

**REGULAR STATE CREDIT UNION BOARD MEETING
HELD BY CONFERENCE CALL
OFFICE OF THE COMMISSIONER
DEPARTMENT OF FINANCIAL INSTITUTIONS
2000 SCHAFFER STREET, SUITE G
BISMARCK, NORTH DAKOTA**

June 26, 2019

The regular meeting of the State Credit Union Board was called to order by Chair Kruse in the Office of the Commissioner, Department of Financial Institutions, 2000 Schafer Street, Suite G, Bismarck, North Dakota, at 1:00 p.m., Wednesday, June 26, 2019, by conference call.

MEMBERS PRESENT: Lise Kruse, Chair *(Office)*
Paul Brucker, Member *(Mandan)*
George Economon, Member *(Fargo)*
Deb Gallagher, Member *(Office)*
Melanie Stillwell, Member *(Williston)*

MEMBERS ABSENT: None

ALSO PRESENT: Corey Krebs, Secretary *(Office)*
Ryan Spah, Chief Examiner *(Office)*
Dave Hatton, Supervising Examiner *(Detroit Lakes)*
Darla Schafer, Flasher Community Credit Union *(Office)*

APPROVAL OF MINUTES

Chair Kruse indicated the Board received copies of the minutes of the regular meeting held on December 7, 2018.

Chair Kruse noted a spelling correction.

It was moved by Member Stillwell, seconded by Member Gallagher, and unanimously carried, to approve the minutes of the regular meeting held March 1, 2019, as corrected.

FLASHER COMMUNITY CREDIT UNION – BYLAWS CHANGE

Assistant Commissioner Krebs reviewed the memorandum. The proposed changes eliminate the Credit Committee in favor of establishing a Credit Manager. The membership approved the proposed changes at their meeting on March 26, 2019, with a vote of 73-0. The Department recommends approval of this application. Additionally, if approved, the Department recommends that the board authorize the Commissioner to sign the proposed Order on behalf of the Board.

It was moved by Member Economon, seconded by Member Brucker, and unanimously carried by a vote of 5-0 to approve the request for the authorization for Flasher Community Credit Union to make these changes to the bylaws.

Manager Schafer left the meeting.

APPROVAL OF THE 2019 ANNUAL ASSESSMENT POLICY FOR STATE-CHARTERED CREDIT UNIONS

Chair Kruse indicated the Memorandum dated June 24, 2019, discussed two budget scenarios. The budget allocation costs have been adjusted to more accurately represent the amount of time the Assistant Commissioner and Chief Examiner are spending on the Credit Union Division. She stated the goal is to manage the carryover to within the 20% statutory limit of the Department's next succeeding budget.

Chair Kruse pointed out that the previous discount was 30%. It is recommended giving a 30% discount.

It was moved by Member Gallagher, and seconded by Member Stillwell, and unanimously carried by a vote of 5-0 to approve the State-Chartered Credit Union Annual Assessment Policy with a discount of 30%.

CREDIT UNION BUDGET UPDATE

Chair Kruse stated that the Department is within the budget guidelines.

DFI ORGANIZATIONAL CHART UPDATE

Chair Kruse presented the changes that have been made to the DFI Organizational Chart.

DFI AUDIT RESULTS

The North Dakota State Auditor's Office conducted an audit on the financial transactions of the Department. There were no findings in this audit.

The Board went into closed session at 1:37 p.m. to review the Supervisory Reports of Examination pursuant to North Dakota Century Code 6-01-07.1 and returned to open session at 2:15 p.m. Those that were present during the executive session were Chair Kruse, Member Brucker, Member Economon, Member Gallagher, Member Stillwell, Corey Krebs, Ryan Spah, and Dave Hatton.

OTHER BUSINESS

Chair Kruse stated that, along with Dave Hatton, she attended a meeting with NCUA and other state representatives in our region to discuss the exam process.

Chair Kruse stated the legislative session went well.

Chair Kruse stated there is a meeting on July 9, 2019, in which the appraisal waiver request will be reviewed by the Appraisal Subcommittee.

The meeting adjourned at 2:20 p.m.

Lise Kruse, Chair

Corey Krebs, Secretary