

MINUTES OF THE REGULAR MEETING
OF THE STATE BANKING BOARD

JUNE 15, 2005

As first item in order of business on the agenda, Chairman Thompson called the Banking Board meeting to order at 10:00 a.m., pursuant to the Agenda that was posted for public display prior to 10:00 a.m. on June 14, 2005. The meeting was held in the Conference Room of the State Banking Department, Oklahoma City, Oklahoma.

Second item on the agenda was roll call; the following members were present:

Mick Thompson, Chairman
Cheri Cartwright
Chris Conn
Gordon Greer

Member Huckabay, Member Goad, and Member Newcomb were absent.

Also present: Dudley Gilbert, Legal Counsel; Charles Griffith, Deputy Commissioner; Randy Brooks, Director of Examinations; Sherbie Kiffin, Assistant Deputy Commissioner; and Angela Morris, Secretary.

The Chairman noted for the record that a quorum was present.

Third item on the agenda, Chairman Thompson called for approval or discussion of the Minutes of the Regular Meeting of the State Banking Board held April 20, 2005. Member Cartwright made the motion for approval. Motion was seconded and approved as follows:

Chris Conn – voted yes
Cheri Cartwright – voted yes
Gordon Greer – voted yes

Fourth item on the agenda, Commissioner's Monthly Reports:

A. Department Status Update

Chairman Thompson said there are no updates at this time.

B. Examination Report .

Chairman Thompson gave the monthly examination report showing that during the month of May three fed member banks, six nonmember banks, three credit unions, two trust companies, one trust department, and three cemeteries were examined. Examinations in process at the end of May were nine banks, three credit unions, five cemeteries, two trust companies, and one trust department.

Regional Examiner Qualls was an instructor at the CSBS Directors Training Seminar in Hershey, Pennsylvania.

Two Senior Examiners (Arbuthnot and Nelson) attended the Cannon Trust School II in Malibu, California.

Five Departmental staff, one supervisory examiner, and two regional examiners attended the CSBS Annual meeting & Conference in San Antonio.

Member Greer asked if examinations are up to date.

Mr. Brooks said currently the Department is behind by six examinations, but should be caught up within the next two months.

C. Legislative Update

Chairman Thompson said legislative session is over and all bills relevant to the Department were signed.

Mr. Gilbert said there is an out of state company, Mike Graham & Associates, that owns four cemeteries in Oklahoma (McAlester, Duncan, Cushing and Stillwater) that are supervised by the Department. This company has not renewed its permits, and is not funding the cemeteries to be properly operated and not funding the trust funds. The matter has been referred to the Attorney General to ask that these cemeteries be put into receivership and sold.

Member Greer asked if the perpetual care funds are deficient?

Mr. Gilbert said they aren't significant at this point. He said the Mike Graham & Associates have been advised to sell the cemeteries or they will be put into receivership. There are potential buyers for the cemeteries located in Stillwater and Cushing.

Chairman Thompson said several other states are having problems with the same company. He said Channel 9 has done several reports regarding the problems.

Mr. Gilbert said all consumer complaints that have come in regarding these cemeteries have been handled satisfactorily to the consumer.

Member Greer asked who will be in charge of selling the cemeteries?

Mr. Gilbert said the Attorney General will be in charge of pursuing the receivership and the receiver will sell the cemeteries after he or she is appointed.

Chairman Thompson gave Board members a copy of information that Member Greer had previously asked for regarding bank assets, largest state and national banks, deposit caps, etc.

D. Pending Applications

Chairman Thompson asked if Board members are receiving pending applications.

Fifth item on the agenda, consideration of application by Oklahoma State Bank, Oklahoma City, Oklahoma, for approval to relocate main office from 14909 N. Kelley in Oklahoma City to 2610 S. Division in Guthrie, Oklahoma.

Keith Ventris, President, was present to answer questions.

Mr. Ventris said they want to relocate their main bank to Guthrie and the Oklahoma City location will become a de novo branch until it can be closed. He said there aren't any new buildings and overhead will also be reduced.

Chairman Thompson said the main location was originally in Guthrie and after relocating to Oklahoma City, the results weren't what had been expected.

Member Greer asked where the bank location in Oklahoma City is?

Mr. Ventris said at 33rd and Kelley.

Member Greer made the motion to approve the relocation of the main bank from Oklahoma City to Guthrie. Motion was seconded and approved as follows.

Chris Conn – voted yes
Cheri Cartwright – voted yes
Gordon Greer – voted yes

Sixth item on the agenda, consideration of application by Oklahoma State Bank, Oklahoma City, Oklahoma, for approval of a de novo branch to be located at 14909 N. Kelley in Oklahoma City.

Member Conn made the motion to approve the de novo branch to be located at 14909 N. Kelley in Oklahoma City. Motion was seconded and approved as follows:

Chris Conn – voted yes
Cheri Cartwright – voted yes
Gordon Greer – voted yes

Member Conn made the motion to adjourn at 10:25 a.m. Motion was seconded and unanimously approved as follows:

Chris Conn – voted yes
Cheri Cartwright – voted yes
Gordon Greer – voted yes

Mick Thompson, Chairman

Gordon Greer

Cheri Cartwright

Chris Conn

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