

MEETING AGENDA

April 27, 2022 – 5:15 PM

WELCOME

Dan Berry, Chief Executive Officer

BUSINESS MEETING

Call to Order

Denise Motley, Chair, Board of Directors

Ascertainment of Quorum - Minimum of 15 members

Richard Alexander-Greene, Secretary, Board of Directors

Reading, Correction, Approval of Minutes of the 53rd Annual Membership Meeting

Richard Alexander-Greene, Secretary, Board of Directors

Reports of Officials

- Denise Motley, Chair, Board of Directors
- Mike Hennessy, Treasurer, Board of Directors
- Jennifer Sider, Director of Marketing, Member Advisory Council
- Dan Berry, CEO

Report of Supervisory Committee

John DeFore, Chair

Questions and Answers

Dan Berry, Chief Executive Officer

Unfinished Business

Elections

Richard Alexander-Greene, Chair, Nominating Committee

Adjournment



53RD ANNUAL MEETING

Duke University Federal Credit Union / April 28, 2021

The 53rd Annual Meeting of the members of Duke University Federal Credit Union was held via Zoom. Present were Board Members Denise Motley, Chair, Susan Creekmuir, Vice-Chair, Michael P. Hennessy, Treasurer, Richard Alexander-Greene, Secretary, J Alan Kendrick, Stephen Smith, Richard Biever, and Maureen Querey. The Supervisory Committee was represented by John DeFore, Jonathan Hoy, Joanna Rojas and Jessica Habecker. In addition, senior staff members present were Dan Berry, Mark Suggs, Jennifer Sider, Sophia Perry, Deborah Perkins-Futch, Keith Goeller, Jorge Hernandez, Shawn Stevens, and Janette Jones, Staff Assistant.

WELCOME

Mr. Berry welcomed everyone to Duke University Federal Credit Union's 53rd Annual Meeting. He explained the Zoom options of closed captioning, changing screen names and recording questions in chat. He also mentioned where this year's Annual Report and last year's Minutes could be found on the DUFCU website.

CALL TO ORDER

Chair, Denise Motley

Chair Denise Motley called the meeting to order at 5:20 p.m. Secretary Richard Alexander-Greene ascertained a quorum. Chair Motley requested a motion to approve the minutes of the 52nd Annual meeting. The motion was made, seconded and unanimously carried.

REPORT OF OFFICIALS

CHAIR'S REPORT

Chair, Denise Motley

Chair Motley welcomed everyone to Duke University Federal Credit Union's the 53rd Annual Meeting and introduced the members of the Board. She also recognized Fuqua School of Business students Joseph Kim and Sean Moore II.

Chair Motley spoke of Duke Credit Union's continued commitment to providing fair and affordable financial service to its members. She recognized the many losses caused by the pandemic, losses of family, friends, finances and, at times, hope. Ms. Motley identified the Board's intent to continue promoting its "people helping people" mission, as well as pursue diversity, equity and inclusion.

Ms. Motley spoke of Duke Credit Union's pride at remaining open and available throughout the pandemic. She noted the changes made to protect the health and safety of staff and members, such as an increased use of the Drive-through and visits managed by appointment. Staff observed health and safety protocols at all times and continue to do so. Duke Credit Union's proud Scholarship tradition also continues.

Ms. Motley reiterated the continued focus of Duke Credit Union would be the economic needs of its members. As the country moves toward a brighter future, it remains committed to helping members realize their dreams, today and tomorrow. Ms. Motley thanked the membership for their patronage and invited input on

how the Duke Credit Union might better assist them in the future.

TREASURER'S REPORT

Treasurer, Michael P. Hennessy

Mr. Hennessy spoke of Duke Credit Union's financial metrics. 2019 was a record year with a net income of \$1.4 million. The plummeting interest rates, however, resulted in a million dollar reduction of net income. Duke Credit Union loans were unable to generate the income they normally would. Costs remained the same and expenses were cut to a minimum. Despite this income remained healthy and services to members was not compromised.

Mr. Hennessy spoke of the financial effects of the pandemic on Duke Credit Union and all the banks and financial institutions throughout the country. With literally trillions of dollars of stimulus money making its way into the economy, an economy in which spending had been severely restricted, many were deleveraging their balance sheets by paying down debt and increasing savings. Under normal circumstances this would be a good thing but with lower interest rates, net worth dropped from 9.8% to 7.92%. Regardless, financial institutions with a percentage above 7% are still considered to be well-capitalized, as confirmed by Duke Credit Union's audit.

Mr. Hennessy explained how the lower 45% of the population had been severely affected by the pandemic and that the current recovery was k-shaped. The wealthy were recovering better than those working in the service industries and the unemployed. Duke University & Duke Health employees continue to be amongst the more fortunate but it has been particularly brutal for many other sectors of the population. As a result, there has been limited borrowing at this time. Duke Credit Union had a modest increase of \$8 million in loans, set at a very low interest rate and is doing what it can to maintain its service to members.

Mr. Hennessy recognized the uncertainty of the times to be unprecedented due to the nature of the pandemic crisis. All are hoping that the trillions of dollars of government stimulus money will get the economy back on its feet. Already, the employment situation is looking more robust but it will be the quality and sustainability of the jobs created that will determine the type of recovery to be expected. The yield curve is also affected by inflation. Duke Credit Union is hoping for a slow and steady increase in interest rates, as that would reflect a strengthening economy.

Mr. Hennessy concluded by saying Duke Credit Union is in good shape with a solid net worth, and continues to be committed to serving its members. He thanked the members of the Finance Committee, Ms. Querey, Mr. Alexander-Greene and Mr. Berry, CEO, for their work during a difficult year, as well as the Board, Supervisory Committee, management, staff and members.

53RD ANNUAL MEETING

MEMBER ADVISORY COUNCIL

Marketing Director, Ms. Jennifer Sider

Ms. Sider introduced the members of the Member Advisory Council, Rebecca Martin, Melanie Mitchell and Celeste Toombs. She thanked the Council for providing insights and suggestions on Duke Credit Union's products and services, and for making an impact. Ms. Sider is looking to recruit additional members in 2021 and beyond. She invited any interested members to contact the Duke Credit Union in the next month, via email or phone, for consideration. Council Members serve a two year term.

CEO REPORT

CEO, Dan Berry

Mr. Berry opened his report by reiterating that Duke University Federal Credit Union is an institution of "people helping people". He praised staff for their collective efforts throughout the year, with particular mention to the Management Team: Deborah Perkin-Futch, Member Services; Sophia Perry, Lending; Mark Suggs, Operations; Shawn Stevens, HR; Jennifer Sider, Marketing; Keith Goeller, IT; and Jorge Hernandez, Programing.

Mr. Berry reminded members that there were still a couple of days in which Duke Credit Union Scholarship applications could be submitted. He also mentioned the new and improved statements issued this month and the up-and-coming introduction of contactless cards. Due to pandemic delays, a rollout date for the latter has yet to be set. Cards will be issued as old cards expire unless special circumstances, such as travel, require instant issues. These will be provided at no charge.

Mr. Berry concluded by saying that Duke Credit Union does not know what the new normal will look like. The current environment, though good for the borrower, is not as good for those living on savings. Success, however, is not defined by Duke Credit Union's Board or management but by its members. DUCU remains committed to adapting to change, as need dictates, and continue to meet the moment.

SUPERVISORY COMMITTEE

Committee Chair, John DeFore

Mr. DeFore opened by thanking the other four members of the Supervisory Committee: Jessica Habecker, Jennifer McCallister, Jonathan Hoy and Joanna Rojas. He explained that the Supervisory Committee meets monthly and is charged with the supervision of the Duke Credit Union's regulatory and financial requirements.

Mr. DeFore added that the Supervisory Committee annually engages a CPA firm to conduct a financial audit. This audit is available on the Duke Credit Union's website. He explained that all credit unions also undergo Federal Regulatory Examinations. Duke Credit Union continues to satisfy its regulatory requirements, which he attributes to the daily efforts of its leadership and staff.

QUESTIONS & ANSWERS

Q: Will Duke Credit Union be offering the shredding services as it has offered in the past?

A: This service was cancelled due to the pandemic. It is hoped to be resumed in 2022, when social distancing protocols ease.

Q: Are the contactless cards to be debit cards, credit cards or both?

A: Contactless cards will be available for both debit and credit cards. ATM cards will likely continue to be magnetic strip cards until ATM machines catch up with this development.

Q: The Annual Report shows statistics for Teller transactions and Call Center calls. Are online transactions also tracked?

A: Duke Credit Union does not track email requests at this point.

Q: Your report shows that you gained 800 new members in 2020 despite the pandemic. How does this number compare with previous years?

A: A typical year would see 1200 new members. 800 is a surprisingly good number under the circumstances. It is hoped that this number will return to normal, and ultimately increase, as things continue to reopen.

Q: Now that we are all becoming more comfortable with Zoom Meetings, what are the plans for Duke Credit Union's Annual Meetings moving forward? A: The Hilton Garden Inn reservation for 2020 was moved to 2022 by which time it is hoped that things will have returned to normal. After this Annual Meeting has been held, the pros and cons of both formats will be discussed and decisions about the future of this event will be made.

UNFINISHED BUSINESS

None.

ELECTIONS

Secretary, Mr. Alexander-Greene – Elections Nominating Committee

Mr. Alexander-Greene introduced the Nominating Committee: Ms. Sue Creekmuir, Dr. J. Alan Kendrick and himself. He explained that the three nominees were existing Board members willing to renew for another three year term: Ms. Maureen (Mo) Querey, Mr. Richard Biever, and Mr. Stephen Smith. Their names were posted for a month, as required, for consideration by the membership.

Ms. Motley concluded that pursuant to the bylaws, and because there were no other petitioned candidates, the nominees were thereby reelected.

Chair Motley concluded by thanking everyone for participating in the 53rd Annual Meeting.

ADJOURN

Chair, Denise Motley

The meeting was adjourned at 5:57 p.m.

SUBMITTED BY

Denise Motley

Chair, Board of Directors

Richard Alexander-Greene

Secretary

Janette Jones

Staff Assistant

