

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

September 21, 2021

First item in order of business: The Credit Union Board meeting was called to order at 2:00 p.m. pursuant to the agenda that was posted for public display prior to 10:00 a.m. on September 16, 2021. 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:

Cindy White
Luann Schmiedel
Johnny O’Hare
Steve Rasmussen
Dudley Gilbert, Chairman (as designated by Commissioner Mick Thompson)

The Chairman declared a quorum present.

Third Item: Approval of minutes of the meeting held March 2, 2021.

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

Member White made the motion to approve the minutes.

Member Schmiedel seconded the motion, which was approved as follows:

Cindy White – voted yes
Luann Schmiedel – voted yes
Steve Rasmussen – voted yes
Johnny O’Hare – voted yes
Dudley Gilbert – voted yes

Fourth Item: Commissioner’s Reports:

a. Department Status Report.

Chairman Gilbert discussed the progress of the Department’s Annex building. He stated it is complete and the Department of Consumer Credit (DOCC) has moved in and is subleasing the building. He said that DOCC will use the Banking Department’s board room the second Wednesday of each month.

Mr. Gilbert then discussed the remodel of the examiners’ area. The four offices and an additional area with multiple work stations for examiners to work while completing examination reports are complete.

He stated the Tulsa office has moved to another location. There has been a reduction of approximately 80% in both size and cost of the Tulsa office space.

Mr. Gilbert then described the Department's updated telework policies. Examiners no longer work in the Oklahoma City or Tulsa offices unless they are completing an examination report. The examiner-in-charge of each examination will prescribe the on-site and telework responsibilities of each examiner during an exam. Office personnel have returned to the office but have the option of teleworking a couple of days per week. Each person has a telework partner with a similar skillset so that the office is fully functional with 5-7 employees on site.

Mr. Gilbert reported that the Banking Department is working toward make the 2022 assessments payable by ACH.

b. Examination Report

The Department is continuing the alternating examination pilot program with NCUA. This is the last year of the 3-year pilot program.

Member O'Hare asked if credit unions can be examined by the state only?

Mr. Gilbert answered that it is possible, but the NCUA does an "insurance review" every 5 years, so a state-chartered credit union will still be subject to occasional NCUA supervision.

Mr. Gilbert said the credit union examination software is being changed. Training on the new software will begin in the next few weeks for examiners/reviewers.

Mr. Gilbert said Allegiance Credit Union and True Sky Credit Union have told the Banking Department they intend to convert to a federally-chartered credit union. Those conversions may take effect before the end of this calendar year.

c. Legislative Report

Chairman Gilbert stated the Department is following any interim studies affecting financial institutions and state employees.

Mr. Gilbert then discussed the Credit Union Board's comments made during its meeting in November 2020. The Board had asked about the number of credit unions with assets less than \$35 million (that receive a reduced assessment rate). Mr. Gilbert told the Board that there are currently three credit unions with assets less than \$35 million and six credit unions with assets less than \$50 million. This matter may be considered in November when the Board sets assessment rates.

Fifth Item: Consideration of, and possible action on, request for approval of merger of Friends Federal Credit Union, Norman, Oklahoma, with and into Oklahoma Educators Credit Union, Oklahoma City, Oklahoma pursuant to Title 6 O.S. §§ 2022 and 2023.

Mr. Daniel Resendez, General Counsel, for Oklahoma Educators Credit Union was present to answer questions.

Mr. Gilbert discussed the merger and the laws that allowed the NCUA to waive the requirement for a membership vote. He also discussed the provisions of the Oklahoma Credit Union Act regarding merger (Section 2022) and the provision that allows a state-chartered credit union to exercise powers available to a federal credit union (Section 2023).

Mr. Resendez stated that Oklahoma Educators Credit Union has been assisting with the management of Friends Federal Credit Union since May 2021. Mr. Resendez then reviewed all relevant law associated with the merger and the authority of the NCUA to waive the membership meeting of Friends Federal Credit Union.

After further discussion of the application, Member Schmiedel made a motion to approve the request to merge Friends Federal Credit Union, Norman, Oklahoma, with and into Oklahoma Educators Credit Union, Oklahoma City. Member Rasmussen seconded the motion, which was approved as follows:

- Cindy White – abstained
- Luann Schmiedel – voted yes
- Steve Rasmussen – voted yes
- Johnny O’Hare – voted yes
- Dudley Gilbert – voted yes

Sixth Item: Adjournment

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

- Cindy White – voted yes
- Luann Schmiedel – voted yes
- Steve Rasmussen – voted yes
- Johnny O’Hare – voted yes
- Dudley Gilbert – voted yes

The meeting was adjourned at 2:36 p.m.

Dudley Gilbert

Luann Schmiedel

Johnny O’Hare

Cindy White

Steve Rasmussen