

League Peaks

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League Mourns Loss of Former League President Jose Alonzo

Former League President Jose Alonzo died at his home on November 25 in Parkersburg where he resided with his wife Rosemary. Alonzo's credit union movement career spanned 40 years in West Virginia.

"I am sorry to inform you that former League President Jose Alonzo passed away on Saturday. Jose, who was 91, lived in Parkersburg with his wife, Rosemary," stated League President Ken Watts in a November 27 email to League member credit unions.

and included work as a volunteer, a credit union manager, a CUNA Mutual Group employee, and two stints with the League, the last 20 years as League President," Watts explained. Alonzo, the eldest child of Spanish immigrants, organized numerous credit unions throughout West Virginia and helped form the current structure of the League and its various support organizations. He retired from the League in March of 1989.

"On a personal note, Jose had a significant influence on my career, giving me my start in credit union work and serving as both a mentor and boss," Watts stated. "The credit union movement in WV is much stronger because of Jose Alonzo and while not everyone had the opportunity to know and work with him, we all lost a good friend with his passing," he added.

Mr. Alonzo was laid to rest in Shinnston at the Shinnston Memorial Mausoleum Cemetery, WV, on Nov. 29 following the funeral service in Vienna, W.Va.



Jose Alonzo and wife Rosemary returned to the League office in April of 2011 as part of the League's 75th anniversary celebration.

A permanent bronze plaque noting Alonzo's career and dedication to the credit union movement is prominently displayed near the front entrance of the League office. Alonzo was the primary force in getting the League office moved from Charleston and built in Parkersburg in 1974. At the time, Parkersburg was seen as more centrally located among credit union officials.

"Jose's credit union involvement spanned nearly 40 years



League President Ken Watts takes a trip down memory lane with his former boss and mentor, Jose Alonzo during an April 2011 visit to the League office.

League Offers Latest Free Staff Salary Report Download

Report offers data for CUs under \$50 million in assets

Credit unions under \$50 million in assets will again have full and free access via download to the latest salary survey data that will help them plan for the future. This report comes through a special group licensing arrangement with CUNA, who published the report earlier this year. It is the fourth consecutive year that League has provided the report as part of credit union dues services. The report has a retail price of \$249.00 if purchased directly from CUNA.

This 334 page report provides statistics on base salaries, incentives, bonuses, total cash compensation, and salary ranges for the most common positions in small credit unions. Credit union managers will be able to make meaningful comparisons, because the report displays results by asset size, region, number of full-time employees, number of services offered, number of members, and total amount of loans outstanding at the credit union.



DOWNLOAD
your FREE

2017/18

CUNA Staff Salary Report

**For League Member Credit Unions
Less Than \$50 Million in Assets**



“Providing the CUNA Salary Survey is a good source of information for Managers and CEOs determining salaries and employee benchmarks as their credit unions continue to grow and expand in services,” stated League President Ken Watts. “Since many of our credit unions are under \$50 million in assets, offering the free download is a good use of League resources.” Watts noted that nine League member credit unions voluntarily participated in the annual survey.

The *2017-2018 CUNA Staff Salary Report* is designed exclusively for credit unions with \$50 million or less in assets. Credit unions may use data, along with the report's job descriptions to develop a successful salary program. The report also includes a benchmarking tool containing salary data from credit unions nationwide for more than 90 full-time positions and 10 part-time positions.

The e-report is available for download from the League's web site at wvcul.org and clicking on the Salary Survey banner, or looking under the Publications/Member Publications tab. Registration on the League's web site is required before downloading.

***90 full-time positions
and 10 part-time positions
featured in the
report...***

Wheeling Chapter Fills Christmas Stockings for Overseas Troops

With the Christmas season quickly approaching, credit unions from the Wheeling Chapter joined forces with *Boatsie's Boxes* to make sure overseas military troops received holiday goodies from back home. In all, 260 stockings were filled and prepared ready for shipment by the Chapter's credit union helping hands.

Boatsie's Boxes is a 501c-3 non-profit organization based in Wheeling, WV, and was founded by a mother of an Air Force serviceman stationed in the Middle East. Through volunteer efforts, they gather and mail items to troops serving overseas all year long. During the holiday season, they fill stockings with items to be mailed to the troops. They have shipped thousands of items since 2004 and have received national media recognition from *The New York Times* and *USA Today*, and special recognition from President George W. Bush in 2007.

Chapter representative Emily Claycomb, a Bayer Heritage FCU employee, explained that in addition to the goodies, each stocking contained a handmade Christmas card and note by the students of New Martinsville Elementary and Paden City Elementary Schools. Cards were collected at the schools by the credit union's mascot, Dollar Dog.



Photo courtesy of Wheeling Chapter

Pictured are (Front Row) from L to R: Pete Prettyman (Bayer Heritage FCU); Mary Conaway (OCPS FCU); Emily Claycomb (Bayer Heritage FCU); Ashley Mason (Bayer Heritage FCU); Renee Eddy (Bayer Heritage FCU). **Second Row Left to Right:** Charlie Racer (Bayer Heritage FCU); Penny Claycomb (OCPS FCU); Bill Holt (Teamsters #697 FCU); Kelly Ward (Marshall Co. FCU); Jolene Kiger (OCPS FCU); Becky Komorowski (Teamsters #697 FCU); Amy Nickerson (Teamsters #697 FCU); Danita Hiley (West Virginia Credit Union League); Lynne Teets, (Whetelco FCU); Elizabeth Gilligan (Bayer Heritage FCU); R.L. Jones (Natrium EFCU).

TruStage® Debuts Simplified-Issue Whole Life Insurance Product

TruStage, CUNA Mutual Group's consumer brand, announced the launch of its new entirely digital simplified-issue whole life insurance product, available to consumers by answering just a few questions and delivering an automated underwriting decision within minutes.

TruStage is among the first insurers to bring to market a fully digital whole life insurance product. This follows the success of its similar simplified-issue term life product launched in June 2016, which is available in 49 states with more than \$1 billion in issued coverage in less than one year. The new TruStage simplified-issue whole life insurance targets a wide demographic, with a starting issue age of 18 and coverage amounts up to \$100,000 across 48 states. The product also provides options built on the buyer's budget, rather than forcing them to select a specific coverage amount.



"We want to continue to fill the sizable need for accessible, user-friendly life insurance in the market," said Susan Sachatello, senior vice president, TruStage. "Expanding on the tremendous momentum of our simplified term life insurance product launched just one year ago, we seek to further grow our offerings to make it simple and easy for consumers to secure coverage that protects families and meets their specific needs.

Through TruStage, consumers can purchase and service an entire suite of products, including: auto and home, whole life, term life and health insurance, all completely online.

About TruStage:

Protecting more than 18 million members, TruStage insurance products and programs include auto, home, life, accidental death and dismemberment and health insurance. They're available to consumers across the U.S. helping build financial security for their families. For more information, please contact TruStage at 888.888.0375 or visit www.trustage.com.

Bayer Heritage FCU's Christine Nice is latest to earn CUDE Designation representing West Virginia

Received scholarship from West Virginia League Designated Fund



Forty-seven credit union representatives, including one from West Virginia became Credit Union Development Educators (CUDEs) after being guided by dedicated program facilitators and mentors through the intensive Credit Union Development Education (DE) Training from the National Credit Union Foundation (the Founda-

tion). The DE training was held November 1 - 8, 2017 at the Lowell Center in Madison, Wis.

Christine Nice, a Bayer Heritage FCU employee based in Proctor, WV, became the latest representative from the state to earn the designation. Earlier this year, Members Choice WV FCU's Gabrielle McClure obtained their CUDE designation in Madison. Both received scholarships from the **West Virginia Designated Fund** of the National Credit Union Foundation.

Personal Impact

"The personal transformation I experienced between Day 1 and Day 7 has been powerful and positively life changing," Nice stated upon completion. "Recognizing the operating principles and developmental issues in a variety of exercises throughout the week opened my eyes to worldwide unity of *people helping people*. The CU movement is so much bigger than my office walls and my community. The passionate charge from DE has reignited my purpose in my credit union career," Nice emphasized.

What's it all about?

DE Training provides critical lessons in cooperative principles, credit union philosophy and international development issues while incorporating challenges credit unions face today. During the recent week-long program, participants were involved in group exercises, field trips, discussions with speakers from around the credit union system, and are required to complete team projects proposing solutions for credit unions to help alleviate or eliminate

challenging situations in any given area. For this class' final case studies, participants worked through and presented solutions to critical issues that included student loan debt, board development and recruiting including the debate over compensation, building microfinance programs in developing countries, credit union solutions to predatory lending, the increasing issue of homelessness in America, and rejuvenating a stagnant credit union.

"We congratulate Christine on earning her CUDE designation," stated League President Ken Watts. "As part of our **CU Next** group, she is someone who fully appreciates the history and philosophy of credit unions, and will put her new earned designation to good use," he added.

The mission of the Credit Union Development Education (DE) program is to promote credit unions' social responsibility and domestic and international development through interactive adult education and professional networking. By linking credit unions' past and present, the DE program brings renewed relevance to credit unions' seven cooperative principles and the philosophy of "People Helping People."

In her own words.....

"The personal transformation I experienced between Day 1 and Day 7 has been powerful and positively life changing."

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"Recognizing the operating principles and developmental issues in a variety of exercises throughout the week opened my eyes to worldwide unity of people helping people. The CU movement is so much bigger than my office walls and my community. The passionate charge from DE has reignited my purpose in my credit union career."

Christine Nice, CUDE

West Virginia Joins with Seven Leagues To Form New Company

Credit union trade associations from seven states have joined together to form a new company with the goal of offering best-of-class products and services to their 800 credit unions. The Raiffeisen Group, LLC (TRGroup) was formed by the trade associations serving credit unions in Indiana, Kentucky, Louisiana, Mississippi, Tennessee, Virginia and West Virginia. Credit unions in these seven states boast a combined 10 million members and \$100 billion in assets.



The Directors of TRGroup signed the Operating Agreement and approved the Board Officers on August 29, 2017. From left to right; Wendell Lyons, Kentucky; Steven Liberto (representing Anne Cochran), Louisiana; Ken Watts, West Virginia; Charles Elliott (Chairman), Mississippi; Rick Pillow (Treasurer) Virginia; Fred Robinson (Secretary), Tennessee; and John McKenzie (Vice Chairman), Indiana

“It makes sense to join forces and enhance our ability to serve credit unions. This strategic alliance creates a marketplace of 800 credit unions – almost one-seventh of the nation’s credit unions - allowing us to pursue business partnerships and collaborative ventures that would not otherwise be possible,” said Charles Elliott, President of Mississippi Credit Union Association and Chairman of TRGroup.

TRGroup’s goals are to create value for member credit unions through joint service offerings; professional development; group purchasing; and introducing new products and services to market. Ultimately, the company’s mission is to empower credit unions to better serve their members, build loyalty, realize savings, and grow revenue. The company is currently evaluating several products and services to determine their potential to benefit credit unions. “TRGroup will also be the perfect complement to the good work of our individual league service corporations, which we plan to continue operating independently,” said TRGroup Chairman, Charles Elliott. “TRGroup provides us a new avenue to pursue partnerships on a near-national scale, while our individual service corporations and leagues continue to offer the products and services demanded by credit unions in each of our home states, allowing credit unions to maintain ‘local’ control of the products and services on which they now depend.”

Each credit union association, including the West Virginia League Services Corporation provided startup capital for the new company. TRGroup’s Board of Directors will be comprised of the presidents from the seven trade associations with the following Board Officers; Charles Elliott (Chairman), Mississippi Credit Union Association; John McKenzie (Vice Chairman), Indiana Credit Union League; Rick Pillow (Treasurer), Virginia Credit Union League; and Fred Robinson (Secretary), Tennessee Credit Union League. Board members include: Wendell Lyons, Kentucky Credit Union League; Anne Cochran, Louisiana Credit Union League; and Kenneth Watts, West Virginia Credit Union League.

Learn more at trgroup.org.



Senator Manchin Co-Sponsors Regulatory Relief Legislation

The U.S. Senate Banking Committee announced on November 13, an agreement on legislative proposals to improve our nation's financial regulatory framework and promote economic growth. Last spring, the Banking Committee issued a request for legislative proposals from stakeholders, companies and consumers aimed at creating economic growth. The Committee subsequently held a series of hearings reviewing the proposals, and has been negotiating and drafting a reform package since that time.

West Virginia Senator Joe Manchin is one of eight Democratic colleagues and 10 Republicans co-sponsoring the legislation which is set to be introduced to the full Senate in the coming weeks.

"We are extremely pleased that Senator Manchin has agreed to be one of the original co-sponsors of this key piece of legislation for credit unions," stated League President Ken Watts. "When Senator Manchin spoke to our group during the League's Hike the Hill session in September, he recognized that unnecessary regulations were doing real harm to the WV credit unions, and promised to seek opportunities to ease the regulatory burden credit unions face. By taking action as a co-sponsor of this important legislation, Senator Manchin has made good on his promise and has pledged his continued support to find addition ways to ease the burden of over-regulation," he added.

Although cautioning against swift passage, the Credit Union National Association (CUNA) indicated that the bill includes several provisions that credit unions have been "fighting for." This includes a credit union provision that would grant credit unions parity with banks by classifying residential loans on one-to-four non-owner occupied units as real estate loans. Currently these loans, when made by credit unions, are classified as business loans; similar loans made by banks are considered real estate loans. Bipartisan standalone legislation containing this language has already

been introduced in both the House and Senate.

In addition, a section of the bill addresses the Home Mortgage Disclosure Act ("HMDA") and provides regulatory relief to small depository institutions that have originated less than 500 closed-end mortgage loans or less than 500 open-end lines of credit in each of the two preceding calendar years by exempting them from certain disclosure requirements under HMDA. It also directs the Comptroller General to conduct a study examining the impact on the amount of data available. Massachusetts Congressman Michael Capuano took an early leadership role last year on this issue by sending a letter to the CFPB advocating for an expansion of the 100 HELOC reporting exemption and/or



West Virginia U.S. Senator Joe Manchin addresses League Hike the Hill participants on September 20, 2017 during a luncheon at the U.S. Capitol Visitors' Center.

more narrowly tailoring the size of the institution to which it applies.

Highlights of the agreed-upon package include:

- Improves consumer access to mortgage credit;
- Provides regulatory relief for small financial institutions and protects consumer access to credit;
- Provides specific protections for veterans, consumers and homeowners; and tailors regulations for banks to better reflect their business models.

CFPB Finalizes Rule to Stop Payday Debt Traps

Credit Unions See Numerous Improvements in CFPB Final Short-Term, Small Dollar Rule

The Consumer Financial Protection Bureau's (CFPB) final short-term, small-dollar rule released in October appears to have addressed many concerns addressed by CUNA, leagues and credit unions, a big win for the credit union movement. CUNA continues to analyze the nearly 1,700-page final rule.

"When I spoke with Director Cordray today, I thanked him for directly addressing many concerns credit unions raised with the proposed rule," said CUNA President/CEO Jim Nussle. "We are pleased the CFPB heeded our recommendations concerning a full exemption for the NCUA Payday Alternative Loan (PAL) program and the many other changes that were made to accommodate consumer-friendly small dollar loan programs at credit unions, including a more common-sense approach to which loans are covered."

Initial analysis appears to find positive improvements from the proposed version, including:

- A full exemption for the NCUA's PAL program;
- An exemption that applies to most loans that are over 45 days with no balloon

payments;

- An exemption for providers issuing fewer than 2,500 covered loans per year that represent no more than 10% of revenue;
 - Notice and debit requirements that apply to most loans do not apply to credit unions that make loans to their own members, as long as the payments do not trigger overdraft or non-sufficient funds fees;
 - The CFPB's use of Regulation Z (which implements the Truth in Lending Act) to define the cost of credit, rather than its originally proposed definition of a new "all-in annual percentage rate;"
- Exemption for certain salary advances.

The rule as originally proposed included a number of credit unions short-term, small-dollar loan products. In response, CUNA wrote a 61-page comment letter in October 2016, outlining why the CFPB should make significant changes to the proposed rule to ensure credit unions are not impacted. CUNA meetings with the bureau outlining the same issues date back to when it was first proposed in June 2016, all the way to Wednesday of this week, when CUNA's Consumer Protection Subcommittee discussed the rule in a meeting with bureau staff.

CFPB Director Richard Cordray Announces Resignation from Bureau

In a November 15 announcement, Consumer Financial Protection Bureau Director Richard Cordray announced his resignation from the agency by the end of the month after serving since 2011. The CFPB was created by the controversial 2010 Dodd-Frank financial overhaul law. Cordray met with League member credit union representatives one-on-one last February in Charleston to discuss issues of concern.

"We greatly appreciate that throughout his time as Director, Richard Cordray on multiple occasions publicly recognized the exceptional work of credit unions in protecting consumers," Nussle said. "CUNA looks forward to a new era at the CFPB that will hopefully reconcile this recognition that credit unions are the pro-consumer protection financial institutions, with rules that reflect that sentiment.

"Moving forward, CUNA urges the CFPB's new leadership to address the problems that pending and final rules have caused credit unions and their 110 million members, and move towards a new approach that recognizes the exceptional consumer protections credit unions provide, while continuing to address abusers of consumers," he added.



Outgoing CFPB Director Richard Cordray (back row, third from right), met with League representatives last February in Charleston to discuss various issues of concern. Cordray announced his candidacy for Ohio Governor on December 5.

League Service Awards Presented

Three League Board members were recently recognized by League President Ken Watts for their continuous service at a dinner for the Board and staff in late October.



Pictured from L to R: Joetta Heck, Kanawha Valley Chapter, 5 year award; Dave Van Middlesworth, Eastern Panhandle Chapter, 15 year award; and, Chairman Lynne Teets, Wheeling Chapter, 5 year award; and League President Ken Watts.

Credit Unions Saddened by Death of Friend and Leader



On November 8, West Virginia lost a true credit union leader in the passing of Tom Brewer. Tom retired as CEO of Peoples FCU in Nitro a couple of years ago and had a 30 year career in serving his credit union. He began as a volunteer in the mid 80's and took over as CEO of the credit union in 1998.

“Beyond service to his credit union, Tom was active at both the chapter and League level and served for many years as an official of WV Corporate CU as well as Volunteer Corporate CU,” stated League President Ken Watts. “Tom really enjoyed making trips to DC and always did a fantastic job in making our points to elected officials. We’re a stronger movement because of him, but we’re all saddened by the loss of a very good friend.”

Our heartfelt condolences go out to Tom’s wife, Pam and family.



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