

GOVERNOR'S ADVISORY BOARD MINUTES

The regular meeting of the Governor's Board of Credit Union Advisors was called to order by Chairman Peter Paulson on Thursday December 17, 2020 at 2:00pm via virtual meeting hosted by the Illinois Department of Financial Institutions (IDFPR)

Present

Current Board consisted of 4 members with 3 vacancies. Chairman Peter Paulson, Vice Chairman Keith Burton, Board Member, Secretary Jose Garcia and Board Member Paul Gaumer were all present. Chairman Paulson declared a Quorum.

Absent

Election of Officers:

Peter Paulson was nominated to serve as Chairman – Motion made by Keith Burton and second by Paul Gaumer motion passed unanimously passed

Keith Burton was nominated to serve as Vice Chairman – Motion made by Paul Gaumer and second by Jose Garcia. Motion passed unanimously

Jose Garcia was nominated to serve as Secretary – Motion was made by Paul Gaumer and second by Keith Burton. Motion passed unanimously

Welcoming Remarks

Chairman Paulson welcomed Mr. Francisco Menchaca (Director, IDFPR), Mr. Rob Finney (Acting Supervisor-IDFPR Credit Union Division), Mr. Thomas Kane (President/CEO, ICUL), Mr. Patrick Smith (SVP Regulatory Affairs & Member Outreach, ICUL), Ms. Ashley Sharp (VP Legislative Counsel, ICUL), and all guests. Chairman Paulson also thanked the Illinois Department of Financial Institutions for hosting the event and for the Illinois Credit Union League participating in the meeting.

Approval of Minutes

Chairman Paulson presented the GAB May 01, 2019 minutes which was motioned Vice Chairman Burton and seconded by Mr. Garcia. AYE: 4, NAY: 0, ABSENT: 0. Motion carried.

IDFPR Updates

Mr. Francisco Menchaca (Director, IDFPR) congratulated new officers of the board and thanked the attendees for being present. The IDFPR Director discussed the Unbanked Housing Study, Cambio and provided updates on Bank on Illinois. Also, discussion was held on the pandemic updates from the State of Illinois.

Acting Supervisor Finney gave a general update of IDFPR matters. They are in the process of training new examiners and looking for good, qualified candidates to help fill roles in the future.

General data was provided regarding credit unions in the State of Illinois:

Illinois Credit Union Data		
Number of Credit Unions		181
	NCUA	163
	ASI (privately Insured)	18
Assets		\$48.1 Billion
Enforcement Actions		1
Number of Exams		109
Watch List		12
Complaints		125
CAMEL Ratings:		
	(1)	65
	(2)	82
	(3)	31
	(4)	3
	(5)	0
Mergers		10
Pending Mergers		6

In general, number of credit unions are down but the assets are up with a decrease in number of credit unions on watch list. As of September 2020, the total number of Credit Unions is 181 with 6 pending mergers. Illinois credit unions have enjoyed strong ratios and continued growth in assets and loans. 3.2 million Illinois residents use credit unions to conduct their financial services.

Legislative Update

Mr. Kane, Ms. Sharp, and Mr. Smith from the Illinois Credit Union League provided federal and state updates on the legislative issues that affect our credit unions today and in the near future. The following highlighted topics were discussed:

Mr. Kane congratulated IDFPR for their efforts during the pandemic and working with Illinois credit unions.

Mr. Sias provided a Federal update regarding the CARES ACT/PPP lending. There was discussion regarding the pending government shut down if temporary funding can't be passed.

Ms. Sharp, gave updates on bills that were current in the legislative session. Several bills were discussed including:

- 1.) Repossession Action

- 2.) CUSO Limits
- 3.) Board Compensation
- 4.) Unclaimed Property Act.

A full report from the Illinois Credit Union League of all bills, both supported and opposed, was given to attendees.

Mr. Smith referenced the pandemic times and how credits unions and our regulator have adapted to the COVID environment. Mr. Smith gave the following updates:

- 1.) NCUA New Board member
 - a. Chairman Rodney Hood – Republican
 - b. Vice Chairman Kyle Hauptman – Republican
 - c. Todd Harper – Democrat
 - d. Other News – S. Vega is retired

Old Business

None.

New Business

- COVID Crisis
 - o Board Member Jose Garcia congratulated the Illinois Credit Union and contributing Credit Unions for COVID grants made available
 - o Board member Keith Burton expressed the collaboration among credit unions helping each other during the pandemic.
- Chairman Peter Paulson asked the IDFPR on how credit unions are adapting to the virtual examinations. Mr. Rob Finney, indicated that credit unions are doing well but the small credit unions have challenges mainly due to staffing issues.

Comments from Board Members

None

Next Meetings Date

To be determined.

Adjournment

Chairman Paulson called for a motion to adjourn, which was made by Board Member, Jose Garcia 2nd by Member Gaumer. AYE: 4, NAY: 0, ABSENT: 0. Motion carried. Chairman Paulson adjourned the meeting at 2:50pm.