



82nd Annual Meeting
600 Sable Oaks, S. Portland, ME
May 9, 2023

Board Chair Tom Perkins called the 82nd Annual Meeting to order at 4:33 pm.

He stated that we needed 15 members present to constitute a quorum and declared that we had a quorum. Approximately 30 members attended this year's annual meeting both in person and virtually.

Chair Perkins explained the purpose of the meeting per Atlantic Bylaws, to provide the membership an opportunity to connect with the Board and leadership, receive an overview of the prior year's financial performance, as well as a forward look of proposed activities in the Atlantic Strategic Plan. Secretary Lisa Labbay called the roll of volunteer officials and Honorary Directors. Chair Perkins also provided a brief overview of the meeting agenda and reminded all attendees that Atlantic's Financial details can be found in the Atlantic Annual Report. A link to the report is included in the email confirmation for this meeting.

Vice Chair Lisa Labbay called the roll of Volunteer officials:

BOARD OF DIRECTORS:

Chair:	Tom Perkins
Vice Chair:	Lisa Labbay
Treasurer/Secretary:	Jim McKay
Director:	John Anagnostis
Director:	Howard Dupee
Director:	Larry Littlefield

SUPERVISORY COMMITTEE:

Chair:	Rob Glenn
Secretary:	Ethan Minton
Member:	Mike Kucsma
Member:	Hannah Hauser

Each Board Member gave a brief introduction of themselves and spoke to their involvement in other areas of the organization. Littlefield conducted the election of the Board of Directors. The general membership submitted no applications; therefore, Howard Dupee and Todd Alexander were nominated for three years, for which they agreed to serve. Secretary Jim McKay moved to cast one ballot for each to serve on the board for a 3-year term. Vice Chair Lisa Labbay provided a second to the motion. Chair Perkins announced it had passed, thanked them for their service, and discharged the committee.

Chair Perkins welcomed Supervisory Committee Chair Robert Glenn to provide the Report of the Supervisory Committee.

SUPERVISORY COMMITTEE REPORT:

Chair Rob Glenn spoke to a busy and successful 2022 for the Supervisory Committee, and the safety & soundness reviews conducted. Auditors from WipFli, a public accounting firm, conducted an annual financial statement audit of our credit union as of December 31, 2021, and as of December 31, 2022. Both audits were accomplished based on generally accepted auditing standards for credit unions as prescribed by the National Credit Union Administration. The audit includes tests of the accounting records and audit procedures considered necessary for the period under review and no material weaknesses noted.

Javier Silva, Federal Examiner for the National Credit Union Administration, our regulatory agency, examined our credit union as of June 30, 2022. The final report was very favorable with no major areas of concern noted by the examiner.

Chair Glenn spoke to the responsibility of the Committee, which is to ensure all required financial reporting objectives are met, and to establish and maintain practices and procedures sufficient to safeguard members' assets. Meeting monthly with Atlantic Internal Auditor Kathy Simoneau, the Supervisory Committee has been focused on the execution and review of independent external audits, our own internal audits, an audit of Atlantic's 401(K) program, IT security, the NCUA exam field work conducted in the Fall of 2022 and the process of writing and establishing a new Supervisory Committee Policy.

With a thank you to the Supervisory Committee for their work through the year, a well wish to departing Committee member Cathy Holt, and a welcome to new Committee member Hannah Hauser, Chair Glenn ended the Supervisory Committee Report.

CHAIR REMARKS:

Chair Tom Perkins reminded the attendees that the minutes were provided in advance of the meeting via a link in the confirmation email sent, thus a reading had been suspended. He then instructed that any questions be asked via the Q&A section on the screen.

Perkins reminded attendees of the fundamental role of the Board, to ensure the Credit Union maintains its sound financial condition, protect member deposits, and serve as a voice of the membership.

Perkins talked about the milestone of Atlantic becoming Maine's first credit union with over \$1 billion in assets last year. With more than forty-eight hundred credit unions nationwide, less than 9% have assets greater than one billion. This is important not because of the sheer size of the assets, but because it provides additional security to help support our members with better services and better rates for deposits and for loans. With that, we must also be equipped to invest in technology, security, and staffing. He highlighted growth in the IT Department and the creation of a new Fraud Department in 2022.

Perkins spoke to Board experience, and development through the year in Cybersecurity training, Bank Secrecy Act training, attendance at the Maine Credit Union League Convention, Maine Credit Union League Volunteers conference and CUNA Governmental Affairs Conference. Additionally, Strategic planning discussions with the Board centered on a presentation by Mike Higgins, the principal of Mike Higgins and Associates, that spoke about the importance of having cooperative clout by providing member value and maintaining strong operational muscle. Perkins also highlighted the approval of new Member Bylaws, created a Directorship Policy updating the roles of the board, resetting expectations, along with highlighting the importance of education, integrity, structure, engagement and financial responsibility.

Perkins thanked Atlantic Senior Leadership, managers, and staff for their dedication to the credit union's continued success.

Perkins then welcomed Atlantic President and CEO Scott Chretien to provide his report.

CEO REMARKS:

CEO Scott Chretien spoke to growth and the intent of York County Federal Credit Union and Atlantic Federal Credit Union when merging in 2019, being Stronger Together. Both organizations' Boards and Senior leadership clearly understood that our future path to success would require strength in numbers.

Chretien pointed out pandemic conditions in 2020-2021 which caused the Fed to pump money into the system to keep the economy running. As inflation caught hold in 2022, the Fed decided to slow the economic engine. Rates first increased in March of last year. Then again, in May, June, and July, and it continued with ten rate

hikes as of May, 2023. Entering this new economic period, Atlantic is well positioned to help our members find success on their financial journey. Our financial strength has allowed us to open a new Branch in Westbrook and help more people. Our technology investment in 2020 for Video Banking, 2021 for a new Digital banking platform and 2022 for Video Tellers in our drive throughs has provided extraordinary convenience for our members.

Chretien spoke to Silicon Valley Bank and their deposit risk. At the end of 2022, 97% of their deposits were not insured by the FDIC. They were an FI specializing in tech and venture capital money. He shared that at the end of 2022, 98% of Atlantic deposits were and continue to be insured. And we specialize in serving the people of Maine in our branch communities. Member deposits are loaned to our members and our business members. As I have often stated to our staff, it is good to be Atlantic.

CEO Scott Chretien stated that the total assets of Atlantic Federal Credit Union ended the year at \$1.049 billion, and that loan growth increased by 16.5%, with \$106.1 million net dollars in loan growth in 2022. Atlantic's deposit growth was 1.2% which translates into \$894.6 million. Total dividends paid to members in 2022 exceeded \$3.8 million and include Atlantic Kasasa members sharing cash rewards of over \$1.9 million. The capital to asset ratio remains strong at 10.05%. Regulators consider a well-capitalized credit union to maintain at least 7% of a capital position.

Chretien stated Atlantic received a Certificate of Excellence from the Credit Union National Association, which highlighted how Atlantic, when compared to banks, provides \$14.7 million in direct financial benefits to its members.

Chretien mentioned that whether you come to the branch, call us on the phone, video chat, text us, email us, message us on Facebook, or self-serve on our website and via digital banking, we want to make sure you find Atlantic fast, easy, and accessible. While digital is the future of convenience, the Credit Union does not overlook the significance of the human connection. We have high tech, but we also provide high touch.

Chretien thanked attendees and shared appreciation for their membership.

Chretien then introduced Beth Nyberg for Fraud Department Remarks.

FRAUD DEPARTMENT REMARKS:

Beth Nyberg, Fraud Lead for Atlantic, spoke to fraud scams witnessed recently, to include the Felony Lane Gang, romance scams, fraudulent bank checks, Microsoft link scam and large cash withdrawal and panic scams. Nyberg spoke to steps being taken by Atlantic to mitigate these scams by growing the Fraud Department, providing more training for staff, and an increased check hold policy. She shared that \$892,000 in losses have been prevented for members.

Finally, Nyberg provided basic tips to members to educate and diminish opportunities for fraud to impact individuals.

Nyberg then ceded back to Chair Perkins, who reminded attendees of the Q&A section. He stated that an email with a link to the recording will be sent to all who signed up to attend the meeting.

A motion to adjourn was made. The motion passed, and the meeting was adjourned at 5:00 pm.

Respectfully Submitted:
James McKay, Treasurer/Secretary

Attest:
Tom Perkins, Chair