

**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**MINUTES OF MEETING**  
**May 12, 2022**

The Members of the Department of Financial Institutions met at 10:00 a.m., EDT, at 30 South Meridian Street, Suite 300, Indianapolis, Indiana. Present from the Department were Thomas C. Fite, Director; Christopher Dietz, Deputy Director, Depository Division; Michael Fracassa, Deputy Director, Administration Division; Nicole Buskill, General Counsel and Secretary; George Dremonas, General Counsel; Kirk J. Schreiber, Senior Depository Analyst and Assistant Secretary; Scott Imbus, Field Supervisor, Consumer Credit Division and Sharmaine Stewart, Administrative Assistant.

**I. EXECUTIVE SESSION: 10:00 a.m.**

- A. Discussion of strategy with respect to initiation of litigation, authorized under Ind. Code § 5-14-1.5-6.1(b)(2)(B.) The Members certify that no subject matter was discussed in the Executive Session other than the subject matter specified in the public notice.

**II. PUBLIC SESSION: 10:50 a.m.**

- A. Members Physically Present: Richard J. Rice, Chairman; Mark Schroeder, Vice Chairman; Thomas C. Fite, Director; Jean Wojtowicz and Donald E. Goetz. Present via Web Ex was Benjamin Bochnowski.
- B. Date of next meeting: June 9, 2022 @ 10:00 a.m., at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 300, Indianapolis, Indiana.
- C. Chairman Rice entertained a motion to approve the minutes of the March 10, 2022 meeting.

**Ms. Wojtowicz moved approval of the minutes; Mr. Goetz seconded the motion and the motion passed unanimously.**

**Ms. Buskill called roll for the vote. Rick Rice, Jean Wojtowicz, Ben Bochnowski, Don Goetz, and Tom Fite all voted yes. The minutes were approved 5-0.**

**D. DEPOSITORY DIVISION:**

**1. Crane Credit Union, Odon, Daviess County, Indiana**

Mr. Kirk J. Schreiber, Senior Depository Analyst presented this application. Mr. Schreiber informed the Members that Crane Credit Union (“Crane”) and Hulman Field Technicians

**Minutes of Members' Meeting**

**May 12, 2022**

**Page 2**

Federal Credit Union, Terre Haute, Vigo, County, Indiana ("Hulman Field Technicians") propose to effect a merger pursuant to IC 28-7-1-33.

Crane and Hulman Field Technicians entered into a proposed merger agreement dated February 10, 2022 which was executed April 29, 2022. Crane will survive the merger and Hulman Field Technicians main office will become a branch of Crane. As a part of the merger, Crane's approved field of membership already includes Vigo County and therefore will not have to seek an expansion to its existing field of membership.

Mr. Schreiber informed the Members that each of the statutory requirements of IC 28-7-1-33 had all been satisfactorily met.

**A motion for approval of the merger application of Crane Credit Union was made by Mr. Schroeder and seconded by Mr. Goetz.**

**Ms. Buskill called roll for the vote. Richard Rice, Mark Schroeder, Jean Wojtowicz, Don Goetz, Ben Bochnowski, and Tom Fite all voted yes. The application was approved 6-0.**

**2. Hoosier United Credit Union, Indianapolis, Marion County, Indiana**

Mr. Kirk J. Schreiber, Senior Depository Analyst presented this application. Mr. Schreiber informed the Members that Hoosier United Credit Union ("Hoosier United") and Sheet Metal Workers Federal Credit Union, Indianapolis, Marion, County, Indiana ("Sheet Metal Workers") propose to effect a merger pursuant to IC 28-7-1-33.

Hoosier United and Sheet Metal Workers entered into a proposed merger agreement dated December 1, 2021 which was executed March 16, 2022. Hoosier United will survive the merger and Sheet Metal Workers main office will become a branch of Hoosier United. Hoosier United will add Sheet Metal Workers Local No. 20 to its field of membership though its Articles of Merger at consummation.

Mr. Schreiber informed the Members that each of the statutory requirements of IC 28-7-1-33 had all been satisfactorily met.

**A motion for approval of the merger application of Hoosier United Credit Union was made by Mr. Goetz and seconded by Ms. Wojtowicz.**

**Ms. Buskill called roll for the vote. Richard Rice, Mark Schroeder, Jean Wojtowicz, Don Goetz, Ben Bochnowski, and Tom Fite all voted yes. The application was approved 6-0.**

**E. CONSUMER CREDIT DIVISION:**

**1. Proposed Resolution authorizing the initiation of litigation**

Legal Counsel George Dremonas presented the Members with a matter regarding alleged unlicensed loan activity. After being presented with information about such alleged activity and discussing the matter, the Members voted to adopt a resolution authorizing the Director, and employees and agents of the Department to take all actions necessary in the Director's discretion to prosecute such alleged unlicensed loan activity against four organizations (Integrity Acceptance Corp., Integrity Acceptance Corp, Integrity Acceptance L.L.C., and Empire Auto Group Limited) and three individuals (Amy Lair-Lessor, Shawn Lessor and Brandi Pierson.)

**A motion to adopt a resolution was made by Mr. Schroeder and seconded by Ms. Wojtowicz. The resolution was unanimously adopted.**

**Ms. Buskill called roll for the vote. Richard Rice, Mark Schroeder, Jean Wojtowicz, Don Goetz, Ben Bochnowski, and Tom Fite all voted yes. The application was approved 6-0.**

**F. DIRECTOR'S COMMENTS AND ACTIONS:**

**1. FY 2022 Fee Proposal Discussion (Michael Fracassa)**

DFI is projected to end FY 2022 with a large surplus (\$1.3 million). This is due to over \$700,000 additional in revenue over than what was projected. The increase comes from a significant increase in revenue from MLO's and volume fees. On the expense side we still are projecting to be very close to our projected budget, which does include some expenses that have been paid ahead for FY 23.

As we look to FY 23 fees, the significant increase in assets by state-chartered depositories and the continued expectation of MLO and volume fees would bring DFI to a projected surplus of 1.9 million if no fee changes were made, holding DFI's spending at a flat level.

With the expected revenue surplus, DFI is proposing the following revenue cuts for FY 2023:

1. A fee holiday of 20% of all depository assessment fees.
2. A fee holiday of 50% on all MLO revenue. (\$50 due instead of \$100).
3. A reduction of the consumer credit volume fee to \$2 per \$100,000 (a \$1 per \$100,000 decrease). We will continue to not collect volume on any entity that owes \$100 or less.

This reduction will bring projected revenues down from 11.2 million to 8.4 million and leave DFI with a projected \$923,000 deficit for FY 23 that will come from the fund balance. DFI expenses have stayed lower than projected because of staffing levels in the low 60's. We are still working to get back to a full staff of 71, with the hope of adding more in FY 23 and FY 24.

**Minutes of Members' Meeting**

**May 12, 2022**

**Page 4**

Outside of the volume fee cut, we would like the other items to stay as a holiday as we plan to use the revenue in FY 24 and 25.

2. Director Fite advised the Members of actions taken pursuant to Delegated Authority.
3. Director Fite informed the Members of two new hires for DFI. Miranda Bray will assume the position of Deputy Director for the Consumer Credit Division and Scott Conner will take the position of General Counsel/Licensing Lead.

**OTHER BUSINESS:**

Chairman Rice asked if there was other business. There being no further business, Chairman Rice entertained a motion to adjourn the meeting. Mr. Goetz moved for adjournment, Mr. Schroeder seconded the motion, and it passed unanimously.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
**Mark Schroeder, Vice Chairman**

\_\_\_\_\_  
**Nicole Buskill, Secretary**