

MINUTES OF THE MEETING
OF THE STATE CREDIT UNION BOARD

May 18, 2004

First item in order of business: The Credit Union Board meeting was called 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 17, 2004. Dudley Gilbert, General Counsel, was designated by the Banking Commissioner to serve as chairman of the meeting. The meeting was held in Conference Room 269 of the Lincoln Plaza building, Oklahoma City, Oklahoma.

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

Floyd Atha
Richard Forshee
Steve Rasmussen
Les Rector
Chairman Gilbert

Chairman Gilbert declared a quorum present.

Also present from the Department: Terry Slagle, Credit Union Examiner; and Debbie Moore, Secretary.

Third item: Approval of the Minutes of the meeting held February 6, 2004.

Chairman Gilbert: Asked for any changes or additions to the minutes from the Board.

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

Member Rasmussen: Seconded the motion.

Minutes were approved as follows:

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: yes

Chairman Gilbert: yes

Fourth item: Monthly Reports:

Department Status Report

The meeting was moved to a conference room in the building because the Accreditation Team from the Conference of State Banker Supervisors was using the Department's conference room.

Commissioner Thompson is absent from this meeting because he is at the Capitol being confirmed for his fourth term as Banking Commissioner. He will be the first Oklahoma bank commissioner to be appointed more than three terms. Also the Senate is confirming member Les Rector as a reappointment to the Credit Union Board.

Examination Report

Bank Examinations commencing during April, 2004 include one federal reserve bank, four non-member banks, three credit unions, and one cemetery.

Examinations in process as of April 30, 2004 include three banks, two credit unions, two cemeteries, and one trust company.

The Legislative Report

There are two weeks left in the current legislative session. There are no bills remaining in the Legislature that materially impact either the Banking Code or Credit Union Act. Representative John Carey was appointed chairman of the House Banking and Finance Committee to fill the vacancy left by Representative Easley who was recently elected to fill a vacancy in the Senate.

As always, the Department is looking throughout the year for ideas to be introduced as bills during the next legislative session. If either the League or individual credit unions have suggestions, please bring them to our attention.

Fifth Item: Consideration of the request by FAA Employees Credit Union to change its name to FAA Credit Union and for the bylaw changes as listed in the agenda. Chairman Gilbert said the need for the bylaw changes is a result of the change the credit union made in March 2003 from credit committee to credit manager within the credit union. The credit union has met all requirements for the name change, including paperwork and contacting the Secretary of State. All documents are in order for the name change.

Member Rector moved to approve the name change and other bylaw amendments.

Member Forshee seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: abstained

Member Rector: yes

Chairman Gilbert: yes

Motion passed.

Sixth item: Consideration of the request by Frisco Employees Credit Union for bylaw changes as listed in the agenda. Chairman Gilbert explained the changes. He explained the change regarding the reference to total capital stock and that because a credit union's "capital stock" is essentially its deposits, there is little value in describing it with a particular number. The amount may change from day to day and it serves no purpose to provide a value of the total in the bylaws. However, the "total" must still be shown in the certificate of incorporation because the Credit Union Act requires it.

Member Rasmussen asked if all paperwork was in order. Chairman Gilbert replied that it was.

Member Rasmussen moved to approve the request.

Member Forshee seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: yes

Chairman Gilbert: yes

Motion passed.

Seventh item: Consideration of request by Oklahoma Credit Union League for approval of Barbie Hester as a Credit Union Auditor.

Dana Kroutil, Vice President Audit Division, introduced Ms. Hester and presented a list of her professional qualifications to the group.

Member Atha moved to approved the request.

Member Rasmussen seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: yes

Chairman Gilbert: yes

Motion passed.

Eighth item: Consideration of request by Tulsa Teachers Credit Union for bylaw changes as listed in the agenda. Chairman Gilbert explained that the change in Article III deals with the capitalization of the credit union as explained in the Frisco item described earlier. The other changes are to make a change from credit committee to credit manager.

Ms. Stephanie Jones, compliance officer, represented the credit union and was available for questions.

Member Atha asked where the position of credit manager fits on the organization chart.

Ms. Jones replied that the credit manager will report administratively to the CEO, although he is appointed by the board of directors.

Member Forshee moved to approve the request.

Member Rasmussen seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: abstained

Chairman Gilbert: yes

Motion passed.

Ninth item: Consideration of request by Tulsa Teachers Credit Union to add DecisionOne to its field of membership.

Chairman Gilbert had reviewed the application and stated that everything was in order.

Member Atha moved to approve the request.

Member Rasmussen seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: abstained

Chairman Gilbert: yes

Motion passed.

Tenth item: Consideration of request by Woods Credit Union to change its field of membership from a multiple common bond to a community field of membership serving the Oklahoma City metropolitan statistical area.

Cheryl Williams, President, was present to answer any questions.

Chairman Gilbert had looked over the application and stated that everything was in order. Credit Union examiner, Kandace Natale has stated that she does not have any concerns over the conversion.

Member Rector moved to approve the request.

Member Rasmussen seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: yes

Motion passed.

Eleventh item: New Business

Chairman Gilbert introduced the idea of quarterly board meetings, rather than the present schedule of every other month. The Credit Union Act only requires one meeting per year. If an issue arose that needed to be addressed before a regularly scheduled meeting, a special board meeting could be scheduled. No statutory or rule changes would be necessary. The new schedule would involve notifying the Secretary of State in December.

Member Atha asked about the possibility of teleconference meetings.

Chairman Gilbert replied that the Open Meetings Act requires the actual physical presence of the board members.

Member Rasmussen asked what determines calling a special meeting of the Board.

Chairman Gilbert said an item for consideration would not have to be an emergency, merely agreement that a special meeting is necessary.

At that point Commissioner Thompson arrived at the meeting and was congratulated on being appointed to his fourth term as Bank Commissioner.

Twelfth Item: Adjournment

Member Rasmussen moved to adjourn.

Member Forshee seconded the motion.

Member Atha: yes

Member Forshee: yes

Member Rasmussen: yes

Member Rector: yes

Chairman Gilbert: yes

The meeting was adjourned at 10:20 a.m.

Floyd Atha

Richard Forshee

Steve Rasmussen

Les Rector

Chairman Gilbert