

Governor's Advisory Board

The regular meeting of the Governor's Board of Credit Union Advisors was called to order at 10:05 AM on Wednesday, October 10, 2012 in Naperville by Chairwoman Cummins.

Present

Chairwoman Cummins, Vice Chairwoman Woods, Secretary McDaniel, Member Clements, and Member Rogers, Member Watral,

Absent

Member Young

Chairwoman Cummins declared a Quorum.

Welcoming Remarks

Chairwoman Cummins welcomed Mr. Francisco Menchaca, the new Supervisor of the Credit Union Division of the Department of Financial Institutions. Cummins also thanked Illinois Credit Union League for hosting today's meeting and for their hospitality.

Approval of Minutes

Secretary McDaniel motioned that the minutes of the May 9, 2012 be approved as presented. Member Clements seconded the motion. AYE: 6, NAY: 0, ABSENT: 1, Motion Passes.

Introduction of Board Members

Chairwoman Cummins introduced the Board Members present at the meeting.

Introduction of Special Guests

Chairwoman Cummins introduced Dave Anderson (DFI), Steve Olsen (ICUL), and Keith Sias (ICUL).

Credit Union Section Update

Dave Anderson provided an update on Illinois Credit Unions. The total number of Credit Unions is 270, down from 276 in May. Examiners have determined that 21% of examinations yield a CAMEL 1 rating, 44% at CAMEL 2, 29% at CAMEL 3, and 6% at CAMEL 4. There are no credit unions at CAMEL 5, nor are there any mergers in process.

Illinois Credit Unions have assets of \$30.6-billion, up 6% since June 2011. Income is down 5.2% to \$91.5-million on loans of \$463-million. Credit union charge offs improved 5.5% and delinquencies were 1.31%.

Legislative Update

Keith Sias provided an update on the legislative agenda of the Illinois Credit Union League. Steve Olsen discussed an advertising campaign in Metro East St. Louis by the Illinois Bankers Association that takes exception to Credit Unions' tax exempt status.

New Business

Member Clements led a discussion on alternative payment products from Wal-Mart and American Express called a Bluebird Card. Member Clements asked how this product might impact check cashing services. The Department is discussing a proposed rule with the NCUA.

Old Business

There was no outstanding business.

Attendees Questions or Comments

Ron Culen asked how the new examiners were being trained. Anderson responded that the process would take time. DFI has one new examiner in the Chicago region, and two examiners in Springfield.

Next Meeting Date

May 2, 2012 in Springfield

Adjournment

Motion by Bohdan, Seconded by Woods. AYE: 6, NAY: 0, ABSENT: 1, Motion Passes.