



Smart For All

2023 ANNUAL MEETING

held at
102 Motor Parkway, Hauppauge, NY 11788 April 25, 2023

I. CALL TO ORDER

The meeting was called to order by Chairman Southerton at 6:00 p.m. Chairman Southerton designated Nicholas Campasano as Parliamentarian and Mim Stevenson-Vaiana as Recording Secretary of the Annual Meeting. He stated we had a sufficient number of members in attendance, live, in our Hauppauge office that he declared we had a Quorum.

- The Chairman introduced Teachers' Board of Directors
- The Chairman introduced Teachers' Director Emeritus and Director Emerita
- The Chairman introduced Teachers' Associate Board Members
- The Chairman introduced the President/CEO, Brad Calhoun
- The Chairman introduced Teachers' Supervisory Committee

II. APPROVAL OF MINUTES

Chairman Southerton stated the minutes from last year's annual meeting are attached to the agenda. He asked for a motion to dispense with the reading of the 2022 Annual Meeting Minutes and to adopt them, as presented.

A motion was made by K. Kaczmarek, duly seconded by M. Savino, to dispense with the reading of the 2022 Annual Meeting Minutes and are adopted, as presented.

MOTION CARRIED

III. CHAIRMAN'S REPORT

Chairman Southerton stated the Chairman's report has been submitted, distributed and is also available online in the Annual Report.

At this time, Chairman Southerton introduced Teachers Federal Credit Union's President/CEO, Brad Calhoun, who will now present the President's Report.

IV. PRESIDENT'S REPORT

Mr. Calhoun thanked Chairman Southerton and welcomed all to the 2023 Annual Meeting, especially those who are live streaming this event. He thanked everyone for making the time this evening to join us tonight. Mr. Calhoun stated the areas he will be

covering are the following items: Mission Statement; Teachers Guiding Principles, 2022 Accomplishments, and how we are looking to Enhance our Products & Services, Expanding our Reach; Supporting our Community, a Look into 2023, and what is ahead.

Mr. Calhoun stated the following: We are committed to providing the smartest guidance to help our members build a strong financial foundation today for a better tomorrow. We are here for our members to provide the guidance at every stage of their life so they have a stronger foundation for not just today, but for the future. 2022 marked 70 years of service and an organization that stood the test of time. We now stand as the top 25 largest credit union in the United States. We have \$2.5 billion in liquidity, are well capitalized, have a much-diversified balance sheet, and are member-owned. We are here to serve our members.

Our Guiding Principles are key and paramount to everything we do and how we run and operationalize the business to make sure that we are here for many years to come. We start to make sure we have the best frontline teammates. Everything we do for our employees is how we create that “Best Place to Work,” so not just leaders, but every individual plays a role in our culture and what we do to make this the “Best Place to Work.” We know it has a direct correlation into becoming the “Best Place to Bank.” We know that our members have choices, and we want to make sure they think of Teachers first. We are continuing to make strides in technology, how we serve you, the member service and all that goes into that behind the scenes to make sure we are recognized as the “Best Place to Bank.”

We are committed to building a strong community and this is not just Teachers Federal Credit Union, its every employee. Every employee contributes in many different ways. “Building an Operationally Sound Organization.” This is important that an organization is run in a safe and sound manner; managing our financials and making sure we are managing risk to protect this organization.

As a national open charter, building a solid foundation is about the look ahead. We cannot continue to grow, expand, and be a national organization if we are not investing in the tools, technology, the resources, and the people needed to make sure we are building a solid foundation to continue to scale and grow to take care of the members we have today as well as the members we look to add tomorrow.

Accomplishments – 70 years strong and celebrating 1952 to 2022 last year was a major milestone. Teachers stood the test of time, and continues to be just as strong as we have been in years past. We also welcomed 62,000 new members to the Teachers family. That has us over 440,000 plus members and growing. We continued our expansion as it relates to mortgage. We now lend in over 49 states. We helped 3,200 members get into either purchasing a home or refinancing to help them reach some of their financial goals. We also opened our first out-of-state branch in the Tampa region. Teachers was the first credit union to receive the Celent Model Bank of the Year award. It is a premier distinction of technology advancements in banking. We are continuing to invest in our membership in the organization, and bringing the right tools and technology to our members in a way that was recognized well beyond outside our membership, the Celent Model Bank of the Year acknowledging all that went into that and highlights this tremendous accomplishment. Forbes named Teachers “Best in State Credit Union.” Our people continue to get behind the credit union movement and they do that by supporting CULAC, our Credit Union Legislative Action Council, they continue to support how we protect the credit union movement, member-owned,

cooperate “People helping People.” We do that by not just serving our members, but we were number one in New York State in helping to contribute to CULAC thanks to our employees.

Continuing and supporting our community is something that I am proud about because it represents the whole team. We doubled what we collectively gave as an organization through our charitable giving, but what our employees were able to raise or contribute on their own, shows how much they care about the community they serve, \$550,000, and they volunteered their time totaling 2,300 hours of volunteer hours throughout the community and its making an impact. We were the first ever-presenting sponsor for American Cancer Society and Making Strides Against Breast Cancer and raising a record of \$120,000. Supporting over 100 organizations and over 110 volunteer events that the team was able to support throughout last year. Helping our future through college scholarships, we had a number of high school seniors that were here last year, and we were able to celebrate and recognize them with a scholarship. \$32,500 went to help support them with their college endeavors. We also highlighted our second year, and we are in our midst of our third year of our annual Teacher Appreciation Week. We are looking for people to go out and vote. The message is live on our landing page and through social media, and this recognizes a number of Teachers across a number of states as well as recognizes last year with 12 different classrooms with educator grants.

Looking ahead to 2023. In 2023, it really comes down to the path we have been on. We are continuing to expand and grow. To do that, we have to further invest in our delivery channels, importantly our digital channels and mobile banking. We have an ongoing effort to continue that financial education to our members. Most importantly, we continue to focus on our members and return value to our membership on how we serve our members. The reason we are here is due to our members, and we will make sure we raise the bar in 2023.

Chairman Southerton thanked Mr. Calhoun.

At this time, Chairman Southerton introduced Teachers Federal Credit Union’s Treasurer, Mr. Juan Nuñez, who will now present the Treasurer’s Report.

V. TREASURER’S REPORT

Mr. Nuñez stated he is happy to be here and will be giving a brief synopsis of the financial condition of the year that has past as of December 31, 2022. No doubt, 2022 for everyone here has been challenging and has been a very difficult business environment for everybody. Fortunately, the credit union has succeeded in being not only strong, but also in growing. As you know, the Federal Reserve has increased interest rates multiple times throughout the year to the tune of about 400 basis points over a 12-month period. Despite that, Teachers has grown. Our total assets grew to \$9.3 billion, our loan demand of \$6.2 billion, our membership increased to more than 440,000 members, and member share deposits ended the year at a solid \$7.8 billion. Teachers paid out \$56.1 million dollars to members through the savings accounts, CDs and money market accounts. Ending the year, the net income for the organization was \$74.5 million, return on assets was .84%, and our net growth ratio was 10.12%. This reflects that the organization is in a very strong financial position, highly liquid and in a healthy condition. Teachers is well capitalized and maintains a strong liquidity position, and as such, we were able to deliver services to the membership in a positive way. If you need to see more financial information, the financial statements are in the Annual Report.

Chairman Southerton thanked Mr. Nuñez.

At this time, Chairman Southerton introduced Teachers Federal Credit Union's Supervisory Committee Chairman, Mr. Mark Israel, who will now present the Supervisory Committee Report.

VI. SUPERVISORY COMMITTEE REPORT

Mr. Israel stated the Supervisory Committee is responsible for ensuring the credit union's financial records are in order and controls are in place that allow Teachers to manage and mitigate any and all potential risks. The responsibilities of the Supervisory Committee also include:

- Ensure that the credit union is in full compliance with NCUA on all relevant laws and regulations.
- Ensure that a complete and thorough audit of the credit union's records and operations, including verification of member loans and share accounts, is conducted at least once a year.
- Ensure that all necessary written audits and work papers are submitted to regulatory agencies in a timely fashion.
- Ensure that adequate internal controls are established and effectively maintained to safeguard the credit union's assets.

I am very pleased to report that Teachers has once again continued its high standard of compliance. The balance sheets and related statements of income are presented accurately. Members can rest assured the credit union's financial performance and operations are regularly evaluated for continued safety and soundness. The Committee would like to thank Mr. Thomas Comiskey and the Internal Audit Department staff for their professionalism, commitment, and diligence. We wish to express our appreciation to the Board of Directors, Teachers executive team, and staff for their continued cooperation and support. We look forward to the pleasure of serving you in 2023.

Chairman Southerton thanked Mr. Israel.

VII. UNFINISHED BUSINESS

Chairman Southerton asked if there was any unfinished business. There was no unfinished business.

VIII. NEW BUSINESS

Chairman Southerton asked if there was any new business. There was no new business.

IX. ELECTION RESULTS

Chairman Southerton stated that nominees for positions on the board are: George Dornhoefer, Michael Masse, and Shalei Simms. He stated, as there are three nominees for the three open positions. He asked for a motion to have Secretary Simms cast one vote in support of each of the three (3) aforementioned nominees.

A motion was made by D. McGlone, duly seconded by M. Savino, to have Secretary Simms cast one ballot for each of the three (3) aforementioned nominees.

X. QUESTIONS AND COMMENTS

None.

XI. ADJOURNMENT

Chairman Southerton stated, without objection, for a motion to adjourn this meeting.

A motion was made by F. Collins, duly seconded by A. DePascale, for adjournment of the meeting at 6:24 p.m.

MOTION CARRIED

Timothy M. Southerton, Chairman

Shalei V.K. Simms, Secretary