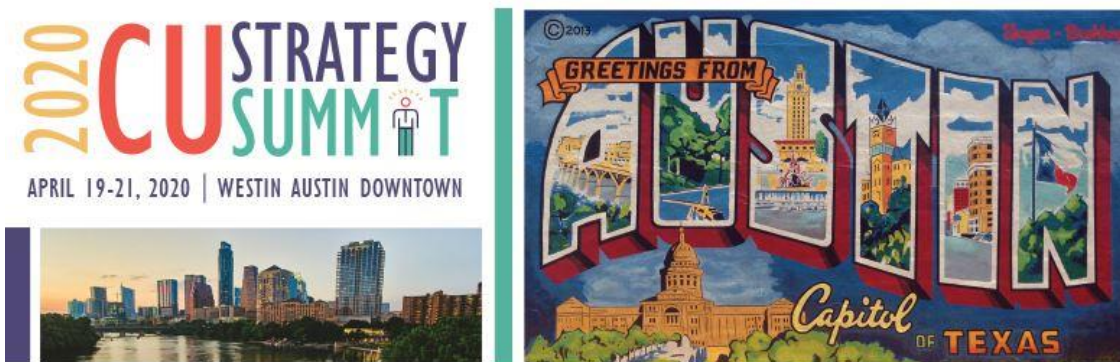




## Winter 2020 Issue

# CU Strategy Summit: Early Savings Ends Soon



The sights and sounds of Austin await NCPCU's 2020 CU Strategy Summit attendees. Sign up today to join credit union leaders from around the country April 19-21. **Sign up for the Summit before Friday, February 28 to take advantage of early registration savings.**

An exciting educational program is planned with plenty of time to network and enjoy the vibrant city of Austin. Here are just some of the reasons why this is a not-to-be-missed meeting for CEOs, managers and boards of directors:

- Program with dozens of successful strategies to take back to your credit union
- Breakout sessions for both CEOs and volunteer boards
- Bonus BSA session to satisfy annual training requirement
- Conference location just steps from Austin's famous music scene
- Optional spouse/guest program including an Austin city tour and BBQ lunch
- NCPCU's networking golf outing

LEARN MORE 

## Scholarship Deadline Extended

No money in your credit union's budget to participate in valuable education, training and networking? NCPCU is offering three scholarships that cover a significant portion of the cost to attend the 2020 CU Strategy Summit April 19-21 in Austin, Texas.

Each NCPCU scholarship includes:

- One CU Strategy Summit registration
- Two nights lodging at the Westin Austin Downtown
- Reimbursement of travel expenses of up to \$300

It will be the responsibility of the scholarship recipient, or the recipient's credit union, to cover any additional travel and meal expenses not listed above.

Credit unions that meet the following criteria will be considered:

- Membership in NCPCU for at least one year, including the current year;
- Credit union with assets less than \$25 million at the time of application;
- Completion of a scholarship application returned to NCPCU Headquarters **by Thursday, March 5, 2020.**

To apply, [CLICK HERE](#) to open the Scholarship Application. Questions? Call (858) 792-3883 or email [ncpcu@ncpcu.org](mailto:ncpcu@ncpcu.org).

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## Platinum Sponsor Spotlight



OM Financial Group

### Why Supplemental Executive Retirement Plans are Growing in Popularity

By Chris Jones, CFP & Tammy O'Hara  
OM Financial Group

Supplemental executive retirement plans (SERPs) allow credit unions to successfully attract and retain key executives. SERPs are a tool that can be utilized to create predictable transition from current to future leaders while ensuring long term success and profitability by avoiding unexpected turnover.

When key people leave unexpectedly, there can be repercussions that negatively impact culture and strategic direction. The key is to tailor plans to the specific needs and goals of your CU and each executive. More CUs are implementing plans for their entire executive team, laddering out the vesting timeframes which helps to ensure smoother transitions.

There are 3 reasons driving the implementation of a SERP: reward, retention and filling “the fairness gap.” Reward is for an executive that has done a great job and you want to do more to recognize his/her positive impact to the CU. Retention, or “Golden Handcuffs,” refers to the executive feeling the financial game of life will be won by working for you, resulting in no reason to look elsewhere before retirement. The last driver for implementing a SERP is based on the limits of other existing plans, normally a 401k and social security. Social security is a progressive system where higher income earners replace a much smaller percentage of income than lower income earners and 401k plans have contribution limits. The rank and file staff can reach a 60-85% replacement ratio with these, but higher income earners cannot. That “gap” is what the SERP is designed to fill.

There are many variables that go into the design of any SERP arrangement. The key ones are the vesting schedule, benefit amount provided and consideration for any risk to the credit union in the investment or insurance supporting the plan. In addition, these plans must be reviewed on an annual basis as required by the NCUA. OM Financial Group offers a free educational webinar that outlines the two SERP options and their impact to the CU and executive, from both an income and tax standpoint.

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[www.econocheck.com](http://www.econocheck.com)

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## Reminder: Membership Renewals Due

Final notices will be sent to the remaining credit unions that have not renewed their NCPCU membership. To avoid a lapse in membership, dues should be remitted before March 2, 2020. Call NCPCU headquarters at (858) 792-3883 or email [ncpcu@ncpcu.org](mailto:ncpcu@ncpcu.org) to make payment arrangements.

## Call for NCPCU Board Nominations

The NCPCU 2020 Nominating Committee is now accepting nominations for the NCPCU Board of Directors. Three board members' terms will be expiring at the Annual Business Meeting in Austin, Texas on Tuesday, April 21. Anyone interested in running for the nine-person board should submit a nomination **no later than Tuesday, March 10**. To qualify, you must be a CEO or volunteer board member of a NCPCU member credit union and have attended at least one NCPCU conference. Please e-mail a brief statement describing why you are interested in serving and a current biography to:

**Chuck Head**  
Nominating Committee Chair  
Email: [thead@ncpcu.com](mailto:thead@ncpcu.com)

## Boost Non-Interest Income with AD&D Program

If your credit union is looking for another source of non-interest income, Franklin Madison has an AD&D (Accidental Death & Dismemberment) insurance program. To learn more, go to [www.franklin-madison.com](http://www.franklin-madison.com)

## Follow NCPCU on Social Media!

To make sure you get all the latest updates for the [2020 CU Strategy Summit](#) and more, be sure your credit union is following NCPCU on Facebook and Twitter.

