by pledging over \$32,000 to help people in our communities. Additionally, in December, our team donated more than 1,200 stuffed animals to first responders and support agencies throughout our branch network communities to help children experiencing a crisis situation.

Schuette thanked the Board of Directors and Supervisory Committee members for their dedication and service on behalf of their fellow member-owners. Schuette again relayed his thanks to the member-owners of Oregon State Credit Union.

April 3, 2024

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Nominating Committee report/Board elections

Board Chair Kaiser recognized the members of the Nominating Committee: Rebecca Badger (Chair), Tim Rocak, Jon Sassaman and Gary Schuette II.

Kaiser announced that the Nominating Committee selected a slate of candidates consisting of one candidate for each of the four vacancies on the Credit Union's Board of Directors. In accordance with Oregon State Credit Union Bylaws, an opportunity was provided for Credit Union member-owners to add candidates by petition, and Kaiser confirmed that no petitions were received. Kaiser then invited Nominating Committee Chair Rebecca Badger to introduce the slate of candidates.

Nominating Committee Chair Badger announced the nominees as Nadine Davison, Jamie Hughes, Ana Lucia Fonseca and Mary Beth Altmann Hughes. Nadine Davison, Jamie

Hughes and Ana Lucia Fonseca spoke briefly about why they were seeking re-election to the Board of Directors. Nominating Committee Chair Badger read a prepared statement on behalf of Mary Beth Altmann Hughes.

In accordance with Oregon State Credit Union Bylaws, Nominating Committee Chair Badger declared that – since there were sufficient candidates to fill all vacancies (with one candidate per vacancy), and the membership was provided an opportunity to submit additional candidates by petition – the nominations were closed, and each of the Board of Director nominees (Nadine Davison, Jamie Hughes, Ana Lucia Fonseca and Mary Beth Altmann Hughes) were elected by acclamation.

Kaiser shared details of the new Associate Director Program. The program fills an important need of continuity and Board succession planning for the Credit Union.

Closing

There being no other business to come before the member-owners, Board Chair Kaiser adjourned the meeting at 6:54 p.m.

Kelley Kaiser, Board Chair

Jay Conroy, Board Secretary/Treasurer