



Florida Credit Union News

A publication of the Florida Credit Union League 

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February 2002 • Vol. 11- No. 2

GAC 2002 Promises Excitement and Interest

CUNA's Governmental Affairs Conference is shaping up to be one of the most exciting and interesting events of the year.

Many new speakers have been added to the lineup, including Senate Majority Leader Tom Daschle (D-S.D.). Daschle, one of the 25 percent of residents of South Dakota who belong to a credit union, has supported bankruptcy reform and preserving the unique status of credit unions, and has spoken at previous GACs.

At the 1999 GAC, Daschle called on credit union people never to forget where they came from and the values they learned.

He cited credit unions that stand beside their members in good times and bad. "That's why we're [Congress] proud to stand beside you," Daschle said. "Because of the strength of your arguments, you opened the doors [of credit unions] to tens of thousands of consumers."

Sen. Debbie Stabenow (D-Mich.) has also been confirmed as a speaker. Stabenow was the first woman from Michigan elected to the U.S. Senate and has had a positive relationship with credit unions, as well as being a supporter H.R. 1151.

Other speakers for the GAC include Rep.

Stephanie Tubbs-Jones (D-Ohio), House Banking Chairman Michael Oxley (R-Ohio), and Sen. Jim Bunning (R-Ky.), Miss America Katie Harman, as well as a debate between Newt Gingrich and James Carville.

Don't miss your chance to be part of this event! The 2002 GAC will take place February 24-27 in Washington D.C. For more information, visit www.cuna.org.



Volunteer of the Year, Hall of Fame Awards Approaching

It's award season once again at the Florida Credit Union League. Our call for nominations for the Hall of Fame and Volunteer of the Year awards should be arriving in your mailbox in February.

Induction into the Florida Credit Union League's Hall of Fame is the most prestigious honor bestowed upon a professional credit union leader in Florida. Established in 1993, the award recognizes those individuals who have made outstanding contributions to the growth and development of the credit union movement in Florida and beyond.

Any League-affiliated credit union or Chapter may nominate a credit union professional for consideration.

The Volunteer of the Year award honors those volunteers who take time to advance the credit union movement. This prestigious award is presented to a volunteer who

— continued on page 11

Bush Intends to Nominate Matz to NCUA Board

President George W. Bush announced that he intends to nominate agriculture finance expert Deborah Matz to serve as the Democratic member of the NCUA Board.

Matz is currently executive officer of the Washington liaison office for the Food and Agriculture Organization of the United Nations. As a former deputy assistant secretary for administration in the U.S. Department of Agriculture, Matz chaired a task force responsible for resolving delinquent farm loans above \$1 million.

Now that President Bush has confirmed his intent to nominate Matz, he could issue recess appointments for both Matz and Iowa State Senator JoAnn Johnson (R-Iowa) to join the three-person NCUA Board. Recess appointments would last until the end of the first year of the next session of the Senate, or until the Senate confirms each nominee for a full six-year term.

NCUA Chairman Dennis Dollar welcomed the Matz announcement in a statement. "I have met Deborah and am impressed with her vast array of government experience and public service, which I know will be beneficial to NCUA and the credit unions we regulate and insure."



Deborah Matz



Florida Credit Union League Board of Directors

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San Antonio Citizens FCU

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Tropical Financial CU

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At Large Director

Sunshine State CU

Carolyn Parslow

At Large Director

Suncoast Schools FCU

The *Florida Credit Union News* is a monthly publication of the Florida Credit Union League. For business information or subscriptions, write the Florida Credit Union League, call (800) 342-1266, or e-mail bwells@fcu.org.

President: Guy M. Hood

VP of Communications: Mark Ivester

Managing Editor: Billy Wells

www.fcu.org

Bankers Continue Their March

One can only wonder if our friends in the banking industry ever stop to review some of their public statements. If they did they might find it as alarming as I do that there tends to be a lack of consistency in their public utterings.

For example, the bankers and the real estate industry are locked in a furious battle, brought about by the bankers' urge to get into the real estate business. Catherine Pulley, a spokeswoman for the American Bankers Association, was recently quoted as saying: "Consumers have no choice." She went on to accuse the realtors of conducting a scare campaign to try and frighten Congress into passing prohibitions against bankers being in real estate.

Scare tactics? Suggesting consumers would have no choice? I find it interesting that an industry that spent millions of dollars to deny consumers the right to choice in the financial depository industry would now portray themselves as consumer champions.

There is one thing that is consistent with how bankers fought credit unions and are currently opposing the realtors. The National Association of Real Estate Investment Trusts, a Washington based trade association of real estate companies, says that it believes the banking industry improperly tried to get the change passed using the regulatory rather than legislative process. All of us in the credit union movement, fully aware of how bankers tweak the regulatory agencies for their benefit, can only nod in agreement with that statement.



*Guy M. Hood
President/CEO*

Meantime, Gold Bank, which operates in many states, is pressing on with its bogus effort to suggest that CUNA has violated their copyright by adopting the slogan "Where people mean more than money."

Gold Bank has been taking depositions of CUNA employees involved in the branding campaign, and recently indicated that it might seek documents or testimony from some League personnel. Gold Bank's attorney has called a credit union in Missouri directly and asked for branding campaign materials to be turned over. This was done without notice of any kind to

CUNA and was a violation of professional courtesy at best. Fortunately, the credit union refused the request and will await a subpoena, if any. That was the right way to handle this matter.

If Gold Bank should contact you we would ask that you politely direct them to call either the League or CUNA. Following this procedure will help us to keep track of what Gold Bank is up to and to follow a coordinated strategy in this case. CUNA is represented in this matter by an experienced trademark litigator who can only work effectively if he knows what information is being supplied to Gold Bank. He needs our cooperation if this case is to be handled in an orderly manner.

The banking industry has not gone away. Which is why we here at the League continue to be ever vigilant in protecting your interests both here in Tallahassee and in Washington.

Catch the Next WAVE

Credit Union Choices and Challenges

Make plans to join us for the 68th Annual League Convention and Exposition.

The three-day event is for all levels of credit union personnel and volunteers. This year's convention will be held at the Orlando World Center Marriott from May 30 – June 1.

Watch for more information in next month's newsletter!

Online Assessment Tool Makes it Easier to Assess e-Commerce Risks

As electronic commerce becomes an everyday option for members, credit unions need to understand how this new distribution channel will work for them – as well as a thorough knowledge of the risks involved.

Areas of vulnerability include funds transfer communication, ACH debits, demand drafts, unauthorized access to computer systems, computer virus attacks, electronic loan losses, litigation as a result of a web site crash, and advertising and communication on web sites that create new exposures in personal liability and copyright law.

The first step on the road to a safe and secure electronic future for your credit union

is to assess the magnitude and breadth of potential exposure.

CUNA Mutual now offers an online Electronic Commerce Risk Self-Assessment Guide, exclusively to all Credit Union Protection Bond/CUPOP policyholders. It helps credit unions identify risk areas related to e-commerce, in four areas: web site, web site applications, home banking, and broadband security.

The online Guide contains four sections with 42 questions that will help a credit union pinpoint those strengths and weaknesses. After answering four introductory questions, credit unions receive a series of customized assessment questions.

After answering the questions, credit unions will receive customized recommendations, including an overall ranking. Credit unions can then request a follow up after completing the online survey by clicking a “Contact Me” button.

To use the Guide, go to cunamutual.com. Registered users should click “Sign-in” on the home page, click “Edit my Profile,” and add Credit Union Protection Tools to their list of customized services.

Non-Registered Users should click “Register” on the home page, complete the registration process for User ID and password, and request access to the Credit Union Protection Tools.

Operation Comment Available to Urge Repeal of CAP

Although the Board of the National Credit Union Administration has effectively voted to repeal the Community Action Plan (CAP) rule, credit unions are encouraged to write to NCUA to push for final adoption of a rule repealing CAP. Credit unions may voice their support for repeal of the CAP rule by accessing CUNA’s Operation Comment at www.cuna.org. All comments should be sent to NCUA no later than Feb. 8.

Credit unions are also encouraged to

participate in Project Differentiation. By adopting the requirements to be a part of Project Differentiation, credit unions can make a positive statement about serving their members, thus providing another argument against CAP.

For further information on how your credit union can participate in Project Differentiation, please contact Grace Potter Freni at gracepf@fcul.org.

Two credit unions become FCUL’s newest affiliates

Two credit unions, one in South Florida, the other in Northeastern Florida, have become the League’s newest affiliates.

In South Florida, **Eastern Financial Florida Credit Union**, the state’s third largest credit union, joined the ranks of League and CUNA members this month. Based in Miramar, Eastern Financial Florida CU has 15 branches located throughout South Florida and the Tampa Bay region. Eastern Financial’s president is Kent Herbert and the credit union reported assets, as of June 30, 2001, of \$1.7 billion. Eastern serves more than 159,000 members.

OMNI Community Credit Union in Jacksonville affiliated with the League in late 2001. The credit union serves 9,494 members and reported assets on June 30, 2001, of \$54.4 million. OMNI Community CU’s president is Karen Hamilton.

FCUL welcomes its two newest affiliates.



2002 Directory in the Mail

The 2002 credit union directory has arrived! Inside you will find addresses, phone numbers, and contact names for all of the League’s affiliated credit unions in Florida, as well as other important information, including chapter listings and the 2002 FCUL education calendar.

Each credit union will be receiving a complimentary directory, with additional copies available for purchase for \$15. Contact Mark Ivester or Billy Wells at (800) 342-1266 for more information.



Send submissions for the "News From You" section to the League by the first of each month.



FEC Federal Credit Union remembered those who are less fortunate for the holidays. The credit union held a toy drive for Christmas, collecting about

85 toys for a total of approximately \$750. FEC donated the toys to a local organization called The Children's Home Society. They were very happy with the donation and it helped to brighten some children's holidays.

Pen Air Federal Credit Union has thought of a great way to donate to the Children's Miracle Network. It is currently donating \$.10 per foreign transaction fee at its ATM machines to the Children's Miracle Network.



Donna Shalala (center), new University of Miami president, did the honors of the ribbon cutting for the newest branch of University Credit Union.

University Credit Union of Miami has opened its newest full service branch on the University of Miami's Coral Gables campus in the Whitten University Center. The new branch completes three UCU ATMs in the center.

GTE FCU Donates \$167,000 to September 11 Fund

GTE Federal Credit Union's Board of Directors, staff, and members have joined in the American Cooperative Spirit by donating \$167,000 to the United Way's September 11th Fund. GTE Federal Credit Union joins others who have pledged or donated to the Fund for a total of \$337 million, of which nearly \$280 million has been collected.

Following the credit union's motto of "Together We're Better," members gave generously to those in need, symbolizing the true spirit of credit union membership. To express this, the Board made a corporate donation of \$143,000 – one dollar per credit union member – with member donations and staff fundraisers, such as bake sales and raffles, raising an additional \$24,000.

Members were provided donation forms in their financial statements and were also able to contribute at their local branch, by

mail, or via a special relief fund link on the credit union's web site. Credit union employees and contributors wore special American flag ribbons attached to the GTE FCU Relief Fund button to show support of this meaningful cause.



Receiving the donation from Wendell (Bucky) Sebastian, President and CEO of GTE Federal Credit Union, is Deborah Marrero from the United Way of Hillsborough County.



(L to R) Jodi Petrzala, Lake Mary Branch Manager; Janet Reno; Jody Walls, VP/Communications and Business Development; Lisa Gill, Business Development Executive; Molly Gibson, Business Development Director

Bell-Tel Credit Union executives attended the Professional Women's Network luncheon with keynote speaker Former Attorney General Janet Reno. Seminole County Lake Mary Regional Chamber of Commerce put together the event and part of its proceeds will benefit Safehouse of Seminole.

Reno addressed the crowd on what we can do as a community to prepare for the future. She emphasized the need to focus immediately on education issues and our youth. She also outlined goals to help lay the foundation for a strong Florida.

First Access Service Team, a CUSO of **Tampa Bay Federal Credit Union**, continues to grow its client base for temporary teller services. The temporary teller service operates under the trade name "CuTemps" and serves credit unions in the Tampa Bay area.

CuTemps temporary staffing has grown from two associates in March 2001 to 14 by year-end. Florida West Coast CU, Bay Gulf CU, PowerNet CU, USF FCU, and Suncoast Schools FCU have utilized the services of CuTemps.



Jim Ryan, CEO, JM Associates FCU, gave a check in the amount of \$1,000 on behalf of the Northeast Florida Chapter to the Children's Miracle Network. Pictured with Jim are two CMN representatives.

ECCU Wins State Award for Work With St. Johns Schools

Educational Community Credit Union recently won the Commissioner's Business Recognition Award for its efforts with St. Johns County schools.

"Each year, the Florida Education Foundation and Florida Department of Education honor those businesses throughout the state that have shown an outstanding commitment to improving education by partnering with schools in their community," Commissioner of Education Charlie Christ said. "Your efforts have been noticed and it will be our pleasure

to honor you at this standout event."

The credit union is involved in most school programs, including:

- RSVP — Sponsored events, and St. Augustine branch manager Keith Couchman serves on advisory council
- St. Johns Education Foundation—ECCU Vice President Linda Murrow is a board member and is coordinating the Foundation's 2001 Teacher of the Year awards
- Business Partners — St. Augustine branch teller Latesha Herring partnered with Mill Creek Elementary; Vice President

Marketing Andrea McKalvey partners with Pedro Menendez High

- Take Stock in Children – Marketing Manager Patricia Ponder mentors a ninth grade student at St. Augustine High each week
- Leadership Conference and New Faculty Orientation– ECCU provides financial assistance for these back-to-school events. This year marked the third in a row ECCU sponsored the Leadership Conference.

The award will be presented in a statewide ceremony in Orlando on Feb. 28.

ECECU sponsors local TV show

Escambia County Employees Credit Union in Pensacola has signed on to sponsor a one-hour television program hosted by the Escambia County Sheriff's Department. The weekly show, titled *Most Wanted*, airs on BLAB TV during prime time hours on channels serving more than 185,000 homes.

Support of this program by ECECU is part of a continuing marketing campaign to

increase awareness and to tie the credit union back to the community it serves. This is a very unique opportunity for the credit union.

In fact, ECECU serves more than 500 employees of the Escambia County Sheriff's Department already. Through this sponsorship, ECECU is supporting a very important member constituency and also

leveraging the on-air time to advertise to potential members.

Besides on-air mentions throughout the program, ECECU is developing a number of 30-second ads to air inside each program. These ads will highlight recent building expansion and financial products and services offered by the credit union.

The following credit union employees have recently been recognized by CUNA:

Certified Credit Union Executives

Charles German
Santa Rosa County FCU
Kathleen Grattan
Suncoast Schools FCU
Jean Louise Hayes
Tyndall FCU

Certified Lending Specialist

Sharon Hawkes
Suncoast Schools FCU

Certified Financial Services Professional

Karen Bars
Panhandle Educators FCU
Jean Louise Hayes
Tyndall FCU

Congratulations!

Make it Your 2002 New Year's Resolution!

OUR VISION

As a credit union professional, you are committed to making a difference.

OUR VOICE

Project Differentiation gives credit unions the voice to demonstrate that commitment.

- Community involvement
- Helping members
- Financial education

PROJECT
DIFFERENTIATION™
committed to our members and our community

See article on page 7 for more information

Credit Union Political Action

CU and League Representatives Visit Palm Beach Representative

Representatives from two Palm Beach area credit unions and a League staffer visited with Rep. Jeff Atwater (R-83) in his District office last month. Rob Delany, CEO of Gold Coast FCU; Norman Walker, the Government Affairs Committee Chair at Gold Coast FCU; Tom Shea, the Government Affairs Committee Chair at THE CU of Palm Beach County; and Grace Potter Freni, Director of Political Action at the League spoke with Rep. Atwater on a number of statewide and local issues.

The group shared Florida credit unions' interest in being able to accept public deposits and indicated the League planned to spearhead an effort to have the law changed in 2003. Rep. Atwater was told that credit union representatives were meeting with other legislators around the state

preparing for the effort that may meet some challenges. He understood why the credit unions were waiting to offer these changes in the law until 2003 with reapportionment on the agenda for 2002.

Privacy and the merger of the Department of Banking and Finance and the Department of Insurance were discussed in some detail. Rep. Atwater was asked to consider the issue of privacy verses convenience. He was also told about how sharing information can help in cases of fraud, and how it is the professional criminal law enforcement officials have to worry about more than the responsible business entity.

The group told Rep. Atwater that, of the two merger proposals offered so far, both had positive aspects. The group indicated credit unions would like to see the creation

of a Division of Credit Unions, but that ultimately they hoped for a fair compromise in the merger.

Rep. Atwater's thoughts on reapportionment for the area were very interesting to the local credit union representatives. Rep. Atwater also shared his desire to lessen the burdens on windstorm insurance and his hopes to secure financial aid for part-time college students.

The meeting was very cordial and relaxed. The group spent just less than one hour together, and Rep. Atwater asked that the League keep him informed of its issues.



Rep. Jeff Atwater



The Northeast Florida Chapter of Credit Unions recently contributed \$7,000 to CUPAC. These funds were raised from several fundraising projects the Chapter sponsors throughout the year. On hand to accept the check from Chapter President Jim Ryan, CEO of JM Associates FCU, is Grace Potter Freni, Director of Political Action for the League, and Melba Jordan, CCUE, State Employees CU, Second Vice Chair of the FCUL Board of Directors.



Mark Landreth, CAE, Director of Legislative Affairs for the League, was the featured speaker at the Tallahassee chapter meeting Dec. 6. Landreth spoke about special session and the 2002 legislative session.



Ray Wright, CEO, United Datatronics, receives cash from Grace Potter Freni as the winner of the CUPAC 50/50 raffle. Wright won half the money and the other half benefits CUPAC.

Project Differentiation Important to Credit Unions

CUNA's Project Differentiation initiative has had some success in recent months, but the number of credit unions completing this important document remains low. In Florida, the numbers are not much worse than many states (*see chart at right*), but for Florida – a leader in the credit union movement – the League would like to see its credit unions step up to the plate and make an impact.

Credit unions in Florida are making a difference in their communities, and they can help CUNA and the League tell the story to Florida's lawmakers by completing these forms and making them available to the governmental affairs staff. By documenting the credit union difference and being able to present this information to the right person at the right time, it makes the lawmakers' decisions easier should hard legislative choices need to be made.

The Florida Credit Union League would like to at least double the number of Florida credit unions that have completed the Project Differentiation packet during 2002. That would bring our number to 20.

Credit unions can complete the information a number of different ways. Perhaps the paperwork can be completed during a staff meeting or joint staff/credit union board meeting. A planning session is also a great time to complete the information. The important thing is that the document be completed and utilized for the benefit of all credit unions.

A Project Differentiation packet is available from CUNA's web site at www.cuna.org. There is a direct link on the front of the web page to all the information one would need. The League also has copies of the packet that can be sent electronically

State	Affiliates	Completed	Percentage
Alabama	189	6	3%
California	670	81	12%
Florida	253	10	4%
Georgia	229	10	4%
Montana	78	18	23%
New Jersey	288	3	1%
New York	651	16	2%
Ohio	622	62	10%
S. Carolina	98	22	22%
Texas	727	145	20%
Virginia	261	29	11%

Chart showing completion of Project Differentiation from selected credit union leagues

or by mail. If you have questions or would like to request a packet, contact Grace Potter Freni at (800) 342-1266, ext. 312.



Fairwinds Credit Union's Vice President of Administration Tom Embree presents a CUPAC check to Rep. Jim Kallinger (R-35) for \$200.

Several legislators gathered recently for a quail hunt fundraiser to benefit Rep. Don Brown (R-5). Grace Potter Freni, FCUL Director of Political Action, represented the League at the event held in Washington County. (L to R) U.S. Con. Allen Boyd (D-2nd); Rep. Greg Evers (R-1); Grace Potter Freni; Rep. Carey Baker (R-25); and Rep. Allan Bense (R-6).



Additional Positive Byproducts of Recent DBF Rule Amendments

In a follow up to the information presented in last month's issue of the *Florida Credit Union News* about the Department of Banking and Finance's proposed revisions to two rules affecting state chartered credit unions, below are additional changes that have been proposed.

First, in changes to Rule 3C-110.045 (Reports to the Department), the DBF states credit unions shall use the NCUA form 5300 (effective 12/01) rather than DBF-C 68. The same form will now be used for both the DBF and the NCUA. This lessens the paperwork credit unions are required to complete for the DBF, which makes great sense considering that credit unions were using the same information on two separate forms required by two levels of government.

Additionally, another provision in the amendment is that the Department may waive their administrative late fee for good cause, such as incidental and isolated clerical errors or omissions.



Regulatory Update

Bill Berg, CCUE, CUCE, Director of Training and Credit Union Development, brings regulatory changes to your attention through this column. If anyone has questions or suggestions for additional topics, call (800) 342-1266 or (850) 576-8171, FAX to (850) 574-6374 or e-mail billb@fcu.org.

Advertising and Posting Notice of Nondiscrimination in Real Estate-Related Lending

The NCUA approved a final rule relaxing certain provisions in NCUA's regulations concerning advertising and posting notices of nondiscrimination in real estate lending.

The final rule replaces the existing mandatory logotype and language with a general requirement that FCUs prominently indicate that they do not discriminate on any prohibited basis. The final rule provides "safe harbor" methods to satisfy this notice requirement. Additionally, the final rule requires either a copy of the logotype with the legend "Equal Housing Opportunity" from the NCUA-developed poster or from the U.S. Department of Housing and Urban Development (HUD)- developed poster.

The rule became effective Oct. 19, 2001.

Community Action Plan (CAP) Requirement Repealed

The NCUA approved an interim final rule that makes changes to NCUA's chartering and field of membership manual. The first change eliminates the requirement that an existing community charter document, in writing, how it plans to serve the entire community. The second change updates the definition of an investment area.

Last year, the NCUA Board approved a final rule that would require an existing community charter to address how it plans on serving the entire community. After discussing this issue further with agency staff and the credit union community, the Board decided that absent any evidence that community charters are not marketing their services to their entire communities, repealing this regulatory requirement is prudent.

The Chartering Manual provides examples of what an investment area is for the purpose of adding an underserved area. With the release of the 2000 census as well as further expansion of an investment area by the Community Development Financial Institutions Fund of the Treasury Department, the Board is updating the definition of an investment area in Chapter 3 of the Chartering Manual.

This rule became effective Dec. 20, 2002.

Compensation of FCU Officials

The NCUA Board approved an amendment to its rule limiting compensation to officials. The rule currently permits reimbursement of a board official and one immediate family member for travel expenses incurred in performing board duties. The amendment changes the definition of the term "compensation" to use the term "guest" rather than "immediate family member."

This rule became effective Jan. 22, 2002.

HMDA Exemption Threshold Increased

The Federal Reserve Board increased the asset-size exemption threshold for depository institutions under Regulation C (Home Mortgage Disclosure) from \$31 million to \$32 million. Credit Unions with assets of \$32 million or less as of Dec. 31, 2001, are exempt from data collection in 2002. However, a credit union's exemption from collecting data in 2002 does not affect its responsibility to report the data it was required to collect in 2001.

The adjustment became effective Jan. 1, 2002.

Does your credit union's CEO/manager sit on your Board?

I was recently asked this question and here are the results from CUNA's 1999

Volunteer Survey Report. Generally, the smaller the credit union's size, the higher the percentage of CEO's who also sit on their credit union's Board.

Overall	39%
Less than \$5M	56%
\$5M - \$10M	28%
\$10M - \$20M	32%
\$20M - \$50M	24%
\$50M - \$100M	14%
\$100M - \$200M	19%
\$200M or more	15%

Community Development Revolving Loan Program

Loan applications for the Community Development Revolving Loan Fund (Fund) will be accepted throughout the 2002 calendar year. Additionally, NCUA established the loan interest rate at one percent. This interest rate has been reduced from two percent in 2001.

Request for Comments on Evaluation of Non-Maturity Deposits

The NCUA is requesting comments on the findings and recommendations in a NERA study of the methods to value non-maturity shares. Non-maturity shares include share drafts, regular shares, and money market share accounts and may provide mitigation of interest rate risk to the extent that they are a stable, low cost source of funds. Because non-maturity shares have no contractual maturity and have an interest rate administered by the credit union, credit unions must make assumptions in interest rate risk sensitivity of these funds. Credit unions that will be affected are those that have large risk exposures on the asset side of the balance sheet.

Asset/Liability Management Institute

The Florida Credit Union League will hold an Asset/Liability Management Institute in Orlando on Feb. 20-21.

Asset/Liability Management provides credit union executives with the tools to determine credit liquidity and interest rate risk. This workshop focuses on using Asset/Liability to improve the profitability and earning stability of the credit union.

The course is designed for the president/manager, controller, CFO, staff member, or board member who is involved with the financial management of the credit union.

The registration is \$375, which includes tuition, breaks, lunch, and educational materials.

Consumer Lending Institute

Making loans is the foundation of a credit union's business. Being a great lender takes savvy decision-making skills and a knack for exceeding members' expectations. Lending is, and always will be, the best revenue generator in your credit union. When you increase your loan-to-share ratio, you increase your income.

Topics such as how technology is changing credit union lending, internet lending, risk-based lending, business lending, mortgages, and much more will be covered.

The institute will be held Feb. 5-7. The registration fee is \$395, which includes coffee breaks, lunch, and educational materials. Make your reservation early. The workshop is limited to the first 30 registrants. Scholarships are available.

Call the Adam's Mark Hotel to make your room reservation. A block of rooms has been reserved at a special rate of \$109 for the conference.

Both the Asset/Liability Management Institute and Consumer Lending Institute will be held in Orlando at the Adam's Mark Hotel at the Florida Mall. Call (407) 859-1500 for reservations.

For more information on the institutes, call the League's Education Dept. at (800) 342-1266.

STAR, VAP, and MERIT Certificates

Congratulations to the following individuals who have earned certification levels in the Staff Training and Recognition (STAR), Volunteer Achievement (VAP), Volunteer Leadership Program (VLP) and Mid-Manager's Enrichment Training (MERIT) Programs.

Additionally, we salute these credit unions who have recognized the importance of investing in their most important assets ... their staff and volunteers.

VAP CERTIFICATES

Bay CU: Staten Corbett

Bay Gulf CU: Robert Krasnicki

Escambia County ECU:

Richard McCormack

Fairwinds CU: Carol Denton

Orlando FCU: Debbie Owen

Pan Am Horizons FCU: John Breslin

University CU: Robert Burns

STAR CERTIFICATES

Bay CU: Jackie Lundy

Bay Pines FCU: Sheila Henderson

Bell-Tel CU: Nanette Milton, Angela Toth

Campus USA CU: Glenda Bostick, Tonya

Brown, Pamela Grimes, Laquandra Grimes,

Miryam Hernandez, Donna Lansberry

Central CU of Florida: Adelene Hurst

Central Florida Health Care FCU: Kelle

Boneta, Janice Bynes, Pat Coon, Rebecca

Danz, Sharon Koenig, Glenroy Nicholas,

John Rivera, Glendaliz Trinidad, Bethany

Troglen, Kristin Wright

Central Florida Postal CU: Kimberly

Anderson, Kristina Asher, Nysha Lucky,

Brenda Marafioti

Community Educators CU: Michel

Alexander

Eckerd CU: Darlene Montgomery

Fairwinds CU: Teresa Copeland, Teresa

Nelson

First Choice CU: Alicia Perez, Robin

Gendreau, Diane Penick, Roxanne

Tennant, Shirley Welbes

Florida Central CU: Cheryl Lay, Eleanor

Maas, Chandler Yoquelet

Florida Commerce CU: Patricia Crowley,

Suzanne Elliott, Barbara Pace

GTE FCU: Holly Coe, Barbara Curtis,

Denise Drewry, Rodney Hicks, Cindy

Pryor, Estrella Wilkinson

Indian River FCU: Stacy Wingate

Jax Navy FCU: Vanette Brown, Cassandra

Walters

MacDill FCU: Kathryn Goethe, Sherry Demoranville

Martin FCU: Leroy Costner

Pen Air FCU: Kristal Kelley, Willie Esther Scott

Pinellas County Teachers CU: Kay

Washer, Meagan Wideman, Lulu Zaveleta

Power 1 CU: Janette Alvarez, Grace Dent,

Yohandi Garcia, Kimberly Romanelli,

Rosemary Sarmiento

State Farm Florida Reg. Off. FCU: Maggie

Young

Suncoast Schools FCU: Mona Arnold,

Kristy Broughton, Diane Clary, Lynn Coker,

Stephanie Carbone, Lorraine Crone, Karen

Encinosa, Susan Ferriolo, Robert Finch,

Rashawn Gadson, Marcy Green, Linda

Guthrie, Jennifer Hoefler, Stacy Kistner,

Alpha Lundy Williams, Darla Mendenhall,

Kristen Novakoski, Cathy Olmstead, Susan

Perritt, Molly Pierceall, Cynthia Ramirez,

Susan Scott, Karen Singleton, Cathy

Turenne, Diane Thompson, Sherry

Thompson, Gretchen Watson, Kristin

Yerkes

Sunshine State CU: Lisa Boyd, Gloria Dann

Telco of Florida FCU: Debora Roberts

West Coast Federal ECU: Raymond

Townsend

MERIT CERTIFICATES

Campus USA CU: Pamela Grimes, Katrina

Hopping, Vicki Moore

Educational Community CU: Diane Thorpe

First Choice CU: Mary Beardsley, Roxanne

Tennant

Florida Aircraft FCU: Jeffrey Marshall

Jax Navy FCU: Patty Brown

Orlando FCU: Francheska Rodriguez

Power 1 CU: Felipe Sediles

Suncoast Schools FCU: Amanda Gibson

WOCCU Young Credit Union Professionals Scholarship Program

World Council of Credit Unions, Inc. (WOCCU) is excited to call for nominations for the second annual WOCCU Young Credit Union Professionals (WYCUP) Scholarship Program. Completed nominations and all supporting materials are due at WOCCU by May 1.

First introduced in 2001, the WYCUP program is designed to encourage credit union organizations to commit to involving youth and young professionals in national and international credit union movements.

Nominees will be sponsored by their credit union organizations to attend the international Credit Union Leadership Institute to be held June 24 – July 2 in Warsaw, Poland. The leadership Institute offers the ideal environment for young professionals to broaden their perspectives

on the international credit union movement, learn about the newest trends in credit union development and network with other credit union leaders, particularly their young professional peers. This year's activities will also include a pre-Institute networking session specifically designed for young credit union professionals.

The WYCUP program will select from among the 2002 nominees five credit union professionals to receive an all-expense paid scholarship to attend the International Credit Union Forum in Brisbane, Australia in June 2003.

For complete information on application materials, judging criteria, and the selection process, visit www.woccu.org or send an e-mail to jchien@woccu.org.

CUES Receives Educational Excellence Award

The Credit Union Executives Society has won the prestigious Gold Circle Award for Excellence in Online Education from the American Society of Association Executives (ASAE), Washington, D.C. CUES Online University, www.cuesu.org, was recognized as a winner in the Technology-Based Distance Education Program category for associations with budgets greater than \$2 million. Other winners in this category are the Mortgage Bankers Association and the American College of Surgeons.

Winning the Gold Circle Award indicates dedication to innovation, quality education and the achievement of high standards in the field of association management. "CUES was the first in the credit union industry to offer credit union-specific online training. Since CUES Online University's inception in 1998, more than 600 credit unions worldwide have used this educational resource as a professional development tool," says Franck Schuurmans, Ph.D., CUES' SVP/business and professional development. "Among the hundreds of credit unions using the service, CUES repeatedly hears what a useful, cost-effective and essential source it is for their staff training initiatives."

Through a partnership with Digital University, La Jolla, Calif., CUES Online University has provided credit unions of varying asset sizes affordable, easy-to-access, and up-to-date credit union-specific training courses for their staff and board over the Internet. It offers online examination and certifications of completion for its more than 70 courses ranging from financial management to human resources. In addition, its supplemental learning management system, CUES U Plus, gives administrators at each credit union the ability to monitor individual student progress, course usage, exam results, and the ability to print reports for record-keeping/tracking purposes.

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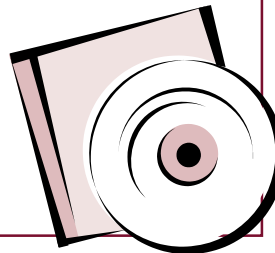
Connie Stoutamire

CDROM Electronic Library

CD ROM training is computer-based technology that combines different media into an interactive training program. It provides a unique and effective way to train your staff and volunteers. The following is a list of titles available at a small rental fee of just \$10 through FCUL Education Department:

- Robbery Awareness
- Common Balancing Errors
- Endorsements
- The Color of Money
- Telephone Skills
- Decide For Sure
- You Can Lead
- Relate With Ease
- The Credit Union Movement
- Sell To Needs

To obtain complete information on specific programs, call Connie Stoutamire at (800) 342-1266, ext. 334.



Health Insurance Costs on the Rise

by Liz Russell, Human Resources Manager



Liz
Russell

The topic of affordable health insurance has long been a concern among employers, one that dates back to 1929. The original plans were meant to cover major medical costs such as hospitalization and surgical services; the plans that cover basic physician services were not seen until the early 1960s.

The pressure for employers to offer health insurance as a way to attract employees began in the 1940s when the Supreme Court ruled that health insurance benefits were a valid piece of the labor-management bargaining process. When the Health Insurance Portability and Accountability Act (HIPAA) of 1996 was passed, it guaranteed that small businesses would be able to access insurance coverage and renew insurance plans. By the year 2000, 64 percent of the people working were covered by employer-sponsored insurance. As the convenience offered by the insurance companies grew, so did consumer use with visits to the doctor's office and prescription drug use. All of these factors, along with growth in the medical field itself, served to drive the cost of insurance higher and higher.

As the demands on employers increased, so did the efforts to control the premiums through such programs as Health

Maintenance Organizations (HMOs) and Managed Care arrangements. The federal government tried to ease the burden by spending more than \$100 billion in the form of tax incentives for employer-sponsored insurance. Employers have continued searching for ways to afford health insurance for their employees while meeting the needs of an increasingly diverse workforce. Some have turned to the recipients for relief; premiums increased an average of 11-12 percent in 2001 and 40 percent of the larger companies say they will pass a greater portion of the cost onto the employee in 2002. This is part of a continuing trend; workers on average paid more than three times as much for health benefits in 1998 as 1977. Employee out-of-pocket expenses have increased; for example, at least half the nation's small employers in health plans with preferred provider networks had deductibles of \$500 or higher for 2001 — double the \$250 median in 2000.

There are other measures being implemented for managing the increasing costs of health insurance. The popular **Section 125 Flexible Spending Plan** allows employees to spend pre-tax dollars while its counterpart, the employer **Medical Reimbursement Account**, allows the employer to aid an employee in paying a high deductible while keeping the money in

a tax-deferred account until needed. Another solution is a **"defined contribution"** arrangement; the employer provides a basic plan and the employee can decide to "buy up" certain options and benefits. Some organizations are choosing to **self-insure** by paying the workers' basic medical costs themselves and guarding against the big claims by using a stop-loss insurance policy. Some employers are choosing to reduce administrative costs by contracting with a company for **online enrollment and education**, thereby reducing the need for an on-site benefits specialist. On a larger scale, numerous companies have formed **business coalitions** to represent them as a group and allow them to demand increased quality and more controlled premiums. **Professional Employer Organizations (PEOs)** such as CU Personnel Solutions provide another resource for managing insurance related issues and costs.

Whatever action is taken, the world of health insurance is definitely changing and organizations will have to be diligent. Employees as well as employers will have to become more knowledgeable about insurance and businesses must be focused on choosing the best policy and provider for their company.

Gulf States CU Gets New President



Gary Teramae

union since May 1992, replaces Bernard Arvin, who recently retired.

Gary A. Teramae, CCUE, has recently been announced as the new president/CEO of Gulf States Credit Union. Teramae, who has been with the credit

Volunteer of the Year, Hall of Fame Call for Nominations

— continued from page 1

selflessly contributed time, effort, and talent to the credit union cause. In addition to volunteer service at the individual credit union(s), nominees should have a record of involvement at the chapter level. State and national levels of involvement are also encouraged and highly looked upon.

Appreciation is the key to extending genuine relationships. Consider your nominations early this year and complete applications by the deadline.

Winners of both the Hall of Fame and Volunteer of the Year award will be

recognized and awarded at the FCUL Annual Business Meeting and Convention in May.

Congratulations once again to last year's winners: Ray Cromer Jr., Envision Credit Union – Hall of Fame inductee; Robert Gipson, Florida Telco Credit Union – Volunteer of the Year.

Deadline for entries in this year's competition is April 5. For more information, contact Public Relations Coordinator Billy Wells at bwells@fcul.org.



FEBRUARY 2002

Date Event

5-7 Lending Institute

Orlando - Fee: \$395

12 FCUL Internet Distance Learning

Web cast - Fee: \$149

Cross Selling IRAs

12 Jacksonville - Fee: \$65

12 Orlando - Fee: \$65

13 Miami - Fee: \$65

14 Ft. Lauderdale - Fee: \$65

14 West Palm Beach - Fee: \$65

20-21 ALM Institute

Orlando - Fee: \$375

24-27 CUNA'S GA Conference

Washington DC - Fee: \$699

Cross Selling IRAs

26 Sarasota - Fee: \$65

26 St. Petersburg - Fee: \$65

27 Tampa - Fee: \$65

27 Gainesville - Fee: \$65

Calendar of Events

MARCH 2002

Date Event

6-7 Trauma Management Workshop

Orlando - Fee: \$295

Compliance Training Series

13 Tallahassee - Fee: \$150

14 Pensacola - Fee: \$150

20-21 Branch Manager Institute

St. Petersburg - Fee: \$350

Compliance Training Series

26 Orlando - Fee: \$150

27 Jacksonville - Fee: \$150

28 Train the Trainer

Tampa - Fee: \$99

CHAPTER MEETINGS

For further information, please refer to the League web site

www.fcul.org

Central Florida Chapter

February 21 • March 21

Escambia Chapter

February 21

Gulf Coast Chapter

February 14

Northeast Florida Chapter

February 21

Suwanee River Chapter

February 19

Tallahassee Chapter

February 21

The *Florida Credit Union News* is a monthly publication of the Florida Credit Union League (www.fcul.org). For business information or subscriptions, write the Florida Credit Union League, P.O. Box 3108, Tallahassee, FL 32315-3108, call (800) 342-1266, or e-mail bwells@fcul.org. Two copies are supplied free to each affiliated credit union in Florida. Additional copies may be purchased for \$3 per issue or \$36 for a single one-year subscription. Articles may be submitted to the editor for publication, and are subject to editing and approval.

President: Guy M. Hood

VP of Communications: Mark Ivester

Managing Editor: Billy Wells



Florida Credit Union League
P.O. Box 3108
Tallahassee, Florida 32315-3108

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