



## Executive Committee Meeting Minutes

Meeting Date: January 14, 2014

Meeting Location: Frankenmuth Credit Union, Frankenmuth, Michigan

**Members Present:** Eric Brubaker, David Cibulka, Jeremy Coberley, Dennis Hanson, Jenny Hoyle, Bridget Looby, Lynn McCoy, Brenda Miller, Vickie Schmitzer, Jan Shaffer, H. Vance Vargo, Alan Watson, Barb Weiler, Bernard Williams

**Members Absent:** Ann Russell, Sherwood Spells

**Guests Present:** Dave Adams (MCUL), Barb Appold, Anne Arrand, Deb Bauer, Tim Benecke, Donna Haubenstricker, Cara Kurtz (MCUL/CUcorp), Gus Peterson, Ann Pohlman, Dana Reif, Ken Ross (MCUL), Melinda Spada (Alloya Corp FCU), Mike Varley, Paul Wenzloff, Greg Wischmeyer (NMS)

Chairperson Bridget Looby called the meeting to order at 10:03 a.m. She thanked Vickie Schmitzer for hosting the meeting. Each attendee introduced themselves.

### Minutes

The Minutes of the November 12, 2013 Executive Committee meeting were distributed by e-mail. Alan Watson suggested adding the work "Impact" to page 2, regarding the Saginaw credit union group. Vickie Schmitzer made a motion to approve the Minutes as amended, Jenny Hoyle supported the motion. Motion carried by unanimous vote.

### Treasurer's Report

Dennis Hanson distributed copies of the Treasurer's Report. He noted that the beginning balance was \$4,497.26, after 3 receipts totaling \$1,136.28, the ending balance was \$5,633.54. Alan Watson made a motion to approve the Treasurer's Report; Barb Weiler supported the motion. Motion carried by unanimous vote.

### Chairman's Report

Chairperson Looby introduced Lynn McCoy, the new CEO of First Area CU, as a new member of the Executive Committee. She noted that Amalgamated CU and FinancialEdge Community CU are merging.

She thanked the Impact Saginaw group for their 3 events last year. She noted that the next event will be a hockey game.

She said that she'll be running in the Boston Marathon this year. She noted that as she began her training, she realized that as you achieve one milestone, you then reach for another. Similarly, she added, credit unions are always looking for opportunities to serve their members and communities.

## **District Director's Report**

Alternate District Director Tim Benecke reported that the MCUL Board met in early December and:

- Approved 2014 Strategic Plan
- Approved 2014 Budget – Three key criteria were considered when preparing budget:
  1. Provide the highest level of value and keep membership dues low.
  2. Maintain a strong level of members' net assets.
  3. Maintain investable funds at levels that avoids concentration risk in subsidiary investments while maintaining investment control for the MCUL board.
- Approved Governance Manual Changes - Most of the proposed updates are to clean up the Governance Manual to remove items that are no longer necessary due to the merger of the CUcorp into CU Solutions Group.
- Selection of Day/Date for 2014 Annual Business Meeting - MCUL Board authorizes the CEO to annually make the decision to hold the Annual Business Meeting on either Thursday or Friday of the Annual Convention and Exposition.
- Endorsement of Governor Rick Snyder – Recommended to Board by MCULAF/MCULLAF Board of Trustees to endorse of Governor Rick Snyder for re-election in 2014, conditional upon his announcement of his intent to seek re-election. Upon solicitation and review of comments from the Michigan credit union community, there was strong consensus among respondents that the credit union industry should strongly support the re-election of Governor Rick Snyder based on his track record of support for credit unions, credit union issues, and the credit union philosophy.
- 2013 State and Federal Lawmaker and Staff Person of the Year – Board approved the recommendation of the MCULAF/MCULLAF Board of Trustees and the Executive Committee of the Government and Political Affairs Forum.
  - U.S. Sen. Debbie Stabenow and Mr. Ryan Tarrant as 2013 Federal Lawmaker and Federal Staff Person of the Year
  - state 2013 State Lawmaker and Staff Person of the Year (names not released)
- Revenue Loss Contingency Plan - During the 2014 strategic plan discussion at the Inn at Bay Harbor, there was a request that management present to the Board a revenue loss contingency plan that would address how MCUL would adapt to CUSG losing their largest revenue stream.

He also distributed a report of “MCUL Financial Benchmarks” which compares the MCUL’s performance to that of other leagues in our group. He noted that the MCUL has the lowest percentage of dues relative to total revenue, the highest level of net member assets, the highest level of income generated by league service corporations, the largest amount of income from product lines provided by the league service corporations, and the highest level of equity. He added that we have a great league, one that is well respected around the country.

## **Committee Reports**

### Education

Bridget Looby said that she is working with Eric Gagliano (VP-Market Match) on a presentation for Catholic FCU. She plans to talk to him about doing a chapter presentation for volunteers.

Please let her know if you have any suggestions for sessions.

## Legislative Representative

Dana Reif reported that our chapter ended the year having raised 193% of the federal PAC goal and 182% of the state goal. The following credit unions surpassed both their federal and state PAC goals: Dow Chemical ECU, Family First CU, FinancialEdge Community CU, Frankenmuth CU, Team One CU, United Financial CU, Wanigas CU, and Wildfire CU.

These credit unions achieved their federal goal: Bethel AME Church FCU, Isabella Community CU, Members First CU, and Sunrise Family CU. These credit unions achieved their state goal: First Area CU, Generations Family FCU, Lake Huron CU, and Valley State ECU.

She reminded everyone of the upcoming CUNA GAC on February 23-27, 2014 and the MCUL GAC on March 25-26, which is a change in the dates.

She asked about dates for the 2014 Legislative Breakfasts, which would be held May 12 and October 20, if we follow our normal schedule. There was some discussion. She'll check those dates and report back.

## Partner Reports

### **Alloya Corporate FCU Representative**

Melinda Spada announced that Todd Adams is the new CEO. He led Alloya's Balance Sheet Solutions subsidiary and previously worked at U.S. Central.

Alloya will host a webinar on remote deposit capture on January 20. She added that Alloya will sponsor a networking reception the night before the CUES Economic Summit.

She noted that emergency liquidity resources are available to help credit unions comply with the new NCUA Rule.

She said she had some ideas for educational sessions and will talk to Chairperson Looby.

### **MCUL Relationship Manager**

Cara Kurtz said that everyone should have received their dues information and CU Link packet by now. She noted that the Lending and Marketing Conference will be Feb 18-19 and the Compliance Conference will be Feb. 20-21; both will be at the Amway Grand Plaza Hotel in Grand Rapids.

She said that Invest in American webinars will be coming. ADT is a new partner for Invest in America.

She has lapel pin information if anyone is interested.

She said the MCUL will be hosting a networking event on January 24, 2014, highlighting the CU Link campaign and the Save to Win program.

She reminded us that we need to appoint a Nominating Committee for the chapter annual meeting.

## **CUNA Mutual Representative**

There was no report.

## **Neighborhood Mortgage**

Greg Wischmeyer reminded everyone that the new Dodd-Frank rules went into effect January 10, 2014. He added that if you are making a good faith effort to comply, examiners are “supposed to help.” He said that HUD examiners are looking for fraud, so it is important to pay attention to details.

He said that FNMA will be conducting an audit on NMS soon, so they are preparing for that. He commented that rates are still good and volume has been improving.

## **Cooperative Advertising/CU Link Update**

No separate report

## **Community Reinvestment Initiative**

No separate report

## **Old Business**

Chairperson Looby said that she appointed Lynn McCoy to the Executive Committee and is still following up with someone else.

## **New Business**

### Speakers

Dave Adams and Ken Ross provided the 2014 MCUL Update, highlighting “the Good, the Bad, and the Ugly.” They provided a handout with detailed information on economic trends, MCUL and CUNA initiatives, legislative issues and related challenges, promoting the credit union difference, marketing solutions and membership enhancements and outside forces continuing to challenge credit unions (data breaches, struggles for smaller credit unions, regulatory burdens, and other risks and challenges posed by competition.

### Annual Meeting

Tim Benecke suggested two dates for the meeting: March 18 and sometime in April after the 14<sup>th</sup>. He added that we would like to thank Howard Spencer for his years of service to the district at the annual meeting. Howard will be out of state until April 14, so April 15 would be first day he would be available. We decided to try the week of April 14, so Tim will check dates and let us know. Once the date has been set, Bridget will contact Terry Moore.

## **Open Forum**

Chairperson Looby congratulated Frankenmuth CU on the birth of their new foundation.

Bridget encouraged everyone to share pictures if you participate in “Go Red” Day.

Vickie Schmitzer noted that Frankenmuth CU sent a younger staff member to Busia (Africa) to help with a playground construction project. She said the children were fascinated with the young woman because they rarely see young white women volunteering on such projects,

Eric Brubaker will update the Spirit Award nomination form and send it out.

Dave Adams complimented Cara for her work and congratulated Howard Spencer on his years as a volunteer and MCUL Chairperson.

Gus Peterson from Saginaw Medical FCU and Paul Wenzloff talked to the group about some new bankruptcy trends they see emerging locally. They have seen many chapter 13 plans rolling into chapter 7. Gus said that if we don't take action, we'll get a reputation for “being soft”. We need to take steps to work with our members to save the business relationship and reduce losses. Paul Wenzloff spoke about a local practice of financing new cars with higher payments without consulting the creditors. It is adversely affecting creditors and consumers. Both gentlemen encouraged credit unions to be aware and involved in the process as much as possible to reduce losses.

### **MCULAF 50/50 Drawing**

Bridget Looby won the drawing.

### Next Meeting

The next meeting location will be announced; the normal meeting date would be Tuesday, March 11, 2014 at 8:30 a.m.

Chairperson Looby adjourned the meeting at 12:11 p.m.

Respectfully Submitted,

*Janis L. Shaffer*, Secretary