



PUBLISHER'S DINNER

What Minnesota Credit Union Leaders Are Watching Heading Into 2027

Economic uncertainty, rising delinquencies, changing customer expectations and the rapid adoption of AI are reshaping how financial institutions operate. During a recent Minneapolis-St. Paul Business Journal roundtable, Minnesota credit union leaders and legal experts discussed how these forces are affecting consumers, employees and

businesses across the state.

The discussion was moderated by Mara Humphrey, president and CEO at the Minnesota Credit Union Network, and featured panelists Dan Stoltz, CEO of Blaze Credit Union, Patrick Newman, shareholder at Bassford Remele and Jed Meyer, CEO at St. Cloud Financial Credit Union.

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CONSUMERS ARE FEELING THE PRESSURE

The conversation kicked off by discussing how credit union members feel about current economic trends. Panelists agreed that economic uncertainty remains the defining challenge facing both consumers and financial institutions.

When speaking about this economic uncertainty, Dan Stoltz, CEO of Blaze Credit Union, noted the idea of a “K-shaped economy,” or when certain pockets of society experience economic growth, higher income and stable housing prices (who make up the upper “arm” of the “K”) while other areas experience declines in purchasing power and more difficulties meeting basic needs (who make up the lower “arm” of the “K”). He said he

has seen more consumers, experiencing economic decline, and how more people are living “a little bit tighter” with less savings and are less likely to take out loans.

The discussion highlighted a growing divide between consumers who have largely recovered from recent economic disruptions and those still struggling with elevated costs and depleted savings, a trend that has implications for employers, lenders and businesses serving consumer markets.

“There’s all this volatility and uncertainty, and I do feel like it’s still weighing heavy on the consumer and businesses,” Stoltz said. “I don’t believe that we’ve emerged from that uncertainty yet.”

Ultimately, consumers are tired of a fluctuating economy and want stability, Jed Meyer, CEO at St. Cloud Financial

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JED MEYER

St. Cloud Financial Credit Union

Credit Union, said. While he said he has not personally seen any economic outcomes from this “downed morale” so far, Meyer said he has seen consumers get jaded over time.

“The inflation for the last few years has really caused our members to really

stretch and get creative, and I think that’s starting to wear them down a little bit,” Meyer continued.

Delinquency rates across the country are approaching a decade-high said Patrick Newman, shareholder at Bassford Remele, was quoting National Credit Union Administration data. With this in mind, Newman said a wave of consumer bankruptcies and other downstream consequences of those defaults are coming and credit unions should be thinking proactively.

Mara Humphrey, president and CEO at the Minnesota Credit Union Network argued that disruption has also created opportunities for innovation and adaptation.

“It’s been heartening to see how credit unions are transforming, changing,

THE EXPERTS:



JED MEYER

President & CEO

St. Cloud Financial Credit Union

Jed Meyer is a visionary leader with over 25 years of experience in banking and credit unions. Since 2014, he has served as President & CEO of St. Cloud Financial Credit Union (SCFCU), leading the institution through more than 400 percent organic growth while maintaining its mission-driven, people-first culture. His expertise in strategic planning, lending, and fintech innovation has positioned SCFCU as an industry leader in digital transformation and community impact.

Jed is also the co-founder of the TriUnity Foundation, a nonprofit dedicated to helping individuals facing terminal illness by easing financial burdens. He is passionate about fostering meaningful connections within his community and has actively contributed to local organizations, including serving on the Sartell City Council and holding leadership roles with the Sartell Baseball Association, St. Cloud Public Safety Foundation, and the Pinecone Central Park Board. With 16+ years of coaching youth sports, Jed remains deeply committed to youth development and community growth.



PATRICK NEWMAN

Shareholder

Bassford Remele

Patrick Newman is a commercial litigator with extensive experience defending credit unions and financial institutions nationwide. As Co-Chair of Bassford Remele’s Consumer Finance Practice Group, Patrick regularly represents a wide array of financial ecosystem inhabitants, including credit and collection professionals, lenders, repossession agents, and fintech firms against consumer-protection lawsuits, including class actions.

He has a strong track record of jury trials and published appellate decisions in litigating cases under the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, the Telephone Consumer Protection Act, the Uniform Commercial Code, and the Bankruptcy Code, as well as other consumer-protection and professional-liability claims. Patrick also helps his clients with creditors’ remedies and bankruptcy matters, as well as compliance and risk mitigation protocols and strategies.



DAN STOLTZ

President & CEO

Blaze Credit Union

Under the strategic leadership of Stoltz since 2010, Blaze has seen significant growth to now serve nearly 260,000 members across 30 branches with assets totaling \$5 billion. Stoltz’s success comes from a deep commitment of bettering the lives of those served and lifting up and supporting our local communities. Stoltz’s dedication to service and excellence has been recognized through numerous honors, including being named a Most Admired CEO by the Minneapolis/St. Paul Business Journal, an Outstanding Professional of the Year award from the Minnesota Credit Union Network and an induction into the Credit Union Hall of Leaders in Washington D.C. Stoltz serves on several boards including Regions Hospital and the Ordway. Blaze was honored multiple times as a best-in-state credit union by Forbes, best regional credit union by Newsweek and Minnesota’s Best Credit Union through the Star Tribune’s Readers Choice Awards.

MODERATOR:



MARA HUMPHREY

President & CEO

Minnesota Credit Union Network

Mara Humphrey is a seasoned financial services advocate with more than 20 years of experience. As President and CEO of the Minnesota Credit Union Network (MnCUN), she is responsible for driving the growth and success of credit unions throughout the state. MnCUN provides crucial support to Minnesota credit unions, which collectively serve over 2 million members at nearly 400 locations.

Previously, Humphrey served as the Chief Advocacy and Engagement Officer for the Minnesota Credit Union Network where she oversaw advocacy efforts, compliance, communications, and professional development. Humphrey spearheaded the creation of first-of-its-kind legislation that enabled financial institutions affected by data breaches to recover costs and led a coalition of financial institutions to pass legislation to prevent the exploitation of older and vulnerable adults.

changing their business models, changing their practices, being more able to adapt to those changes and able to serve their members as they're doing that," she said.

WHY RELATIONSHIPS STILL MATTER

While technology continues to automate more interactions, panelists argued that personal relationships remain a key competitive advantage, particularly in financial services.

"One of my favorite parts of my job is seeing what credit unions are doing in their communities," Humphrey said when introducing the topic. "It's very tailored, very targeted to what their communities need, but it's so fun to see the different efforts that spur as a result of that."

Stoltz said he has been seeing a shift back toward traditional banking that values personal relationships and trust between employees and consumers. He noted that many consumers are increasingly seeking the human connection and sense of community that have long been hallmarks of the credit union experience.

Stoltz said that commitment to a personalized, high-touch service model continues to differentiate credit unions, despite the increased operational costs.

But, while the "high-touch model" can put more pressure on the margins, all of the panelists agreed that human connection is one of the strongest value propositions for a credit union.

Newman brought up an analogy concerning doctors, who are at high risk for professional liability and malpractice claims. Doctors with good bedside manner are substantially less likely to be sued by a patient even when they were negligent. A similar mindset can be said of credit unions; how human connection and empathetic "bedside manner" can be their "best defense mechanism," Newman said.

But, while the credit union industry is facing mass consolidations, mergers and are growing larger in terms of assets and size, maintaining that loyalty from consumers and connection to the community is essential.

This is especially true as the concept of consumer loyalty is more fleeting than what it used to be, according to Meyer. People are able to "shop" around to various credit unions and other banking institutions more than they would be able to in the past to



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find one that best fits their needs, making the market more competitive overall.

"Don't stop trying to create loyalty, even though it doesn't look like it used to," Meyer said.

BEING CLEAR IS BEING KIND

When prioritizing the member experience and the "high-touch model," Newman said it is critical for credit unions to have clear standards and protocols on the compliance side of the organization to protect both the member and the institution.

"I would tell your compliance people that there has to be a consistent criteria at which point we have to say, 'We tried to help, but now we have to a difficult conversation and take difficult steps,'" Newman said. "And that is not antagonistic to being member-centric."

Newman said this might seem like it goes against the "Minnesota Nice" and credit union ethos, but being clear and straightforward with members is the best — and possibly even the most "Minnesota Nice" — thing to do for all involved.

The same goes for credit reporting, which Newman said is one of the biggest sources of consumer litigation currently. He said while the compliance team at a credit union should be member-centric, they have to

"Credit unions thrive in challenging times and are at their best when people need them most. In times of uncertainty, our mission, our relationships, and our commitment to members become even more important. This is our time."

DAN STOLTZ
Blaze Credit Union

"have their wits about them" because they are "handling one of the most live wires within the organization that is not a direct revenue generator." Credit unions should have clear and thorough processes in place when handling disputes and errors in order to protect their consumers.

The litmus test for a compliance policy that is both member-centric and effective? "How would you feel if it was read aloud in front of the general public in a court?" Newman said. "You should feel like it's an advertising opportunity. Your policy should be so good that you can

stand by it publicly and say 'Yes, correct. That's exactly how we do that.' If you feel any less confident in it than that, go back to the drawing board."

CULTURE DOESN'T HAPPEN BY ACCIDENT

The conversation also turned to workplace culture, where panelists emphasized that success is less about a specific workplace model and more about aligning that model with organizational values.

The modality of a workplace can be a balancing act, and both Stoltz and Meyer said it is important to be deliberate and to choose a structure that works well for that specific business. Also, Meyer noted that just because an organization is moved to being back in-person full time, that doesn't automatically guarantee good culture.

"You just have to understand who you are, what's important to you, and then drive your culture through that," Meyer said.

'AUGMENT, NOT REPLACE'

Like many business sectors, artificial intelligence (AI) has been another topic impacting the credit union sphere.

A common concern — particularly amongst young people — that Meyer has seen is that AI will replace humans at their jobs, however he was quick to note that

in a people-centric business like credit unions, AI will actually be able to free up more time for employees to “make more human connections.”

“Adding AI is not going to be taking their jobs from them,” Meyer said. “It’s going to be allowing me to put them in front of the jobs I actually think they’re the best at.”

Newman said this mindset can be distilled down to: “augment, not replace.” He said common, rote tasks can be replaced by AI, as long as it will free up time for employees and increase their ability to do other, more people-focused assignments.

“We can either harness it or have it happen to us,” Newman said. “We’re going to try to harness it, but it cannot replace a lawyer, it cannot replace your member specialist, all the way up to the C-suite. These are ‘people jobs.’ We’re in a people business.”

2027 OUTLOOK

To end the conversation, the panelists went around and gave their “green,

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PATRICK NEWMAN

Bassford Remele

yellow, or red light” prediction for the economy in 2027.

Stoltz and Newman were slightly more cautious for the future and gave 2027 a “yellow light.”

Newman said lawsuit volumes at the federal level for alleged Fair Debt Collection Practices Act, Fair Credit Reporting Act and Telephone Consumer Protection Act violations have increased since last year, and he does not foresee a slowdown in 2027. But, that doesn’t mean that business quality or member satisfaction is going to be impacted negatively.

“What it means is that your internal

legal, your external legal, your compliance, your special assets folks will be having those difficult conversations with members,” Newman said. “They’re going to be busy. They’re going to be stress-tested.”

Stoltz added that credit unions must be intentional about maintaining their relevance in an increasingly competitive marketplace. He emphasized the importance of proactively managing interest rate strategies and taking a more disciplined, analytical approach to balance sheet management as institutions navigate the continued economic volatility.

But Meyer and Humphrey remain

optimistic about 2027’s economic outlook, giving it a “yellow-green light” assessment.

While a “red light” is not off the table, Meyer said, the economy has the chance to get to a “green light” once global economic situations that impact the United States ease. In the meantime, Meyer said the job market has been staying strong, which can net a lot of positive outcomes in the future.

Humphrey agreed with Meyer’s sentiment: “Overall, there seems to be a pretty good sentiment and I think some of these larger issues can resolve themselves, and I’m going to prefer to be optimistic.”

Stoltz said periods of economic uncertainty often remind consumers of the importance of trusted financial relationships and community-focused institutions that put people first.

“Credit unions thrive in challenging times and are at their best when people need them most,” Stoltz said. In times of uncertainty, our mission, our relationships, and our commitment to members become even more important. This is our time.”



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