

League Peaks

Spring 2022

The Official Publication of the West Virginia Credit Union League

No. 631

West Virginia League Elects Table Officers Following 86th Annual Meeting

Awards, and CULAC winners also announced

Mike Tucker, President and CEO of West Virginia Central FCU, Parkersburg, WV was elected Chairman of the West Virginia Credit Union League board of directors at the board's re-organizational meeting immediately following the League's 86th Annual Meeting on April 30. Tucker is serving another term as Chairman having being elected following the League's 85th Annual Meeting.

Other board officers that were elected include:

First Vice Chairman - Sherry Peck, Martinsburg V.A. FCU, Martinsburg, WV;

Treasurer - Lynne Teets, Bayer Heritage FCU, Proctor, WV;

Secretary - Tom Walker, Universal FCU, Huntington.

Mike Dean, Treasurer and CEO of HOPE FCU is the League's newest Board member succeeding Natisha Swiger, HOME FCU, in District 8 - Harrison Co.

Awards and Resolutions

The 86th Annual Meeting served as a credit union reunion among volunteers and staff alike since the last in-person meeting was held in 2019 due to COVID-19 pandemic interruptions.

Former League President Ken Watts who serves as Treasurer of West Virginia Central FCU, was presented the *William Bryan Hawkins Award*, the League's highest annual honor for volunteers.

Credit unions in attendance that were recognized for notable anniversaries included: Accepting on behalf of his credit union was J.J. Pokrzywa, CAPE FCU, Clarksburg who received 75th anniversary League and CUNA recognition certificates; Becky Komorowski, Teamsters Local #697, Wheeling accepted League and CUNA recognition certificates on behalf of her credit union for their 50 year anniversary.

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Seated from left are: Larry Slayton, Scott Winwood, *Vice Chairman* Sherry Peck, Cindy Dickey, *Chairman* Mike Tucker, *Treasurer* Lynne Teets, Joetta Heck, *Secretary* Tom Walker, and, Mike Dean.

To the Point...

Shaking Off the Rust....

My late father used a common term usually referring to *out of practice* athletes who needed to reclaim their normal practice routine. The term was “shaking off the rust,” and could be applied to individuals in other non-athletic fields, who were out of practice from their daily vocational duties. While humans don’t “rust,” per say, they can lose a step or two due to falling out of a normal work routine.

For me, the recently concluded 86th League Annual Meeting was a potential “shaking off the rust” event since we hadn’t met face-to-face since 2019. Our back-to-back postponements were unprecedented, and shook us from our usual Spring routine. My League staff colleagues didn’t seem to have any rust build-up in the meeting’s planning and execution. The Embassy Suites Hotel seemed eager to welcome us, and exhibitors seemed glad to return to their exhibit hall posts. Each of the speakers were prepared and well received, enjoying the live audience interaction for a change.

If there were any signs of rust, it was not visible to me. The opportunity to meet with old friends, make new friends, and get caught up on the past few years, was energizing. Attendance was near our 2019 numbers, while vendor participation was as high as it was in many years.

Our recent meeting was a reminder that routine is a good thing, but can’t be counted on. Certain things are out of our control whether we like it or not. We may need to shift to “Plan B” if there are disruptors out of our control. The last two virtual Annual Meetings were our Plan B put in motion.

While *rust* can be an inhibitor to staying at the top of our game, **disruption** can send us on a different trajectory. Shaking off the rust is something we can do to rebuild our performance habits, while outside disruption requires formal acknowledgment, assessment and a strategic response.

There are indeed disruptors in the market place that do not care either way for our traditional way of doing things. A pandemic can be disruptive. Non-traditional financial providers are also disruptive. Credit union history and philosophy are not in their business plan—but profit maximization is. Serving members faster, cheaper and through a smartphone app is a main emphasis without regard to our cooperative structure, or traditions.

Preserving our traditions while meeting emerging member needs is, and will be a challenge to credit unions in the coming years. We have aligned ourselves with providers that understand these traditions, while seeking to serve credit union needs in a disruptive market place.

If any rust does exist, we must shake it off and understand that market disruption will be a constant factor going forward. The questions for us will be, “What will we learn from it, how will we react to it, and how quickly?”

A handwritten signature in black ink, appearing to read "Rich".

League Elects Table Officers...continued from page 1

The Parkersburg Chapter received the Challenge of the Chapters Award Cup for their efforts in 2021. Chapter President Kathy Dye and Chapter board members were on hand to receive the award which has resided in the Weirton-Wellsburg Chapter for many years based on their outstanding chapter participation.

One resolution was presented to the meeting delegates, by Resolutions Committee Chairman, Tom Walker. The resolution, accepted by the delegates, pledged the “full and total prayerful support for the

WHERE IS THE U.S. ECONOMY HEADED?

Registration Requested Complimentary Webinar

June 15, 2022 10:00 am.-11:00 am. EDT

U.S. Economic Outlook & its Impact on CUs



Presented by Steve Rick, CUNA Mutual Group Chief Economist

The U.S. economy is experiencing historic demand and supply shocks leading to the highest inflation in 40 years. The Federal Reserve may be behind the inflation curve and is now planning to tighten monetary policy in 2022. What will higher interest rates due to the economy in 2022 and beyond? The Federal Reserve's monetary policy and the Treasury Department's fiscal policy will be important economic topics for the next few years. Explore the possible paths of the economic recovery and what impact it will have on credit union balance sheets and income statements for the next two years.

Webinar sponsors



About Steve Rick

Steve's primary responsibilities include conducting strategic research, analysis, and forecasting of the financial services industry with special emphasis on the consumer and credit union markets. His forecasts serve as a starting point for the strategic planning process and help to create a clear understanding of the underlying trends and links between the general economy, the financial services industry, and CUNA Mutual Group's policy owners.

WHAT WILL HIGHER RATES DO TO THE ECONOMY?

HOW WILL IT IMPACT YOUR CREDIT UNION?

HOW SHOULD YOU PRE-PARE?

Register today on the League's website for this free webinar exclusively for West Virginia League member credit union management staff and volunteer officials.

Website registration required for first-time users.



Ukrainian people,” and offered a standing silent tribute to those who have perished.

The CULAC hybrid sweepstakes raised a total of \$1,625 and announced three winners from each day of eligibility:

—Thursday winner of the *Sun Joe Pressure Washer*-Ken Watts, WV Central FCU

—Friday winner of *Roomba Vacuum*-Orville Schaffer, Kemba Charleston FCU

—Saturday winner of the *Stonewall Resort package for two*-Natisha Swiger, Home FCU.

Each day's drawing was conducted by CULAC officials.

League President/CEO Rich Schaffer thanked all of those for participating in the “reunion” during Saturday's Business Session including a record number 24 vendor-exhibitors. Schaffer noted that “any meeting's success depends on those who participate.”

The 2023 League Annual Meeting will be held in Charleston, but a location and exact dates will be announced at a later time.

The League Resolutions Committee chaired by League Director, Tom Walker, presented a formal resolution to be considered during the League's 86th Annual Meeting on April 30, 2022. The resolution, which recognized support for the people of Ukraine, was unanimously passed by the delegates.

Be It Resolved...

Support for the Ukrainian People

Whereas: Over 80 years ago, Presidents Franklin D. Roosevelt stated famously, “December 7, 1941, a date which will live in infamy,” and George W. Bush, 21 years ago stated “September 11, 2001 – a day that many will never forget”, and

Whereas: now, February 24, 2022, will be another date the world will never forget, as Russia's Vladimir Putin perpetrated an unprovoked attack on Ukraine, a small sovereign nation the size of Texas, and

Whereas: he even threatens nuclear annihilation of any country daring to interfere with his diabolical assault, and blindsides the United Nations with his audacity, by ignoring national sovereignty, and

Whereas: another President, John F. Kennedy speaking at the United Nations in 1961, declared “Mankind must put an end to war, or war, will put an end to mankind”, and

Whereas: Putin's embracing war aims to destroy “life, liberty, and the pursuit of happiness” on a global scale, and

Whereas: Putin's army, navy and air force, is not only waging war against Ukraine's military, but have resorted to targeting homes, apartment buildings, shopping centers, schools, churches, museums and children's day-care centers. His armies have committed atrocities against civilians. The carnage is unspeakable, the devastation unnecessary, to the extent that in some cases there will be no city left to occupy, and

Whereas: sometimes, the ill wills of war discloses unsuspected heroes, such as a former actor and comedian, now the President of Ukraine, Volodymyr Zelensky. He refuses to flee to safety, even when the United States offered to fly him out, he stated, “I want ammunition, not a ride.”, and

Whereas; he is a David against Goliath, each day speaking from the heart, to the spirited resistance of ordinary Ukrainians, and has reminded all of us, that a warrior's strength is not measured in missiles, but a man's soul guards freedom as much as the point of a spear, and

Whereas; most of Ukraine's 600 credit unions, that serve over one-million members, are in conflict zones and face security threats, but continue "people helping people", by waiving fees, offering low interest loans and meeting savings withdrawals for farmers that need to harvest their crops and tradesmen who need to support their families, and

Whereas; the Ukraine invasion also hits home, for many members and employees of the Self Reliance FCU in Chicago, Illinois, because it is an \$800 million dollar asset credit union, founded by Ukrainian refugees that were displaced by World War II, and

Whereas; as of April 15th, more than 4.8 million Ukrainians, many of them, family members, have fled their home country from an unspeakable, cruel and even barbaric tragedy, and

Whereas; now, that particular credit union is providing support to close family and other Ukrainians displaced by this war, by helping equip their armed forces, regular and volunteer, with medical supplies, as well as shelter and food to displaced individuals, and

Therefore; let it be resolved, that on this Spring morning, April 30th, 2022, the WVCUL's delegation, at their 86th Annual Meeting, pledge their full and total prayerful support for the Ukrainian people, by standing in silent tribute, to those who have perished.

Resolutions Committee

Tom Walker

Larry Slayton

Scott Winwood

AWARDS AND RECOGNITION



Receiving the William Bryan Hawkins Award from League Chairman, Mike Tucker was Ken Watts, West Virginia Central FCU.



The Parkersburg Chapter received the Challenge of the Chapters Cup for their 2021 activities. Pictured from left are chapter officials: Kevin White; Doug Hershman; Chapter President, Kathy Dye; and Nate Barker.



First Choice America Community FCU received a statewide Dora Award for their community efforts. Pictured from left are: Scott Winwood; Lorna Young, and, Ted Kennedy.



Receiving a 50th Anniversary League and CUNA certificates was Teamsters Local #697 FCU Manager Becky Komoroski.



Receiving a CUNA CPD certificate was Melanie Hunt, Kemba Charleston FCU

Congratulations to CAPE FCU upon receiving their 75th Anniversary League and CUNA certificates. Board member J.J. Pokrzywa was present to accept the certificates on behalf of the credit union.



REUNION PHOTOS



Kanawha Valley Chapter First Vice President, Alexis Friel provided the opening greeting during the Saturday business meeting.



League Chairman, Mike Tucker presided over the Saturday business session as League President/CEO, Rich Schaffer and Secretary, Tom Walker looked on.



Comedian Magician Andy Gross kept everyone in stitches following the Friday night banquet with the help of Hope FCU's Julius Covington.



CUNA Mutual Group representatives Colin Hamilton, Brian Little, Michelle Cowser, and Tom McLane were our hosts for the Thursday night opening cocktail reception.



Outgoing Director, Natisha Swiger received a parting appreciation gift for her time on the board representing District 8-Harrison Co.



Stronger Future Together

Through Hope, Humility
and Humanity

Ongoing uncertainty and new challenges remind us how fortunate we are to be part of such a strong movement of people helping people.

Inspired by the ongoing display of courage, compassion, and community support, we are planning for a brighter future.

Every day, we are stronger together. #strongertogether

Learn more at cunamutual.com/strongertogether

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. Corporate headquarters are located at 5910 Mineral Point Road, Madison WI 53705.

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Learning from Top-Performing Credit Unions: Strategic Do's & Don'ts

By: Steve Heusuk, CUNA Mutual Group's Sr. Manager, Customer Intelligence

In 2008, the bottom fell out of the economy. The Great Recession devastated world financial markets, the banking industry and real estate. During this time of great economic upheaval, CUNA Mutual Group launched what would become a series of informational presentations to raise thought-provoking questions and share strategic insights to help inform Credit Unions' (CU) strategies for surviving the recession and thriving beyond. Some of the topics explored included "Why the Credit Union System is Needed Now More Than Ever" and "Battle for the American Consumer". As a member of the team that produced and delivered these early thought leadership presentations, I conducted much of the secondary research on these topics and helped create this content.

Fast forward 13-years. The COVID-19 global pandemic ushered in a new worldwide recession. And I now lead CUNA Mutual's annual thought leadership research effort to help inform CU strategies.

According to research cited in CUNA Mutual Group's newest study titled, "Making Strategic Choices for Growth," the CU value proposition is under attack as evidenced by:

- Three in five CUs with total assets of less than \$1 billion lost members between 2017 and 2020.
- Credit Union's share of total Primary Financial Institution relationships declined from 21% in 2018 to 12% in 2020.
- Credit Union's market share for certain loan classes has declined in recent years. For example, CUs' share of total new and used vehicle financing declined from 22.7% in Q2 2018 to 18.2% in Q2 2021 according to Experian.

It's enough to make you feel like the sky is falling! And when you feel like the sky is falling the last thing you want to do is look up. But's that exactly what you should do. You should look up and learn from those (in this case CUs)

that are successful. Fortunately, CUNA Mutual's research this year explored the strategic choices of these top-performing CUs. Based on top performers' strategic choices, you may want to consider these three strategic do's and don'ts.

1. DON'T assume member service is a competitive advantage; validate it

Forty-one percent of CU executives with more than \$250-million on their balance sheets list member service as one of their top three competitive advantages. However, CUs lagged banks on the courtesy and helpfulness of staff - 84 versus 85 points – according to the 2020 American Customer Satisfaction Index (ACSI). They were also on par with banks in terms of call center satisfaction with both at 79. Credit Unions' scores for these two service-related metrics have declined in recent years. If CU leaders believe their institution leads competitors on service, the ACSI results suggest that it may be prudent to validate this belief through a survey comparing members' and competitors' customers' ratings of service.

2. DO consider what metrics matter to your Credit Union

Through this year's research, we learned that the strategic choices of loan growth, membership growth and Return on Assets, differed in important ways. Credit Unions seeking to learn from top performing CUs may want to consider which metric matters most. For example, many CUs are de-emphasizing branches and dedicating more resources to expanding their digital offerings like digital auto loans and mortgages. However, if your CU is focused on membership growth, you may not want to move away from branches just yet. Membership growth leaders are more likely to say branches will be a top-three distribution channel in 2022. CUs focused on membership growth still view branches as being mission-critical.

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WVLSC Invests in Bankable Fintech, New Partnership Connects West Virginia CUs to Fintech Solutions in Minutes

From Find-to-Buy: How Financial Institutions, Vendors, & Financial Technology Connect, Collaborate and Grow

Seeking to meet the technology needs of credit unions, the West Virginia League and its Services Corporation (WVLSC) is collaborating with Bankable Fintech to launch a leading platform that transforms the fintech partnership process. The proprietary technology platform automates the process of finding, evaluating, and buying FinTech/Vendor solutions with proven results, saving credit union executives both time and money. The platform will be available as a dues subsidized service exclusive to member credit unions starting later this summer.

In 2021, the WVLSC Board of Directors approved an investment in Bankable Fintech alongside other members of the TRGroup, a collaboration of seven state leagues utilizing collective strength and bargaining to bring the best-of-class products and services to their respective credit unions. The platform will be available to member credit unions starting later this summer.

With the most comprehensive database of fintech providers, Bankable Fintech's software gives financial institutions a detailed view of how technology products compare and fit your institution's specific needs. **Most importantly, the system is completely unbiased with no preferred providers, advertisements, sponsorships, or 'pay-to-play' models.**

Why is Bankable Fintech's software platform perfect for West Virginia credit unions of all sizes?

- It equips your team with a valuable time-saving tool, cutting research time from nine months to minutes
- Identifies which vendors 'plug-in' to your current and future technology and processes.
- Knows which early-stage partners are going to pass your risk and compliance review, before receiving the first sales call.

—Allows your team to focus on their 'day jobs' without losing ground in the technology 'arms race'.

Aside from the solution itself, credit unions will ultimately find value at scale, reaping the rewards through better pricing, product features and service.

"This new partnership with Bankable Fintech represents an easier path by which League member credit unions can access and compare vendor solutions in un-biased manner as part of their dues-based League membership," stated League President/CEO Rich Schaffer. "We are looking forward to rolling this out later this Summer so credit unions can take full advantage of it," Schaffer added.



Quick Facts...

- The TRGroup is a collaboration of seven state leagues including West Virginia, which utilizes collective strength and bargaining to bring the best-of-class products and services to their respective credit unions.
- Each of the Leagues, or their LSC's have an ownership stake in Bankable FinTech.
- West Virginia League member credit unions will have free access to Bankable Fintech's software platform to research providers later this year.
- The Bankable Fintech system is completely unbiased with no preferred providers, advertisements, sponsorships, or 'pay-to-play' models.

Members Choice WV FCU's Brian Bess Takes On West Virginia's GAC *Crasher* Role

The West Virginia Credit Union League was pleased to announce that Brian Bess, Mortgage Processing Specialist at Members Choice WV FCU, was selected to attend *Crash the GAC* by The Cooperative Trust and Credit Union National Association. The GAC is the Credit Union National Association's annual Governmental Affairs Conference which was held in Washington, D.C., February 27-March 2, 2022.

Crash the GAC is a non-stop, career-changing program for young professionals that allows them to participate in the industry's largest advocacy conference with complimentary registration, exclusive networking opportunities, leadership development tools, and mentoring sessions with industry leaders from organizations such as Filene Research Institute, National Credit Union Foundation, and CUNA.



"The Crasher experience was a great opportunity! I was honored to have been selected, and am grateful for the support provided by my credit union, CUNA, and the West Virginia League Designated Fund," stated Bess reflecting on his recent GAC experience. "Credit union advocacy is now more important than ever, and I am glad to have been part of this program for young professionals," he added.

Chosen by the Cooperative Trust through an application process, all Crashers received a complimentary registration to attend GAC, from Credit Union National Association. In addition, the West Virginia League Designated Fund provides a \$1,000 "Crasher scholarship" to offset travel and lodging related expenses.

"As part of the League's CU Next group of young professionals, Brian was an excellent choice to participate in the GAC activities," stated West Virginia Credit Union League President/CEO Rich Schaffer. "He studied the legislative issues in advance, participated in the events, and successfully engaged with our lawmakers."

Bess also served as the West Virginia flag bearer during the GAC's opening state flag presentation ceremonies.

FOM modernization bill passes House Financial Services Committee

The House Financial Services Committee advanced the CUNA-League-led Expanding Financial Access for Underserved Communities Act (H.R. 7003) with a 27-22 vote. The bill represents the most significant proposed update to the Federal Credit Union Act since 1998.

"H.R. 7003 adds underserved communities to credit union fields of membership while also removing barriers to the member-business lending cap for these communities. This measure is really about creating opportunity and access for many who reside in America's banking deserts. As we have learned during the COVID-19 pandemic, an overwhelming percentage of individuals and small businesses in underserved communities do not retain a local banking relationship, which is a major problem that H.R. 7003 seeks to resolve," said California and Nevada Credit Union League President/CEO Diana Dykstra.

Specifically, H.R. 7003 would:

- Allow all federal credit unions to add underserved areas to their field of membership.

- Exempt business loans made by credit unions in underserved areas from the credit union member business lending cap.

- Expand the definition of an underserved area to include New Markets Tax Credit areas and any area that is more than ten miles from the nearest financial institution branch.

More than 750 census tracts are financial deserts, and a net 7,800+ bank branches closed between January 2005 and March 2021, according to CUNA research. Credit unions opened more than 1,400 net credit union branches over the same time period.

CUNA submitted comments for the record supporting H.R. 7003 and other bills in the markup. CUNA, the American Association of Credit Union Leagues, and all state Leagues also submitted comments in support of H.R. 7003, and CUNA signed onto a letter from the National Cooperative Business Association.

Source: CUNA

Strategic Do’s & Don’ts...

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3. DO Focus on organizational culture and internal alignment

Our survey found that organizational culture, i.e., a credit union’s core values, norms [e.g., how employees act / behave when no one is looking], accountability systems, talent management, etc., was cited by only one-in-three CUs surveyed as a top-three source of competitive advantage. However, the critical importance of culture is more likely to be recognized by top-performing CUs. A majority of these CUs agree that:

- Their leadership team fosters a positive culture that helps them differentiate in the marketplace.
- Leaders and employees at their credit union are aligned on their strategy and how it will be executed.

As our research has shown, top performers’ answers to the “Playing to Win” questions differ in important ways from other credit unions. However, making the right choices might not be enough. Having a performance culture and ensuring leadership and frontline staff are rowing their proverbial boat in the same direction help ensure a CU’s strategic choices are successful.

These were just some of the insights found in this year’s thought leadership study, “Making Strategic Choices for Growth.” CUNA Mutual provides its annual thought leadership research to help inform credit unions’ strategic discussions and planning to ensure a vital, thriving credit union system for years to come. You can learn more about this year’s findings by [visiting our landing page](#).



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