



Executive Committee Meeting Minutes

Meeting Date: January 13, 2015

Meeting Location: Financial Edge Community Credit Union, Bay City, Michigan

Members Present: Dave Cibulka, Jeremy Coberley, Jenny Hoyle, Gerald Hutto, Missey Kelly, Vickie Schmitzer (proxy-Dana Reif), Jan Shaffer, H. Vance Vargo, Alan Watson, Bernard Williams, and Barbara Weiler

Members Absent (all excused): Eric Brubaker Rita Goul, Dennis Hanson, Bridget Looby, Lynn McCoy, Ann Russell

Guests Present: Barb Appold, District Director Tim Benecke, Stephanie Klocinski (MCUL), Dana Reif, Penny St. Cyr (Strategic Income Solutions), Melinda Spada (Alloya Corp FCU), Greg Wischmeyer (NMS)

Vice Chairperson Alan Watson called the meeting to order at 8:35 a.m. The group asked Alan to give Bridget their congratulations and best wishes on her recent marriage.

Minutes

The Minutes of the November 11, 2014 Executive Committee meeting were distributed by e-mail. Bernie Williams made a motion to approve the Minutes as presented, Tim Benecke supported the motion. Motion carried by unanimous vote.

Treasurer's Report

Dennis Hanson was unable to attend. Alan Watson distributed copies of the Treasurer's Report. He noted that \$1.27i in dividends was the only item received and the Legislative Breakfast invoice for \$911.77 was the only expense. The ending balance was \$5,230.01. Jenny Hoyle made a motion to approve the Treasurer's Report; Jeremy Coberley supported the motion. Motion carried by unanimous vote.

Chairman's Report

There was no report.

District Director's Report

District Director Tim Benecke reported that the MCUL Board met the first week of December and took the following actions:

- Accepted the 2015 Strategic Plan
- Accepted the 2015 budget, which included a 50% dues rebate
- Approved \$2.8 million to ASFM for CU Link and supplemental advertising
- Approved \$20,000 for an inaugural event sponsorship for Gov. Snyder, Lt. Gov. Calley, and Attorney General Bill Schuette

- Approved a name change for the Jackson Chapter to So MI Chapter (Southern Michigan)
- Approved 2014 MCUL Awards
- Tabled Governance Task Force recommendations:

Tim noted that several recommendations were made, but he voiced concern over the proposed elimination of the Alternate District Director position. The proposal was that for districts with one chapter, the chapter chair could vote in the absence of the District Director. In districts with two chapters, the chapter chair of the chapter the director does not originate from could vote in place of the director. He said it takes some time attending meetings to know what's going on at the MCUL, and it would be hard for a chapter chair to step in and vote on an issue. He said he wasn't sure what the GTF's motivation was for this proposal. Stephanie Klocinski added that the typical MCUL Board packet is 500-700 pages, which makes it difficult for someone to just step in and know what's going on. There was a suggestion that the board meetings be open, which could help.

The group discussed this and agreed with Tim that it would be difficult for someone who doesn't attend the MCUL Board meetings regularly to understand the issues and cast a vote. They agreed by consensus that a "no" vote should be cast on this proposal.

Committee Reports

Education

Alan Watson notes that there is some interest in doing events in connection with the STEM program/STEM Bus in the fall.

Legislative Representative

Dana Reif reported that our chapter raised over 100% of the federal and state PAC goals, raising 179% and 176% respectively. Thirteen chapter credit unions achieved their federal PAC goal and 12 achieved their state goal.

She reminded everyone of the CUNA GAC, which will be held March 8-12, 2015 and the Michigan GAC, which is scheduled for April 21-22, 2015.

She asked about dates for the Legislative Breakfasts, normally held on a Monday in May and October. We selected May 18 and October 19. She'll check the dates and report back.

Partner Reports

MCUL Relationship Manager

Stephanie Klocinski reported that there are 275 credit unions and 269 are affiliated with the MCUL (97.8%).

She noted that the MCUL is taking over the MCUF scholarship fund, and there are a variety of scholarships available. Any credit union under \$10 million in assets or any credit union under \$100 million with a negative ROA or less than 8% net worth is eligible for a scholarship for professional development.

She said the dues invoices have been mailed to the CEOs and accounts will be debited on January 31, 2015. Contributions for the CU Link campaign, MCUF, and Funds for a Stronger Financial Michigan must be mailed

separately. There was a suggestion that the MCUL stop adding bullets to the dues invoice because it makes it more complicated-one invoice for all items would be preferred. She replied that it is done that way because the other contributions are optional, so participation is not mandatory.

She noted that the Save to Win program was featured in a CU Times article.

She added that CU Solutions Group will have 2 CFPB training checkup sessions. They have also launched a new product in partnership with the Auto Financial Group, it is an auto financing alternative called "DrivingSense". She is interested in doing a "lunch and learn" type program on this new product if we are interested.

She noted that the Lending & Marketing Conference was coming up Feb 11-12, as well as the Compliance Conference on Feb. 12-13, both at MotorCity Casino in Detroit.

There was some discussion about the "lunch and learn" session for the "DrivingSense" product. She said that 10-12 people from approximately 8 credit unions would be good. Alan said to let him know and he'll let Stephanie know of the level of interest.

She also announced that Cara Kurtz had a baby boy on Dec. 22; mother and baby are doing well.

Alloya Corporate FCU Representative

Melinda Spada distributed copies of the January 2015 Update publication. She noted that the next session on CU Wallet will be on January 13 & 14, and Alloya will be hosting an Executive Education Symposium in September in Chicago. Bernie Williams commented that he's been very impressed with Alloya's management team throughout the merger between CenCorp and Alloya, and he expects the merger with Sun Corp to go as smoothly.

CUNA Mutual Representative

There was no report.

Neighborhood Mortgage

Greg Wischmeyer announced that NMS has reached \$1 billion in mortgages, so they now have more leverage with FNMA. He said that FNMA has revisited the 97% PMI loan. FHA has a non-cancellable premium which is not attractive to members. He added that rates are projected to stay low so refinances may increase. Purchases remain strong, and second mortgages are increasing.

Strategic Income Solutions

Penny St. Cyr said her company serves 17 credit unions in 12 states and offers a variety of solutions to credit unions, including identity theft. She noted that offering a free FICO score to your members is a good step, but her company has programs that allow you to do more.

Cooperative Advertising/CU Link Update

Community Reinvestment Initiative

There was no report.

Old Business

MCUL Governance Task Force

Stephanie explained how the MCUL voting works. There are two classes of members: corporate members and individual members. Each credit union has a certain number of votes, for a total of 34,000 statewide. The Task Force is looking at updating the voting structure and possibly changing it from the present structure which is geographically based. No decisions have been made yet.

Planning Session Recap

Alan Watson reported that the Planning Session was held early in December and discussed the following:

- Chapter leader training-Stephanie said the MCUL will probably bring back a chapter leader session.
- Chapter annual meeting and regular chapter meetings-how to get more people involved
- CUNA GAC scholarships and how to promote these
- Chapter visibility-IMPACT Saginaw, social media
- Firming up committees and their responsibilities

Stephanie responded to a question about how other chapters function, saying that some have committees that have specific functions-legislative, golf, education, annual meeting, rather than just one person handling things. She also shared what some other chapters do for an employee appreciation night: dinner, bingo, casino night, prizes, etc. where each credit unions pays for the employees to attend. She said it's a good way to give the staff an opportunity to network and to introduce the concept of the "chapter" to them. She added that we need to have some succession for chapter leaders so this would be a fun way to introduce them to the idea. Bernie commented that we'd want to keep the costs reasonable so smaller credit unions can send people, and a suggestion was made that perhaps the chapter could assist with costs. Stephanie said the Jackson Chapter charges \$25/person and there is a cash bar. Missey Kelly noted that her staff don't have many opportunities to network with others so they'd enjoy being able to. Discussion followed as to timing of such an event. We'll discuss again at the next meeting.

New Business

Chapter Annual Meeting

Todd Adams will be our speaker, but he is available April 28, but not in March because of the upcoming merger. Alan will check with Horizons on available dates.

We need a Nominating Committee. Jan Shaffer read the names of people who are eligible to serve. Bernie Williams, Missey Kelly and Jan Shaffer will serve on the committee. Missey Kelly and Bernie Williams will co-chair.

Annual Convention & Exposition

Alan Watson noted that there will be a 5K Walk/Run during the AC&E as an additional fundraiser. Perhaps the chapter will be able to help with this. More information will follow. This year's event will be in Traverse City June 5-7.

Open Forum

MCULAF 50/50 Drawing

The 50/50 drawing was held.

Next Meeting

The next meeting will be on Tuesday, March 17, 2015 at 8:30 a.m. at Members First CU in Midland.

We decided to have the May meeting immediately following the Legislative Breakfast, if possible. We typically skip the July meeting, and Gerald Hutto from Team One CU offered to host the September 8 meeting. We will meet on November 10 at Wildfire CU, and on January 12, 2016 at United Financial CU.

Vice Chairperson Alan Watson adjourned the meeting at 9:49 a.m.

Respectfully Submitted,

Janis L. Shaffer, Secretary