

**MINUTES OF THE SPECIAL MEETING
OF THE STATE CREDIT UNION BOARD**

April 16, 2001

First item in order of business: Commissioner Thompson called the special 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 April 13, 2001. 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

Richard Forshee
Floyd Atha
Les Rector

Member Higgins was absent.

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

Third item: Approval of the Minutes of the regular scheduled meeting held March 20, 2001.

Commissioner Thompson: Asked for any changes or additions to the minutes from the Board.

Member Forshee: Made a motion to accept the minutes as written.

Member Rector: Seconded the motion. Minutes were approved unanimously as follows:

Member Forshee: Yes

Member Atha: Yes

Member Rector: Yes

Commissioner Thompson: Yes

Fourth item: Commissioner's Report - Commissioner Thompson: I talked to the Governor about our Department not getting caught up in budget cuts. I met with him on Thursday. He agreed to our budget request, and then he vetoed our budget on Monday. We were one of 50 plus agencies that were vetoed. He even vetoed his own budget and the Lieutenant Governor's budget. If they pass the budgets but don't put an emergency on, as of July 1 when our fiscal year ends, agencies will run out of money. Effectively 55 agencies will be shut down, if they don't have reserves to carry them through. There is no rhyme or reason on the vetoes that I can see. The Governor said that he signed the ones that were emergencies.

He vetoed a bill for the National Guard Armory's building to have new roofs put on because they are leaking. Then he signed professorships' chairs at OU. I can't figure out their thought process.

Member Atha: Do you have reserves?

Commissioner Thompson: We probably won't have to furlough people, but we will have to cut travel, education, and all of the updating of our computer systems. It's tough to cut travel when the examiners have to travel to do exams. We will just have to exam banks and credit unions that are closest. Then that causes problems, because the FDIC and Federal Reserve have time guidelines that we have to abide by too.

Both the credit union bill and banking bill were signed by the Governor.

Our exam report: two credit unions were examined in the month of March, and we have two that are in process.

Any questions about my reports?

Member Atha: Are the Republicans united in this thing?

Commissioner Thompson: Yes. They tried to override one of the vetoes, but did not have the votes.

Fifth item: Request by Federal Employees Credit Union, Oklahoma City, Oklahoma for approval to add employees of Exiss Aluminum Trailers, El Reno, Oklahoma as an SEG to their field of membership.

Commissioner Thompson: Would someone from Federal Employees like to explain why the request came in to have a special meeting?

Dee Anne Elliott: Yes. Chris from Exiss is here with us today. When we approached Exiss, they were starting a new direct deposit payroll system. They were getting down to the wire on a May 10th deposit deadline for their employees. It was important for us, to be able to service them for direct deposit by this month.

Commissioner Thompson: Chris, why did you choose Federal Employees?

Chris Smith of Exiss: We interviewed a couple of credit unions. Between myself and the CFO we thought that this would be a better fit for us.

Commissioner Thompson: Do you know a Matt Zeller?

Chris: Yes, sir.

Commissioner Thompson: Why did he think that WEOKIE was the best credit union for Exiss?

Chris Smith: Mr. Zeller acted without telling me or the CFO, what he was doing. We were still interviewing when we found out what he was doing. I don't know why he thought they were a better credit union.

Commissioner Thompson: So he acted without authority?

Chris Smith: That's right.

Commissioner Thompson: Is he still working for you?

Chris Smith: No sir, he's not.

Commissioner Thompson: For the Board's information, we had an application filed with us on February 14 that Exiss wanted be a part of WEOKIE credit union, and it was signed by the gentleman that I mentioned. They never completed the application, so it never came before the board. Then we get an application from Federal Employees. Any questions from the Board? That solved a lot of the problems.

Member Atha: Within your company, you are director of human resources?

Chris Smith: Yes.

Member Atha: And you report to the Chief Financial Officer?

Chris Smith: No, the Chief Operations officer.

Member Atha: And this has been approved by your board of directors?

Chris Smith: Yes.

Member Forshee: Is WEOKIE under the impression in any way that they are serving this group.

Commissioner Thompson: No. The application was never completed last month, so they withdrew it from the agenda. We called WEOKIE in February, and told them that there were sections in the application that we needed. We never received them. Margaret from WEOKIE called and asked that it be taken off the agenda. We thought it was official, because we got a signed letter from Marvin, and a signed letter from Exiss; we just never received all of the documentation.

Lynette Leonard: We did not have any idea that WEOKIE was even talking with them.

Member Forshee: Have you had any conversations with Marvin?

Lynette Leonard: No, I have not.

Chris Smith: WEOKIE seemed to be very understanding, I told them we were still interviewing credit unions and had not made a decision yet.

Commissioner Thompson: Do you remember who you talked to on that?

Chris Smith: It would have been the director of personnel.

Member Forshee: WEOKIE has been informed by you of your company's decision to do business with Federal Employees?

(Chris Smith shook his head "yes").

Commissioner Thompson: When the agenda came out they called us.

Member Atha: Made a motion to approve the request as written.

Member Forshee: Seconded.

The motions passed as follows:

Member Forshee: Yes

Member Atha: Yes

Member Rector: Yes

Commissioner Thompson: Yes

Sixth item: Commissioner Thompson asked if there was any new business to come before the board?

Does anyone have any reports on Troy Higgins?

Member Rector: We have made about four attempts to go visit Troy, and he is just not up for company.

Commissioner Thompson: Troy is one of the guys that worked the hardest to try and bring credit unions to be able to serve more people. He was instrumental in developing the community charter. We are going to call it the "Higgins application for Community Charters". I want the Board to be aware of it. I want to get it completed as soon as it becomes a rule effective May 11.

After that everyone has to declare what they are. If you don't change, there is no application fee. If you are changing from one to another, then there is an application fee, because you are making a change. We are not trying to charge anyone who isn't making a change. Everyone just needs to say what they are.

Member Atha: Will you do a mailing?

Commissioner Thompson: We will notify everyone.

Dudley Gilbert: They probably won't all come to the same meeting. I think we can just send out a mailing that states according to the rule, you need to declare your field of membership. Then they can come in before the Board and formalize in May or July.

Member Atha: The letter that you send out, will it give some general idea of what the bylaw needs to state?

Dudley Gilbert: Yes, we will send something out. If they want to become a community charter, then we have a new application for that. We will be sending that out to all of the credit unions, just to tell them about the new application, once it has been finalized.

Kathy Ward: Just as a timeline, Mick and I looked at it, and there would not be enough time between when the rules become final and the first meeting in May for a community charter change.

Dudley Gilbert: The rules become effective on May 11, and the Board meeting is on May 15.

Commissioner Thompson: If we get several, we may want to look at having a special meeting sometime in June. Or we could change the May meeting to later. Would it be better for the board members if we scheduled the May meeting to a later date? I would assume that we would have two or three that will request a special meeting. We can either move it a week later or schedule it in June.

Member Rector: Lets just reschedule the May meeting for June.

Commissioner Thompson: If we don't have something that really needs to be on the agenda in May, then the easiest way to cancel is if we don't have a quorum. If we don't have anything that needs to be acted on in May, then we will just have a special meeting in June.

Seventh Item: Adjournment.

Member Atha: made a motion to adjourn.

Member Forshee: Seconded.

Motion passed as follows:

Member Forshee: Yes

Member Atha: Yes

Member Rector: Yes

Commissioner Thompson: Yes

Adjournment was at 10:25 am.

Mick Thompson, Chairman

Richard Forshee

Floyd Atha

Les Rector