



Executive Committee Meeting Minutes

Meeting Date: November 11, 2015

Meeting Location: Wildfire Credit Union, Saginaw, Michigan

Members Present: Dave Cibulka, Jeremy Coberley, Rita Goul, Jenny Hoyle, Gerry Hutto, Lynn McCoy, Ann Russell, Jan Shaffer, Bridget Staffileno, Vickie Schmitzer, Alan Watson, Barbara Weiler, Bernard Williams

Members Absent: Eric Brubaker (E) Linda Doan, Dennis Hanson (E), Missey Kelly, H. Vance Vargo,

Guests Present: District Director Tim Benecke, Alycia Bye, Greg Dietrich, Cara Kurtz (MCUL), Melinda Spada (Alloya Corp FCU), Amanda Tuckey (MCUL)

Chairperson Bridget Staffileno called the meeting to order at 8:35 a.m.

Minutes

The Minutes of the September 8, 2015 Executive Committee meeting were distributed by e-mail. Dave Cibulka made a motion to approve the Minutes as presented; Jenny Hoyle supported the motion. Motion carried by unanimous vote.

Treasurer's Report

Jenny Hoyle had distributed copies of the Treasurer's Report by email. She reported receipts of \$1,320.85 from the Legislative Breakfast, 50/50 raffle and \$0.85 in dividends. She reported expenses of \$1,194.43 related to the Legislative Breakfast and a donation to MCULLAF. The ending balance was \$3,531.35.

Jan Shaffer made a motion to approve the Treasurer's Report as presented; Ann Russell supported the motion. Motion carried by unanimous vote.

Chairman's Report

Bridget noted that she attended a luncheon featuring a representative from the Michigan Foundation, who spoke on the power of storytelling. She said that stories were also a theme at the Credit Union Executive Summit. Stories can inspire people and create pictures or visions of possibilities. She said we need to tell our stories, or someone else will.

She reported that she and Jan Shaffer attended the Chapter Leaders Retreat, which was a short but information packed event, featuring areas of focus for chapters. These areas included: promoting financial literacy, which we plan to do by hosting a "reality fair" at the White Pine Middle School in March 2016. Another area is to share information on educational events we are planning. She noted that Ken Ross spoke on the lower attendance at the A&E when it is held in Detroit, which it will be in 2016 (June 9-11). She said a lot of good things are in the works for the conference, so people should plan to attend.

Political involvement is another area stressed. The CUNA GAC, MI GAC, and PAC fundraising all provide opportunities for credit unions to get involved. She thanked the MCUL for hosting this event. She noted that she submitted an application for the "Chapter Effectiveness Award".

She recognized Ann Russell from United Bay Community CU, noting that the credit union was selected as the winner of the \$10,000 October “Share the Love” campaign. The credit union selected the Ronald McDonald House of Ann Arbor as their charity recipient.

She noted that IMPACT Saginaw will host the movie “Frozen” at the Temple Theatre at the end of November and the PRIDE annual event will also be near the end of November.

District Director’s Report

District Director Tim Benecke reported that the MCUL Board met in September at Bay Harbor. In response to a CUNA Board decision to retain dual membership, the MCUL Board decided to allow Michigan credit unions the choice of membership in MCUL, CUNA, or both. The Board’s hope is that the choice will allow credit unions to join the association with which they align. He asked for feedback on this decision. Several comments were shared favoring the choice, but there was a comment wondering if the dilution of dual membership could have an adverse effect in the long run. Tim noted that next year Michigan credit unions will be able to join CUNA without joining the MCUL, so we’ll have to wait to see the results of the choice.

Committee Reports

Education

Chairperson Staffileno noted that Sandeep Kapur will be in Frankenmuth in February for a session; she is working on the venue.

Legislative Representative

Barb Appold was unable to attend, so Alternate Greg Dietrich read her report, which follows. “It has been a very busy couple of months for the Mid-Michigan credit unions on the legislative advocacy front.

This Year’s Hike the Hill was held on September 29-30 in Washington DC. Topics for discussion included data breach liability, regulatory burden, member business lending and the credit union tax exemption. We had the opportunity to participate in meetings with NCUA Chairman Debbie Matz and her staff about the agency’s revised risk-based capitol proposal and small changes CU’s would like to see made prior to a final rule being issued. Chairman Matz also discussed field of membership expansion and the working group that NCUA has assigned to this topic. She said NCUA does not plan to amend the FOM statute and the agency is planning several workable amendments to enable federally chartered credit unions greater opportunity to expand their fields of membership beyond what is allowed in the current statute. A group of Michigan leaders also met via video conference with NCUA Board Member J. Mark McWatters, as well as with his senior policy advisor, Sarah Vega, to discuss FOM expansion for federally chartered credit unions and the risk-based capital rule. Finally, Michigan’s CU delegation met with representatives from the CFPB’s office of Financial Institutions for a favorable discussion regarding the impact of potential overdraft regulation on credit unions. We all shared stories of how overdraft protection can actually benefit our members if given proper education and information on the service.

The MCUL and Affiliates ‘Capitol Day’ was held on Wednesday, October 13th at the House Office Building near the State Capitol in Lansing. Approximately 75 credit union officials were on hand to greet more than 160 lawmakers and staff who attended the luncheon. Capitol Day, which happens twice a year, is one very important way that credit union leaders strengthen their relationships with lawmakers while promoting MCUL’s advocacy efforts. There was much talk about the proposed revisions to the Michigan Credit Union Act and how those changes would benefit credit unions and their members and strengthen the states charter.

We had over 60 credit union participants attend our chapter’s legislative breakfast on October 18th at the Horizon’s Conference Center. We appreciate everybody’s attendance at these events, as we know it can be a very busy time for everybody.

Good news, our chapter has met both our Federal and State PAC fundraising goals, with 124% of our Federal goal and 150% of our State goal. Seven mid-Michigan credit unions have met both of their goals and another 6 have met at least one of their goals. There is still time, we encourage everyone to get their funds in before the end of the year.

In closing, the Cuna GAC is being held again in Washington D.C., February 21-25, 2016. This is our opportunity to show Congress and our more than 100 million members that we are forward-thinking, member-focused and making a difference for Americans. Credit Union presidents, board members, executives and any other leader with an interest in the future of credit unions should attend. We hope to see you there.”

Partner Reports

MCUL Relationship Manager

Cara Kurtz thanked Bridget for attending the Chapter Leaders event and thanked the Chapter for sending Bridget and Jan. She presented a check for \$1030 from the MCUL for a subsidy payment to the chapter.

She noted she has been talking to credit unions about the 2016 MCUL dues. For a minimum contribution to the CU Link campaign, credit unions will receive a 50% dues rebate.

She said that Dave Adams and Ken Ross would like to do a chapter update in the first quarter of 2016, possibly January or March.

She reminded everyone that Lara Keathley and Stacie VanDenBerghe are also available to do training events for chapter.

She congratulated Ann Russell and United Bay CCU on winning the “Share the Love” award for October. She said an official presentation will take place on November 19, 2015.

Cooperative Advertising/CU Link Update

Amanda Tuckey said she has been at MCUL for 3 months; she is working with the CU Link Campaign. She asked for feedback. She said there have been some changes in how things work, specifically in terms of faster approval for creative and turnaround for invoices. Her goal is 24 hours for approvals and 2 weeks for invoices. She said she is working toward update the integration standard to focus more on the network as a whole, which can tie in with the core credit union brand. She would like to have a media buy with statewide coverage for Credit Union Week. She said if you need anything help getting your stories out, please feel free to share with her, and she can put them out on social media.

Alloya Corporate FCU Representative

Melinda Spada distributed a flyer on a webinar presented by Balance Sheet Solutions on “ALCO Policy Best Practices”, which will be held on November 12 at 2:00 PM ET.

She noted that Alloya will be closed tomorrow in observance of Veteran’s Day; it is best to hold files and not send them until Thursday.

She said the Symposium held in September was well received, with 120 credit unions in attendance. They plan to hold it again in 2016 (9-7/9-9-16) in Chicago.

She reported that Alloya will be compliant with Same Day ACH by the September 16, 2016 deadline for credit transactions; the Federal Reserve will also be ready. She suggested credit unions contact their core processor to ensure

they'll be ready to accept additional ACH files and remember to make arrangements for your staff processing also. She also distributed some information on Same Day ACH.

Bernie Williams noted that he serves on Alloya's Supervisory Committee, and Alloya is focusing on improving products and services, so please let him know, as well as Melinda, if you need anything or have suggestions for services. He added that the merger with Sun Corp went well and there was no need for a corporate assessment; Alloya is very strong financially.

Melinda added that Alloya is positioned to help with loans, so please call if you need this assistance.

CUNA Mutual Representative

There was no report.

Neighborhood Mortgage

Greg Wischmeyer was unable to attend.

Strategic Income Solutions

Penny St. Cyr was unable to attend.

Community Reinvestment Initiative

There was no report.

Old Business

There was none.

New Business

Bernie Williams introduced Alycia Bye, Wanigas' new Membership Development staff member.

Chairperson Staffileno noted that Missey Kelly has stepped down from the Executive Committee, so we'll need to fill that vacancy.

Open Forum

Alan Watson noted that his credit union had an examination recently, with a new "vigor" devoted to BSA, so you may want to review this area.

Bernie Williams commented on debit card fraud taking up more of his budget.

Gerry Hutto noted that he heard that EMV had been "hacked" in Europe.

Ann Russell commented that they had a member who had ACH losses connected to shared-branch activity.

Vickie Schmitzer said that Frankenmuth CU participated in a "reality fair" and encouraged everyone to consider participating in such an event. She added that her recent exam focused on liquidity, with an examiner suggested they use cash and not lines of credit. Gerry Hutto said he had a similar experience, and the exam was more adversarial than before, which was echoed by some others.

There was also a discussion of the possibility of the Federal Reserve raising interest rates and the effect this could have on credit unions.

Bridget encouraged everyone to share what they're doing in the community and for their member with the local media.

Alan noted that Bridget was recently recognized as "Ambassador of the Year" for the Great Lakes Bay Regional Alliance. She recommended leadership training for credit union people.

MCULAF 50/50 Drawing

Melinda Spada won the drawing.

Next Meeting

The next meeting will be on Tuesday, January 12, 2016 at United Financial CU.

We discussed the Chapter Annual Meeting date; Easter will be early next year. The group suggested March 3 or March 9, before board meetings. Soaring Eagle Resort was also suggested as a venue. Bridget will check on availability.

We also decided to invite Dave Adams and Ken Ross to the January 12 meeting.

Chairperson Staffileno adjourned the meeting at 9:59 a.m.

Respectfully Submitted,

Janis L. Shaffer, Secretary