



**First Imperial Credit Union**  
**Annual Meeting Minutes**  
**May 13, 2020**

**Call to Order:**

The meeting was called to order at 6:02pm by Chairwoman Dr. Kathleen Lang.

**Determination of Quorum:**

Vice Chairman Chris Petree determined that there were enough members present to have a quorum. In person members were 13 and virtually 12.

**Flag Salute:**

Treasurer Josue Mercado led the flag salute.

**Invocation:**

Invocation was conducted by member Dr. Victor Jaime.

**Reading and approval or correction of minutes:**

Chairwoman Dr. Lang directed the audience to the 5/8/19 annual meeting minutes that were inserted in the annual report. There was no discussion and/or questions from the audience and Dr. Lang asked for a motion to approve. A motion to approve the minutes as presented was made by member Dr. Victor Jaime. Second by Vice Chairman Chris Petree. Chairwoman Dr. Lang declared the minutes as approved.

**Chairwoman Report:** Presented by Dr. Kathleen Lang.

Chairwoman Dr. Lang thanked the members for attending the annual meeting in person and virtually and for their continued support of FICU. She stated that it was an honor to have served as Chairwoman of the board for the last 12 months. She recognized the Directors present and thanked them for their dedication and support. She stated that as Directors they must always focus on the best interests of the membership as a whole. Credit unions are not-for-profit cooperatives designed to provide financial services to their member-owners. As such, the primary purpose of First Imperial Credit Union is to provide quality, low-cost financial services that the members need.

Dr. Lang stated that the key to the Credit Union's success over the last 78 years of business has been remaining true to the intrinsic value of people helping people. By leveraging services and with member-focused employees, the credit union has been able to set itself apart by focusing on member needs and the products that will help them thrive. 2019 saw a federal government shutdown and the credit union worked quickly to make sure affected members received the services they needed to move forward. The credit union funded 45 member assistance loans for \$133,000 and approved 48 loan deferrals.

Dr. Lang stated that the Board of Directors which is made up of seven volunteer members, instills a vision to create initiatives that will allow the management team and employees to focus on process efficiency, better products and most importantly member service. Through this guidance and diligent work, FICU was able to complete many strategic initiatives for 2019 which covered credit union growth, operational efficiency and effectiveness, and internal and external culture.

She stated that the credit union stands by the mission statement “To deliver quality, affordable financial services with an exceptional member-focused experience.” Staying true to the mission takes a great undertaking on behalf of the management team and employees, and maintaining this commitment to service, keeps members, employees and community at the forefront in order to retain and inspire loyalty.

In 2019, the credit union conducted a membership satisfaction survey, which resulted in FICU receiving a 65 Net Promoter Score, ranking significantly higher than the industry average of 47. The credit union now has nearly 20,000 members, 5 branches and more than \$120 million in assets, and FICU must remain in a sound financial position to effectively and resourcefully serve all members.

On behalf of the Board of Directors and the management team, Dr. Lang pledged to ensure a prosperous future for the credit union for many years to come and to do so with purpose and integrity. She thanked the membership for their continued support of the credit union. There were no questions from the audience.

**Treasurer report:** Presented by Josue Mercado.

Treasurer Mercado stated that First Imperial Credit Union remained financially strong in 2019. Mr. Mercado highlighted that total assets grew to \$127 million, deposits ended at \$110 million, and net loans ended at \$95 million. Membership grew to 19,300 and it continues to grow. Net income for the year was \$1,175,866 which gave FICU an ROA (return on assets) of 0.71%.

The Board of Directors and management team worked together closely to ensure the credit union remained well capitalized with a net worth to total asset ratio of 10.44%. He stated that overall, 2019 was a good financial year for First Imperial Credit Union. Member Mercado thanked the membership for the trust placed in First Imperial Credit Union and stated that he looks forward to being their financial partner for many years to come. There were no questions from the audience.

**Supervisory Committee Report:** Presented by Richard Morales.

Supervisory Committee Chairman Morales stated that the Supervisory Committee is responsible for ensuring that FICU's policies, procedures, and internal controls are being followed in order to protect the members' interests and Credit Union's overall assets. He stated that the 12/31/19 financials and audits were fair and accurate and they had been completed by the audit firm Turner, Warren, Hwang and Conrad. Mr. Morales stated that the credit union is safe and sound. There were no questions from the audience.

**President/CEO Report:** Presented by Fidel Gonzalez

Mr. Gonzalez thanked everyone for taking the time to attend the 78th annual meeting of members in person and virtually. He stated that these are tough times for many businesses and the economy is suffering due to the COVID-19 pandemic. However, the credit union is doing well and they continue to help members during this difficult time.

He stated that 2019 was a good year financially and the credit union had moderate growth. Loan growth for the year was 4.9%, deposits 4.6%, membership 4.9% and assets 3.8%. He referred the audience to page 7 of the annual report for additional statistics for new memberships, checking accounts, transactions, online banking users and website page views.

Mr. Gonzalez mentioned that some of the additional accomplishments and/or projects completed in 2019 were as follows: Installed two new ATMs (1 at IVC and 1 at El Centro branch), completed a core system analysis proposal, hired a Chief Operations Officer, upgraded employee benefits, changed collateral protection insurance (CPI) to a new program to reduce costs, established an ICOE foundation partnership, finished construction of the new Brawley branch with an ATM and a teller drive up, and lastly the California Department of Business Oversight (DBO) approved a membership expansion on 12/13/19 as follows: Individuals living, regularly working, regularly worshipping, or non-natural persons located within the following fourteen cities: Banning, Beaumont, Blythe, Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, Thermal and Thousand Palms, each within the County of Riverside, California.

The credit union continued their efforts to be involved in the community by donating time, money and resources to non-profits so they can continue helping those in need. Mr. Gonzalez referred the audience to page five of the annual report where it shows different activities that the credit union participated in. Lastly, the credit union contributed over \$46,000 to the community in donations.

Mr. Gonzalez gave an update on what the credit union had done to follow the COVID-19 guidelines set by the Center for Disease Control, Imperial County, and the State of California.

The management team worked on completing a pandemic business continuity plan that the Board approved at the March Board meeting. The plan was specific about actions that would be taken depending on staffing levels, number of positive Covid-19 cases in Imperial County, employees that test positive, and other actions that would be taken to protect employees and members.

One of the first things the credit union implemented was a Member assistance program to assist those members that were financially impacted. The program included a personal loan up to \$3000 with a 6% APR, loan deferments, loan workouts, and waiving early withdrawal penalties on CDs and saver accounts

Mr. Gonzalez stated that the credit union was following all the Center for Disease Control and County guidance for social distancing, disinfecting work areas and wearing face coverings. In addition, they installed Plexiglas at all branches for the protection of the members and employees. A member information link on the webpage was added so members would remain updated as changes were made. In addition, an appointment link was created for members that wanted to visit the lobby for non-teller transactions.

The Imperial Branch was temporarily closed because it is a three-person branch with no drive-up. Hours of service were reduced at branches and a maximum number of members in the lobby was established. Members were encouraged to use Online Banking, FICU Mobile, and eServices and/or reaching out to the Contact Center whenever possible. All these measures were taken to protect both the members and employees during this difficult time.

Mr. Gonzalez, thanked the Board of Directors for their leadership and support, Supervisory Committee for their audit oversight, and the Credit Union staff for their commitment, hard work and dedication. Lastly, he thanked the members for their patience with the COVID-19 changes, loyalty, and for choosing to partner with FICU for their financial needs. Mr. Gonzalez asked if there were any questions. There were no questions.

**Old Business:**

There was no old business.

**Unfinished business:**

There was no unfinished business.

**New Business other than elections:**

There was no new business.

**Election of Board of Directors:**

Vice Chairman Chris Petree stated that the nominating committee nominated Katie B. Luna and Victor Torres for a three-year term. Since there were no additional nominees, the nominees were elected by acclamation.


**Questions:**

Chairwoman Dr. Lang asked for any additional questions from the audience. No questions were received from the audience.

**Adjournment:**

A motion to adjourn was made by Vice Chairman Chris Petree and second by Treasurer Josue Mercado. The meeting was adjourned at 6:29 pm.

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Dr. Kathleen Lang, Chairwoman

6/25/2020

Date

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Michael Campbell, Secretary

6/25/2020

Date