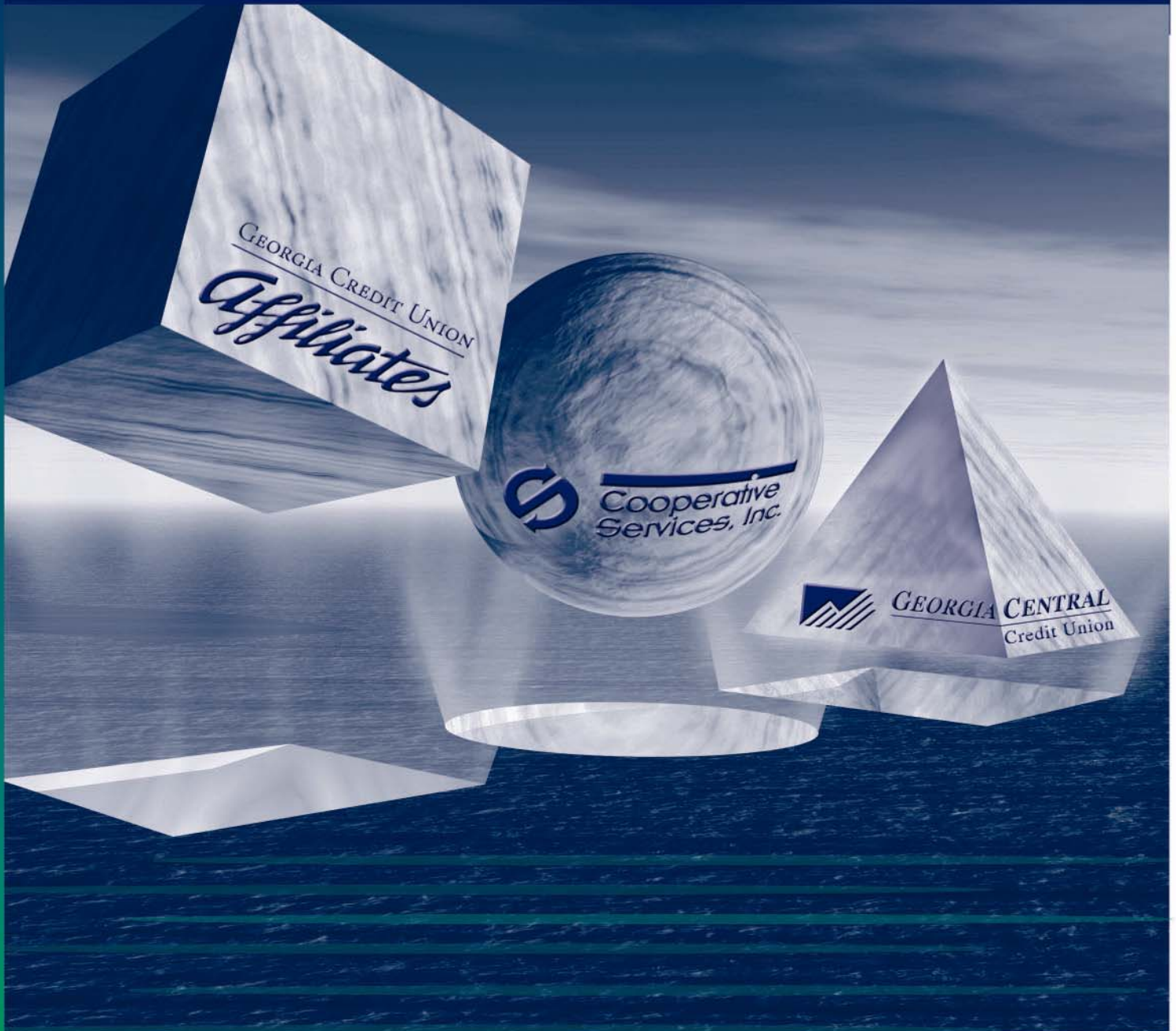


# Chapter Reporter

December 2005



Brought to you by your state support organizations.

## House Ways and Means Committee Holds Hearing on CU Tax Exemption



On November 3, 2005, the House Ways and Means Committee held a hearing to review the appropriateness of credit unions' tax exemption. Although committee Chairman Bill Thomas (R-California) indicated that he has no intention of introducing legislation to impose federal tax requirements on credit unions, he expressed concerns with the credit union movement's inability to document information that would support its argument that credit unions are fulfilling our mission and should retain tax exempt status. The Chairman also asserted that he is interested in having NCUA require more transparency from credit unions, including Community Reinvestment Act data.

Thomas questions NCUA Chairman JoAnn Johnson at November 3 hearing. (Photo courtesy of CUNA.)

## GCUA/CUNA Announces Dora Maxwell Social Responsibility and Louise Herring Philosophy in Action Winners

State and national winners of the 2005 Dora Maxwell Social Responsibility and Louise Herring Philosophy in Action awards were recently announced. Congratulations to the following 2005 winners:

### Dora Maxwell Social Responsibility Award \$500 Million +

- LGEFCU (1st Place)
- Delta Employees Community CU (2nd Place)

### \$200 - \$500 Million

- Georgia FCU (1st Place) - **Second Place Nationally**

### \$100 - \$200 Million

- TIC FCU (1st Place)
- Five Star CU (2nd Place)

### \$50 - \$100 Million

- Augusta Metro (1st Place)
- CSRA FCU (2nd Place)

### \$20 - \$50 Million

- MEA FCU (1st Place)

### \$5 - \$20 Million

- 1<sup>st</sup> Choice CU (1st Place) - **Second Place Nationally**
- Richmond Community FCU (2nd Place)

### Chapter

- Augusta Area Credit Union (1st Place)

### Louise Herring Philosophy in Action Award More than \$100 Million

- Five Star CU (1st Place)
- TIC FCU (2nd Place)

### Less than \$100 Million

- MEA FCU (1st Place)

### Honorable Mention:

Delta Employees Community CU & CDC FCU



**GEORGIA CREDIT UNIONS** ...You'll Like Us Better.



## Cooperative Advertising

Because Georgia credit unions are a better deal for consumers, it is important that we, as an industry, articulate this message throughout the communities we serve. In an effort to let the public know just why they will "like us better," the Cooperative Advertising project was developed and launched last winter with the popular tag line "Georgia Credit Unions, You'll Like Us Better." The campaign successfully delivered 2,073,128 website impressions and reached 82.6% of our target demographic an average of 6.8 times via television impressions.

Building on the success of the winter campaign and leveraging collective purchasing power, the fall advertising campaign received funding from 73 credit unions and their state support organizations to reach 13 markets through more than 3,400, 30-second spots.

Currently, plans for a 2006 advertising initiative are underway. For information on how your credit union can support this important endeavor, please contact Diana Houston, Kristi Arrington or Molly Hevia at (770) 476-9625 or (800) 768-4282.

## League Affiliation & The CU Progress Fund - Fundamental to CU Success

In the next several weeks, credit unions will begin receiving League dues notices, as well as information on supporting the CU Progress Fund. While most are faced with a multitude of budgetary pressures, League Affiliation and support of the CU Progress Fund are investments that credit unions cannot afford to forego.

The primary function of the League is to promote the interest Georgia credit unions into the policy deliberations of legislators, regulators, and other government officials. Beyond Advocacy however, the League provides an array of educational publications, increases statewide awareness through comprehensive public relations, and further enables state-of-art training opportunities. In addition, the League offers consulting services, provides research and development in key areas, and facilitates the efforts of the Georgia CU Foundation.

Likewise, the CU Progress Fund provides for a variety of sponsorships aimed at increasing credit union visibility. The fund also enables enhanced lobbying and advocacy activities and makes possible expert analysis, as well as fundamental consumer research.

## Get to Know CU GROW



GCUA has joined forces with credit unions and consumer organizations throughout the state to establish the CU Grow Campaign – an initiative designed to improve financial literacy and assist Georgians in lower their cost of living. In addition to connecting credits unions with financial literacy resources, the CU GROW Campaign enables member growth through the GettingAhead Association — a coalition of community organizations created to help consumers lower their cost of living. Credit unions that choose to do so, can bring the Association into their field of membership; GettingAhead Association members are eligible to join any credit union that has the association as a sponsor group.

The benefits of financial literacy efforts and the GettingAhead Association that make up the CU GROW campaign are clear from a consumer perspective, yet credit unions also stand to benefit in many important ways. In addition to growth opportunities, credit unions participating in the CU GROW campaign help strengthen a positive reputation, enable differentiation-a significant marketing strategy- and provide their respective staffs with a tool to assist members in meaningful ways. For more information on the CU GROW Campaign, please contact Kelly Garmon at [kellyg@gcu.org](mailto:kellyg@gcu.org) or (770) 476-9625, ext. 3415.



### 2005 Patronage Dividend

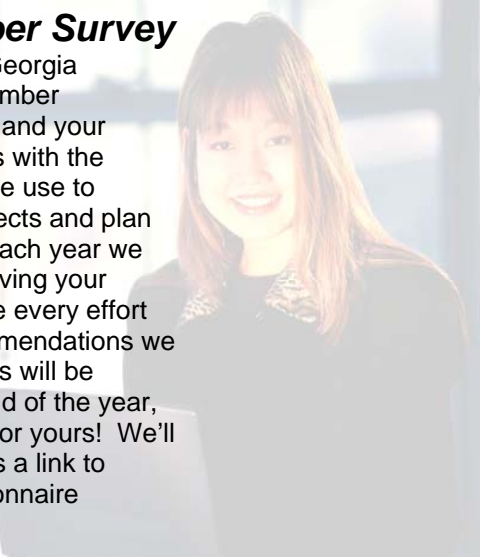


Due to solid performance this past year, Georgia Central's Board of Directors has approved the distribution of a \$300,000 patronage dividend to be dispersed to all account-holders in December. The methodology used to determine the payout is based on several aspects of each credit union's relationship with Georgia Central, including investment and deposit account usage.

In addition to the Patronage Dividend, Georgia Central has been able to support other important causes due to excess earnings during 2005. These include a contribution of \$15,000 to the Georgia Credit Union Progress Fund to be paid in December, as well as \$15,000 donated for Hurricane Katrina relief.

### Annual Member Survey

It's almost time for Georgia Central's Annual Member Satisfaction Survey, and your chance to provide us with the valuable feedback we use to evaluate recent projects and plan future endeavors. Each year we look forward to receiving your responses and make every effort to pursue the recommendations we receive. The surveys will be mailed before the end of the year, so keep an eye out for yours! We'll also e-mail members a link to complete the questionnaire conveniently online.



### 4th Quarter Market & Investment Update Conference Calls

Be sure to mark your calendar and join our Investment Services Department every other Tuesday for the Market & Investment Update Conference Call. Typical content includes economic highlights, yield curve analysis, investment product recommendations and information about current regulatory issues by our qualified Investment Services team.

Upcoming Calls for 4th Quarter 2005  
December 13th

Calls begin at 10:30 am and generally last 30 minutes. The dial-in number is 800.930.1353; no pass code is required. For more information, please contact a member of the Investment Services Department at (770) 476-9704, ext. 5.

### Corporate to Increase Lending Limits

Georgia Central will soon be able to increase its collective extension of credit to members thanks to a change in the state law that went into effect in September. Formerly, the legal lending limit was 10% of the shares, deposits and surplus of the borrower; the law change makes each individual credit union's limit up to 100% of Georgia Central's capital (putting us on par with what is allowable under Federal regulation). Staff is currently working on changes to the credit model that should go into effect later this year.

### 2005 Holiday Closings Reminder

All Affiliated organizations will be closed on the following dates in order to enjoy the holidays with our families:

#### 2005 Holiday Schedule

Christmas Day, Monday, December 26th  
New Years Day, Monday, January 2, 2006

#### Cooperative Principles for Georgia Credit Unions:

- **Members, Not Just Customers** – By joining a credit union, people become members and owners. Members expect more value and deserve more respect than is available in the typical customer interaction at non-cooperative financial institutions.
- **Democratic Control** – Members have equal influence in the voting process and equal opportunity to run for election to the board. One member, one vote. Once elected, directors have fiduciary responsibility to all members.

- **Service Differentiates** – Democratic control provides a decision-making environment that elevates creating value for the members above profit accumulation at the credit union. It is the dedication to providing service that differentiates credit unions from for-profit suppliers.
- **"Profits" Belong to the Members** – In order to grow and provide new services, credit unions generate capital by retaining a portion of earnings. These retained earnings are used for the betterment of the entire membership.