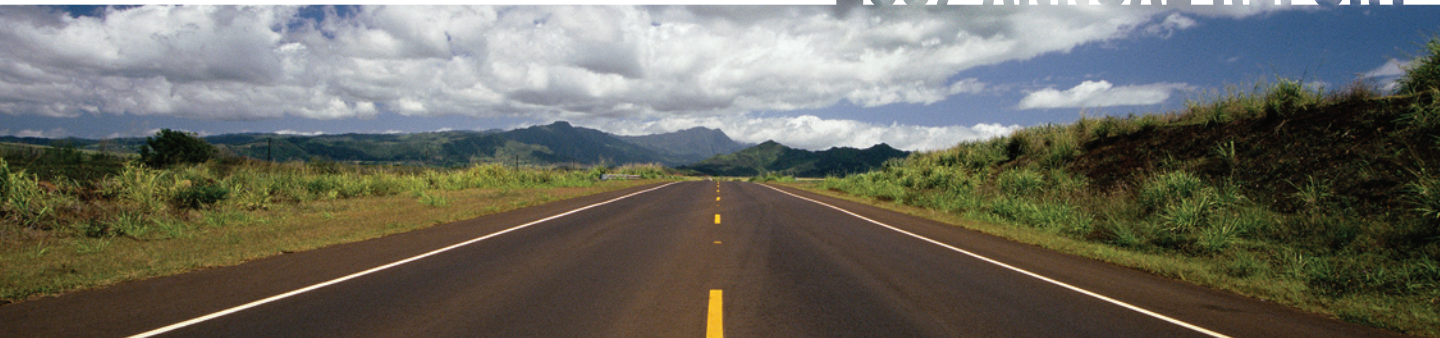




OWNERS' MANUAL

2007 ANNUAL REPORT





IMPORTANT INFORMATION

LIFETIME WARRANTY FOR CREDIT UNIONS AND VIRGINIA'S CREDIT UNION MOVEMENT

This warranty assures a long and healthy life of your credit union and the credit union movement as a whole should the principles of this document be adhered to forthwith. These principles are founded in the philosophy of cooperation and its central values of equality, equity and mutual self-help. They express, around the world, the principles of human development and the brotherhood of man through people working together to achieve a better life for themselves and their community.

1. Voluntary Membership - Credit unions are voluntary, cooperative organizations, offering services to people willing to accept the responsibilities and benefits of membership, without gender, social, racial, political or religious discrimination. Many cooperatives, such as credit unions, operate as not-for-profit institutions with volunteer boards of directors. In the case of credit unions, members are drawn from defined fields of membership.

2. Democratic Member Control - Cooperatives are democratic organizations owned and controlled by their members, one member one vote, with equal opportunity for participation in setting policies and making decisions.

3. Members' Economic Participation - Members are the owners. As such they contribute to, and democratically control, the capital of the cooperative. This benefits members in proportion to the transactions with the cooperative rather than on the capital invested. For credit unions, which typically offer better rates, fees and service than for-profit financial institutions, members recognize benefits in proportion to the extent of their financial transactions and general usage.

4. Autonomy and Independence - Cooperatives are autonomous, self-help organizations controlled by their members. If the cooperative enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the member and maintains the cooperative autonomy.

5. Education, Training and Information - Cooperatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of the cooperative. Credit unions place particular importance on educational opportunities for their volunteer directors, and financial education for their members and the public, especially the nation's youth. Credit unions also recognize the importance of ensuring the general public and policy makers are informed about the nature, structure and benefits of cooperatives.

6. Cooperation Among Cooperatives - Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, state, regional, national, and international structures.

7. Concern for Community - While focusing on member needs, cooperatives work for the sustainable development of communities, including people of modest means, through policies developed and accepted by the members.

WARNING

FAILURE TO FOLLOW OWNER
GUIDELINES MAY RESULT IN
APATHY.

CONTENTS

4-13	ORGANIZATION/LEAGUE STAFF	●
14-19	CHAIRMAN'S MESSAGE	●
13-39	PRESIDENT'S REPORT	●
41-101	COMMITTEE REPORTS – VACUPAC CHAMPIONS	●
102-113	COMMITTEE ROSTERS	●
114-148	TAKING OWNERSHIP: CREDIT UNIONS' STORIES	●



ORGANIZATION

Your League was organized November 26, 1934, and became incorporated in 1952. Since its organization, it has rendered continuous service and today is recognized as one of the leading leagues in the nation.

Your League is directed by a 13-member board of directors. Beginning in 2007, eight directors were elected to represent the four regions of the state. Each region elects one representative from a credit union with \$50 million or more in assets and one representative from a credit union with less than \$50 million in assets. The five remaining directors are elected at-large. The League Board is responsible for setting League policies and directing League affairs between Annual Meetings. Members of the board of directors at the beginning of this meeting are:

Cliff DeMars, Chairman



EXECUTIVE COMMITTEE



Roanoke Postal Employees Federal Credit Union
Region 4, representing \$50 million-plus
asset credit unions
demarsct@cox.net



Suzanne Hughes, Secretary
University of Virginia Community
Credit Union
Region 3, representing \$50 million-plus
asset credit unions
shughes@uvacreditunion.org



Stan Leicester, Vice Chairman
BayPort Credit Union
Region 1, representing \$50 million-plus
asset credit unions
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Sharon Emory, Immediate Past Chairman
*members*Trust Credit Union
ex-officio
semory@bemory.com



Bob Petty, Treasurer
Bronco Federal Credit Union
At-Large Director
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Rick Pillow, President
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DIRECTORS



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Joe Blevins

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Cheryl Dickerson

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Audrey Bollinger

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At-Large Director
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Iris Ellis

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Michael Guida

*members*Trust Credit Union

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less than \$50 million in assets
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Barbara Lockard

Partners Financial Federal Credit Union

Region 2, representing \$50 million-plus
asset credit unions
blockard@partnersfinancialfcu.org

The 13 officers and directors serve without pay and meet periodically to receive committee reports, the President's report, and to act upon recommendations contained therein. Under the direction of the board of directors, the affairs of your League are administered by the President.

CONTACT INFORMATION

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PAST LEAGUE CHAIRS

C. H. Morrisett*
Richmond
1934 – 1936

E. L. Field*
Richmond
1936 – 1937

Garland E. Webster*
Richmond
1937 – 1939

Frank J. Tally*
Norfolk
1939 – 1941

Fred A. Quinn*
Richmond
1941 – 1946

Frank H. Beard*
Newport News
1946 – 1951

Sidney C. Day, Jr.*
Richmond
1951 – 1952

Curtis L. Shackelford*
Danville
1952 – 1953

Albert T. Blencowe*
Richmond
1953 – 1955

Harold Simmons
Petersburg
1955 – 1956

J. Douglas Stanford*
Roanoke
1956 – 1958

Daniel L. Kiley*
Roanoke
1958 – 1959

William H. Highfill, Jr.
Roanoke
1959 – 1969

James P. Kirsch*
Portsmouth
1969 – 1977

Philip M. Hasbrouck*
Richmond
1977 – 1980

Herbert F. Freeman
Alexandria
1980 – 1983

Christie Eugene
Norfolk
1983 – 1988

Kathryn R. Coleman*
Alexandria
1988 – 1993

Richard Mann
Danville
1993 – 1996

Robert Morgan
Virginia Beach
1996 – 1999

Gregory Manweiler
Hampton
1999 – 2001

Audrey Bollinger
Colonial Heights
2001 – 2003

William Cook
Northern Virginia
2003 – 2005

Sharon Emory
Virginia Beach
2005 – 2006

** Denotes deceased individuals*



Cliff DeMars, League Chairman

CHAIRMAN'S MESSAGE

“Ownership” is one of the basic principles of the credit union movement. Our self-help philosophy encourages our member-owners to take ownership of their own financial futures and to exercise their rights as owners in electing the credit union’s leadership.

Credit unions owe their very existence to everyday men and women taking ownership of their financial well-being and deciding that together with their co-workers, friends and neighbors, they could create their own financial institution, one dedicated to serving their collective interests.

Credit unions are still going strong today owed in large measure to that “self-help, taking ownership” mentality dictating, too, our actions and beliefs at the organizational level. We understand that getting things done means taking ownership of the challenges

and opportunities before us. My greatest concern, however, is that we have yet to adequately “take ownership” of our movement’s future, specifically in three key areas that I believe desperately need our attention.

TAKE OWNERSHIP OF GEN Y

No surprise here. The Baby Boomer population that was our lifeblood for decades is aging, with the average member’s age now at 47. As our membership ages, demand for loans will fade.

We’ve been told for years that Generation Y is our future, but we’re struggling mightily to reach this critical generation, the oldest of whom are

now hitting 30 and their prime borrowing years. I worry that many credit unions are using the wrong messages and vehicles to reach young people.

This year, I strongly encourage you to learn what you can about marketing to Gen Y. Resources such as the Credit Union Marketing Council of Virginia, CUNA’s Marketing and Business Development Council and the National Youth Involvement Board are good places to start.

Participation in financial literacy programs at your local schools or through the National Credit Union Youth Week Saving Challenge offer wonderful ways to introduce yourself to young people

"This year, we developed an informational brochure that provides an excellent overview of VACUPAC and the importance of your VACUPAC contributions."

and learn what appeals to them. I don't mind stating what's painfully obvious: If we fail to reach today's young people, we'll fail to survive.

TAKE OWNERSHIP OF POLITICAL INVOLVEMENT

Despite the dedication and hard work of numerous credit unions and chapters, we failed to reach our Virginia Credit Union Political Action Com-

mittee (VACUPAC) goal in 2007. We cannot allow that to happen. Virginia's bankers already raise double the money we raise, even when we meet our goal. This year, we developed an informational brochure that provides an excellent overview of VACUPAC and the importance of your VACUPAC contributions. We're happy to provide that brochure to you to share with your staff and volunteer officials.

The work of some credit unions on the Credit Union Regulatory Improvements Act (CURIA) has been truly exemplary. Many of us, however, have fallen short. With resources like free, postage-paid postcards and the *My Credit Union Is Me*

advocacy Web site, we've made it incredibly easy for any credit union to get involved and lobby our lawmakers for their support. Though we're making headway at the national level, we must keep up the pressure on Virginia's Congressional delegation to remind them of the critical importance of this legislation.

Many of you also journeyed to Richmond on Jan. 22 to participate in Credit Union Day at the General Assembly. At 350 strong, our delegation made an impression, but next time (perhaps as early as next year), we should endeavor to do better. In years past, we've numbered as many as 1,000. We can match or exceed that, but it will mean you

encouraging your fellow board members, staff or even your credit union friends to get involved.

Another good way to step up your political involvement is to become more active in your chapter. Your chapter's legislative representatives are already on the front lines in doing grassroots work and would be more than willing to show you the ropes.

TAKE OWNERSHIP OF YOUR FUTURE

It's amazing that many of our credit unions are not adequately planning for their future. I'm talking about failing to have even a realistic business plan, sound succession plan or "informed vision"

of where they want to be in, say, five or 10 years. In our own minds, we may believe that we'll never cease to be a viable financial services provider for our members, but so many of us also never see our own potential. We're content to do the same things, the same way until we're forced to change. That, in my mind, is a recipe for failure.

As volunteer officials and senior managers, we have a duty to our credit unions to lay the foundation and blaze the trails that ensure our long-term success. Doing that means we need to educate ourselves and begin asking the tough questions that empower us to create our own future.

There's plenty of help available, including your League's own planning and consulting staff. But regardless of where you find the help, my charge to you is to make strategic and business planning a priority, because at the risk of again stating what's painfully obvious: It will not be much of a movement, if credit unions like yours don't find a way to survive!

Taking ownership means confronting the challenges we face and seizing the opportunities that come. We shouldn't shy away from either. What we do has value and meaning. Never forget that. We are part of something a great deal bigger than ourselves—a social movement dedicated to im-

proving the financial well-being of our members and promoting the betterment of our communities.

We owe it to those that built this movement, to our members, to our communities, and to ourselves to take ownership of our future, and ensure the credit union movement doesn't become irrelevant, ineffectual, and ultimately, extinct.

A handwritten signature in black ink that reads "C.T. De Mars". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Cliff DeMars, League Chairman

"What we do has value and meaning. Never forget that. We are part of something a great deal bigger than ourselves..."



Richard Pillow, League President

PRESIDENT'S REPORT

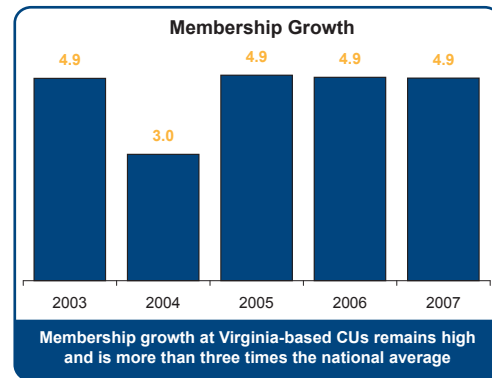
For many of us privileged enough to have made a career in the movement or to have served as a longtime volunteer official, 2007 may well come to be viewed as a “quietly” monumental year for credit unions.

I am hard-pressed to think of a year in which so many potentially movement-changing issues have come to the fore. From the increasing regulatory burden faced by our credit unions, to issues like the hostile takeover of one credit union by another, to the growing threats to the viability of the dual-charter system, to cyber criminals’ “discovery” of credit unions, 2007 may well have given birth to challenges and opportunities with which we’ll have to wrestle for years to come.

TAKING OWNERSHIP OF OUR CHALLENGES

Credit Union Consolidation: We ended 2007 with 202 credit unions in the state—down from 212 at year-end 2006—with 193 affiliates and eight associate members. Economic and member service pressures continue to push credit unions toward consolidation, although the National Credit Union Administration reports that overall, there were fewer mergers through the third quarter of 2007 when compared to previous years. One area of concern we continue to monitor is senior level vacancies in credit unions, with some national statistics estimating that about 60% of current CEOs will retire during the next 10 years.

Your League stands ready to aid credit unions with strategic planning, succession planning, marketing assistance and financial analysis services for those looking to ready themselves for the challenges of the marketplace.



Although not a situation with which we had to deal directly, nationally we have seen the emergence of troubling new issues regarding mergers and charter changes. Specifically, 2007 brought about what many called the first hostile takeover bid of one credit union by another. Although ultimately unsuccessful, such actions only serve to divide the movement. Additionally, we've now seen the outright purchase of credit unions by banks. Both of these issues should remind us of the need to improve the credit union charter, as well as offering further evidence of the need to remain vigilant in protecting the interest of members with regard to the ownership of their credit union.

Compliance and Regulatory Affairs: Credit unions expend tremendous resources on regulatory and compliance issues. Your League serves as a conduit for compliance information and is available to answer questions on day-to-day credit union operational issues. Together with the Credit Union National Association, we can offer comprehensive assistance to help ensure credit unions stay abreast of regulatory and compliance issues.

Regulatory matters dominated system news in 2007, and we can expect a host of new issues during the coming year. Among the most significant issues in 2007:

Continued development of the Unrelated Business Income Tax (UBIT) as it applies to state-chartered credit unions. Credit unions are filing 990 and 990-T returns at the conclusion of 2007, with the state Bureau of Financial Institutions recently announcing that it would no longer file a consolidated 990 for all state-chartered credit unions. Litigation is pending in our national courts to clarify this important issue, which poses a serious threat to the long-term viability of the dual-charter system. Your League has contributed \$268,000 to the national UBIT Steering Committee's fight to ensure a favorable resolution for credit unions.

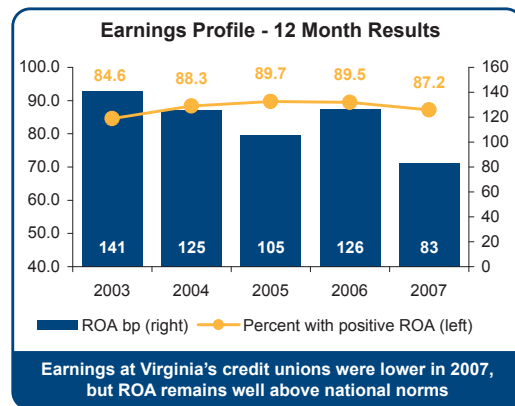
"Your League has contributed \$268,000 to the national UBIT Steering Committee's fight to ensure a favorable resolution for credit unions."

Regulation Z (Truth in Lending) is now under review by the Federal Reserve for possible revision. Significant changes to open-ended credit plans will adversely affect credit unions in their operations and with service to members. The League will continue to be your advocate promoting revisions favorable to our system.

A state credit union service organization (CUSO) regulation has worked its way through the State Corporation Commission comment period and the League and credit unions have been largely successful in achieving parity with federal institutions with respect to investments and loans to CUSOs.

The National Credit Union Administration (NCUA) issued a letter to the Virginia Unclaimed Property Division reiterating its longstanding position that a state law, which attempts to govern a federal credit union's imposition of account fees and charges, including inactive or dormant accounts, directly conflicts with section 107(6) of the Federal Credit Union Act and 701.35 of NCUA regula-

tion and therefore is preempted by federal law. This ruling resulted in credit union legislation during the 2008 Virginia General Assembly, designed to restore parity for state-chartered credit unions.



Interagency ID theft “red flag” regulations and guidelines proved to be a hot topic at the end of 2007, and your League continues to aid credit unions in meeting compliance requirements. By November 1, 2008, all credit unions, regardless of asset size, will have to implement an Identity Theft Prevention Program and develop policies and procedures for assessing the validity of change of address requests.

During 2007, we also saw renewed Congressional interest in credit card regulation, overdraft/courtesy pay programs, mortgage lending regulation and the Community Reinvestment Act. Federal credit unions operate under an 18% lending rate ceiling

and could be forced to abandon overdraft protection coverage if the law is changed to calculate fees as a finance charge. Congress is looking to curb many of the more controversial aspects of credit card services, like universal defaults, and the subprime mortgage meltdown of 2007 has Congress looking at far-



Your League continues to work with key lawmakers, including U.S. Sen. Jim Webb (second from right).

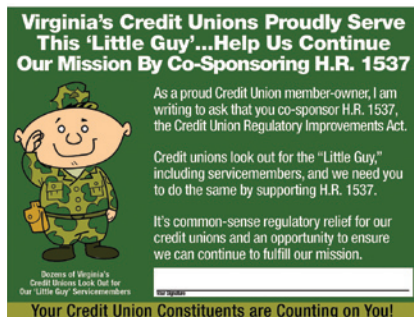
reaching regulations on mortgage lending. Some in Congress began calls in 2007 to study whether the Community Reinvestment Act, or something similar, should be applied to credit unions. We continue to monitor these developing issues.

Legislation: In March 2007, we saw the re-introduction of the Credit Union Regulatory Improvements Act (CURIA, H.R. 1537), legislation designed to modernize credit union capital requirements by redefining the net worth ratio to include a risk-based asset approach to Prompt Corrective Action (PCA), thereby instituting a new measurement that would improve the safety and soundness of credit unions. It would also

provide credit unions with new opportunities in member business lending, along with other regulatory improvements. Nationally, the movement has gained traction with the proposal, with 142 co-sponsors signed on at year-end.

At the state level, we worked diligently to secure our first Virginia co-sponsor, with League chapters carrying out a communication blitz of Congressional offices in support of CURIA. Credit unions maintained the blitz on a rotating basis, assuming responsibility for meeting with lawmakers, contacting their offices, sending e-mails and mailing postcards for one or two weeks at a time.

The League provided a new communication tool, creating a series of full-color “Little Guy” postcards, with credit unions requesting and mailing approximately 5,000 of the postage-paid pre-addressed cards. In addition, we generated 365 e-mails and letters through the *My Credit Union Is Me* advocacy Web site. The communication blitz elicited engaged questions and phone calls from the Virginia Congressional delegation.



More than 5,000 “Little Guy” postcards were mailed to lawmakers.

TAKING OWNERSHIP OF OUR MISSION

REAL Solutions: Credit unions throughout the state joined together during 2007 to cooperatively engage in a dialog exploring opportunities, which enable us to better serve members of low and moderate wealth. We partnered with

the National Credit Union Foundation, working together on their signature project—REAL Solutions. The discussions proved beneficial, providing education that encourages members to build wealth and that combats predatory lending practices.

State Charitable Foundation: The Virginia Credit Union League began serious discussions about forming a statewide philanthropic foundation. If formed, the foundation will rely upon credit union investments in the Community Investment Fund (CIF) to support our credit union communities and members through disaster relief, micro-grants and scholarships.

Credit Union Support: League staff made approximately 3,000 contacts with member credit unions during the year offering consultation in the areas of education, finance, planning, compliance and operations. We held more than 20 interactive meetings, including our popular CEO series, lend-

ing schools, teller schools and compliance conferences. We continue to partner with other leagues and CUNA to expand our educational offerings, promoting credit union growth and profitability.

Share draft processing through Palmetto Cooperative Services continues to grow. We now process share drafts for 51 credit unions. This trend will continue with the Federal Reserve announcing their discontinuation of their check-processing program by the end of 2008. Credit unions continue to rate the level of service they receive from Palmetto as excellent.

Our gift card program with the Illinois Credit Union League has provided 15,500 gift cards to 43 credit unions, helping our credit unions compete in the competitive gift card market. Credit unions cite the ease of implementation and low cost of the cards as key benefits.

The Credit Union Service Company of Virginia continues to expand participating credit unions' reach with nine free-standing shared branches and 31 outlet branches in Virginia. CUSCVA also has 39 locations in South Carolina, owed to the participation of six credit unions based there. We anticipate the growth of the network will come from additional outlet locations in both states.

"Our gift card program with the Illinois Credit Union League has provided 15,500 gift cards to 43 credit unions, helping our credit unions compete in the competitive gift card market."

Many of our credit unions have taken advantage of Fiserv's aggressive new pricing strategies. With EFT processing's growing importance, we strongly encourage credit unions to consider Fiserv for their competitive pricing and services.

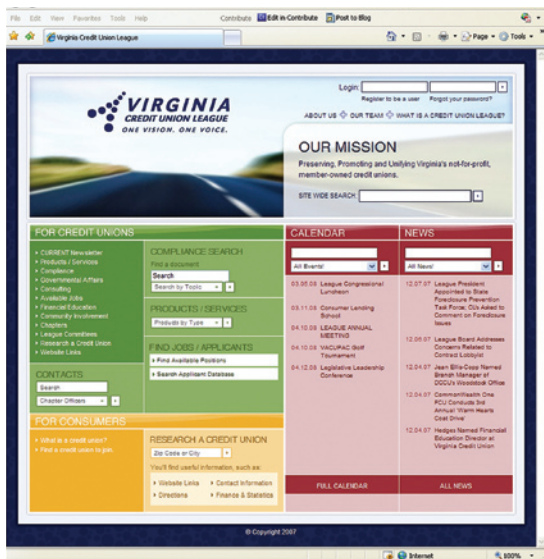
The Virginia Credit Union Marketing Council, in its third year in 2007, continued to generate



Financial Literacy Boot Camp

high levels of interest and excitement, attracting new executive committee members in annual elections and providing outstanding educational and networking opportunities for credit union marketers. The Marketing Council partnered with the Financial Literacy Committee to host the 3rd Annual Financial Literacy Boot Camp early in the year, then hosted successful workshops in Richmond during the summer and Virginia Beach in the late fall.

The League launched an entirely new and improved League Web site, showcasing the new League brand and logo: “One Vision. One Voice.” At the same time, the League introduced a new version of the League weekly e-newsletter with a new name—**CURRENT**.



New League Web site launched in 2007

The e-newsletter is available on the Web site and, by request, goes directly by e-mail to more than 300 readers. The League distributed a brochure introducing the new Web site to all member credit unions and continues to make the brochure available at credit union conferences and events.

TAKING OWNERSHIP OF OUR OPPORTUNITIES

Building Relationships With Lawmakers: Credit union volunteers worked the campaigns for both the primary and general elections for all 140 members of the Virginia General Assembly. The elections brought major changes, with nine new senators, 10 new delegates, and the Democrats taking control of

the Senate. VACUPAC contributions went to new members to help retire campaign debt, and the League participated in several events to welcome the new lawmakers.

Spreading the Word on Financial Education: The League Financial Literacy Committee held its 3rd Annual Financial Literacy Boot Camp at Northwest Federal Credit Union in conjunction with a 2nd Annual Social Responsibility Awards Banquet, hosted at Credit Union House in Washington, D.C., and attended by NCUA, CUNA and League Board officials. The Jump\$tart Coalition held its 3rd Annual Financial Literacy Summit in the fall, and the League was a major sponsor of

the event, providing the canvas goodie bags for all 300 attendees. Also in 2007, Virginia moved up to third in the nation in financial literacy presentations to students and fourth in the nation in number of students reached.

The Virginia League, at the invitation of the National Endowment for Financial Education (NEFE), partnered with the Virginia Cooperative Extension on rollout of the new NEFE high school curriculum, which is the most used and respected financial education program nationwide. After a weeklong NEFE training session, League staff and the Cooperative Extension hosted three all-day “train-the-trainer” workshops for credit

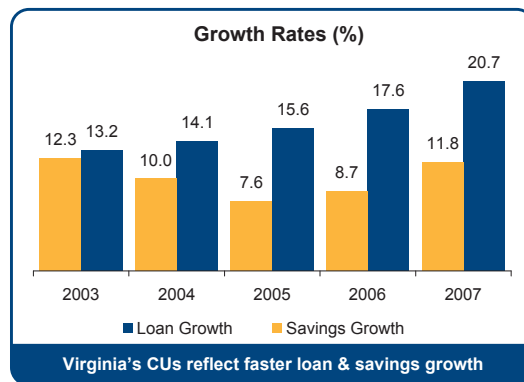
union volunteers and extension agents. These workshops kicked off a contest to promote the next step in the NEFE rollout process, in which the newly trained experts, in turn, held their own “train-the-trainer” sessions for 265 teachers.

Spreading the Word About the ‘Credit Union Difference:’ The League initiated a campaign to update Virginia credit union information on the revamped national online program available to consumers searching for a credit union to join:

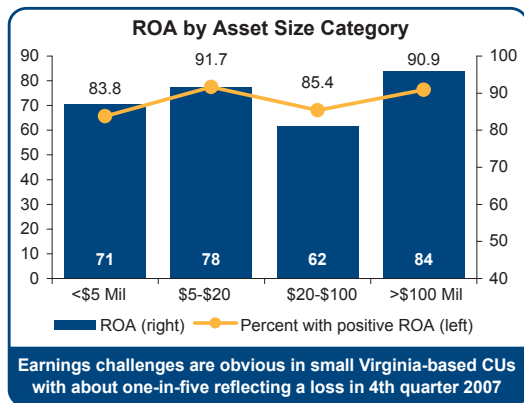


“Find a Credit Union” at
www.findacreditunion.com.
In reaction to the subprime
mortgage meltdown, the

year saw a number of valuable national network features promoting credit unions and publicizing the “Find a Credit Union” Web site. In response, there was a surge in viewings of Virginia credit unions on the “Find a Credit Union” site.



Credit Unions in the Spotlight: Credit unions seized the opportunity to promote their services as the mortgage industry struggled with soured subprime loans and a credit crunch. Dozens of major



news outlets touted credit unions as the “consumer-friendly alternative,” noting that the system had avoided risky subprime lending and owed to their strong capital positions, had money to lend. In addition, credit unions were repeatedly praised for serving as an alternative to payday lending, with many of Virginia’s credit unions being prominently featured in statewide and national news outlets. In May 2007, the Government Accountability Office (GAO) released a report that showed bank and thrift profits appear to be unaffected by competition from credit unions. Credit unions used that study to impress upon Congress the need to ensure credit unions remain competitive in the financial services marketplace, through

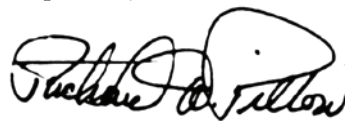
regulatory relief and protection of the credit union tax exemption.

In concluding this report, I'd be remiss in not thanking the people that make the League the fantastic organization it is. To the League Board, I also wish to express my sincere thanks for their work this past year. Seldom has the Board been called on to invest so much time and energy into the work of the League, and we commend you for your service in so ably representing Virginia's credit unions.

To League staff, which serves our credit unions with dedication, resourcefulness and passion, I

salute each of you for the accomplishments of the past year. I count myself fortunate to be able to rely on a staff that believes so strongly in our mission and in the credit union cause!

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard D. Pillow". The signature is fluid and cursive, with the first name "Richard" being more prominent.

Richard D. Pillow, President
Virginia Credit Union League

Virginia CU Profile

	US	Virginia Credit Unions					Asset Groups - December 2007			
	2007	2007	2006	2005	2004	2003	<\$5 Mil	\$5-\$20	\$20-\$100	>\$100 Mil
Demographic Information										
Number of CUs	8,266	203	209	214	223	234	74	48	48	33
Assets per CU (\$ mil)	93.2	301.2	252.1	225.6	200.4	171.2	2.0	10.2	48.8	1762.1
Median assets (\$ mil)	13.2	9.9	10.0	9.4	9.4	7.7	1.8	8.9	46.2	238.2
Total assets (\$ mil)	770,097	61,135	52,697	48,278	44,688	40,064	148	492	2,344	58,150
Total loans (\$ mil)	539,544	48,343	40,060	34,059	29,469	25,818	92	318	1,505	46,429
Total surplus funds (\$ mil)	199,252	10,392	10,455	12,394	13,594	12,684	55	161	719	9,457
Total savings (\$ mil)	646,818	48,204	43,104	39,651	36,835	33,474	121	413	2,029	45,641
Total members (thousands)	88,494	5,922	5,648	5,384	5,131	4,980	61	122	430	5,310
Growth Rates										
Total assets	6.0	16.0	9.2	8.0	11.5	13.5	0.8	1.5	4.0	16.8
Total loans	6.5	20.7	17.6	15.6	14.1	13.2	-1.2	3.9	4.9	21.5
Total surplus funds	4.6	-0.6	-15.6	-8.8	7.2	17.9	4.8	-2.6	1.1	-0.6
Total savings	5.1	11.8	8.7	7.6	10.0	12.3	0.0	1.0	3.2	12.5
Total members	1.3	4.9	4.9	4.9	3.0	4.9	2.2	-0.1	3.1	5.4
% CUs with increasing assets	57.4	55.2	45.0	49.1	63.7	86.3	48.6	43.8	62.5	75.8
Earnings - Basis Pts.										
Yield on total assets	604	638	572	508	483	521	644	624	625	639
- Dividend/interest cost of assets	286	335	269	207	177	195	182	194	217	342
+ Fee & other income	139	144	135	130	123	126	98	102	160	144
- Operating expense	347	295	276	258	262	264	449	430	468	286
- Loss Provisions	44	69	36	68	42	47	41	24	38	71
= Net Income (ROA)	66	83	126	105	125	141	71	78	62	84
% CUs with positive ROA	87.2	87.2	89.5	89.7	88.3	84.6	83.8	91.7	85.4	90.9
Capital adequacy										
Net worth/assets	11.4	10.4	11.1	10.8	10.5	10.5	17.6	15.3	12.2	10.2
% CUs with NW > 7% of assets	98.6	99.5	99.0	97.7	96.9	94.9	98.6	100.0	100.0	100.0

Virginia CU Profile

	US	Virginia Credit Unions					Asset Groups - December 2007			
Asset quality	2007	2007	2006	2005	2004	2003	<\$5 Mil	\$5-\$20	\$20-\$100	>\$100 Mil
Delinquencies/loans	0.93	0.65	0.46	0.52	0.57	0.54	3.11	1.39	1.18	0.62
Net chargeoffs/average loans	0.52	0.68	0.56	0.88	0.60	0.63	0.77	0.45	0.54	0.69
Total borrower-bankruptcies	161,566	14,331	9,909	25,730	21,289	22,870	38	148	660	13,485
Bankruptcies per CU	19.5	70.6	47.4	120.2	95.5	97.7	0.5	3.1	13.8	408.6
Bankruptcies per 1000 members	1.8	2.4	1.8	4.8	4.1	4.6	0.6	1.2	1.5	2.5
Asset/Liability Management										
Loans/savings	83.4	100.3	92.9	85.9	80.0	77.1	75.7	77.1	74.2	101.7
Loans/assets	70.1	79.1	76.0	70.5	65.9	64.4	61.9	64.7	64.2	79.8
Long-term assets/assets	29.3	35.6	30.6	26.1	23.6	22.4	5.6	16.6	22.2	36.3
Liquid assets/assets	15.7	13.1	14.1	15.8	17.4	18.6	31.2	24.4	19.8	12.7
Core deposits/shares & borrowings	37.1	29.2	35.5	42.9	45.1	45.6	75.2	65.5	54.6	27.6
Productivity										
Members/potential members	7	19	20	22	23	25	16	5	7	25
Borrowers/members	51	64	63	61	62	63	26	37	43	66
Members/FTE	374	443	474	490	491	490	521	486	403	445
Average shares/member (\$)	7,309	8,139	7,632	7,364	7,179	6,722	1,998	3,382	4,717	8,596
Average loan balance (\$)	12,008	12,828	11,337	10,346	9,280	8,250	5,799	6,977	8,053	13,189
Employees per million in assets	0.31	0.22	0.23	0.23	0.23	0.25	0.79	0.51	0.46	0.21
Structure										
% Fed CUs w/ single-sponsor	14.5	17.7	17.7	18.2	18.8	19.2	25.7	22.9	8.3	6.1
% Fed CUs w/ community charter	14.3	12.3	10.5	8.4	8.5	8.1	4.1	6.3	20.8	27.3
% Other Fed CUs	32.1	43.3	44.0	45.8	44.8	44.0	43.2	37.5	45.8	48.5
% CUs state chartered	39.1	26.6	27.8	27.6	27.8	28.6	27.0	33.3	25.0	18.2
% of CUs w/ CAE 1 or 2	63.6%	66.0%	68.9%	67.8%	61.4%	59.0%	58.1%	66.7%	68.8%	78.8%

Virginia CU Profile

	US	Virginia Credit Unions					Asset Groups - December 2007			
Growth Rates	2007	2007	2006	2005	2004	2003	<\$5 Mil	\$5-\$20	\$20-\$100	>\$100 Mil
Credit cards	13.5%	23.7%	23.5%	17.2%	8.9%	8.0%	10.5%	6.1%	12.8%	24.1%
Other unsecured loans	8.2%	11.7%	8.3%	-1.6%	-0.5%	2.7%	12.6%	13.1%	8.9%	12.1%
New automobile	-2.0%	7.7%	16.1%	19.6%	11.6%	8.2%	-3.3%	-3.3%	3.5%	8.3%
Used automobile	1.7%	8.8%	4.1%	1.9%	7.2%	16.9%	-3.1%	1.2%	5.2%	9.4%
First mortgage	12.3%	33.3%	18.7%	16.4%	15.9%	32.4%	-0.5%	4.4%	7.1%	34.0%
HEL & 2nd Mtg	8.6%	22.2%	34.5%	40.0%	40.3%	3.7%	2.1%	6.0%	4.8%	22.9%
Member business loans	17.0%	34.6%	5.7%	23.6%	278.0%	24.4%	79.5%	36.3%	21.8%	35.4%
Share drafts	1.7%	160.3%	-64.4%	9.6%	12.1%	18.8%	-1.3%	-9.7%	0.4%	195.9%
Certificates	14.2%	26.1%	27.0%	18.0%	14.6%	6.9%	22.6%	10.8%	17.1%	26.5%
IRAs	9.5%	14.2%	13.4%	9.0%	8.3%	10.3%	-12.0%	5.1%	2.5%	14.7%
Money market shares	10.6%	20.6%	22.1%	4.9%	7.5%	16.4%	-0.5%	27.4%	4.6%	20.9%
Regular shares	-7.1%	-31.9%	16.0%	-1.3%	7.7%	13.2%	-4.2%	-2.0%	-3.7%	-34.5%
Portfolio \$ Distribution										
Credit cards/total loans	5.7%	11.6%	11.3%	10.8%	10.6%	11.1%	0.7%	5.2%	8.3%	11.7%
Other unsecured loans/total loans	4.6%	5.8%	6.2%	6.8%	8.0%	9.1%	22.0%	15.3%	8.1%	5.6%
New automobile/total loans	16.4%	13.0%	14.5%	14.7%	14.2%	14.5%	31.0%	23.3%	21.0%	12.6%
Used automobile/total loans	16.9%	11.3%	12.5%	14.2%	16.0%	17.1%	32.8%	25.2%	22.7%	10.8%
First mortgage/total loans	34.2%	34.2%	30.9%	30.7%	30.5%	30.0%	3.6%	12.5%	17.5%	34.9%
HEL & 2nd Mtg/total loans	17.3%	21.7%	21.4%	18.7%	15.5%	12.6%	5.0%	11.9%	18.9%	21.9%
Member business loans/total loans	5.2%	0.6%	0.5%	0.6%	0.5%	0.2%	0.9%	0.5%	1.0%	0.6%
Share drafts/total savings	11.3%	10.6%	4.6%	13.9%	13.7%	13.4%	2.9%	9.9%	14.8%	10.5%
Certificates/total savings	34.2%	39.1%	34.7%	29.7%	27.1%	26.0%	17.9%	25.6%	28.9%	39.8%
IRAs/total savings	9.0%	12.0%	11.8%	11.3%	11.1%	11.3%	2.2%	5.3%	8.6%	12.2%
Money market shares/total savings	17.6%	19.0%	17.6%	15.7%	16.1%	16.5%	1.4%	2.4%	7.2%	19.7%
Regular shares/total savings	26.6%	18.9%	31.1%	29.1%	31.8%	32.4%	72.3%	55.7%	40.0%	17.5%

Virginia CU Profile

	US	Virginia Credit Unions					Asset Groups - December 2007			
Percent of CUs Offering	2007	2007	2006	2005	2004	2003	<\$5 Mil	\$5-\$20	\$20-\$100	>\$100 Mil
Credit cards	50.5%	53.7%	52.6%	51.9%	51.6%	49.6%	4.1%	56.3%	95.8%	100.0%
Other unsecured loans	98.0%	99.0%	98.1%	98.6%	95.1%	98.3%	97.3%	100.0%	100.0%	100.0%
New automobile	94.7%	92.6%	92.3%	92.5%	91.9%	91.9%	79.7%	100.0%	100.0%	100.0%
Used automobile	95.7%	95.1%	95.2%	95.3%	94.2%	93.2%	86.5%	100.0%	100.0%	100.0%
First mortgage	56.4%	52.2%	52.2%	52.3%	52.5%	50.9%	14.9%	47.9%	81.3%	100.0%
HEL & 2nd Mtg	57.0%	60.6%	60.8%	59.4%	58.7%	57.3%	18.9%	62.5%	95.8%	100.0%
Member business loans	25.2%	18.2%	18.7%	15.0%	13.9%	13.7%	4.1%	10.4%	18.8%	60.6%
Share drafts	72.3%	69.5%	68.4%	67.3%	66.8%	65.8%	23.0%	91.7%	97.9%	100.0%
Certificates	76.0%	75.9%	74.2%	72.4%	69.5%	70.5%	44.6%	85.4%	97.9%	100.0%
IRAs	63.5%	59.6%	59.8%	57.5%	58.7%	56.0%	17.6%	64.6%	93.8%	97.0%
Money market shares	41.1%	35.0%	32.5%	29.0%	27.8%	27.8%	6.8%	22.9%	52.1%	90.9%
Penetration										
Credit cards	14.3%	24.5%	23.6%	22.8%	23.1%	24.5%	0.4%	8.1%	15.6%	25.9%
Other unsecured loans	11.4%	15.8%	15.7%	15.6%	16.1%	16.3%	13.8%	13.1%	10.0%	16.4%
New automobile	6.5%	6.3%	6.1%	5.5%	5.2%	5.0%	3.5%	4.5%	4.7%	6.5%
Used automobile	10.6%	9.0%	9.0%	9.3%	9.7%	9.5%	6.2%	8.5%	8.5%	9.1%
First mortgage	1.7%	1.7%	1.5%	1.5%	1.4%	1.4%	0.1%	0.5%	0.9%	1.8%
HEL & 2nd Mtg	3.1%	4.1%	4.2%	3.7%	3.2%	2.7%	0.2%	0.8%	1.9%	4.4%
Member business loans	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Share drafts	45.2%	51.1%	19.1%	49.7%	49.3%	48.2%	6.8%	27.0%	42.0%	52.9%
Certificates	14.0%	15.3%	13.5%	11.6%	10.4%	9.8%	3.5%	7.3%	8.9%	16.1%
IRAs	5.6%	8.9%	8.9%	9.0%	8.8%	8.6%	0.8%	1.8%	3.8%	9.5%
Money market shares	6.7%	6.2%	5.7%	4.7%	4.5%	4.3%	0.4%	0.8%	1.9%	6.7%

* Current period flow statistics are trailing four quarters.

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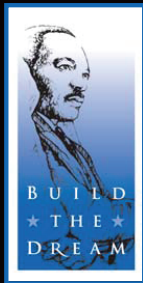
National Association of Federal Credit Unions

National Credit Union Foundation

National Federation of Community Development Credit Unions

Virginia Credit Union League

World Council of Credit Unions



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REPORT OF THE AUDITING COMMITTEE

The primary purpose of the Auditing Committee is to conduct the annual examination of the affairs of your League.

The Certified Public Accounting firm Brown Edwards & Co., LLC was engaged to perform an audit of the financial affairs of your League and its wholly-owned subsidiary, Virginia Credit Union Services, Inc., for the year ended Dec. 31, 2007.

The Audit Committee met to review the audit after its completion and copies of the financial statements are included in this Annual Report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Paul Johnson', with a stylized flourish at the end.

Paul Johnson, Chairman (NAE Federal Credit Union)

Virginia Credit Union League & Subsidiary

Statement of Financial Position

As of 12/31/07

Assets:	Virginia Credit Union League	Virginia Credit Union Services	Consolidating Entries	Consolidated Totals
Cash & Cash Equivalents	330,940	2,439,559	-	2,770,499
Accounts Receivable	38,423	850,712	-	889,135
Intercompany Receivable	130,955	151,336	-282,291	0
Prepaid Expenses	74,204	320,494	-	394,698
Inventory	-	13,368	-	13,368
Deferred Income Taxes	-	58,610	-	58,610
Total Current Assets	574,522	3,834,079	-282,291	4,126,310
Investments	4,391,957	752,188	-4,315,951	828,194
Property & Equipment, net	716,264	64,668	-	780,932
Deferred Compensation	53,764	-	-	53,764
Deferred Income Taxes	-	6,420	-	6,420
Total Other Assets	53,764	6,420	-	60,184
Total Assets	5,736,507	4,657,355	-4,598,242	5,795,620

Virginia Credit Union League & Subsidiary

Statement of Financial Position

As of 12/31/07

Liabilities and Net Assets:				
Accounts Payable & Accruals	68,982	40,552	-	109,534
Intercompany Payable	151,336	130,955	-282,291	0
Accrued Income Taxes Payable	-	-	-	0
Defense Fund	65,572	-	-	65,572
Accrued Vacation Payable	89,716	137,055		226,771
Total Current Liabilities	375,606	308,562	-282,291	401,877
Deferred Compensation Payable	53,764	-	-	53,764
Accrued Retirement Expenses	24,553	32,842	-	57,395
Total Long-Term Liabilities	78,317	32,842	-	111,159
Total Liabilities	453,923	341,404	-282,291	513,036
Net Assets-Unrestricted	5,282,584	4,315,951	-4,315,951	5,282,584
Total Liabilities & Net Assets	5,736,507	4,657,355	-4,598,242	5,795,620

Virginia Credit Union League & Subsidiary

Statement of Activities

For the Year Ended 12/31/07

Operating Revenues:	Virginia Credit Union League	Virginia Credit Union Services	Consolidated Totals
Dues	1,492,229	-	1,492,229
Investments	83,713	371,237	454,950
Registration Fees	324,119	-	324,119
Rent	34,020	-	34,020
Vendor Income/Services	-	2,492,159	2,492,159
Other	98,767	15,280	114,047
Total Revenues	2,032,848	2,878,676	4,911,524
Program Services			
Governmental Affairs & Publications	504,266	210,364	714,630
Consulting & Planning	447,824	199,082	646,906
Compliance & Regulatory Affairs	270,104	99,425	369,529
Education & Training	310,053	58,836	368,889
Boards & Committees	50,788	26,101	76,889
Credit Union Service Corporation of Virginia	0	422,006	422,006
Management & General	285,928	1,003,279	1,289,207
Finance & Administration	140,944	151,798	292,742
Total Operating Expenses	2,009,907	2,170,891	4,180,798

Virginia Credit Union League & Subsidiary

Statement of Activities

For the Year Ended 12/31/07

Net Income from Operations	22,941	707,785	730,726
Nonoperating Expenses:			
Termination of Defined Benefit Pension Plan	525,756	786,025	1,311,781
Other Post Retirement Benefits	23,130	31,120	54,250
Provision for Income Taxes	-	-56,860	-56,860
Decrease in Unrestricted Net Assets	-525,945	-52,500	-578,445



Bob Petty, League Treasurer

TREASURER'S REPORT

The Virginia Credit Union League had net income from operations totaling \$23,000 for the year ended Dec. 31, 2007, compared to the 2007 operating budget of a loss of \$25,000. This was \$48,000 better than anticipated.

Expenses below the operations line include \$526,000 to record the termination of the defined benefit pension plan and \$23,000 of other retirement costs.

With the continued consolidation of credit unions, your League's board and management team continue to seek ways to manage costs. In 2007, the League terminated the defined benefit pension plan and replaced it with a more manageable 401k plan. As we go forward, we anticipate a decrease in retirement expenses of 25 percent.

The new dues formula that was voted in last year took effect Jan. 1, 2007. More than 60% of member credit unions had a decrease in dues. Dues for 2007 totaled \$1,492,000 compared to \$1,471,000 in 2006. We would like to thank the membership for voting in the new dues formula, and empowering us to serve you better.

The League's service corporation—Virginia Credit Union Services, Inc.—had a net loss of \$52,500 for the year ended December 31, 2007.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bob Petty', with a large, sweeping flourish extending from the end.

Bob Petty, Treasurer (Bronco Federal Credit Union)

Virginia Credit Union League & Subsidiary

Budget

For the Year Ended 12/31/08

Operating Revenues:	Virginia Credit Union League	Virginia Credit Union Services	Consolidated Totals
Dues	1,500,000	-	1,500,000
Investments	97,000	75,000	172,000
Registration Fees	277,000	-	277,000
Rent	35,043	-	35,043
Vendor Income/Services	-	2,350,740	2,350,740
Other	58,840	15,960	74,800
Total Revenues	1,967,883	2,441,700	4,409,583
Program Services			
Governmental Affairs & Publications	492,373	217,564	709,937
Consulting & Planning	454,915	211,776	668,691
Compliance & Regulatory Affairs	264,935	105,769	370,704
Education & Training	292,832	61,032	353,864
Boards & Committees	47,820	24,900	72,720
Credit Union Service Corporation of Virginia	-	453,152	453,152
Management & General	278,443	889,891	1,168,334
Finance & Administration	136,780	162,362	299,142
Total Operating Expenses	1,970,098	2,126,446	4,096,544
Net Income (Loss) before Income Taxes	-2,215	315,254	313,039
Provision for Income Taxes	-	119,671	119,671
Net Income (Loss) from Operations	-2,215	195,583	193,368

REPORT OF THE BYLAWS COMMITTEE

2008 Proposed Bylaw Amendments

Background: The Virginia Credit Union League Bylaws and Certificate of Incorporation were most recently amended subsequent to the 2006 Annual Meeting in order to reflect the governance and dues changes approved by the membership. There are three issues that the League Board of Directors has forwarded to our committee that we, in turn, submit to the membership for consideration in 2008. A brief summary of the proposed changes immediately follows. A mark-up of the current bylaws with changes noted has been provided to credit unions and voting delegates.

ITEM 1: CERTIFICATE OF INCORPORATION

(5) C. – Currently reads: Each director of the Corporation shall be a person who is a resident of this Commonwealth and a member in good standing of a credit union that is a member of this Corporation. The bylaws may provide additional qualifications for directors that are not inconsistent with the provisions set forth in this Certificate. The bylaws shall include appropriate provisions to assure that the Board of Directors includes representatives of members from different geographic regions of the Commonwealth and members of at least two size categories as measured by total assets. When directors are to be elected from a geographic region, only members of this Corporation that have their

principal office within such region shall be entitled to vote for such directors.

Board's position: It is appropriate to eliminate Virginia residency as a requirement to be a director given that the actual member of the corporation is the credit union. The credit union should be free to choose their representative without respect to the individual's home address.

ITEM 2: ARTICLE VII, BOARD OF DIRECTORS, SECTION 1. NUMBER. – Currently reads: The Board of Directors shall consist of thirteen (13) persons. The President of the corporation shall be ex officio a member of the Board.

Board's position: The bylaws should reflect current practice whereby the ex officio explicitly has no voting rights on matters before the board. Roberts Rules of Order suggests that an ex officio member of a board has voting privileges unless otherwise prohibited.

ITEM 3: ARTICLE V, MEETING OF MEMBERS, SECTION 4. VOTING. – Currently reads: Each member shall be entitled to one vote on any matter to be acted upon at any annual or special meeting. Each member shall elect one voting delegate and may elect any number of alternate voting delegates from its membership who shall be duly authorized to vote and otherwise act for the member at any annual or special meeting. A written certification and registration on forms provided by this

Corporation naming the member's voting delegate and alternate voting delegates so elected and signed by the member's President or Chairman of the Board and Secretary shall be filed with the Secretary of this Corporation at or prior to the meeting to which it pertains. Only the voting delegate so certified, registered and present at the meeting may vote and act for the member at the meeting; provided, in the absence of such voting delegate, one alternate voting delegate so certified, registered and present at the meeting shall be entitled to vote and act for the member at the meeting. A voting delegate or alternate voting delegate may not vote or act on behalf of more than one member at any meeting. Unless required by the laws of the Commonwealth of Virginia, proxy voting shall not be permitted.

Board's position: The League should consider automatically naming the credit union CEO as voting delegate unless notified otherwise by the member credit union. This change will serve to validate more ballots and will not restrict the ultimate authority of the credit union to name their delegate(s).

Respectfully submitted,

A handwritten signature in black ink that reads "Roger Ball". The signature is written in a cursive, flowing style with a long horizontal line extending from the end of the name.

Roger Ball, Chairman (Call Federal Credit Union)

REPORT OF THE COMMUNITY INVOLVEMENT COMMITTEE

With our history as a social movement, credit unions have long recognized that contributing positively to our communities must be an integral part of our service-focused mission.

We embrace our duties as socially-responsible organizations to not only help families plan for their financial futures, but also to serve our communities through charitable work, support for community causes and by educating consumers about personal finance.



ABNB Federal Credit Union's Fishing Fest raised \$18,000 for Children's Hospital of the King's Daughters.

Your League Community Involvement Committee is pleased to report the following highlights from our 2007 initiatives. (Special thanks to our credit unions for completing the Calendar Year 2007 Community Involvement Survey.)

- In 2007, we launched our most significant fundraising effort in more than a decade with the publication of our “Commonwealth Cuisine” cookbook. Sales of our 2,200 cookbooks enabled us to donate \$31,411 to Children’s Miracle Network, and we thank our credit unions for their tremendous support.
- We rolled out “Sweets 4 Sweethearts” last year as well, with almost two-dozen credit unions partici-

“In 2007, we launched our most significant fundraising effort in more than a decade...”

pating in our Valentine’s Day event. Credit union staff baked goods and their favorite desserts, with members sampling the treats for a donation to Children’s Miracle Network. In total, our credit unions raised \$4,439.

- Collectively, Virginia’s credit unions donated \$1.27 million and more than 18,148 volunteer hours to charitable and community organizations in 2007.

- The largest single recipient of credit unions' generosity was the Make-A-Wish Foundation, with more than \$435,000 donated by Virginia-based credit unions in 2007. Since 1991, many credit unions in Virginia have championed the Make-A-Wish cause, with total donations of more than \$2.96 million.
- Credit unions in Virginia also donated \$248,961 to Children's Miracle Network, the non-profit organization that raises funds for hospital care and research at the nation's 170 children's hospitals, including the seven that serve the Commonwealth.
- The remainder of 2007's donated funds—some \$590,000—was given to the American Cancer



Virginia Educators' Credit Union was one of dozens of credit unions to run Toys for Tots collections.

Society, Toys for Tots, the United Way, community food banks, clothes closets and scores of other local and charitable causes.

- Credit unions also continue to educate their members and communities about important consumer issues, including budgeting, savings and investments, car buying, home buying, and the dangers of identity theft. In 2007, Virginia's credit unions reported spending more than \$174,000 and investing 3,870 hours of staff time to conduct 1,674 hours worth of consumer education seminars.
- We also wish to recognize our state-level social responsibility award winners. Dora Maxwell Social

Responsibility Award recipients were: Synergy One Federal Credit Union (1st Place) and Arlington Virginia Federal Credit Union (2nd Place) in the \$100 million to \$200 million asset category; ABNB Federal Credit Union (1st Place) and 1st Advantage Federal Credit Union (2nd Place) in the \$200 million to \$500 million asset category; and Chartway Federal Credit Union (1st Place), Langley Federal Credit Union (2nd Place), Virginia Credit Union (3rd Place), BayPort Credit Union (Honorable Mention) and DuPont Community Credit Union (Honorable Mention) in the \$500 million-plus asset category. Congratulations also to Synergy One Federal Credit Union, which also earned a 2nd Place national Dora Maxwell award for its entry.

Earning top state honors in the Louise Herring Philosophy In Action Awards were Navy Federal Credit Union (1st Place), 1st Advantage Federal Credit Union (2nd Place) and Langley Federal Credit Union (3rd Place).

- Learn more about your League's Community Involvement initiatives by visiting www.vacul.org/advocacy/community_involvement/

Respectfully submitted,



Madeline Busch, Chairman (ABNB Federal Credit Union)



Apple Federal Credit Union used a branch opening in Sterling to celebrate its community involvement efforts.

REPORT OF THE FINANCIAL LITERACY COMMITTEE

Your League's Financial Literacy Committee has successfully implemented strategies to support and strengthen credit unions' efforts in providing financial education to Virginians of all ages.

Through partnerships with other Virginia-based organizations, including the Virginia Jump\$tart Coalition, Virginia Extension Office, Junior Achievement, and the Virginia Council on Economic Education, our initiatives are having a state-wide impact and ensure Virginia's credit unions remain recognized leaders in financial education.

2007 Highlights

- Conducted dozens of NEFE Teacher Training programs: Trained 265 teachers in the National Endowment for Financial Education's High School Financial Planning Program.
- Provided resource materials and educational presentations at Virginia Business Educators and Family/Consumers Science Educators' conferences.
- Conducted presentations on financial education for every credit union chapter.



Our financial literacy initiatives included “train the trainer” sessions for teachers looking to incorporate personal finance basics into their lesson plans.

- Assisted Virginia Extension agents to provide financial literacy sessions, reaching thousands of our youth.
- Exhibited at the Virginia Credit Union League’s Annual Meeting.
- Established a credit union presence at Virginia’s Financial Literacy Summit, the NYIB conference, Jump\$tart Coalition, and other key financial literacy events.
- Continued to increase our financial education presentation standings with the National Youth Involvement Board, reaching more than 11,000

students through more than 260 presentations.

- Hosted the Annual Financial Literacy Boot Camp and Awards Ceremony to recognize outstanding credit union efforts in financial education.
- Dominated the Desjardins Award national awards program with more winners than any other state.

Respectfully submitted,

A handwritten signature in black ink that reads "Kim Wilkerson". The signature is written in a cursive, flowing style.

Kim Wilkerson, Chairman (Central Virginia Federal Credit Union)

REPORT OF THE REGULATORY RESPONSE COMMITTEE

In 2007, the committee responded to four issues that were of concern to both federal- and state-chartered credit unions. The following encapsulates the issues and some of our salient comments:

- The Department of Defense proposed regulations to place limitations on terms of consumer credit extended to service members and their families. DOD's focus was predatory lending, especially payday loans, vehicle title loans and tax refund anticipation loans. While our comments contained some operational and dis-

closure concerns, we strongly supported the purpose of these proposed rules to end or restrict predatory lending practices aimed at the service men and women of the United States.

- The Federal Reserve Board proposed amendments to open-end credit rules under Regulation Z. The proposed rules also included changes to credit card transaction charges and ATM fees. The committee's response to the changes addressed the possibility that the amendments could curtail the ability of credit unions to continue using open-end, multi-featured loan

products and expressed concern for the inherent cost for all financial institutions that would accompany proposed changes to the regulation.

- The Virginia State Corporation Commission proposed regulations that would permit state-chartered credit unions to offer limited financial services to non-members within their fields-of-membership. The Committee strongly supported this proposal and commended the Commission for proposing this parity provision.

- The State Corporation Commission proposed regulations on state-chartered credit unions that would essentially place strict limitations on a

credit union's ability to provide some products and services to their members through a Credit Union Service Organization (CUSO). The proposed regulation also contained rather onerous language with regard to a credit union notifying the Commissioner of Financial Institutions of its intention to invest in a CUSO, along with providing business and marketing plans. While 2007 ended before this issue was resolved, the Bureau of Financial Institutions indicated that the committee's and other credit unions' concerns have been addressed in the final CUSO regulation.

I want to thank the members of the committee and especially Kristen Tatlock, who serves as

our League liaison and provides us with guidance and insight on regulatory matters.

A handwritten signature in black ink, appearing to read "Dick Williams", with a long horizontal flourish extending to the right.

Dick Williams, Chairman (Member One Federal Credit Union)

REPORT OF THE GOVERNMENTAL AFFAIRS COMMITTEE

There's no doubt that political involvement is essential to the continued well-being and growth of Virginia's credit unions. To that end, your Governmental Affairs Committee worked hard throughout 2007 to increase awareness and support of political activity, and credit union members across the Commonwealth responded to the call. It was a year of changes and challenges, frustrations and celebrations.

It was a quiet General Assembly session for us because we introduced no bills. League Senior Vice President for Governmental Affairs Alda Wilkin-



State lawmakers play an important role in our legislative initiatives. Credit union supporters meet with state Sen. Yvonne Miller (second from left).

"In February, we were delighted when one of Virginia's most ardent credit union supporters, Bill Dawson of Henrico Federal Credit Union, received national recognition for his grassroots advocacy."

son testified on behalf of legislation to strengthen the law on financial education in public colleges and universities. That law requires those institutions to promote the development of student life skills by including economics education and financial literacy within an appropriate venue. The League testified in favor of adding a requirement that freshmen complete a one-hour financial

education course with new topics that include predatory lending, consumer fraud and identity theft. The bill became law.

In February, we were delighted when one of Virginia's most ardent credit union supporters, Bill Dawson of Henrico Federal Credit Union, received national recognition for his grassroots advocacy. The Credit Union National Association selected Bill to receive its 2007 Buck Levins Award for political involvement. Bill's tireless efforts to campaign for and stay in contact with lawmakers are an example to us all.

February also saw more than 175 Virginia credit union champions in attendance at the annual Congressional Luncheon, where we introduced our federal legislators to *The Little Guy* and reminded them that credit unions benefit people from all walks of life.

April was Financial Literacy Month, when credit unions sent letters to their legislators outlining their financial literacy programs. This was a great opportunity for credit union members to vividly demonstrate the Credit Union Difference on a subject of great interest to lawmakers.

We tried something new when we combined the Legislative Leadership Conference (formerly the Legislative Forum) with the League Annual Meet-



Events like the annual Shad Planking enable us to remind legislators of credit unions' grassroots political clout.

ing. By including the legislative event in the Annual Meeting registration, we ensured that many more credit union supporters were on hand when keynote speaker Jeff Rendel told us that political involvement is part of the “credit union job description” and that paid lobbyists are no substitute for the voices of individual credit union members. “Elected officials would rather hear it from you.”

And hear it from us they did, when in September we tried a new tactic in our ongoing battle to secure a co-sponsor for the federal Credit Union Regulatory Improvements Act (CURIA). At the suggestion of Healthcare Systems Federal Credit Union’s Brad Roteman, we produced and mailed

approximately 5,000 postcards featuring *The Little Guy*, asking our Congressional representatives for their support of the bill. Although we still lack a Virginia co-sponsor, our legislators let us know that they got the message that CURIA is important to us! Rep. Eric Cantor (R-7) called the League for more information, and others have promised to vote for CURIA if the opportunity arises. We will continue to press this issue.

In the fall, members mobilized to assist the campaigns of candidates vying for seats in the state’s General Assembly. All 140 seats in the two chambers were up for election and Virginia mirrored the mood of the country in calling for change.

In the end, we saw several incumbents lose their seats. The general elections ushered in 19 new lawmakers, and the Senate switched from Republican to Democratic control.

We also said goodbye to one of our Congressional members. Rep. Jo Ann Davis (R-1) passed away in the fall. In a special election, Rob Wittman was elected to fill the vacancy. Rep. Wittman is already

known to credit unions, as he previously served as the state delegate from Montross.

Political action fundraising continues to be a challenge, with several notable exceptions. Three chapters—Hampton Roads, Richmond, and Southside—met or exceeded their VACUPAC goals, and 18 credit unions had 100 percent of their staff members and/or volunteer officials make donations



Attendance at key legislative gatherings allows credit unions to build relationships with lawmakers.

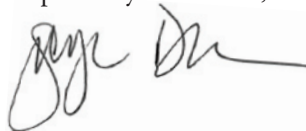
to VACUPAC. In addition, the year saw our first credit union sign on to the new payroll deduction program that benefits VACUPAC and CULAC. Hampton Roads Educators Credit Union joined the groundbreaking program that is run in conjunction with the Credit Union National Association. Unlike past payroll deduction programs, this one allows the money collected to be split between VACUPAC and the national credit union political action committee, CULAC.

As we look forward to a new year, we must build on the successes of 2007. We must continue to stress what makes us different, and to push for legislation that makes sense for us. Additionally,

we must remember that fundraising is an important part of our advocacy efforts. We need to help those legislators who have helped us.

The strength of our grassroots effort lies in our numbers. Thank you to all credit union members who have contributed their time and energy to our advocacy and fundraising efforts.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gaye DeCesare", written over a light gray rectangular background.

Gaye DeCesare, Chairman (Belvoir Federal Credit Union)

2007 VACUPAC CHAMPIONS

100% CREDIT UNIONS

Arlington Virginia Federal Credit Union

BayLands Federal Credit Union

BayPort Credit Union

Bellwood Federal Credit Union

Celco Federal Credit Union

DuPont Community Credit Union

DuPont Fibers Federal Credit Union

Fairfax County Federal Credit Union

Freedom First Federal Credit Union

Guardian Federal Credit Union

Henrico Federal Credit Union

Kraftsman Federal Credit Union

Martinsville DuPont Credit Union

Norfolk Fire Department Federal Credit Union

Peoples Advantage Federal Credit Union

Richmond Postal Credit Union

Summit Hampton Roads Federal Credit Union

Virginia Credit Union

CHAPTER CHAMPIONS

Hampton Roads

Richmond

Southside

CREDIT UNION CHAMPIONS

Platinum (\$10,000 plus)

BayPort Credit Union

Langley Federal Credit Union

Silver (\$2,500-\$4,999)

1st Advantage Federal Credit Union
DuPont Fibers Federal Credit Union
Fort Lee Federal Credit Union
Guardian Federal Credit Union
Henrico Federal Credit Union
Roanoke Postal Employees Federal Credit Union
Virginia Credit Union
Virginia Credit Union League

DuPont Community Credit Union
Entrust Federal Credit Union
Freedom First Federal Credit Union
Martinsville DuPont Credit Union
Member One Federal Credit Union
Norfolk Fire Department Federal Credit Union
Peoples Advantage Federal Credit Union
Richmond Postal Credit Union

Bronze (\$1,000-\$2,499)

Arlington Virginia Federal Credit Union
Bellwood Federal Credit Union
Call Federal Credit Union
Central Virginia Federal Credit Union

INDIVIDUAL VACUPAC CHAMPIONS

Our thanks to all of you who supported the Virginia Credit Union Political Action Committee in 2007 with the purchase of a VACUPAC pin.

We have four pin levels:

Chairman's Club (contributions of \$250 or more)

Capitol Club (contributions of \$100-\$249)

Cardinal Club (contributions of \$50-\$99)

Executive Club (contributions of \$25-\$49)

You Make A Difference...

Your support of the Virginia Credit Union Political Action Committee (VACUPAC) ensures a brighter future for Virginia's movement, by empowering credit unions to support political candidates who support us.

Support credit unions today through your participation in a VACUPAC pin club. Call 800.768.3344, ext. 626 or e-mail kscherbin@vacul.org for details.



CHAIRMAN'S CLUB 2007

*Number in parentheses denotes
years individual has participated
in the VACUPAC pin clubs*

Daniel Adams (10+)

Susan Adams (10+)

Stephen Adkins (8)

Mary Amyx (10)

Sarah Andrews (3)

Chris Anuswith (10+)

Carolyn Ashwell (10+)

Suzanne Beckstoffer (10+)

Marilyn Bennett (10+)

Angela Blevins (9)

Audrey Bollinger (10+)

Bill Briscoe (10)

Gerrienne Burks (1)

Tom Cameron (2)

Terry Childress (10+)

Jimmy Compton (10)

Bill Cook (10+)

Jim Craig (3)

Bill Dawson (10+)

Cutler Dawson (3)

Kimberly Dean (9)

Gaye DeCesare (10+)

Cliff DeMars (10+)

Evelyn Dowdy (8)

George Dudley (10+)

Casey Duplantier (10)

Steve Elkins (4)

Barbara Elvington (7)

Christie Eugene (8)

Traci Felhauer (5)

Sally Fontenot (10)

Kathy Galland (6)

Rose Gilliam (10)

Charles Gore (4)

Debbie Gormley (10+)

Michael Guida (6)

Jim Hansen (5)

Gerald Hershey (10+)

Norman Hill (10)

Larry Kelly (5)

James Lawrence (2)

Stan Leicester (10+)
Dawn Lindley (3)
Barbara Lockard (9)
Greg Manweiler (10+)
R. B. Martin (8)
Jim Mears (10+)
Melissa Miesnik (7)
David Miles (10+)
Robert Nagel (10+)
Dwayne Naylor (2)
Brett Noll (6)
Brigitte Pennington (9)
Paul Phillips (7)
Rick Pillow (10+)
David Reed (5)



We continue to build our relationships with lawmakers through events like the Congressional Luncheon. Pictured are Congresswoman Thelma Drake (left) and Langley Federal Credit Union CEO Jean Yokum.

Diane Reed (7)
Jerry Roley (4)
Pamela Rowe (10+)
John Sargent (3)
Karin Sherbin (3)
Harry Simmerman (3)
Dwayne Sneade (1)
Don Steppe (10+)
Patsy Stuard (10+)
Michael Swalley (5)
Joseph Thomas (10+)
Brenda Turner (10+)
Huyke Urrutia (10+)
Bob Warren (8)
Jane Watkins (10+)

Alda Wilkinson (5)
Chris Williams (10+)
Ed Wills (9)
Lewis Wood (10)
Jean Yokum (10+)
Charles Zuver (5)



Chapters play an important role in our legislative work through events like the NoVa Chapter's Legislator Reception, which is hosted as part of the Chapter's International Credit Union Day celebration. Pictured are Arlington Virginia Federal Credit Union's Diane Reed and Del. Al Eisenberg.

CAPITOL CLUB 2007

*Number in parentheses denotes
years individual has participated
in the VACUPAC pin clubs*

Paul Adamo (7)
Sue Allgood (4)
Wanda Ambrose (6)
Lisa Arend (10)
Louise Baber (9)
Diane Bailey (1)
Robert Bell (8)
Betty Beverly (5)
Mariann Beverly (2)
Richard Biege (6)
Fred Blough (6)

Larry Booth (10+)
Linda Brenner (5)
Diane Brown (10)
Wendy Brown (10)
Ellen Bruton (10)
Chris Burgess (3)
Bruce Carlton (6)
Roger Carson (10+)
Bonnie Carter (9)
Pamela Childress (9)
Dianna Clouse (3)
Suzie Cook (4)
Buena Crawford (10)
Kay Crisp (10+)
Monte Crowl (5)

Diane Davenport (5)
Joy Davis (10+)
Michele Davis (9)
Brenda Dawson (4)
David Deacon (10)
Bobbie Deegan (5)
Milly Diaz (5)
Gardner Divers (8)
Jeanne Dotson (5)
Joan Dudash (10)
Teresa Duncan (2)
Doris Edmonds (10)
Earl Edwards (4)



Margie Elliott (9)

Iris Ellis (4)

Debbie Falin (9)

Sue Fernaays (7)

[Patty Fox \(10+\)](#)

Jeff Frye (5)

Jeff Gehris (6)

Ray Goodwin (8)

[Don Graham \(10+\)](#)

Mary Greenman (8)

Martin Gross (4)

Jeff Hayes (1)

Courtney Hicks (5)

[Gregory Hill \(10+\)](#)

Rose Hoback (9)

[Judy Hodges \(10\)](#)

Jean Holman (8)

Mark Hubbard (4)

[Jeannie Hunt \(10\)](#)

Sharon Hutchinson (9)

Felicia Johnson (3)

Henry Johnson (8)

[Raye Joyce \(10+\)](#)

[Gina Kane \(10\)](#)

Pam Kenney (4)

Greta Kidd (3)

[Patricia Kimmel \(10+\)](#)

Linda Knick (9)

Kevin Laine (7)

Randy Lassiter (7)

Cindy Lentz (6)

[Rosie Lewis \(10+\)](#)

Mike Long (1)

Tonya Long (3)

[Richard Losea \(10+\)](#)

Tina Maitland (9)

Donna Martin (9)

Ricky McCormick (6)

Nancy Millikin (4)

[Darrell Minniear \(10\)](#)

Bob Morris (8)

Gary Mullin (5)

Susie Nemcosky (7)

[Jerry Nichols \(10+\)](#)

Judy Orenstein (5)

Karen Orie (3)
Charlene Osborne (7)
Susan Oxner (10+)
Pamela Pearce (6)
Janice Phillips (4)
Ken Pravetz (5)
Cindy Raney (10)
Michael Read (10+)
Keith Rickoff (2)
Janet Roberts (7)
Kathy Roehm (4)
Barbara Rosa (10+)
Aleta Sagadraca (9)
Royce Savelle (1)
Joseph Schmierer (8)

Ben Sexton (6)
Chris Shockley (3)
John Slusher (1)
Laurence Smail (8)
Kathy Smith (10)
Lewis Smith (4)
Crystale Soult (10)
Charles Stephenson (4)
Robert Sterling (9)
Jeanne Sullivan (7)
Kristen Tatlock (10+)
Diana Tidwell (9)
Jayne Trull (5)
Mike Umscheid (3)
Ray Vaughan (8)

George Webber (4)
Violet West (10)
Marge White (6)
George Wiatt (10+)
Beth Wolkowich (7)
Melinda Wren (7)
Joy Yeh (3)



CARDINAL CLUB 2007

*Number in parentheses denotes
years individual has participated
in the VACUPAC pin clubs*

Crystal Adams (5)
Nancy Allen (8)
Will Allen (1)
Kenny Alligood (4)
Joyce Alston (2)
Evelyn Anderson (8)
Ilenea Andrews (7)
Luis Araya (8)
[Tami Atkins \(10\)](#)
Leann Baez (3)
Robert Barclay (8)

Michael Beckman (3)
Debbie Belin (7)
[John Blair \(10+\)](#)
Belinda Blanchard (8)
Wanda Bland (5)
Lisa Blum (1)
Anne Bodenburg (8)
Faith Bodine (2)
Rose Bone (8)
Cathy Bonser (7)
Richard Booker (1)
William Booth (9)
Karen Boothe (8)
Janie Borden-Askew (2)
Donna Bowman (6)

Joel Boyd (3)
Jim Bozarth (8)
Vivian Brigham (6)
Richetta Brown (4)
Fay Browning (7)
Deanna Broyles (4)
Michelle Bryant (8)
[Karen Buchwald \(10\)](#)
[Evelyn Burton \(10+\)](#)
Martha Cahoon (2)
Delisa Campbell (7)
Sharleen Carr (2)
Katherine Cash (1)
Jackie Cason (2)
Deborah Catalano (3)

Mary Chapman (6)
Ruth Chapman (3)
Jennifer Christopher (10)
Lindsey Clem (9)
Susan Coblenz (4)
Martha Collier (2)
Pat Cornett (7)
Kevin Crider (2)
Sam Crosby (3)
Kathy Crothers (8)
John Crumpler (10)
Paul Culver (3)
Ricky Dale (5)
Georgette Daniel (1)
Dawn Daniels (1)



Our relationships with federal lawmakers will be increasingly important as we work to secure regulatory relief legislation and protect our tax exemption. Pictured are 1st Advantage Federal Credit Union CEO Casey Duplantier (left) and Congressman Bobby Scott.



Rene Daniels (2)

Kim Davis (4)

Mary Davis (5)

Jack Dent (7)

Janet Dessoify (8)

Cheryl Dickerson (9)

Juanita Dickerson (8)

June Diones (6)

Byron Dixon (1)

Carol Douglas (6)

Mary Lou Downing (3)

Tricia Driscoll (1)

Linda Dunaway (3)

Bill Earehart (8)

Janet Edwards (8)

Jennifer Edwards (3)

Julie Ekstrom (4)

Kenneth Emerson (5)

[Sharon Emory \(10+\)](#)

[Jane Fabula \(10\)](#)

Teena Ferguson (2)

Taylor Ferree (1)

Deb Fladstol (3)

Constance Forbes (3)

Kristi Forehand (2)

Viki Frankenburger (6)

Dianne Frisbie (2)

Rena Gendron (7)

Karen Gibson (2)

Scott Godwin (5)

[Wesley Gordon \(10\)](#)

Teresa Graham (9)

[Elizabeth Grasty \(10+\)](#)

[Laurissa Grubb \(10\)](#)

Neila Gunter (7)

Steve Halkyard (4)

Damien Hammond (2)

Jason Harris (8)

Robert Hartsel (8)

Digna Haruguchi (1)

Suzanne Harvey (5)

Judy Hawkes (9)

Rhonda Haynes (5)

Roberta Heywood (5)

[Cynthia Hilliard \(10\)](#)

Liza Hilty (4)
Michele Hinkle (1)
Karen Hinton (7)
Kerri Holden (4)
Julie Holloway (2)
Nancy Hollyfield (8)
Phyllis Hudson (6)
Ken Hughes (1)
Suzanne Hughes (5)
Carolyn Hull (7)
Robin Huxford (2)
Teresa Jackson (6)
Gerry Jernigan (3)
Terri Joel (6)
Ann Johnson (9)

Dwanna Jones (5)
Hilda Jones (5)
George Joyce (4)
Gene Kelly (1)
Elaine Kepple (4)
Anne Marie Kerns (3)
[Don King \(10\)](#)
Daniel Lanier (6)
Mary Lassiter (1)
Sharon Lauderman (4)
[John Lay \(10+\)](#)
Ronald Layne (5)
Diane Leonard (1)
Margaret Lerner (6)
Ralph Leslie (2)

Tim Little (3)
April Lucy (6)
Robin Maddox (4)
Cyndy Maitret (5)
[Frank Marciniak \(10+\)](#)
Brenda Mariniak (1)
Carolyn Marsh (7)
Carol Mathis (1)
Raul Matos (1)
Traci McAbee (5)
Veronica McNeil (6)
John McPherson (3)
Gloria Mejia (5)
Donna Merrill (6)



Cecelia Michelotti (3)

Frankee Miller (3)

David Mitchell (3)

Ethel Mitchell (2)

Douglas Moody (7)

Kathy Moody (7)

[Donald Moore \(10\)](#)

Joy Moore (5)

Lisa Moore (2)

Elaine Morgan (4)

Joan Morgan (5)

Royce Munker (1)

Dan Murray (3)

Robbie Oliver (5)

[Diane Osborne \(10\)](#)

[Maria Owens \(10+\)](#)

Jennifer Palmer (1)

Susan Parksey (3)

Herb Parr (8)

Stephanie Perez (9)

LaVaughn Phillips (7)

[Dale Piland \(10\)](#)

Keith Pitts (3)

Debbie Pope (7)

Jean Pope (7)

Antoinette Prioleau (1)

Gordon Ragland (4)

Susan Rama (3)

Jennifer Ramirez-Washington (4)

Carolyn Ratliff (2)

[Wade Register \(10\)](#)

Larry Reitenauer (1)

Sharon Rheuark (6)

Barbara Rice (1)

Earl Rice (8)

Kimberly Riddle (4)

Roscoe Roberts (8)

Stan Roberts (1)

Alana Ross (9)

Brad Roteman (2)

Kristy Rowland (4)

[Evelyn Rudisill \(10\)](#)

Joan Russell (9)

Scott Sabitus (3)

James Sandifer (1)

Lorna Saunders (2)
Priscilla Saunders (8)
Christine Scherer (5)
Dale Scott (2)
Paulette Seko (9)
Laura Sethaler (3)
Brenda Shadle (6)
Jo Ellen Shaffer (4)
Shari Shenoda (5)
David Shepherd (1)
Cathy Shields (9)
Barbara Simmons (5)
Lisa Slater (7)
Patricia Slater (8)
Abby Smith (1)

Cathy Smith (2)
Chris Smith (1)
Elizabeth Smith (4)
Kimberly Smith (3)
Toni Smith (6)
Cheri Spence (7)
Douglas Squires (10)
Rita Kay Stabler (4)
Ted Stewart (10)
Lori Stirr (6)
Mary Strahle (8)
Bill Sullivan (3)
Russell Sumner (1)
Kim Swan (9)
Cindy Thompson (10)



Your League continues to coordinate efforts to secure our first co-sponsor for H.R. 1537, the Credit Union Regulatory Improvements Act. Pictured are Congressman Bob Goodlatte and League President Rick Pillow.



Michele Toms (6)
Sharon Tooley (1)
Charles Trice (9)
Frank Turk (2)
Danielle Vaughan (1)
Iris Walker (7)
Shola Walker (1)
Theresa Walker (1)
Nancy Wallace (5)
Linda Walton (5)
Robin Warren (9)
[Susie West \(10\)](#)
Steven Whitehead (2)
Lydia Wiles (1)
Sherri Wilkinson (5)

Don Williams (8)
Jennifer Williams (4)
[Penny Williams \(10+\)](#)
[Sandra Williams \(10+\)](#)
Stacy Williams (3)
Tina Williams (5)
[Joseph Wills \(10+\)](#)
Meaghan Witt (1)
Shelley Woodruff (1)
Tonita Wynne (6)
[Helen Younger \(10+\)](#)

EXECUTIVE CLUB 2007

*Number in parentheses denotes
years individual has participated
in the VACUPAC pin clubs*

Tangi Acquay (1)
Sabrina Addison (9)
David Adkins (1)
Catherine Akers (10)
Milton Allred (3)
Mamie Alston (4)
Jennifer Anby (1)
Carrie Ancell (4)
Robert Arbaugh (10)
Patricia Archer (1)
Silvia Armato (2)

Angela Artis (2)
Maureen Arvidson (3)
Dee Atkinson (3)
Kim Austin (3)
Bobbie Avery (5)
Jason Ayers (7)
Elizabeth Baez (1)
Donald Bagshaw (8)
Lanay Bahr (1)
Gabriel Bailey (1)
Marian Bailey (3)
Paris Bain (8)
Amber Baker (1)
Melissa Bakian (1)
Cathy Baldwin (10)

Rachel Baldwin (4)
Gwendolyn Banks (1)
Kathy Barber (4)
Wesley Barker (10+)
Fiona Barley (1)
Brian Barnes (7)
Stephanie Barnes (1)
Heather Barrows (1)
Barbara Basurto (1)
Corliss Baugh (5)
Yvonne Baylor (10)
Judy Beach (1)
Art Beasley (10+)



Laura Beaulieu (1)
Maury Beck (9)
Jan Belote (6)
Tina Bennett (1)
Dwight Benton (2)
Nancy Besenfelder (6)
Carrie Best (1)
Nathan Bethe (2)
Danny Birchett (4)
James Birchfield (1)
Ron Blackburn (3)
Jadranka Blagojevic (1)
Mary Blair (7)
David Blanchard (3)
[Joe Blevins \(10\)](#)

Christy Bolinsky (2)
[Sonny Bolton \(10\)](#)
[Wayne Boothe \(10\)](#)
Elisabeth Bost (4)
Robin Bowling (4)
Malissa Bowman (8)
Theresa Branch (1)
Susan Bravo (4)
April Brezial (4)
Roderick Bricksin (8)
Sandy Briggs (7)
Marina Brinkley (4)
[Archie Brockwell \(10\)](#)
Tonda Brockwell (3)
Linda Broughton (4)

Jim Brown (2)
Kelly Brown (4)
Kiara Brown (1)
Yolanda Brown (3)
Patty Browne (4)
Sonja Bruce (5)
Scott Buchanan (2)
[Maranda Bush \(10\)](#)
Ray Butler (1)
Richard Byrd (3)
Elizabeth Byrum (4)
Raymond Cady (4)
Everett Campbell (3)
Mary Campbell (1)
Todd Campfield (2)

Tricia Cappiello (7)
Cheryl Carawan (7)
Cheryl Carey (1)
Lila Carnevale (7)
Angie Carsia (1)
Janet Carson (6)
Brenda Casey (8)
[Myrtle Casey \(10+\)](#)
Charlotte Cash (8)
Frank Castelvechi (5)
Linda Castle (4)
Jessica Catalano (1)
[Bill Caudill \(10+\)](#)
John Causey (3)
Chris Cayton (2)

Jeff Chadwick (1)
Anne Chambers (3)
Dominique Chapman (1)
Tayla Chatman (2)
Robin Chavis (1)
Jewel Cheatham (1)
Phyllis Chinault (4)
Reshma Chitre (1)
Jack Christian (6)
Shelley Christie (3)
Alan Christopher (1)
Andrea Ciraci (1)
Sharon Clark (7)
Ben Clifford (3)
Diane Clifton (2)

Sherry Cobbs (4)
Andrea Coleman (2)
Jessie Coleman (3)
[Alan Collier \(10\)](#)
Donna Connell (6)
Cherika Cooke (3)
[Shirley Cooper \(10\)](#)
Connie Copeland (7)
William Cosby (8)
Jewell Cowan (6)
Chrysti Cox (1)
Jackie Cross (4)
Patricia Crotty (9)
Pam Crouch (4)





Thanks to the grassroots work of individual credit unions, we continue to build on a strong base of support in the Virginia General Assembly. Pictured (from left): Belvoir Federal Credit Union CEO Patricia Kimmel; state Sen. Toddy Puller, who patroned key legislation for credit unions in the 2008 General Assembly session; and state Del. Kris Amundson.

Tiffany Crowe (4)
 Jennifer Custer (1)
 Peggy Custis (1)
 Russ Czerwinski (2)
 Robert Dahlstedt (4)
[William Dalton \(10+\)](#)
 Michael Damron (1)
[Walter Dane \(10\)](#)
 Kathryn Daniel (6)
 Chris Darby (5)
 James Davidson (9)
 Chrissy Davies (6)
 Angela Davis (2)
 Audrey Davis (3)
 Chris Davis (3)

Janet Davis (1)
Kristen Davis (1)
Lois Davis (2)
Margie Davis (3)
Zenovia Davis (2)
Duane Day (1)
Steven Day (4)
Willie D'Bene (1)
Dawn Dean (1)
Veronica Deans (8)
Randy Denny (3)
Nina Denzler (1)
Wanda DeVoss (2)
Janice Diehl (7)
Jason Diggs (2)

Susan Dinger (5)
Weldon Dinkel (10)
Charlie Dixon (10)
Sandy Dolinger (3)
Dale Dorneman (4)
Christina Dotson (1)
James Downey (5)
Lee Dranoff (1)
Jennifer Dresler (6)
Sabrina Dumas (1)
Clarence Dunn (10+)
Leslie Dunnaville (8)
Katherine Dye (3)
Rita Earnhardt (8)
Emory Eaton (10)

Kristi Eaton (3)
Keith Ebbeskotte (3)
Carol Eckert (4)
Cameron Edwards (1)
Clay Edwards (10+)
Robin Edwards (7)
Shirley Edwards (4)
Angela Elder (1)
Tim Elder (1)
Kim Elliott (7)
Sue Ennis (1)
Susan Epperson (5)
Alice Eure (9)
Judy Evans (5)
Barbara Faison (1)



Robert Farmer (6)
Blanca Figueroa (2)
Deseree Figueroa (1)
Harriet Fletcher (6)
Maurice Fletcher (1)
Pam Foley (2)
Lisa Ford (2)
Christina Fore (4)
Wendy Fortner (1)
Tammie Foster (5)
Kristina Fowler (5)
Karen Fox (4)
Kathy Fox (3)
Sue Franklin (6)
Frank Frazier (9)

Alisia Freeman (1)
Daniela Fregulia (1)
Hunter Fridley (1)
Jamie Frogale (1)
Courtney Fulcher (2)
Lorrie Futrell (5)
Andrea Gainey (1)
William Gandel (1)
Alice Garcia (4)
Blair Gardner (1)
Shannon Garretson (1)
Erica Gartman (1)
Susan Gatewood (9)
Melissa Gauldin (1)
Tim Gault (3)

Lori Gay (3)
Christine Germain (1)
Bland Gibbs (8)
Amanda Gibson (3)
Julie Gibson (4)
LeAnne Gill (1)
Archie Glass (3)
Monica Goncalves (3)
Jorge Gonzalez (5)
Scott Graham (1)
Ben Gravely (4)
Glenn Graves (1)
Marsha Graves (8)
Janice Gray (5)
Michael Gray (4)

Amy Green (1)
Carolyn Green (2)
Ryan Greer (1)
Maurice Gresham (3)
Clarence Griffin (2)
Brenda Griffiths (4)
Kim Grinnell (1)
Karen Griscom (1)
Joan Groome (5)
Charles Groves (7)
Penny Guiffre (5)
Jennifer Gurnicke (3)
Tracy Guyette (1)
Bryan Haas (6)
Lori Hairfield (2)

Holly Hale (6)
Donald Hall (10)
Dorothy Hall (9)
Lisby Hall (3)
Susan Hall (7)
Vicki Hall (5)
Paul Hamby (3)
Terry Hammond (8)
Lori Handle (2)
Kim Handy (1)
Rosa Hannibal (1)
David Harpe (5)
Nancy Harriman (8)
Antonio Harris (3)
Deborah Harris (10)

Rachel Harris (2)
Ann Harrison (10+)
Greer Harvey (9)
Agnes Hassell (1)
David Hayes (2)
Kristal Hayes (1)
Cheryl Heidenthal (6)
Nita Helms (9)
Janice Henderson (6)
Mary Hendrick (1)
Janet Hendrix (4)
Walt Hendrix (10+)
Trevia Henson (5)
Michelle Herndon (5)
John Heslink (3)



Tim Hesson (5)
Howard High (8)
Burton Hill (7)
Contina Hill (1)
Alisa Hillman (1)
Kim Hinkle (1)
Krystal Hogge (1)
John Holcomb (7)
Billy Holland (7)
Francine Holloman (9)
John Holloway (8)
Page Hoover (6)
Faith Hopey (1)
Khiska Hopkins (1)
[Geraldine Horne \(10\)](#)

Debra Hostetter (2)
Misty House (3)
Sheneese House (1)
Rose Howell (4)
Leonard Howlett (8)
Blair Hubbard (3)
Sharon Hubbard (5)
Mark Hudzik (3)
Cindy Huff (1)
David Huff (4)
Charles Hughes (3)
Emily Hull (1)
Jennifer Hundley (5)
Donald Hunter (1)
Fran Hynes (5)

Phillip Hynes (3)
Bonnie Imhoff (1)
Steve Isley (2)
Lloyd Jackson (7)
[Ronald James \(10\)](#)
Vanessa Jamison (7)
Jennifer Jarden (3)
Charles Jeffries (1)
Rupert Jennings (7)
Angela Johnson (8)
Cathy Johnson (6)
[Maurice Johnson \(10\)](#)
Cathy Jones (4)
Michele Jones (1)
Rita Jones (3)



Our governmental affairs program works to educate legislators about credit unions' good works by inviting lawmakers to attend events, like the Annual Meeting Banquet. Pictured (from left): League Director of Governmental Affairs Karin Sherbin, Del. Lionel Spruill and Belvoir Federal Credit Union's Gaye DeCesare, chairman of the League's Governmental Affairs Committee.

Sarah Jones (3)
 Stacey Jones (6)
 Tanya Jones (7)
 Elaine Jordan (3)
 Mary Jorgensen (4)
 Roger Journell (7)
 Barbara Joyce (3)
 Susan Justice (8)
 Christopher Keenan (1)
 Carol Keffer (8)
 Charles Kerns (4)
 Sarah Kerwin (1)
 Jessica Key (2)
 John King (2)
 Montese King (7)

Pearl King (4)
 Sandra King (1)
 Donna Kirkland (3)
 Paul Kirkland (7)
 Jim Kirkman (2)
 Bonnie Knight (7)
 Robert Knott (5)
 Diana Knowles (5)
 Amila Kostic (2)
 Patty Krum (1)
 Criston Kudlacik (3)
 Nan Lally (10)
 Marilyn Lamb (10)
 Angela Latta (4)



Patti Lauderman (4)
[Wayne Lauterbach \(10\)](#)
Jonathan Lawson (1)
Jessica Leabo (1)
James Legg (9)
Janet Letteer (3)
Deborah Lewis (3)
Elizabeth Lewis (3)
Cheryl Linker (1)
Micah Linsley (1)
Arlise Lipscomb (1)
[Karen Lipscomb \(10\)](#)
Katie Livingston (1)
Thomas Lloyd (8)
Carolyn Lockley (5)

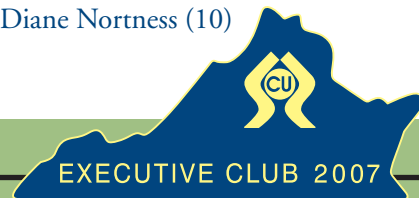
Robbin Lovelace (1)
[Marissa Lovingood \(10\)](#)
Delma Luck (4)
Leslie Luck (1)
Abby Ludgate (1)
Karen Lynch (3)
Robin Lynk (7)
Erin Maben (1)
Delicia Mabry (1)
Tamara Madden (1)
Kenya Maddox (4)
Don Maderios (1)
Ricky Majewski (1)
Tracey Mallory (7)
[Wayne Mangigian \(10\)](#)

Janette Markham (3)
Tracy Marks (2)
[Dean Marshall \(10\)](#)
Alyssa Martin (1)
[John Martin \(10+\)](#)
Trina Mason (6)
Barbara Mathis (4)
[John Mathis \(10\)](#)
Madonna Matthews (3)
[Doug Matze \(10\)](#)
[Linda McAlister \(10\)](#)
Whitney McBurney (3)
Lori McClain (6)
Vicky McDonald (3)
Sallie McGee (1)

Jeff McGlohn (9)
Katrina McIver (1)
Danielle McLaughlin (2)
Christina McMillan (3)
Y-Tusahe McNeill (4)
Jim Meadows (6)
Donna Mears (4)
Julie Melampy (5)
Keith Merchant (6)
Barbara Meredith (8)
Renee Mezzasalma (1)
A. D. Miles (4)
Debra Miller (4)
Heather Miller (1)
John Miller (4)

Teresa Millis (8)
Kim Millner (7)
Joyce Minniear (10)
Scott Minter (2)
Ruth Mitchell (10+)
Sally Mitchell (1)
Travis Mitchell (2)
Gloria Mitchem (8)
Cheryl Mizelle (10)
Pat Moneymaker (3)
Jettie Montgomery (10)
Teresa Moody (2)
Shannon Morgan (1)
Terri Morphew (2)
Judy Morris (4)

Alison Moss (2)
Kelly Moyer (1)
Tamika Moyer (3)
Mike Mullins (1)
Bill Murphy (2)
Nancy Murphy (6)
Judy Naff (1)
Karen Neathawk (3)
Lauren Newell (2)
Ninah Nichols (1)
Penny Nichols (1)
Lisa Niebuonrit (1)
Anna Noland (2)
Mary Norris (1)
Diane Nortness (10)



Lana Norton (8)
Amanda Norwood (1)
Cynthia Nuckoles (1)
[Douglas Nunn \(10\)](#)
Stephen Ogg (2)
[Robert Orsina \(10\)](#)
Shannon O'Shei (1)
Kathy Jo Padgett (3)
Paula Padgett (7)
Deborah Parker (4)
Chaya Patel (1)
Kelly Pauley (1)
Olivia Paxton (4)
Laura Pelfrey (1)
Cathy Penfield (7)

[Richard Perdue \(10+\)](#)
Amanda Perry (4)
Nancy Phillips (5)
Evangeline Pierce (3)
John Plaster (8)
Betty Poff (3)
Teresia Powell (4)
Brittany Powers (4)
Dave Prosser (2)
Joy Puckett (3)
Deborah Purdy (1)
Kayla Putt (1)
Karen Quinn (2)
Millie Rabanal (2)
Valerie Rainey (1)

Linda Ramirez (1)
Stephanie Ramsey (1)
Georgina Rastatter (9)
Daniel Ray (5)
[Sheilah Ray \(10+\)](#)
Beverly Reed (6)
Lashanda Reed (1)
Raymond Reed (1)
Sandra Reeves (5)
Melody Regensburg (1)
Stephanie Reichert (2)
Lahnne Reilly (2)
Andrew Reynolds (6)
Wendy Reynolds (6)
April Rhodes (3)

Chris Ridolfi (1)
Connie Roberts (4)
Dwayne Robinson (1)
Felicia Robinson (1)
Jenni Rodey (8)
Socorro Roman (2)
James Rorrer (6)
Linda Rose (1)
Mary Rothacker (2)
Mary Beth Rummel (1)
Curtis Rush (1)
Kimberly Russell (1)
Nichole Russell (1)
Beverley Rutherford (8)
Terry Samadani (1)

Ron Sandefur (6)
Carisa Santos (1)
Janet Sapp (3)
Doris Sawyer (1)
Jan Scalia (1)
Steve Scanlon (1)
Timothy Schmoyer (2)
Herb Scholz (9)
Emerson Schoonover (1)
Kim Schweighart (4)
Jessica Scott (1)
Victoria Scott (1)
Melissa Scriptor (3)
Suzanne Sealey (8)
Carl Sequeira (2)

Cindy Sequoyah (2)
Judy Sexton (4)
Lisa Shannon (7)
Gloria Shaw (6)
Elaine Shelton (6)
[Nelson Shibley \(10\)](#)
Susan Shively (1)
Brenda Shonyo (4)
[Dabney Short \(10+\)](#)
Shane Showker (1)
Sandra Shumate (1)
Donna Shuster (1)
Leanne Sigmon (1)
Nicole Silva (1)



Lisa Simmons (1)
Mary Simmons (2)
Denise Skinner (3)
Heidi Skipper (1)
Mike Sly (2)
Elizabeth Smiarowski (1)
Barry Smith (1)
Kevin Smith (6)
Mitch Smith (6)
Charles Smith, Jr. (7)
[Charles Smith, Sr. \(10\)](#)
Angela Snyder (4)
Lucy Soles (4)
Sylvia Southerland (1)
[Othel Sparks \(10\)](#)

Buddy Spindler (4)
Denise Spivey (6)
Sherry Sprouse (4)
Renee Stenroos (2)
Crystal Stevens (1)
Lorelle Stevens (2)
Michael Stevens (1)
Tanya Stokes (3)
Pat Stone (2)
Lisa Stoneman (1)
Victoria Stout (1)
Donna Street (3)
Alex String (1)
[Alvin Strother \(10\)](#)
Kyle Stutzman (1)

Alonda Suber (2)
Mary Summers (9)
Tim Sutphin (8)
Joni Swaney (1)
Theresa Swindell (5)
Yakima Sykes (3)
Paul Szabo (1)
Deborah Tait (4)
[Jean Talley \(10+\)](#)
James Tanner (7)
Susan Tardy (4)
Angela Taylor (1)
Brooke Taylor (2)
Jennifer Taylor (1)
Diane Teigue (4)

Chris Terry (1)
Ashley Thacker (1)
Patti Thibodeau (4)
Evelyn Thomas (10)
Karen Thomas (3)
Candice Thompson (1)
Jamie Thompson (2)
Neelam Thompson (3)
Madonna Thorne (3)
Robert Tichenor (10+)
Valeria Toomer (1)
Daryl Trader (5)
Dawn Tribby (1)
Sharon Tuck (2)
April Tunstall (4)

Jane Turner (3)
Raymond Turner (10)
Richard Twiggs (10)
Louise Umfleet (1)
Tara Ungerecht (3)
James Vadas (2)
Susan Vargo (1)
Debbie Vaughan (1)
Brittany Velez (2)
Stephanie Vick (4)
Frank Wade (10)
Diane Walker (6)
Jennifer Walker (2)
Renee Walker (5)
Madoline Wallace (2)

Donald Walston (10+)
Tricia Ware (4)
Barbara Wargo (8)
Teresa Warlitner (3)
Laura Warner (3)
Gloria Watford (3)
Bill Weaver (1)
Cheri Weinberger (5)
Kim Welch (6)
Lauren Wells (1)
Michelle West (1)
Toni Westbrook (4)
Branch White (2)
Debbie White (3)



Gregory White (10)

Jim White (1)

Luanne White (1)

Obadiah White (10)

Richard White (2)

Nicole Widell (3)

Merecia Wiggins (5)

Eric Wignall (1)

Bobby Wilkerson (5)

Kim Wilkerson (7)

Wendy Wilkerson (6)

Byron Willard (10)

Jeffrey Williams (2)

Lauren Williams (3)

Patricia Williams (10)

Tammy Williams (2)

Tori Williams (1)

Veronica Williams (5)

Maggie Willis (8)

Paul Willis (9)

Curtis Willoughby (2)

Lisa Wills (1)

Annette Wilson (9)

Robert Wilson (2)

Sherry Winn (5)

Geraldine Winston (1)

Dean Wood (1)

Jackie Wood (1)

Melanie Wood (4)

Richard Wood (10)

Tina Woods (4)

John Woody (10)

Dianne Woolley (2)

Sharlene Wrenn (8)

Katherine Wright (1)

Mary Wright (5)

Rebecca Wright (3)

Thomasina Wright (8)

Nancy Wyatt (8)

Tonya Xaire (2)

Quinnette Yancey (1)

Charlene Yeagley (6)

William Zeiner (10+)

Parity issues continue to be a key concern for credit unions and our relationships with state lawmakers ensure we can pursue legislative remedies, when necessary. Pictured (from left): state Sen. Steve Martin and DuPont Fibers Federal Credit Union's Steve Adkins.



COMMITTEE MEMBERS

AUDITING COMMITTEE

Purpose: To determine the scope of the audit to be made, receive the report from the accounting firm, engage in such other audit procedures or practices they deem necessary, and report to the board of directors and membership.

Paul T. Johnson, Chairman
(NAE Federal Credit Union)

Region I Representatives
Sharon Conti (Virginia Educa-

tors Credit Union)
Carol Lee Smith (Suffolk
Virginia City Federal Credit
Union)

Region II Representatives
Lisa Lambrecht (Entrust Federal
Credit Union)

Region III Representatives
Nancye Nuckols (Augusta
Healthcare Credit Union)

Region IV Representatives
Angie Blevins (WECCU Credit

Union)
Wes Gordon (Martinsville Du-
Pont Credit Union)
Nancy Hollyfield (Mountain
Empire Federal Credit Union)
R.B. Martin, Staff Liaison

BUDGET AND DUES COMMITTEE

Purpose: To prepare a recom-
mended budget for the Board
of Directors and propose a dues
schedule to support the budget.

Bob Petty, Chairman (Bronco

Federal Credit Union)

Region I

Michael Guida (*members* Trust Credit Union)

Paul T. Johnson (NAE Federal Credit Union)

Hattie Platt (Norfolk Virginia Postal Credit Union)

Bill Susewind (Beach Municipal Federal Credit Union)

Region II

Rose Gilliam (DuPont Fibers Federal Credit Union)

Bob Nagel (Reymet Community Federal Credit Union)

Ben Sexton (Henrico Federal Credit Union)

Region III

Alison DeTuncq (University of Virginia Community Credit Union)

Gerald Hershey (DuPont Community Credit Union)

Region IV

Steve Anderson (Salem VA Federal Credit Union)

J. Russell Dix (Mountain Empire Federal Credit Union)

Frank Frazier (Martinsville DuPont Credit Union)

Greg McConville (Beacon Credit Union)

R.B. Martin, Staff Liaison

BYLAWS COMMITTEE

Purpose: To receive suggested bylaw changes from the Board of Directors and membership, to put such changes in the proper legal form, and present them to the membership at least 30 days

prior to the Annual Meeting.

Roger Ball, Chairman (Call Federal Credit Union)

Bill Cook, Board Liaison
(Northwest Federal Credit Union)

Region I

Sally Fontenot (Virginia Beach Schools Federal Credit Union)
Eugene Johnson (Virginia Educators Credit Union)

Region II

Dan Adams (Bellwood Federal Credit Union)

Region III

Jake Lay (Fairfax County Federal Credit Union)
Sol McCauley (Charlottesville Postal Federal Credit Union)
Dan Morrissey (Queen of Peace Arlington Federal Credit Union)

Region IV

Mike McFaden (Beacon Credit Union)

Paul Phillips (Freedom First Federal Credit Union)

Tom Shields (Piedmont Credit Union)

Wayne Smoot (Lynchburg Municipal Federal Credit Union)
Arthur Sprouse (Lynchburg Foundry Federal Credit Union)
David Miles, Staff Liaison

COMMUNITY INVOLVEMENT COMMITTEE

Purpose: To explore ways to increase credit union commitment to and involvement with

socially responsible activities and programs and make such recommendations as the committee feels appropriate to the Board of Directors.

Madeline Busch, Chairman
(ABNB Federal Credit Union)
Ben Gravely, Vice Chairman
(Martinsville DuPont Credit Union)
Barbara Lockard, Board Liaison
(Partners Financial Federal Credit Union)

Region I

Randi Davenport (Newport News Municipal Employees Credit Union)
Pam Vaughan (Bronco Federal Credit Union)

Region II

Michelle Davis (Peoples Advantage Federal Credit Union)
Traci Felhauer (Fort Lee Federal Credit Union)
Viki Frankenburger (Virginia Credit Union)
Greta Kidd (Entrust Federal

Credit Union)

Region III

Eleine Adams (Belvoir Federal Credit Union)
Diane Reed (Arlington Virginia Federal Credit Union)
Aaron Paula Thompson (University of Virginia Community Credit Union)

Region IV

Malissa Bowman (Mountain Empire Federal Credit Union)
LeAnne Gill (Member One

Federal Credit Union)

Scott Hudson (Beacon Credit Union)

Susan Powell (Roanoke Postal Employees Federal Credit Union)

Mary Amyx, Staff Liaison

Jeanne Sullivan, Staff Liaison

Lewis Wood, Staff Liaison

CREDENTIALS/ELECTIONS COMMITTEE

Purpose: To develop, in accordance with such guidelines as may be established by the Secre-

tary of the Virginia Credit Union League, procedures for recording attendance at the Annual Meeting and for the certification and seating of delegates and guests in attendance. The Credentials/Elections Committee may also serve as tellers in the event of any vote by delegates in attendance.

Tim Hesson, Chairman (Richmond Postal Credit Union)

Iris Ellis, Board Liaison (Assurance Federal Credit Union)

Region I

William Merritt (NMA Federal Credit Union)

Region II

Bill Cosby (Bellwood Federal Credit Union)

Region III

Beulah Villemaire (Washington Gas Light Federal Credit Union)

Region IV

Jimmy Compton (Beacon Credit Union)

Ruth Mitchell (Martinsville
DuPont Credit Union)

Levi Morris (Beacon Credit
Union)

Lisa Livingston, Staff Liaison
David Miles, Staff Liaison

FINANCIAL LITERACY COMMITTEE

Purpose: Develop the strategies
necessary to coordinate a state-
wide Credit Union Financial
Education Program for elemen-
tary, middle, and high school
students in the Commonwealth

of Virginia. The emphasis will be
on the schools and credit unions
developing a partnership in con-
junction with financial education
business partners.

Kim Wilkerson, Chairman
(Central Virginia Federal Credit
Union)

Michael Guida, Board Liaison
(*members*Trust Credit Union)

Region I

Mj Dawley (1st Advantage Fed-
eral Credit Union)

Keely Humphrey (Virginia Edu-
cators Credit Union)

Karen Orie (Hampton Roads
Educators Credit Union)

Kelly Vines (Virginia Educators
Credit Union)

Amy Wisilosky (Virginia Beach
Schools Federal Credit Union)

Region II

Dianna Clouse (Virginia Credit
Union)

Kristina Benson (Fort Lee Fed-
eral Credit Union)

Cherry Hedges (Virginia Credit

Union)

Terri Johnson (Henrico Federal Credit Union)

Region III

Bonnie Andresakes (Belvoir Federal Credit Union)

Joyce Bell (Apple Federal Credit Union)

Patty Browne (Arlington Virginia Federal Credit Union)

Rene Daniels (City of Alexandria Credit Union)

Lydia Fair (Apple Federal Credit Union)

Miriam Rigal (Synergy One Federal Credit Union)

Linda Rogus (Northwest Federal Credit Union)

David Snyder (DuPont Community Credit Union)

Ron Whitworth (State Dept. Federal Credit Union)

Region IV

Jamie Ascioffa (Freedom First Federal Credit Union)

Mark Hudzik (Member One Federal Credit Union)

Cathy Johnson (Member One

Federal Credit Union)

Dick Williams (Member One Federal Credit Union)

Dawn Lindley, Staff Liaison

GOVERNMENTAL AFFAIRS COMMITTEE

Purpose: To protect, preserve, and improve the laws governing credit unions, to conduct legislative forums, to disseminate legislative information at chapter meetings, to be responsible for contacting credit unions in each chapter area to generate legisla-

tor contact when requested to do so by the League, to determine the legislative needs of credit unions, to increase awareness and support for political activity, and to make recommendations to the Board of Directors of the Virginia Credit Union League.

Gaye DeCesare, Chairman (Belvoir Federal Credit Union)
Mark Hudzik, Vice Chairman (Member One Federal Credit Union)

Paul Annunziata, Board Liaison (Chartway Federal Credit Union)

Chapter Representatives:

Kim Dean (DuPont Community Credit Union) (Central Virginia Chapter)
Huyke Urrutia (BayPort Credit Union) (Hampton Roads Chapter)
Joe Wills (Central Virginia Federal Credit Union) (Lynchburg Chapter)
Gaye DeCesare (Belvoir Federal Credit Union) (Northern

Virginia Chapter)
Vanessa Searce (Goodyear–Danville Family Credit Union) (Piedmont Chapter)
Bill Dawson (Henrico Federal Credit Union) (Richmond Chapter)
Bill Earehart (WECCU Credit Union) (Roanoke Valley Chapter)
Patsy Stuard (Fort Lee Federal Credit Union) (Southside Chapter)
Malissa Bowman (Mountain Empire Federal Credit Union)

(Southwestern Virginia Chapter)
Craig Zuidema (ABNB Federal Credit Union) (Tidewater Chapter)

MEMBERS-AT-LARGE:

Region I

Chris Anuswith (Guardian Federal Credit Union)
Kathy Galland (Norfolk Fire Federal Credit Union)
Leigh Ann Graham (Beach Municipal Federal Credit Union)
Michael Guida (*members*Trust Credit Union)

Lou Gull (Chartway Federal Credit Union)
Don King (BayPort Credit Union)
Karen Orie (Hampton Roads Educators Credit Union)
Paul Willis (BayPort Credit Union)
Jean Yokum (Langley Federal Credit Union)

Region II

Audrey Bollinger (Peoples Advantage Federal Credit Union)
Bob Nagel (Reymet Community

Federal Credit Union)
Wayne Lauterbach (Richmond Postal Credit Union)
Dewey Reynolds (Partners Financial Federal Credit Union)
Jane Watkins (Virginia Credit Union)

Region III

Robert Petersen (State Department Federal Credit Union)
Brad Roteman (Healthcare Systems Federal Credit Union)

Region IV

Karen Boothe (Roanoke Postal Employees Federal Credit Union)

Jimmy Compton (Beacon Credit Union)

Greg Hill (Martinsville DuPont Credit Union)

Norman Hill (Martinsville DuPont Credit Union)

Tim Rowe (Member One Federal Credit Union)

Karin Sherbin, Staff Liaison

Alda Wilkinson, Staff Liaison

REGULATORY RESPONSE COMMITTEE

Purpose: To monitor proposed new regulations and changes to existing regulations for their potential impact on credit unions and determine the level of response to regulators.

Richard L. Williams, Chairman (Member One Federal Credit Union)

Region I

Geri Metzger (Beach Municipal

Federal Credit Union)

Bonnie Newsome (Bronco Federal Credit Union)

Dale Piland (BayPort Credit Union)

Jean Yokum (Langley Federal Credit Union)

Region II

Beverley Rutherford (Virginia Credit Union)

Chris Williams (Henrico Federal Credit Union)

Region III

Jason Clarke (DuPont Community Credit Union)

Gaye DeCesare (Belvoir Federal Credit Union)

Alison DeTuncq (University of Virginia Community Credit Union)

Region IV

Wes Gordon (Martinsville DuPont Credit Union)

Rose Hoback (Roanoke Postal Employees Federal Credit Union)

Leslie Mehaffey (Beacon Credit Union)

Kristen Tatlock, Staff Liaison

RESOLUTIONS COMMITTEE

Purpose: To receive, originate, and propose resolutions for adoption by the membership at the Annual Meeting.

Jake Lay, Chairman (Fairfax County Federal Credit Union)

Cheryl Dickerson, Board Liaison (Fairfax City Federal Credit

Union)

Region I

Cathy Heidlebaugh (ABNB Federal Credit Union)

Region II

Evelyn Dowdy (Connects Federal Credit Union)

Region IV

Michelle Bryant (Roanoke Postal Employees Federal Credit Union)

Carrie Merricks (Piedmont

Credit Union)

Jettie Montgomery (Radford Pipe Shop Employees Federal Credit Union)

Lewis Wood, Staff Liaison

CREDIT UNION MARKETING COUNCIL OF VIRGINIA

In addition to our formal Committees, your League partners with the Credit Union Marketing Council of Virginia to provide educational, peer mentoring and networking opportunities to credit unions' marketing and communications professionals.

Russell Sumner, Chairman (Entrust Federal Credit Union)

Elisabeth Bost (Henrico Federal Credit Union)

Jacque Connor (Belvoir Federal Credit Union)

Diana Counts (Beach Municipal Federal Credit Union)

Chris Miller (Chesterfield Federal Credit Union)

Dawn Lindley, Staff Liaison

TAKING OWNERSHIP



LEADERSHIP

Jean Yokum knows a thing or two about taking ownership of one's duty as a leader, believing passionately that today's credit union leaders have an obligation to set the stage now for the next great act in our movement's history. She joined Langley Federal Credit Union as a teller in 1953. She rose from that position to become President/CEO in 1979 and has been leading the now \$1.2 billion credit union since. Her many honors include induction last year into the Credit Union Executives Society (CUES) Hall of Fame.

By Jean Yokum
President/CEO of Langley Federal Credit Union

It was recently determined through focus group studies that the best way to get young adults to vote is providing the ability to vote online. Although the finding doesn't surprise me in our technologically savvy world, I do fear that our society is teetering dangerously close to the edge of apathy. The reality of leadership is that sometimes you have to exert a little effort to get the results you want. It's a bit scary that a person is reluctant to vote for the next leader of our country because it's too difficult to find the time and energy to get to a voting booth—even though that same person knows that online voting technology isn't currently available. Everything in life isn't easy. Taking ownership only when there is a smooth and easy

“Strong leaders know that taking ownership is essential to success. To achieve excellence, sometimes you have to create new paths for others to follow.”

path ahead isn't leadership, it is avoidance—which leads to mediocrity.

Strong leaders know that taking ownership is essential to success. To achieve excellence, sometimes you have to create new paths for others to follow. You have to innovate to differentiate. Competition, especially in the financial world, has become fierce and it's often hard to tell one finan-

cial institution from the next. Leaders understand that their company's vision has to transcend across every delivery channel at their organization. The concept of taking ownership must be embraced by each and every staff person, and if it's not, then staff needs to be held accountable. Conversely, staff representing the organization's core values and working hard to accomplish the company mission should be recognized for their efforts.

Today's quest for quick and easy solutions has led to severe financial problems in our country. Instant gratification is the norm. Debt is at an all-time high. The national savings rate has dipped into the negative. 40-year mortgages, interest-only

loans, unsecured credit—all signs that people prefer to take the easy path and go in debt to get what they want.

Then there's greed. Desperate homeowners and greedy lenders both took ill-advised shortcuts that contributed to today's troubled state of the economy. Unfortunately, even credit unions are sometimes overcome by greed. We've all read about the real estate deals leading to major losses at several institutions. Many have sold their credit card portfolios for the wrong reasons, generating short-term profit by sacrificing long-term stability. True leaders overcome the temptations of greed with integrity. They do what they know in their

heart is right for the organization in the long run, even if it means going through a real rough period of time. True leaders stick to their principles and don't shift positions to benefit themselves over their people or their organization. True leaders assume responsibility for their actions, holding themselves and those they work with accountable. True leaders plan for success, track results, adapt processes, and do whatever it takes to get the job done without sacrificing quality. That's what taking ownership is all about and those are the qualities that we need to see in our future credit union leaders.

As much as I fear apathy in today's world, I admire bravery, generosity, hard work, and passion. Everyday, in the branches of my credit union and throughout our community, we see young military men and women who are anything but apathetic. These courageous young people put their lives on the line to protect our freedom. I see people in my community doing more volunteer work than ever, dedicating their time and energy for the sole purpose of helping others. And I see a wonderful credit union staff working hard to battle the engrained 'buy now' culture to improve lives through financial education. Yes, apathy is rampant, but so are the many fine qualities that have made our country great.

"It is the job of current leaders to identify future leaders, mentor them, and help them succeed. Taking that action is leadership."

The difference between leaders and followers comes down to ownership. Those principled people who take ownership of their job and are willing to veer off the easy road from time to time, exerting the necessary effort to positively change lives, are the people that will become the next generation of great leaders in our Credit Union Movement and society in general. It is the job of current leaders to identify future leaders, mentor

them, and help them succeed. Taking that action is leadership. It's also the ultimate display of 'taking ownership' that will position our industry and country for tremendous future prosperity.

TAKING OWNERSHIP



REGULATORY & BUSINESS RESPONSIBILITIES

Regulators today expect that credit unions will develop an enterprise-wide business continuity plan and implement safeguards to protect business and member data. Taking ownership of these issues means an enormous amount of credit unions' resources are now being diverted to addressing these critical business concerns, as the terrorist attacks of September 11, 2001 revealed many organizations'

vulnerabilities and the increasing sophistication of cyber criminals has created an environment in which everyone fights to stay "one step ahead."

By Peter Sainato, CEO of Justice Federal Credit Union

September 11th changed everything. It certainly changed Justice Federal Credit Union. While we thought we were proactively addressing business continuity on schedule, 9/11 taught us our old ways and old timeliness were not only antiquated, but useless.

We quickly accelerated our plans to complete a second, redundant call center located 5½ hours from Washington, D.C. In tandem with this operations hub, we built our data recovery center. Today, these sites represent not only a competitive advantage for Justice FCU, but keep the credit union ready for nearly any emergency.

In the years after 9/11, more credit unions have visited our sites and liked what they saw. Several have followed our lead to establish secondary call centers and data back-up sites westward toward West Virginia. The latest example is the CUSO—Ongoing Operations—which represents 10 credit unions. In fact, the former VP of IT for Justice FCU works for them.

Taking business continuity seriously has become a cultural value, staple if you will, at our shop. It includes everyone.

At Justice FCU, Business Continuity Tests are routine and involve every employee at the credit

union. We all realize anything can happen at any time. It doesn't have to be a terrorist action. For example, hurricanes, snow storms and electric grid problems have shut down our Chantilly headquarters in the past—though we haven't lost connectivity with our members—West Virginia stepped in and service continued for our membership. While no amount of Business Continuity Plan (BCP) readiness is 100 percent, we sleep a lot better at night knowing we have a plan.

Every manager has a BCP manual off-site and at the office—a BCP Quick Reference Guide is mounted at every office door ready to be put into action at a moment's notice. CUNA, in fact,

lauded these guides as a forward-thinking and effective BCP tool.

Several years ago, the Risk Management Department was created to address all BCP, security, fraud insurance and audit issues. Today, audit has been removed to allow greater focus as the demands continue to grow. Our Risk Management Department carries a lot of weight; we couldn't operate without them.

Certainly securing our data extends to our members. As fiduciaries, we pledge to maintain the highest standards of confidentiality to protect members' personal privacy. In meeting this pledge

to our members, we implemented the Justice FCU Security Center which highlights many of the ways we protect our members.

One of our best-received member services is Secured E-mail Encryption, which recognizes that standard e-mail is not secure. This service allows the safe and secure transfer of confidential member data between Justice FCU staff and our members. Messages stored in the secure e-mail message center are encrypted with 168-bit Triple DES encryption, above industry standard for secure e-mail. “We serve the financial needs of the U.S. Department of Justice, their employees and their families and a major factor in our decision to

find an e-mail encryption service provider is that online privacy is absolutely critical to our Department of Justice members,” notes Rifat Ikram, our Vice President – Electronic Delivery and Support Services.

Member Account Identity is taken seriously at the credit union. Member passwords allow one extra layer of security. Moreover, with the proliferation of fraud we have to be ready.

Knowing and understanding the Bank Secrecy Act (BSA) is another staple at the credit union, and we were recently lauded by the National Credit Union Administration (NCUA) for our efforts on

BSA. A full detailed plan is the cornerstone of this platform supported by active training all the way up to the board level.

A timely risk assessment as well as knowledge of regulatory hot topics allowed Justice FCU to again be proactive when it came time to implement an anti-money laundering (AML) solution. We identified the risks, which included regulatory scrutiny and the importance of identifying fraud early. That certainly was behind the credit union's decision to partner with Fortent, which provides AML software.

“A top priority for us in choosing an AML solution was having a system that would be up and running fast—with minimal impact on our in-house resources,” said Susan Baugh, our credit union's Risk Manager. Fortent allows risk management to proactively monitor member transactions for unusual activity. The software allows staff to concentrate their time on high probability alerts, and while it does not replace staff, it does provide an additional resource in our battle against fraud.

Lastly, without question we proactively cooperate with all law enforcement agencies, other banks and credit unions and keep moving forward.

TAKING OWNERSHIP



ECONOMIC ISSUES

Economic ups and downs are nothing new for credit unions, but some have been forced to learn hard lessons on surviving in the leanest of times. For the \$250 million Martinsville DuPont Credit Union, “taking ownership” of the economic woes of its hometown and surrounding area necessitated a long-term vision for survival and some creative thinking in how to maximize what few opportunities presented themselves.

By Darrell Minniear
President/CEO of Martinsville DuPont Credit Union

The news has been dominated by reports of an increasingly fragile U.S. economy and the growing pressure on the American consumer.

Gas prices, record levels of consumer debt and a punishing housing market have many consumers struggling to make ends meet.

Our credit union has seen more than two decades worth of struggle in many of the communities we call home, particularly Henry County. The better-paying jobs, like those at our original sponsor, began disappearing in the early 1980s. By 1997, the DuPont plant was gone, pushed out by foreign competition. Following close on the heels of the demise of the local textile industry was a new struggle, as the furniture industry began losing ground in its fight to compete in an increasingly global market. During the past decade, our community has lost half the furniture

manufacturers once based here, and the unemployment rate is, at times, double the state average.

We took ownership of our situation early on, and began preparing in the early 1980s for what we foresaw would be the eventual demise of our original sponsor.

PLAN ACCORDINGLY

- We built strong reserves, knowing full well that many of our members would face periods of unemployment, or be forced to take lower-paying jobs.
- Running a lean shop has been a necessity. At \$250 million in assets, we employ only 60 people in three branch locations. We understand that we cannot hire employees or build branches unless there is a

real need, and we work to keep our expense ratio low. Our commitment to serving our membership has not faltered, however, but we understand that our decisions must be viewed in the context of their bottom-line impact. Our situation has required us to be more cautious on unsecured loans.

LOOK FOR OPPORTUNITIES

- We made the most of our loyal, core membership—those former DuPont employees and DuPont retirees, by heavily marketing family membership. It was a strategy we adopted early on and it worked well for us, providing important growth opportunities.
- A community charter made sense for us, from the standpoint that we needed a broader pool of poten-

tial members. We've since expanded our charter to include the cities of Martinsville and Danville and the counties of Franklin, Henry, Patrick and Pittsylvania. It was a sound business decision for us. While the local economy of Henry County has struggled, Franklin County offers more stability as a bedroom community for Roanoke, as well as boasting a population of retirees with good financial footing.

UNDERSTAND YOUR MEMBERSHIP AND YOUR COMMUNITY

- We are able to hold on to our members because there tends to be less mobility in rural areas. Residents have deep family ties here and tend to want to stay, even if it means a 45-minute commute to work

or having to take a lower-paying job.

- Home means everything to those in our area, so while we must be cautious in our unsecured lending, we have built a strong mortgage lending business that now represents 40 percent of our portfolio. We understand that we can make these loans, knowing that our members believe so strongly in homeownership.
- Knowing the financial hardships of many in our communities, and having heard the horror stories of those trapped in a vicious cycle of debt through payday loans, we launched our own payday loan alternative. With up to a month maturity, we offer the loans for anything up to the member's paycheck for a \$5 fee and an 18% APR, a far better deal for consumers than any offered by payday lenders. We

knew full well this would never be a moneymaker for us, but we viewed this as an important way to help our members and offer a better deal than a payday lender.

Ultimately, the strategies we employed enabled us to not only survive, but thrive, in communities that have seen more than their fair share of economic hard times. We may not have been particularly innovative in how we addressed our situation, but what we did do well was plan, adapt and take full advantage of our deep understanding of our membership and our communities.

TAKING OWNERSHIP

POLITICAL ACTION

Grassroots activism has long been credit unions' most important political asset, and the League's chapters are increasingly playing a lead role in "mobilizing the troops" in support of our legislative objectives. Leaders within the Roanoke Valley Chapter have taken ownership of this important mission by building a solid grassroots program based on a philosophy of inclusion, relationships and old-fashioned hard work.

By Karen Boothe, Roanoke Valley Chapter Legislative Representative, of Roanoke Postal Employees Federal Credit Union

& Mark Hudzik, Roanoke Valley Chapter President (2007), of Member One Federal Credit Union

Building a strong chapter-level political action program is a long-term process, say leaders in the Roanoke Valley Chapter.

And the road to success starts with education and awareness, notes Chapter President Mark Hudzik, of Member One Federal Credit Union and a member of the League Governmental Affairs Committee. It's important that we remember we're making a difference in members' lives, and a favorable

legislative and regulatory environment is critical to our success, says Hudzik.

Smaller credit unions often feel that most legislation really only helps larger credit unions, says Hudzik. “We work hard to remind smaller credit unions that while legislation might not impact them today, it could very well play a role in their long-term success, perhaps even their survival.”

A favorable legislative environment provides flexibility, growth opportunities and a manageable regulatory framework. Every credit union, regardless of its size, has a regulatory burden to manage, and one important way credit unions address that

“Every credit union wants to operate on a level playing field with other financial institutions. It often takes legislation to achieve that level playing field.”

is through legislation. Protection of our tax status is another prime example of an issue that impacts every credit union.

Legislation, working in concert with regulation, also empowers us to offer new products and services, says Hudzik, or improve those we already offer. “Every credit union wants to operate on a level playing

field with other financial institutions. It often takes legislation to achieve that level playing field.”

“Another key to success is to build relationships, and by that we mean not only building relationships with lawmakers,” says Karen Boothe, of Roanoke Postal Employees Federal Credit Union and the chapter’s liaison to the League’s Governmental Affairs Committee, “but with your fellow credit unions as well.”

“That old adage that there is strength in numbers still holds true in politics,” says Boothe. “We work to build awareness among small credit unions that their presence and support make a difference.”

The diversity within our movement is a real source of strength for us, she says. “There’s a place in the market for small credit unions, and there’s a place in our political action initiatives for small credit unions,” says Boothe. “Often it’s simply a matter of reaching out to smaller credit unions and building that relationship.” Limited staffing may mean that bus trip to Richmond or D.C. is out of the question for a small credit union manager, but the Chapter does encourage them to send a volunteer official, and many do!

We also take advantage of networking opportunities, like chapter meetings, to elicit opinions and feedback from smaller credit unions on the issues

that matter most to them, says Hudzik. “That allows us to better represent their interests when we do meet with lawmakers.”

Building relationships with lawmakers takes a commitment of time and resources. Going door-to-door for political candidates and stuffing envelopes isn’t the most glamorous job in the world, but those are the things lawmakers remember.

The Chapter’s Legislator-of-the-Year Award offers another opportunity to recognize the importance of legislators, and it’s a great way to build relationships. Legislators like to be recognized in front of their peers and their constituents. Remember, it

takes votes to stay in office! Usually the award is a surprise to the recipient, but the Chapter invites



Mark Hudzik (second from right) presents Rep. Virgil Goode (second from left) with the 2006 Legislator of the Year award as Rep. Bob Goodlatte (left) and League President Rick Pillow look on.

many of the recipient's peers to share in credit unions' recognition of their colleague. That gives the Chapter an opportunity to reach even more legislators.

Taking ownership of political involvement at the chapter level also means giving credit unions plenty of opportunities to get involved, says Boothe.

As is likely the case with most chapters, most of the legislative fundraising support has come from the larger credit unions, which have taken the lead in the Roanoke Valley Chapter's Presidential Coin sales, golf tournament, candy sales, White House ornament offers and VACUPAC pin sales.

Do we wish we had the participation of all our

credit unions? Certainly, say Boothe and Hudzik, "but we feel strongly that providing opportunities for involvement is absolutely critical. And without the income we generate from many of our projects, we could not afford to sponsor bus trips to the General Assembly or to the Congressional Luncheon."

Lastly, say Boothe and Hudzik, the Chapter has truly been blessed with individuals who have a passion for the credit union movement and who understand that our future is dependent upon our ability to successfully lobby our lawmakers in Richmond and Washington. Their advice: Find similarly passionate people within your own chapter and encourage those individuals to take ownership

of your initiatives. Often, these individuals need little more than to be asked.

Can we make a difference? “I believe we can and do,” says Hudzik, who shares this story as evidence. As he was exiting the bus after the chapter’s 13-hour, Jan. 22 trip to Richmond, Freedom First Federal Credit Union CEO Paul Phillips asked him if he thought members realized what credit unions were doing for them and if it made a difference.

“I responded by saying that if the trip made a difference in one out of 10 of our members’ lives, then we had succeeded,” says Hudzik. The very next evening at a Smith Mountain Lake Chamber

of Commerce Annual Dinner, he was approached by a waitress, who happened to be a member of Martinsville DuPont Credit Union. “She wanted to thank me for what I do for credit unions, specifically the trip to Richmond, and for our financial literacy projects in the community,” says Hudzik. “To my knowledge, I had never met this woman before. I smiled at my wife and told her that I had found that one person out of 10. We are making a difference.”

TAKING OWNERSHIP



Salem VA Federal Credit Union's "brand makeover" included implementation of cutting-edge branch design.

BUILDING THE BRAND

Salem VA Federal Credit Union believes in taking ownership of its own destiny. After conversion to a community charter, the \$55 million credit union found itself challenged to better articulate its brand in order to compete in an already crowded marketplace. For it, and likely for many of its small and mid-sized peer credit unions, the answer to that riddle lay in a return to its roots.

By Steve Anderson

President/CEO of Salem VA Federal Credit Union

In a too-crowded financial services marketplace, how does a small- or mid-sized credit union differentiate itself? How do you compete with that much larger community bank across the street or your fellow

credit union across town, much less the Wachovias of the world?

For the \$55 million Salem VA Federal Credit Union, the answer was a return to its roots, with a modern twist.

With a change to a community charter just a few years ago, we recognized the need to address our brand strategies, and revamp our marketing, knowing, too, that we needed to think about additional branches. Our single branch was located at the Veterans Affairs Medical Center, which only served to reinforce the idea that only VA employees could join.

We had an idea of what we needed to do thanks to a strategic planning session held years ago. The question we needed to answer from a board and management standpoint was: How do we accomplish everything we need to do?

Enter Kelley Hunter of Raylee Inc., who specializes in Customer Experience Management (CEM) Consulting. Kelley worked with us to build a strategy to align all aspects of our credit union from the outside in, meaning that we defined the member experience and reorganized internally, implemented new state of the art technology, improved operational efficiencies, evaluated products and services, and redesigned our staff training

“We discovered, too, that we didn’t have to invent a brand. We had a living, breathing brand in the form of our truly exceptional staff.”

program to incorporate newly established service standards. All of these components were driven through the process of developing, articulating and determining how to sustain our brand. What truly was a pleasant surprise was that so much of what we were hearing from Kelley’s initial assessment as our CEM consultant were the very things we covered long before at our strategic planning session.

We discovered, too, that we didn’t have to invent a brand. We had a living, breathing brand in the form of our truly exceptional staff. Members who moved away to Washington, North Carolina or wherever remained loyal advocates of our credit union, because our warm, friendly, knowledgeable staff goes above and beyond to serve their needs. Our members know they cannot receive our personalized service anywhere else.

So, we pondered, how do we capitalize on this important brand asset? Simple really, give our staff more opportunities to interact with our members; create an environment where we truly have the opportunity to treat members like family.

Last year, we opened a brand new concept branch. When members walk in the door, they notice the café-like amenities near the front of the space. A welcome station greets visitors. If members need to make a financial transaction that requires personal assistance, they are personally escorted to one of three round “pods,” each with two computer monitors. At each pod a roaming “member experience specialist” will handle any transaction—but instead of cash drawers, they use a secure, ATM-like device called a teller cash dispenser to provide cash or take deposits.

I must confess, when I first visited a credit union employing this radical branch design, my first

thought was, “This isn’t Roanoke.” But the more we discussed it with the board and evaluated the concept, the more we realized

this concept fit perfectly with our brand. Though we liked the visual look of those credit unions using this branch design, we took it up a notch to



The concept branch has an important function—providing more interaction between the credit union’s staff and the member.

personalize the interior décor to be distinctively unique which aligns with our brand image. This resulted in a bright, open and warm retail look that showcases our member testimonials. Our goal was for our members to experience that “Wow!” factor. We want them to think “Wow!” to our service and “Wow!” to our branch.

One of the most telling validations for moving ahead with our new concept branch was a staff member telling me that the feel and atmosphere of the new branch reminded her of the stories her mother shared about her own days working at the credit union decades ago. In many ways, our branding and our new concept branch do repre-

sent a return to our roots, only now we’re making the most of technology to help our staff do what they do even better.



Salem VA Federal Credit Union didn't have to look far for its brand. "We had a living, breathing brand in the form of our truly exceptional staff," says CEO Steve Anderson.

Even though we're actually just beginning to roll out our brand initiatives, to this point we are

amazed at what we're seeing. We've exceeded our initial deposit and membership growth goals by 50 percent at the new branch, and the positive word-of-mouth we've generated has been phenomenal.

If I had to share any words of wisdom with other small- and mid-sized credit unions looking to take advantage of the power of branding, I'd say this:

- Take that leap! We put it off, thinking we were not big enough, or fancy enough to warrant a "brand." Don't be afraid to go forward. For many of us, it's a matter of survival.
- Consider bringing in outside help. The use of professional consultants to help you build your brand development plan and/or work with you to

implement it is key to getting started and staying on track.

- Buy-in is essential. This must be driven top-down. I cannot emphasize enough how critical board support is in an endeavor like this. It's critical, too, to have the buy-in of your management team. Having the board and management team wholeheartedly embracing the concept creates the foundation for employees to understand, commit and to passionately "live the brand" each and every day.
- Build the infrastructure. The infrastructure must be there, and by that I mean investing in your people, facilities and technology. Our new branch was a huge investment for us. We understood the

necessity of the new branch, but turning this new concept branch into reality and investing in the technology was a real commitment.

- Employees are your most valuable brand asset. We recognized early on that our brand initiative would require a substantial investment in our people, through training and recruiting new staff best able to deliver on our brand promise. We re-designed our internal culture to support our staff's performance with the goal to empower our staff to do more of the good work they were already doing. We learned that we needed to give them the tools they needed, to set our service standards, and then to teach staff what they needed to passionately deliver the "ultimate" member experience.

Branding can be achieved if you build a solid development plan, align your organization to support it, have everyone committed, stay the course through implementation, and sustain it beyond the initial kickoff.

In many ways, we're still in the early stages of our brand journey, but I can't overstate the dramatic difference we've seen in how members relate and respond to us, and that, after all, is what we're all about.

TAKING OWNERSHIP



THE NEXT GENERATION...

As Generation Y enters the real world, they are encountering a business culture that is, for the most part, stubbornly clinging to its outdated, outmoded ways. Credit unions are finding that “taking ownership” of this new generation of workers presents a host of challenges, with today’s youngest workers clamoring for flexible work schedules, promotions, more vacation and personal time, and access to state-of-the-art technology. Embracing the challenge can pay handsomely, however, as organizations find themselves with workers who are goal-oriented, tech-savvy, open to change, unafraid of responsibility and who have high expectations of themselves and their companies.

By Patricia Malatesta
CEO of Vantria Federal Credit Union

They're smart, tech-savvy and a bit brash. They want to work, but they refuse to let work be their life. As Generation Y, the oldest of whom have hit age 30, begin to enter the workforce in droves, credit unions will need to look to new techniques to manage a generation of workers unlike any before.

At Vantria Federal Credit Union, we've had something of a trial by fire in learning what works and what doesn't with Gen Y. About half of our staff is under the age of 35, and many of them are under the age of 25. The nature of the service jobs at Vantria, i.e. tellers and member service reps, dictates that generally a younger demographic applies for these positions, so while we haven't intentionally

recruited Gen Y staff, we've seen a growing number of young people added to our ranks.

Let me first say, it's a challenge to keep this age group happy, as any manager will likely attest. That said, we also feel that we've had some measure of success.

Among our key strategies is to keep these employees engaged by sharing information—what's going on in the credit union, what the management is considering on the horizon, why we make the decisions we do, such as rate decisions, etc.? We also solicit their opinions as often as is reasonable. We hold a monthly staff meeting and a monthly half-day training session, in addition to more frequent

departmental meetings with their supervisors. In general, it takes a lot of effort to keep staff interested and engaged and willing to share their opinions, particularly in a group setting. But continually emphasizing this can reap great rewards. After all, anyone can have an ingenious suggestion or idea about our products or services. I think we've come to realize that management doesn't have a monopoly on good ideas.

We're also fortunate to have a very young teller coordinator, who aside from doing her duties very well, also serves to show other young staff members that we appreciate knowledge and skill in a particular job, regardless of an employee's age. I think

"After all, anyone can have an ingenious suggestion or idea about our products or services. I think we've come to realize that management doesn't have a monopoly on good ideas."

this has a very positive impact on morale, especially among our "promotion-conscious" Gen Y staff.

To take advantage of Gen Y's thirst for a creative challenge and their desire to learn, this year we instituted a training program tailored to each individual, regardless of position. Our message is that we are willing to expend the resources to help them

grow both personally and professionally within the organization. It's difficult in a small organization (we average 23 staff members) to convey the message that there is career growth potential within Vantria, but we do our best to recognize those who excel when a position is available. We don't always promote from within because there may not be a qualified candidate, but we go the extra mile to explain why we made a particular decision in hopes it aids acceptance.

We've also tried to think outside the box a bit in the benefits area. For example, we now offer a gym membership subsidy of up to \$200 per year, which was well received. Initially, we tried to have a small

gym installed in our office but the board was wary of the potential liability, so the gym subsidy was the fallback benefit. This age group seems interested in healthy behavior and we want to encourage this both within the workplace and out. Particular challenges with this group include short-term employment in any one place of employment, unlike their boomer predecessors. They also are very "promotion conscious," feeling that if they do a good job at the position they're in, they should be considered for advancement immediately after "proving themselves," no matter how short their tenure.

I recently surveyed our younger staff members on their attitudes about work. They responded

that they felt we should offer from between 2.5 weeks to 3 months vacation per year upon hiring, regardless of their qualifications or job function. This may be the most difficult expectation with which to deal, especially in a small shop like ours.

In the same survey, they surprisingly listed benefits such as health insurance, dental, vision, life insurance, 401k, and tuition reimbursement as their most important benefits—thoughts that are not so different from their older counterparts.

I also learned that, across the board, they believe a comfortable, safe and friendly work environment was paramount to their happiness. They also had

what I thought was a surprising attitude toward supervision in the workplace. Although they felt the supervisor should control the content and priority of their job duties, the supervisor should then “leave them alone” and “trust” them to do their jobs. They were not keen on being monitored, and they felt their “privacy” was very important.

Gen Y and its attitudes toward work will pose challenges on a scale with which we really haven’t had to deal previously. But given that they’re the fastest growing segment of the workforce, we have little choice but to take ownership of this new challenge and learn how best to adapt to the realities of a changing workforce.

STATEMENT OF COMMITMENT TO MEMBERS

As a member-owned, not-for-profit organization, the Virginia Credit Union League is committed to our members. We will uphold our fundamental responsibility to actively serve credit unions within our field of membership, and as appropriate, the communities in which they are located. We will treat all members with respect and dignity and we will offer honest, fair services to all members at all times. We will look for better ways to reach out to the unserved or underserved in our field of membership. And we will continually, in all facets of operations, demonstrate the value of membership in the Virginia Credit Union League.

We will monitor and communicate our service to members in a meaningful way so that members, potential members, legislators, regulators, and the community at large will understand and appreciate the unique role that the Virginia Credit Union League plays in their operations.

This Statement of Commitment to Members is consistent with our credit union principles of “Not For Profit, Not For Charity, But For Service” and our philosophy of “People Helping People.” This statement represents good business practices that ensure the continued strength of our organization on behalf of our members.

SECTION 1: SERVICE TO MEMBERS

The Virginia Credit Union League strives to offer services designed to improve and/or enhance the situations of our members, and return financial value to all those who participate in our member-owned organization.

SECTION II: MEMBER EDUCATION

The Virginia Credit Union League is committed to member education; in addition we are committed to educating members and the public, alike, about credit union uniqueness, philosophy, and values.

STATEMENT OF COMMITMENT TO MEMBERS

SECTION III: INVOLVEMENT/GOVERNANCE

The Virginia Credit Union League will endeavor to preserve credit union democratic principles, including demographic representation and volunteer participation in League activities.

SECTION IV: DIVERSITY

The Virginia Credit Union League recognizes the value of demographic diversity in staff as well as in volunteers, and will strive to bring people of diverse backgrounds and experiences into leadership and other roles at the League.

SECTION V: COMMITMENT TO THE CREDIT UNION MOVEMENT AND OTHER COOPERATIVE ACTIVITIES

The Virginia Credit Union League will work to build and strengthen our unique credit union movement by providing resources to others within the credit union community, and by actively advocating the credit union difference at all levels of government and in other appropriate public forums. In addition, the Virginia Credit Union League will participate in local, state and national cooperative activities as appropriate, and will strive to build and strengthen relationships with other sectors of the national cooperative movement.

SECTION VI: PUBLIC SERVICE/CORPORATE CITIZENSHIP

Through direct financial support or other in-kind contributions to worthwhile local organizations, and by participating in public service activities, the Virginia Credit Union League strives to be an active partner in our community. We recognize that practicing good Corporate Citizenship supports the Credit Union Philosophy of "People Helping People."

(As approved by the Virginia Credit Union League Board of Directors)

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