

# 66th ANNUAL MEETING



## 2020 Annual Meeting Minutes



February 29, 2020

The annual meeting was called to order at 10:01 a.m. on February 29, 2020 at 2800 S. Woodlands Village Blvd., Flagstaff, AZ by Board Chair, John Winikka.

### Present

Management: Jennifer Harris, CEO, Katherine Escalera, CFO and Marlene Baca, COO.

Board Members: Mark Alexander, Gary Krcmarik, Michele Legg, Jeff Smith, Sixto Valdivia, and John Winikka. Additionally, a quorum of at least 15 members are present.

### Agenda

A Motion is made and seconded to approve the 2019 Annual Meeting Minutes. Motion passes unanimously.

Chairman, John Winikka draws attention to Supervisory Committee, President's, and Chairman of the Board's Reports.

Board members are introduced. Michele Legg and John Winikka are up for re-election. Gary Krcmarik calls for nominations. A Motion is made to re-elect John and Michele. A call is made three (3) additional times for any additional nominations for new board members. No new nominations are made. The motion to re-elect John and Michele is seconded and passes unanimously.

Chairman, John Winikka opens the floor to members. A member questions

the overall status of the credit union. Nationwide, there is a decrease in loans, but otherwise, the Credit Union has had a very positive year and outlook going forward. Another member questions ongoing goals. The Credit Union is always looking for new Board Members and new Supervisory Committee members. Additionally, the Credit Union continues involvement with community events and charities.

### Adjournment

Motion is made and seconded to adjourn at 10:20 am. Motion passes unanimously.

Michele Legg, Co-Secretary

## Meeting Agenda

- |  |   |
|--|---|
| 1. Call to Order                               | 4. Acknowledgement of the Officer's Reports |
| 2. Determination of Quorum                     | 5. Election                                 |
| 3. Approval of the 2020 Annual Meeting Minutes | 6. Door Prizes                              |
|  | 7. Adjournment                              |

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## Supervisory Committee Report



**“Your Credit Union is financially strong”**

The Supervisory Committee of Coconino Federal Credit Union works in conjunction with the Board of Directors to monitor and review the Credit Union’s accounting procedures and practices. Our aim is to ensure all fiscal operations are performed accurately and in compliance with appropriate rules and regulations. A member of the Supervisory Committee is also a member of the Board of Directors. To assist the Committee, we retained the services of CliftonLarsonAllen LLP (independent audit and accounting firm), to perform our annual statutory oversight procedures as of June 30, 2020. The agreed upon procedures are required by the National Credit Union Administration. The Supervisory Committee is pleased to report that your Credit Union is financially strong and its fiscal operations are in compliance with the Credit Union’s charter, federal regulations, and sound business practices.

Respectfully submitted,

Dennis K. Lavin  
Chairman

## President’s Report

*We are*

*“People*

*Helping*

*People”*

The challenges that came along with such a difficult year showed off that our commitment to our members . Our goal throughout the pandemic has been to continue to provide exceptional service to our members while ensuring their safety and the safety of our team. I want to recognize our amazing team, who eagerly stepped up to the challenges of 2020 and found innovative ways to serve our members.

As people lost their jobs or were furloughed, sometimes indefinitely, the credit union immediately stepped up to help our members and our community.

Offered small loans (\$200-\$1500) at 0% with deferred payments to help people pay rent and buy groceries.

Waived all Courtesy Pay fees for almost 3 months.

Liberally modified loans, skipped payments (no fees), and modified due dates, to prevent our member’s credit score from decreasing.

When a loan fell behind, we reached out to the member and offered our assistance, we wanted to make sure everyone knew were here to help!

Donated over \$20,500 to non-profits in our community, serving the needs of our community.

In 2020 we saw tremendous savings growth, people just weren’t spending money, which increased our assets at a record level.

Going forward, we have new and exciting projects in the works to benefit our members and give them the convenience they deserve.

As we look to the future there are still challenges ahead. You can rest assured that whatever comes our way Coconino Federal Credit Union will be here to serve our members and our community, we are “People Helping People”

Sincerely,

*Jennifer R Harris*



## Chairperson of the Board's Report

Dear Coconino Federal Credit Union owners:

To say that 2020 was a vastly different year is an understatement, and this is not likely the first time you have heard this. Our Credit Union, like many other organizations, faced unprecedented challenges and changes last year. Our whole society changed. We had to learn to do things differently, do things in remotely, socially distanced ways. Like tonight's meeting.

Returning to anything we can call normal has been a slow process, and normal will look different when we get there. During this progression, we are keeping the good changes and continuing to respond to new challenges. We are adapting to the new ways that our fellow owners communicate with us and how they use these new processes in our ever increasingly mobile society. We are learning how to maintain the flexibility we have while being even more mindful of new, almost daily, challenges can affect not only our credit union, but our whole world.

Your credit union continues to add and streamline technology to keep pace with changes. More than ever, our fellow owners use technology to do business with us remotely. We are always carefully looking for new ways to connect.

Over the last year, we experienced more competitiveness with loan pricing. We are responding by looking at ways to serve our members better by looking to add new loan products and better ways of refinancing their existing outside loans with the credit union.

In the year ahead, look for changes into these new areas of opportunity for our credit union. As a modest sized financial institution, we still face all the same regulatory challenges of entities many times our size. We need to expand not only just our membership numbers, but our services to those members as well, while maintaining the excellence required.

The board has gone through some changes too. While we said goodbye to Sixto, and longtime board member Michele, we have added the smiling new faces of Holly, Riley and even more recently, a new addition to our supervisory committee as well. We are excited about the new and increased participation from our members.

Your board of directors is responsible for providing oversight and direction. The supervisory committee provides direction and feedback to how our overall processes are working. Together those two bodies keep your credit union up to date with the ever-changing regulations and guidelines established by the NCUA – The National Credit Union Administration.

Finally, on behalf of the Board of Directors, I would like to express my sincerest thanks to the entire staff of Coconino Federal Credit Union for the dedication and extra efforts over this last year. Especially our CEO Jennifer Harris, and CFO Katherine Escalera.

We are all aware that you continue to choose our credit union over all the other financial partners that are available. We are proud that Coconino Federal Credit Union continues to be the only locally operated Credit Union in Flagstaff. Thank you for choosing Coconino Federal Credit Union.

Sincerely,

John Winikka



*“In the year ahead, look for changes into these new areas of opportunity for our credit union”*



# Coconino Federal Credit Union

## Statement of Financial Condition

	December 31	2019	2020
<b>ASSETS</b>			
Loans to Members	\$	53,042,574	\$ 46,670,572
Allowance for loan losses		(767,082)	(569,432)
Investments		19,898,662	38,215,023
Property and Equipment		2,170,633	2,029,632
Cash and Cash Equivalents		10,402,977	15,988,941
Other Assets		1,309,118	1,390,091
<b>Total Assets</b>	<b>\$</b>	<b>86,056,882</b>	<b>\$ 103,724,828</b>
<b>LIABILITIES</b>			
Accts Payable/Accrued Exp	\$	624,014	\$ 988,277
Members Share Accounts		77,060,455	93,628,749
Regular Reserve		1,614,110	1,614,110
Undivided Earnings		6,758,304	7,493,693
<b>Total Liabilities &amp; Members' Equity</b>	<b>\$</b>	<b>86,056,882</b>	<b>\$ 103,724,828</b>

## Statement of Income

	January 1 - December 31	2019	2020
<b>Income</b>			
Net Interest from Loans	\$	2,761,906	\$ 2,629,759
Investment Income		504,811	468,495
Other Income		1,565,776	1,378,732
<b>Total Income</b>		<b>4,832,492</b>	<b>4,476,986</b>
<b>Operating Expenses</b>			
Comp. & Employee Benefits		1,451,882	1,595,086
Office Occupancy		306,095	300,193
Office Operating Expenses		1,280,440	1,259,568
Other Expenses		371,176	378,989
<b>Total Operating Expenses</b>		<b>3,409,593</b>	<b>3,533,836</b>
Income before Dividends		1,422,899	943,151
Provision for Loan Losses		(426,150)	(18,300)
Dividends to Members		(225,488)	(199,560)
		771,262	725,290
Non-Operating Income		-	-
Gain on Investments/ Gain on Sale of Assets		(10,247)	10,099
<b>Total Net Income (Loss)</b>	<b>\$</b>	<b>761,014</b>	<b>\$ 735,389</b>

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