

**SANDIA LABORATORY FEDERAL CREDIT UNION
MINUTES OF ANNUAL MEMBERSHIP MEETING
FEBRUARY 21, 2024; PRESENTED VIA WEBEX**

The 2024 Sandia Laboratory Federal Credit Union (SLFCU) Annual Meeting was called to order at 5:30 p.m. MT by C. Nilsen, Chairperson of the Board of Directors as a quorum had been confirmed. He thanked SLFCU members for their trust in the Credit Union for all of their financial needs as the organization celebrates 75 years of service. He stated that access to the Annual Meeting is being provided virtually to allow members to connect no matter where they are in the world. He additionally noted that an in-person viewing option was provided for those without internet access.

C. Nilsen informed members that if they experience video or audio lag due to personal internet connection, they may choose to listen to the audio by phone. The phone number and access code were provided, noting the call-in number will work in the U.S. or Canada only. Members may use Webex's Q&A panel to send any questions or comments during the meeting, and questions will be answered by an SLFCU representative by the end of this week. Additionally, the 2023 Annual Report is available for viewing on the SLFCU website at slfcu.org/AnnualReport. He stated a prize drawing will be held at the end of the meeting from all members who registered and are in attendance.

Approval of Minutes

C. Nilsen entertained a motion to approve the 2023 Annual Meeting minutes as written, as all present had received a copy via email prior to the meeting. BJ Jones moved to approve the 2023 Annual Meeting minutes as presented; John Granato seconded, and the motion carried.

Introductions

C. Nilsen introduced the members of SLFCU's Board of Directors, the Supervisory Committee, Associate Directors, Directors Emeriti, and Committee volunteers. He stated that the Supervisory Committee is mandated by law, and appointed by the Board of Directors, for the purpose of ensuring that fiduciary impropriety does not occur within the Credit Union. The Committee serves as a "watchdog" on behalf of the Board, management, and the membership. It is empowered by the Board to investigate and audit all facets of the Credit Union, and to proactively provide oversight in all areas of the Credit Union, in order to prevent potential illegal activity. C. Nilsen stated that volunteer roles are open to all SLFCU members, and encouraged any members interested in volunteering to visit slfcu.org/Board for information. He then turned the floor over to Stephanie Sherrodd, CEO.

CEO State of the Credit Union

S. Sherrodd expressed her gratitude to the members, employees, and volunteers who joined the meeting. She began by sharing the updated SLFCU purpose statement, "Redefining the Cooperative Spirit in Financial Services," as the cornerstone to the long-term organizational vision created by the Board and SLFCU Leadership. She discussed what being a cooperative spirit means to SLFCU and the anticipated impact to communities served, proactively impacting the financial lives of our members and taking every opportunity to share expertise and connect financial services and products. S. Sherrodd provided an overview of investments made in employees, member service, and technology over the past year, noting they are critical to ensuring the credit union is relevant and reliable to serve members in the future.

S. Sherrodd stated SLFCU now has more than 140,000 members and \$3.7 billion in assets. Despite challenges that tested the resilience of the financial industry nationwide, such as rising interest rates, potential government shutdowns, and the pressures of high inflation, SLFCU was ready to support members. She reviewed products that were offered and/or introduced over the last year, highlighting the Power Money Market Account, the FLEX Account, and the MEGA Certificate. She stated that SLFCU continues to expand lending in our communities, while keeping rates competitive, where others are scaling back. This enabled SLFCU members to finance more than 11,000 vehicles, 560 homes, 500 home equity lines of credit, and more than \$200 million in business loans this past year.

S. Sherrodd thanked all in attendance and reminded all that questions should be submitted via Webex's Q&A panel and will receive an answer by the end of this week. After a member experience video played, the membership heard from Mag Wangsuwana, CFO.

M. Wangsuwana reviewed the 2023 financials, beginning with an overview of the 2023 economy, calling attention to high inflation, rising interest rates, and multiple threats of a government shutdown. He stated that while other financial institutions are tightening their lending standards and slowing loan growth, SLFCU continues to prove its commitment to offering high-quality loans and attractive new savings products. This is another way SLFCU delivers its purpose of “Redefining the Cooperative spirit in financial services”. Highlights from that 2023 financial statements included an 10.50% net worth ratio, more than \$186 million in cash, and \$1.8 billion in available borrowing capacity. This allows SLFCU to withstand severe economic and financial shocks and still be in a position to lend to its members. In 2023, SLFCU’s total interest income was \$123.6 million dollars, an increase of 29% percent over 2022. This money is invested back into the Credit Union’s operations, allows higher-paying dividend rates on deposits, and helps create a healthy capital position that contributes to the overall safety and soundness of the Credit Union. Additionally, he reported more than \$296 million in vehicle loans, \$180 million in home loans to members, and more than \$244 million to businesses in the communities served by SLFCU. He reported almost \$27 million was paid back to members as dividends throughout the year, a significant increase over 2022 largely due to the enthusiastic response from members for new deposit products such as the Power Money Market Account, the FLEX Account, and the MEGA Certificate. In closing, he informed attendees that an in-depth look at the credit union’s financials is available on the SLFCU website. He then turned the floor over to C. Nilsen.

Board Election

C. Nilsen asked if there were any motions for new business to come before this meeting. There being none, he stated that in accordance with the NCUA & SLFCU Bylaws, a mail ballot and election were not necessary this year, as there were three candidates for three Board vacancies. The individuals who were nominated, and who are starting three-year terms, are Andrew Steele, R. Duff Lill, and Louis Griego. He thanked the Board of Directors, the Supervisory Committee, other members who have volunteered their services, and Credit Union staff for their efforts. C. Nilsen entertained a motion for adjournment. It was so moved by Muriel Lotto and seconded by Dan Cover; the motioned carried.

Announcement of Prizes

C. Nilsen announced the SLFCU members who were selected randomly for \$100 cash prizes that will be deposited into their savings accounts:

1. Marcos Abeyta
2. Elaine Candelaria
3. Elizabeth Carrell
4. Teresa Chavez
5. Myron Clark
6. Liliana Ramirez
7. Michelle Rodriguez
8. Ellen Webb
9. Tim Wolfe
10. Richard Hansen