

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 January 13, 2022 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), Ms. Pamela Gill (Temporary CU Assistant 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), Mr. Keith Sias (SVP, Governmental Affairs) 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 December 17, 2020, minutes which was motioned by Mr. Garcia and seconded by Vice Chairman Burton. AYE: 4, NAY: 0, ABSENT: 0. Motion carried.

Special Presentations

SBA Presentation

Bob Esquivel, Supervisor Lender Relations Specialist presented an overview of SBA programs available to credit unions.

- SBA Loan Programs
 - PPP Forgiveness Report was presented. Total PPP volume \$791B and 9.3 million applications.
 - SBA Program overviews were provided:
 - 7(a)
 - 504 loan programs
 - Microloan Program overview
 - Benefits for Credit Unions on partnering with SBA
 - SBA guaranty

- Data Snapshot: SBA Loan Programs
- Benefits of SBA Lending
- Tools for Lenders

IHDA presentation

Javier Gumucio, Director of Homeownership presented an overview of IHDA programs available to credit unions.

- Overview of IHDA was presented. IHDA was created by state legislation in 1967 as a quasi agency.
- IHDA has provided more than \$20B to finance more than a quarter million affordable homes
- IHDA goals:
 - Increase Homeownership accessibility
 - Promote homeownership
 - Stabilize communities
- Programs available to credit unions
 - Smart Buy – Student loan forgiveness up to \$40,000 and down payments assistance - \$5,000
- IHDA loan program data was shared with the attendees
- The case for offering IHDA
 - Down payment programs
 - Loans programs for credit union members
 - Lower PMI
- Emergency rental programs are available

IDFPR Updates

Mr. Francisco Menchaca (Director, IDFPR) congratulated new officers of the board and thanked the attendees for being present. The IDFPR Director provided a pandemic update and how examiners continue to perform remote exams.

An update was provided regarding new leadership at IDFPR. Secretary Mario Treto, General counsel Dina Martin and Temporary Assistant Supervisor Pamela Gill

An update was provided regarding examiners. 5 new examiners are expected soon.

IDFPR is happy to report that they've reached there 5-year anniversary with NASCUS and presently waiting for recertification.

NCUA is adding an "S" to the CAMEL rating. It's now CAMELS. Temporary Assistant Supervisor, Pamela Gill provided additional detail in her presentation. The "S: is sensitivity to market risk. The new revised CAMEL rating will take place on April 01, 2022 exams going forward.

Temporary Assistant Supervisor Gill gave a general update of IDFPR matters. They are in the process of training 5 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:

Calendar Year			
	2021 Year-End Totals	2020 Year-End Totals	2021 Increase Decrease
# of Credit Unions	171	182	-11
Mergers with State Chartered CUs	11	7	4
Federal Chartered CUs Merged into State	1	2	-1
P & A	1	1	0
# of Bylaw Changes	64	82	-18
Civil Penalties	5	1	4
LUA	2	3	-1
Complaints	178	136	42
CULS Applications	14	4	10
Staff	14	14	0
Field Examiners	9	11	-2
Assets	54,107,970,353	49,911,617,832	4,196,352,521
Complaints - Pre-COVID			
	2019	198	
	2018	229	
	2017	217	

In general, number of credit unions are down but the assets are up. As of ~~December~~[September](#) 2021, the total number of Credit Unions is 171.

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. Kane discussed the regulatory fee credit. There will be no fee invoiced for December 2021. There will also be a partial fee credit on the March 2022 invoice.

Mr. Smith provided an update on CRA. He indicated that there where 12 credit union comments and thanked the CRA Task Force for their efforts.

Ms. Sharp, gave updates on bills that were current in the legislative session. Also provided an update on the credit union act with some technical edits including Fintech investments.

Mr. Sias provided a federal update including Senate Bill 3199 regarding CU acquisition of Bank fees. The audience was encouraged to attend GAC in late February and the State Legislative Summit in March.

Old Business

- The pandemic (COVID) was discussed in general with credit unions continuing to operate under this environment.
- Virtual examinations will continue until further notice.

New Business

NONE

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 3:30pm