



Sample of Meeting Minutes Format



ABC CREDIT UNION

BOARD OF DIRECTORS MEETING MINUTES

Date: April 30, 2012

Place: Main Conference Room

Present: Mr. Smith, Mr. Green, Ms. Jones, Mr. Brown, Mr. Johnson

Supervisory

Committee: Mr. Johnson, Ms. Fox, Ms. North and Mr. Brown

Absent: Mr. Lawrence

Staff: Mr. Griffin, Ms. Little, Ms. Peacock and Mr. Paul

The meeting was called to order by Mr. Green at 12:11 p.m.

CONSENT AGENDA:

- **Approval of Charge-offs**
- **Approval of New Members**
- **Member Feedback**

ITEMS REMOVED FROM CONSENT AGENDA – Nominating Committee, ALM Committee, Supervisory Committee, Human Resources and President's Report.

MOTION: Ms. Jones moved to approve the Consent Agenda with the items above removed, seconded by Mr. Smith. The Motion passed unanimously.

Approval of Minutes: There were no corrections to the minutes.

MOTION: Ms. Jones moved to approve the Minutes, seconded by Ms. North. The Motion passed unanimously.

REPORTS ACKNOWLEDGED – No report.

Supervisory Committee – Mr. Johnson reported that the Supervisory Committee held a quarterly meeting and all members were in attendance as well as Mr. Griffin and Ms. Peacock. The focus of the meeting was on the upcoming Examiner's visit in last quarter.

The Examiners will be focusing on TDRs and Allowance for Loan Loss reserve. During December a change to the Loan Loss calculation may occur, using a 12 month rather than 24 month experience factor.

ALM Committee – Mr. Johnson reported that the ALM Committee held a monthly meeting prior to the Board meeting today.

Ms. Peacock reported that the ALM Committee agreed to bring a proposed revision to ALM policy to the Board for review. Ms. Peacock reported that the change the ALM Committee is asking to be approved is to the average maturity rate on ABC's shares in checking and money markets. Currently this is calculated using a default model rather than ABC's true decay rate. Reports using both the default model and true decay rate have been given quarterly, and using ABC's own average maturities appears to reflect reality more accurately.

NAV policy limit compliance was an issue for ABC during the last audit. Using the real decay rate as opposed to a default model is not common within the industry but is being used by some Credit Unions.

MOTION: Mr. Smith moved to adopt the actual decay rate for computing the NAV within ALM Policy, seconded by Ms. North. The Motion passed unanimously.

Nominating Committee – Ms. Jones reported that the individuals running for election are Ms. North and Mr. Gedeon. Forms can be found on the ABC website and portal. Applications will be accepted through the end of the next quarter. This has been reported in the newsletter.

Human Resource Committee – Ms. North reported that the Human Resource Committee met to develop a process for reviewing performance evaluations. Meetings regarding this will continue.

President's Report – Mr. Griffin reported that more examiners are expected to be hired in an effort to stem the flow of failures of financial institution. There are a larger number of regulations expected in the coming year and a Compliance Officer may be hired as a result at ABC to monitor this. This will be included in the Business Plan.

If a large adjustment is recommended by auditors for the Allowance for Loan Lease Losses moving to a 12 month rolling methodology, this could impact the budget figures that will be presented today.

COMMITTEE REPORTS

Credit Committee – No report.

Planning Committee – No report.

STRATEGIC BUSINESS

ALM Policy Revision – This item was discussed and a motion passed during the ALM Committee report.

Yearly Budget Approval – Ms. Peacock presented a five year forecast.

Ms. Peacock requested that the Board approve the budget as presented, which is based on current information, and if more significant information is received regarding the Allowance for Loan Losses, another revised budget will be presented.

MOTION: Ms. Jones moved to approve the proposed budget as presented, seconded by Ms. North. The Motion passed unanimously.

New Merger Opportunity Discussion – Mr. Griffin reported on a new opportunity presented by ZXY Credit Union. The current portfolio is \$8.5 million with another possible \$200,000 to \$300,000 of unrecognized value.

Performance was affected by charge-offs of fraudulent loans and there are pending legal issues for the former CEO. A 17% delinquency rate should drop rapidly as they continue to repossess and charge off vehicles.

MOTION: Ms. Jones moved to authorize Mr. Griffin to explore the merger opportunity with due diligence with ZXY Credit Union, seconded by Mr. Green. The Motion passed unanimously.

An Executive Session was held following the meeting.

The next Board of Directors meeting is scheduled for Wednesday, May 27, 2012 at noon in the main conference room.

ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 1:30 p.m.

Respectfully submitted,

Ms. Jones, Secretary

Mr. Green, Chairperson

Meeting minutes transcribed by: Lady of Letters, Inc.