

MINUTES OF THE MEETING
OF THE STATE CREDIT UNION BOARD

May 16, 2000

First item in order of business: Chairman Mick Thompson called the regularly scheduled monthly meeting of the State Credit Union Board to order at 10:00 a.m. pursuant to the agenda which was posted for public display prior to 10:00 a.m. on May 15, 2000. The meeting was held in the conference room of the Oklahoma State Banking Department, Oklahoma City, Oklahoma.

Second item: Roll call - the following members were present:

Mick Thompson, Chairman

Floyd Atha
Troy Higgins

Members Cotten and Rector absent.

Also present for the Department: Dudley Gilbert, General Counsel; Kathy Ward, Credit Union Administrator; Lisa Jones, Secretary.

Third item: Approval of the Minutes of the Regular Scheduled Meeting held March 21, 2000.

Chairman Mick Thompson: asked for any changes or additions to the minutes from the Board. It was noted and changed on items 3, 4, and 7, there was a typo that was changed from "Acting Commissioner" to "Acting Chairman".

Member Atha: made a motion to accept the minutes as written, with the noted changes.

Member Higgins: seconded the motion. Minutes were approved unanimously as follows:

Member Atha - Yes

Member Higgins - Yes

Chairman Thompson - Yes

Fourth item: Commissioner's Report - Chairman Thompson said that we are in final negotiation with our budget. Both bill's that the Department and the League supported have been passed and signed.

Chairman Thompson: Two credit unions have been examined in the month of April and two are in progress. Kathy Ward, Kandace Natale, Terry Slagle and Deloris Finley attended computer software training in Colorado. We have new computers for all of the examiners. They should be in good shape.

We would like to thank the league, Bob, Bobby and Richard for their help with legislation, and the support of the industry.

Fifth item: Request by Federal Employees Credit Union, Oklahoma City, Oklahoma to add Restaurant Management Company, Oklahoma City, Oklahoma to their field of membership.

Chairman Thompson: asked for any questions from the Board?

Chairman Thompson asked if anyone was present to represent Restaurant Management Company? There was not. What restaurants do they manage?

Federal Employees Credit Union representative: stated that they manage the Pizza Hut Corporation, the franchise owners here in Oklahoma City.

Member Higgins: made a motion to approve the request.

Member Atha: seconded.

Member Higgins- Yes

Member Atha - Yes

Chairman Thompson - Yes

Request by Federal Employees Credit Union, Oklahoma City, Oklahoma to add Southwestern Oklahoma State University, Weatherford, Oklahoma to their field of membership.

Chairman Thompson: I have a question, it is not clear on the application if they are wanting to add employees of the University or the student body also?

Representative from Federal Employees Credit Union stated that yes, they were wanting to add the students.

Member Higgins: I think the tendency is to try to operate in a fashion where credit union services are extended to as many individuals as possible. The issue I believe we have in front of us is Select Employee Groups process originated around employee groups. So now we have a student body question presented to us. I don't want to create a precedent where this type of application would not be approved, but I would like to understand the ramifications of it better if we adopted a student body under this process. How are other student groups in Oklahoma, how are their membership issues being dealt with?

Chairman Thompson: I think this board has only allowed them to serve the faculty. Are there other questions from the board?

Member Atha: I would make a motion to deny this request.

Chairman Thompson: There is no second to the motion, so the motion dies for a lack of a second.

Member Higgins: I would like to leave the door open for this type of application. Based upon the practices of this board from a historical standpoint. I understand what student body issues are going back to common bond applications. I agree with Member Atha's motion for denial, but I don't want

that to frame future considerations by this board. I would make a motion to deny this application, but I do not want this used as a standard to set a precedent to deny future student bodies.

Member Atha: Seconded.

Chairman Thompson: My only comment would be that the application had two or three errors , one letter, has one request, and another letter received this morning has another request, and they are signed by two different people. The numbers weren't provided on 7F. A lot of it wasn't consistent. The request was denied unanimously as follows:

Member Higgins - Yes

Chairman Thompson - Yes

Member Atha - Yes

Sixth item: Request by Fire Fighters Credit Union, Tulsa, Oklahoma to amend their bylaws Article XXII, Section 1, Special Reserve for Dormant Accounts.

Legal Counsel Dudley Gilbert: The proposed bylaw provides for a five year time period. The bylaw does not go into full detail with respect to Uniform Unclaimed Property Act. But the bylaw doesn't need to. It just needs to be understood that in the event an account becomes dormant in 5 years that the credit union will comply with the Uniform Unclaimed Property Act. Other than that, the format of this bylaw is standard.

Chairman Thompson: Is there any questions from the board?

Member Atha: Made a motion to accept the request.

Member Higgins: Seconded.

The motion passed unanimously as follows:

Member Higgins - Yes

Chairman Thompson - Yes

Member Atha - Yes

Seventh item: Request by Oklahoma Postal Employees Credit Union, Ardmore, Oklahoma, for final approval to merge with and into Southern Oklahoma Federal Credit Union, Ardmore, Oklahoma.

Chairman Thompson: asked for any questions?

Member Atha: made a motion to approve.

Member Higgins: seconded.

The motion passed unanimously as follows:

Member Higgins - Yes
Chairman Thompson - Yes
Member Atha - Yes

Eighth Item: Request by WEOKIE Credit Union, Oklahoma City to add Employees of the Town of Vian to their field of membership.

Member Atha: Has a law passed for this state to allow this?

Legal Counsel Dudley Gilbert: Yes, the law does not prohibit it.

Member Atha: I would make a motion that we approve this request.

Member Higgins: seconded.

Chairman Thompson: Before we vote I would like to point out that this does give a parity plus to state charters. There was a case last year that the NCUA denied an SEG located 70 miles a way. Hopefully this will give state charters a little bit of an advantage in that we have not denied based on distance. I guess that the NCUA has taken the position that they will deny those requests.

The motion passed unanimously as follows:

Member Higgins - Yes
Chairman Thompson - Yes
Member Atha - Yes

Request by WEOKIE Credit Union, Oklahoma City to add employees of the Vian Public Works Authority to their field of membership.

Member Higgins: made a motion to approve the request.

Member Atha: seconded.

The motion passed unanimously as follows:

Member Higgins - Yes
Chairman Thompson - Yes
Member Atha - Yes

Ninth item: New business to come before the board?

Member Higgins: There was a letter sent to the board posing a question from Midwest City Credit Union. I don't know if it is appropriate to address this issue now.

Commissioner Thompson: It is our position that we need to investigate the complaint, before it comes before the board, and we have not had sufficient time to do that.

Member Atha: Will the outcome of the investigation be on the agenda?

Commissioner Thompson: If it warrants board action. We don't know yet if the board has any authority or if we have any authority, until we look into it.

Marvin Cottom: of WEOKIE Credit Union stated Congratulations to the Commissioner on his reappointment.

Chairman Thompson: I do appreciate your support.

Tenth Item: Member Atha made a motion to adjourn. Member Higgins seconded. Motion passed unanimously. The meeting adjourned at 10:31 a.m.

Mick Thompson, Chairman

Floyd Atha

Troy Higgins