

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

November 17, 2020

**First item in order of business:** The Credit Union Board meeting was called to order at 10:00 a.m. pursuant to the agenda that was posted for public display prior to 10:00 a.m. on November 10, 2019. Notice of the meeting was also made available to the Secretary of State, and to those interested parties who have requested individual notice, pursuant to Title 25 O.S. § 311 (the Open Meeting Act). The meeting was held in the conference room of the Oklahoma State Banking Department, 2900 N. Lincoln Boulevard, Oklahoma City, Oklahoma.

**Second Item:** Roll call - the following members were present:

Jason Boesch  
Kent Treadwell  
Mark Kelly  
Johnny O'Hare  
Mick Thompson, Chairman

The Chairman declared a quorum present.

Attending for the Department: Dudley Gilbert, Deputy Commissioner.

**Third Item:** Approval of minutes of the meeting held November 19, 2019.

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

Mark Kelly made a motion to accept the minutes as written.

Jason Boesch seconded the motion, which was approved as follows:

Jason Boesch: voted yes  
Kent Treadwell: voted yes  
Mark Kelly: voted yes  
Johnny O'Hare: voted yes  
Mick Thompson: voted yes

**Fourth Item:** Commissioner's Reports:

a) Department Status Report:

Commissioner Thompson discussed that three members of the examination staff have announced retirement or resignation that will occur before the end of the first quarter of 2021. There is no plan to replace these examiners as we are able to remain current with examinations.

He then provided an update on the progress of the building annex project. He discussed that as a result of the successful teleworking during the COVID-19 pandemic, examiners will not need the office space in the new building. The annex will be leased to the Department of Consumer Credit. This will further the Governor's goals of reducing the state's real estate "footprint" as well as encouraging more telework.

Examiner cubicles in the Oklahoma City office have been removed and that area will be converted to additional office space as well as an area that examiners will use to complete examination reports.

b) Examination Report:

The Commissioner explained that examiners are currently conducting examinations off site and even after the pandemic issues are over, much of an examination will continue to be conducted off site – as determined by the examiner-in-charge. All pre-exam work will be done off site. The final exam report will be completed at the Oklahoma City office or the Tulsa office. He also discussed that the Tulsa examiners will be moving office space so that it will be significantly reduced in size.

The Commissioner discussed that if an institution does not have its loan files or other documents scanned, the Department will assist the institution in getting the files scanned.

c) Legislative Report:

The Commissioner stated that the Banking Department currently has no plans to request changes to the Oklahoma Credit Union Act. He discussed changes to the state legislature and possible changes to committees resulting from the recent state and federal elections.

**Fifth Item:** Consideration of, and possible action on, request by El Reno R.I.L. Credit Union, El Reno, Oklahoma, to amend its bylaws pursuant to Title 6 O.S. § 2006(7) and O.A.C. 180:10-1-7.

Dudley Gilbert explained the bylaw changes that El Reno R.I.L. Credit Union has proposed, which will include an expansion of its community field of membership. He explained the credit union's current field of membership and that the suggested new community is one that is identified in the Credit Union Board's rules as an approved community.

Steven Spencer, Marketing and Account Specialist at El Reno R.I.L. Credit Union, further explained the credit union's proposed changes.

Johnny O'Hare asked if the Department had any objections to the proposed changes. Commissioner Thompson stated that the Department had reviewed the request and has no objections.

Mark Kelly made a motion to approve the request by El Reno R.I.L. Credit Union to amend its bylaws to expand its community field of membership. Johnny O'Hare seconded the motion which was approved as follows:

Jason Boesch: voted yes  
Kent Treadwell: voted yes  
Mark Kelly: voted yes  
Johnny O'Hare: voted yes  
Mick Thompson: voted yes

**Sixth Item:** Consideration of, and possible action on, request by True Sky Credit Union, Oklahoma City, Oklahoma, to amend its bylaws pursuant to Title 6 O.S. § 2006(7) and O.A.C. 180:10-1-7.

Dudley Gilbert explained the bylaw changes that True Sky Credit Union has proposed. He stated that the Oklahoma Credit Union Act allows a credit union's board of directors to delegate certain powers to designated officers – but such delegation must be approved by the State Credit Union Board.

Member O'Hare asked about the purposes of such delegation of powers. Member Kelly responded that delegation of authority from the board to officers can be helpful so that changes can be made at a credit union between meetings of the board of directors.

Craig Pavlich, Chief Operations Officer for True Sky Credit Union further discussed the proposed bylaw changes.

Member Boesch made a motion to approve the requested bylaw changes. Kent Treadwell seconded the motion, which was approved as follows:

Jason Boesch: voted yes  
Kent Treadwell: voted yes  
Mark Kelly: voted yes  
Johnny O'Hare: voted yes  
Mick Thompson: voted yes

**Seventh Item:** Consideration and prescription of the rate of credit union assessments for Oklahoma chartered credit unions existing as of December 31, 2020, calculated on institution assets as of December 31, 2020, pursuant to Title 6 O.S. § 2001.2 and O.A.C. 180:10-1-14.

Commissioner Thompson discussed the Department's Expenditure Summary and Revenue Report. He also discussed the amount assessments have been reduced over the past several years. He explained the expected costs associated with the remodel of the main office as well as the costs associated with completion of the annex building. Commissioner Thompson then discussed how the Banking Department expects to reduce some costs associated with teleworking.

The Board discussed whether there is a specific amount the Department should retain in reserves. The Commissioner explained that there is no specific amount to retain in reserves, but there can be unexpected acquisitions and mergers that result in less assessment revenue. So it's helpful to keep a healthy reserve account so that assessments don't have to be increased after a loss of one or more institutions.

Member O'Hare asked whether the Department will have additional technology needs to accommodate working remotely. The Commissioner responded that the Department was already well prepared for remote work and so there are not any significant costs that will need to be incurred for remote work.

After discussion by Board members regarding the Department's financial condition and the proposed assessment rates, Member Kelly made a motion to set the assessment rates for credit unions as follows:

- a. 15¢ per \$1,000 of assets for credit unions with \$35 million or less in assets, and
- b. 18¢ per \$1,000 of assets for credit unions with more than \$35 million in assets; and the Commissioner is directed to reduce the total collected assessment by 15% for each credit union.

Member Boesch seconded the motion and the motion was approved as follows:

Jason Boesch: voted yes  
Kent Treadwell: voted yes  
Mark Kelly: voted yes  
Johnny O'Hare: voted yes  
Mick Thompson: voted yes

The Board then discussed how there has traditionally been a reduced assessment rate for smaller credit unions. It was requested that before the 2022 assessment rates are set, staff should prepare a list of assets of state-chartered credit unions to determine if the Board should increase the asset size for application of the reduced rate.

**Eighth Item:** New Business. There was no new business.

**Ninth Item:** Adjournment

Prior to adjournment, Commissioner Thompson recognized that this meeting would be the last for Jason Boesch. The Commissioner thanked Member Boesch for his service to the Department and the credit union industry. He also thanked him for his military service, as Jason is a Lieutenant Colonel in the Oklahoma Army National Guard.

Member Boesch then made a motion to adjourn. Member Kelly seconded the motion and the motion was approved as follows:

Jason Boesch: voted yes  
Kent Treadwell: voted yes  
Mark Kelly: voted yes  
Johnny O'Hare: voted yes  
Mick Thompson: voted yes

The meeting was adjourned at 10:52 a.m.

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Mick Thompson

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Jason Boesch

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Johnny O'Hare

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Mark Kelly

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Kent Treadwell