

People in Focus

Tim Bruculere, Senior Vice President, Membership



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“Is this what is best for members?” This is the first question Tim Bruculere asks on any Alloya initiative – and this focus on member satisfaction permeates throughout the staff. As Senior Vice President, Membership, Tim is responsible for the oversight of business consulting (sales), lending, marketing and member services.

In a recent interview with Tim, he shared some insight on liquidity, the Alloya difference and his affinity for trivia.

In the past, many considered borrowing as a sign of weakness. How is borrowing generally viewed now?

As credit unions have become more sophisticated along with the financial marketplace, borrowing has become just another useful tool in a Member’s overall liquidity strategy. Why liquidate a security before maturity to solve a liquidity issue when you can borrow the funds short-term for less cost than the early liquidation? There are many other instances where smart borrowing actually shows a credit union’s financial strength.

Do you find that most credit unions that are required to secure a line of credit from the federal government are using the Fed discount window or the Central Loan Facility (CLF) through the NCUA? What are the differences and which is better for credit unions?

Many credit unions that were recently required to establish a government backed line of credit under a new liquidity rule are using both the Discount Window and CLF. For those using one or the other, the ratio is about 65% to 35% for the Discount Window. Recent changes to the CLF have made it more comparable to the Discount Window in terms of speed of funding. A new update to regulations allows a corporate credit union to fund an approved CLF loan immediately upon its approval instead of needing to wait 2-10 days for funding. The “Bridge Loan” is then repaid directly to the corporate. This cooperation between the corporates and the CLF is one of many updates that make the CLF attractive as an emergency funding source.

Corporates are best known for providing a dependable line of credit for members. Can members also borrow on a term basis?

Alloya has funded many term borrowings, from 1 day to 5 years throughout this liquidity cycle. Whether to support loan growth, to hedge interest rate risk or to obtain better terms on short term borrowing, term loans can be a useful tool for many members.

What recommendations do you have for a strong liquidity policy for credit unions?

The keys to a strong liquidity policy are actually quite simple: identify your primary sources of liquidity, your secondary sources and your emergency sources, then document and test them in a liquidity plan. For instance, you can identify your Alloya Line of Credit and SimpliCD issuance as primary sources of liquidity. By borrowing on your line or simply doing a test borrowing and issuing a SimpliCD, you have met the requirements for identification and testing of primary sources. Do the same thing with your secondary sources and emergency sources, and then document it all in a liquidity plan.

How do you advise a credit union that is considering loan participations?

If you are considering loan participations, I recommend that you talk to other credit unions who have bought/sold them (depending on what you are looking to do) or call us at Alloya to get an overview of what to look at when buying or selling.

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Alloya Corporate FCU

Headquarters:
 4450 Weaver Parkway, Suite 100
 Warrenville, IL 60555
 (800) 782-2431
www.alloyacorp.org

Balance Sheet Solutions, LLC
www.balancesheetsolutions.org

Premier View: Enhancements to Wire Templates

Your corporate is constantly looking for ways to enhance your experience utilizing Premier View's secure, single-point access for your transactions. To that end, we have made the following improvements to wire templates:

- **Manage Template Screens:** Domestic and international wire manage template pages were updated to display a hyperlink on the template ID. This will make these pages consistent with the member-to-member manage template page and allow the user to click on the template ID to review details.
- **Editing and Approving Member-to-Member Templates:** When editing or approving a member-to-member template, your staff will now need to have the "member-to-member create template" authority instead of the "create member-to-member from template" authority. Users that can create templates already have this authority and no further changes need to be made. Check with your Premier View system administrator to verify user authorities.

Uncovering Hidden Values

Calculating the Value of Premier View

¼ of one full-time employee at \$50,000 salary =

\$12,500

Annual Return on Value

{ Learn More } To learn more, visit:
www.alloyacorp.org/value

Education & Training

You will now be able to access on demand training recordings. The new training page will be accessible through the Premier View top navigation bar between the help and log off tabs.

BALANCE SHEET SOLUTIONS

an alloya company

Avoid Common Policy Mistakes

- Are your policies in sync with each other?
- Has your policy been reviewed?
- Are you utilizing generic policies?

To help you answer these questions, please read *Avoid Common Policy Mistakes*, by Kris Muller, CFA, Senior Portfolio Manager, Balance Sheet Solutions, LLC at balancesheetsolutions.org/learn_articles



Connection Webinar

ALM Assumption Sensitivity Testing

February 11 - Learn more & register here:

www.balancesheetsolutions.org/learn_connection

People in Focus ...continued

You should learn about brokered transactions, member-to-member participations or third party programs such as LoanStreet that Alloya partners with to assist members.

What are the keys to establishing and retaining membership? What is the Alloya difference?

At Alloya we have three strategic goals: People and Culture, Member Service, and Financial Performance. Each one is focused on making member credit unions stronger. We ask ourselves with everything we do, "Is this what is best for members?" By focusing on people, service and how that ties into financial performance, Alloya is able to offer tremendous service to members, provide key products at fair prices and leverage a tremendous amount of expertise in so many areas. Since Alloya's inception in 2011, and not including mergers, we have added over 75 new members who have seen the value in Alloya.

Everyone who works with you knows you are a trivia buff. What is your favorite type of trivia question?

My favorite trivia question is from U.S. History: name the four men, who after leaving the office of president of the U.S. became a U.S. Senator, a U.S. Congressman, a Supreme Court Justice and President of the U.S. (again). I love it for its symmetry and difficulty!