

## MINUTES OF THE ANNUAL MEETING OF COCA-COLA FEDERAL CREDIT UNION

President Rob Hatefi briefly covered meeting logistics. This meeting was made available to all members, volunteers and staff via teleconference. Mr. Hatefi reminded members that they must be logged on to the webinar for the duration of the meeting and have entered their first and last names in the chat box for membership verification, to be eligible to win one of the raffle prizes. Also, throughout the meeting questions can be entered in the chat box; they will be answered in the Other Business section of the meeting.

Chairman Robin Moore, after verifying with the Chief Recording Officer that there was a quorum (at least 15 members) in attendance, called to order the Annual Meeting of Coca-Cola Federal Credit Union on May 25, 2023 at 11:05 a.m.

The following current Directors of the Board were present:

Derek Benz	Devin McGuinness
Paul Berkemeier	Robin Moore
Anita DeMyers	Nick Nichols
Carmen Gordon	Silvia Ochoa
Mike Gregorio	Margaret Sherrod
Billy Kane	

Chairman Moore welcomed the attendees to the Coca-Cola Federal Credit Union 2023 Annual Meeting and briefly reviewed the agenda.

Ms. Moore thanked the members of the Board of Directors who are current or former associates from different functional disciplines, who serve on a voluntary basis and who serve without compensation. They are co-workers and colleagues who represent the members. She noted that bios for all current board members are posted on our 2023 Annual Meeting page under the LEARN tab on the RESOURCE CENTER page. She thanked the other volunteers who serve on the numerous board committees for their contributions. She also thanked the dedicated staff and management of the credit union who work hard to deliver the financial services that we all want and need.

### **Minutes from the 2022 Annual Meeting**

Chief Recording Officer Margaret Sherrod presented the minutes from the 2022 Annual Meeting. The minutes were posted to the credit union's website earlier in May and are available on the Annual Meeting page. A motion was made by Nick Nichols and seconded by Rob Hatefi to approve the minutes of the May 26, 2022, Annual Meeting. The motion was approved.

### **Committee Reports**

#### Supervisory Committee

Billy Kane, Supervisory Committee Chair, reported for the Supervisory Committee. The Supervisory Committee has two primary responsibilities: (1) to ensure that the financial statements accurately and fairly present the financial condition of our credit union; and (2) to ensure that management practices and procedures safeguard the assets of our members. Supervisory Committee members coordinate the annual independent audit as well as periodic regulatory audits.

The Supervisory Committee engaged Nearman, Maynard, Vallez, CPAs, P.A. (Nearman) to perform the annual audit for the year ended December 31, 2022. The audit is being performed in accordance with the requirements of the National Credit Union Administration (NCUA), the federal regulatory agency, as well as the rules of the Georgia Department of Banking and Finance.

The results of the annual audit by Nearman has not yet been published since Nearman has just completed the annual audit. The summary results will be published on our website as soon as they are available and are verified by our Supervisory Committee.

In addition to coordinating the annual independent audit, the Supervisory Committee plays an integral role in responding to the NCUA's examinations. NCUA's examinations focus on the safety and soundness of the credit union's operations and its financial stability.

### **Chairman's Report**

Chairman Moore reflected and focused on providing highlights regarding the health of our credit union. First and foremost the credit union is financially well positioned. Several key takeaways from fiscal year 2022: Our

Net Worth Ratio is 11.72% (capital divided by assets): the higher the ratio, the more capital the credit union has to navigate challenging times. A ratio of 7% is considered well capitalized by National Credit Union Administration.

We continue to manage delinquencies to low levels through sound lending practices. In our most recent NCUA audit we received a composite rating of 2 on a scale of 1-5. Our score reflects the NCCUA's confidence in the way we run our credit union.

Providing financial solutions that make life easier for our members is one of our top priorities. We have continued to deliver new digital features – we have introduced Zelle; we installed two new ATMs at the Atlanta Office Complex; we added dedicated fraud prevention resources for debit, credit and ACH payments; and we refreshed our Digital Banking Platform with new online and mobile features. Underlying all our initiatives is our commitment to keeping your information and money safe from cyber-attacks and fraud.

If you have any ideas for improving our credit union, please contact anyone on the staff or the board. We are dedicated to earning your trust each and every day. Thanks for being a member.

As a reminder this presentation and our 2022 Financial Reports are all available for viewing on our website under the LEARN tab.

### **President's Report**

President Rob Hatefi reported that in 2023, it is expected the economic recovery will be rather slow. Inflation slowed to 7.7%, year over year, and the current inflation rate is forecasted at 4%. The supply side of the economy is working out issues in the supply chain, leading to a slowdown in inflation. The U.S. mortgage rate for a 30-year fixed rate is currently 7.0%, up dramatically from a low of 2.6% in December 2020. With anticipated adjustments to the 10-year treasury interest rate likely the mortgage rates will hover around 6% in 2023.

The biggest concern for credit unions is a liquidity shortage, meaning deposit growth is weak while loan growth is strong. In 2022 credit union loan growth was about 17-18%. Credit unions need deposit dollars to make loans and that has not been occurring. Mr. Hatefi reminded members that their deposits are protected by the National Credit Union Share Insurance Fund up to at least \$250,000 per individual depositor.

Our Credit Union experienced another successful and challenging year in 2022. As of year-end 2022, the credit union met and exceeded many of the key performance indicators. Capital grew to over 11.72%, asset quality continues to be excellent with loan delinquencies and charge-off at .32% and .19%, respectively. Return on assets was .54% or \$1,122,515; loan to share ratio was 89.65%. Share and loan growth slightly underperformed versus established goals, while member growth was level for the year. Assets remained at \$210M.

Your money is more than a series of transactions – it's an investment in a relationship and ownership in the Coca-Cola Credit Union. It's not only our scope of financial services that distinguishes us but it's the delivery of those services where we shine. Thank you for your support, partnership and business.

### **Election of Board Members**

Anita DeMyers reported for the Nominating Committee, consisting of Ms. DeMyers (chair), Paul Berkemeier and Carmen Gordon. Every year a number of board positions come up for election, due either to the expiration of their terms or resignations. Terms are expiring for five incumbent directors, all of whom are willing to continue to serve. The Nominating Committee has the responsibility to identify qualified candidates, willing to serve, to fill Board vacancies.

Earlier a Petition Letter was sent to all members identifying the committee's nominees and explaining how members could petition to run for an expiring board position. There were no additional petitions for nominees submitted by members. Therefore, the following were elected by acclamation to serve on the Board of Directors: Michael Gregorio, Sean Lee, William "Billy" Kane and Robin Moore, each for a three-year term, Devin McGuinness will serve for a two-year term.

**Old Business – None.**

**Questions -- None**

**New Business – None.**

In closing Ms. Moore thanked those attending for taking time out of their busy day to join us.

Ms. Moore reminded members that this annual meeting presentation and our 2022 Financial Reports are available for viewing on our credit union website under the LEARN tab.

**Adjournment**

There being no further business, the meeting was adjourned at 11:23.

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**Robin Moore**  
Chairman

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**Margaret Sherrod**  
Chief Recording Officer