



Watsonville Hospital Federal Credit Union

March 13, 2023

Dear Valued Member-owners,

As you are undoubtedly aware, your credit union has been operating under rather adverse conditions for the last few years. We have not been immune to the effects of COVID-19 nor the "Great Resignation". Our staff turnover has been, frankly, unacceptable.

These circumstances have been difficult for all of you, and your volunteer Board of Directors, volunteer Supervisory Committee, and our recently hired management team want to sincerely thank you for your patience. We want to assure you we are taking the necessary steps to deliver the skillful and professional member service experience you deserve, but we humbly request your continued patience as the plans we are implementing now start to materialize.

First, we have entered into a management agreement with another local credit union and their Chief Executive Officer, Pete S. Meza, is now managing our credit union. Pete has over 27 years' experience and his expertise will benefit all of us immediately. Pete and his team will oversee recruiting, hiring, training and supervising our CU team as we rebuild. His Lending Manager, Manuel Lopez, is already assisting some of you with your loan requests while long time employee Georgia Crouse is out of the office for personal reasons.

Second, we are in the process of addressing some weaknesses in our operation that have caused issues with online banking, debit cards and title activity to name a few. Pete is already implementing procedures and training to ensure we are more responsive to your requests.

Third, we are in the process of recruiting more volunteers from our membership for Board of Directors and Supervisory Committee roles. Please reach out to the CU staff if you'd like to learn more about those roles and help this CU thrive for many more decades to come.

Lastly, if you have any suggestions, comments, or questions for our new CEO, please email him at PMeza@WaHFCU.com.

We are grateful for your continued support and membership.

Jacqueline Fernandez, Board Chair

Pete Meza, Chief Executive Officer

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