

**OKLAHOMA BANKERS ASSOCIATION
Meeting of the Board of Directors
10 a.m., Wednesday, May 13, 2024**

TENTATIVE AGENDA

1. Call to order
2. **Approval of Agenda and previous meeting minutes**
3. **2024-25 Budget**
4. Education and training
5. State issues
6. Federal issues
7. PAC update
8. Legal report
9. Member relations
10. Fraud department
11. External/Internal communications
12. Other Business
13. Adjournment

NOTE: ITEMS IN RED FONT INDICATE BOARD ACTION IS REQUIRED.

OKLAHOMA BANKERS ASSOCIATION
Meeting of the Board of Directors
10 a.m., Wednesday, May 13, 2024

AGENDA SUMMARY

Agenda – A tentative agenda for the board meeting on Wednesday is enclosed with this agenda summary for your review.

ANY ITEMS REQUIRING BOARD ACTION APPEAR IN RED.

Approval of Minutes — The minutes from the February board meeting and executive committee meeting are in the board packet as **Exhibit A**.

Question Presented: Whether to accept and approve the March board minutes as presented.

Financials — The Executive Committee voted to recommend approval of the attached budget for FYE 4/30/25 by the Board. The budget is part of the board packet as **Exhibit B**.

Also, no financial statements yet available as we close the books for the year. Auditors will be starting their fieldwork in early June and will present their findings at the August board meeting.

Question Presented: Whether to accept and approve the budget as presented.

Education and Training — Here’s a summary of the April/May activities:

April 3	CRA Seminar, OKC	34	Kimberly Boatwright
April 7 – 9	Senior Management Forum, LV	38 golfers 75 registrants 23 guests	various speakers
April 16	BSA Fundamentals, Tulsa	23	Dianne Barton
April 17	BSA Fundamentals, OKC	36	Dianne Barton
April 18	Ag Conference, OKC	51	various speakers
April 22	Frontline Excellence, OKC	60	Kristi Krayneski
April 23	Frontline Excellence, Tulsa	74	Kristi Krayneski
April 24	Frontline Excellence, Enid	60	Vicki Kraai
April 25	HR Update	27	Vicki Worster
April 30	Loan Assistant, Tulsa	43	Ron Rushing
May 1	Loan Assistant, OKC	57	Ron Rushing
May 30	Appraisal Compliance, OKC	17*	Cheryl Bella

*As of 5/6

WEBINARS

March webinar sales/revenue

- 16 webinars purchased
- \$1,826 revenue

SWGSB Scholarship

- April 19 Tyler Davis, Armstrong Bank-Stilwell Janis presented

INTERN PROGRAM

The Intern Orientation will be held May 20. Sharon, Jeremy and Adrian will speak to the group. Most students will start their internship a few days after the orientation.

CONVENTION

Here are details about convention:

- Over 220 planning to attend some or all of convention.
- Over 100 registered for the golf tournament.
- 40 exhibit booths (sold out by end of March)
- Leadership Academy Graduation
- Very generous sponsorships secured by Thi Pham.

A final roster and counts will be provided at the board meeting.

OBASCO —

New Strategic Members:

1. Nexus Legal
2. DDI Technology
3. Bohon Roofing

OBA/Blanchard 2024 Surveys.

o Comp Trends & Employee Benefits Survey results available now.

o Salary & Cash Comp Survey – Participation now open - Results available in Fall.

Strategic Member Dues – Total of 134 members, 117 members have renewed.

2024 OBA Directory for Banks – Member directories mailed out April 17th and orders being sent out.

2024 OBA Directory Advertising – \$17k advertising

2024 OBA Senior Management Forum Sponsorships – Goal is to exceed \$44k last year, closed at \$43k.

Spring Bankers' Night Out – Sponsorships at \$17k. Working on last location, Guymon.

2024 OBA Annual Convention – Sponsorships currently at \$89k. All 40 booths sold in 3 weeks. Ordered laptop bags, sponsored keycards, folders. Coordinating with hotel & golf course.

2025 Photo Calendar Contest – We had 18 banks that participated with over 160 photo submissions for 2024. Starting 2024 contest now and deadline is April 14 for photo submissions. Still accepting photos. Voting date TBD.

The Oklahoma Banker newspaper advertising – Working with current advertisers and new ones on various ads & articles.

Endorsements:

- **Office Depot – Now called Office Business Solutions (ODP)** Really need help ramping up this endorsement.
 - o Darrin Quillen visited us in Las Vegas at the golf course dquillen@synergybai.com
 - o Interior Workspace/Furniture: Cheryl Krawczyk, Cheryl.Krawczyk@workspaceinteriorsod.com
- New Endorsement with **Kentucky Bankers Association**:
- o **Bank Performance Report (BPR)** –Quarterly publication electronic and/or printed format for banks to see where they rank based on 8 different performance categories. Q4 2023 reports has 178 Oklahoma banks
- **Compliance Alliance** - Christ Lingerfelter & Thomas Calvillo - Booth #24
- **Profit Resources Inc. (PRI)** – New Core Contract Endorsement – Silver Sponsor – Golf Hole Sponsor - Booth #35
 - o Contact: Brady Chianciola - bchianciola@profitresources.com (413) 544-1584 (Cell)
- **Banc Card** – New Merchant Services Endorsement – Golf Hole in One Sponsor - Booth #34
 - o Contact: David Miller – dmiller@bancard.com (405) 439-0228 (Cell)
 - ☒ Cord West (OKC Metro), Chase Trammel (Guthrie, Enid, North Central OK)
 - ☒ Brett Appling (Moore, Western Metro), Blaine Richards (Western, OK)
 - ☒ Jacob White (Pauls Valley), Matthew Danuser (Eastern, OK), Rick McElhaney (Tulsa)
- **Bankers Insurance Agency** – Judy Hanna – Golf Hole Sponsor - Booth #2
- **Servis1st Bank/ABA** – Karen Grahn/Craig Driver – General Sponsor – Booth #20
- **IntraFi** – Chuck McBrayer – Booth #13
- **NFP** – Trey Deupree - Hotel Keycard Sponsor – Booth #6
- **Purple Wave** – John Rogers/Jeremy Reid - Golf Hole Sponsor – Booth #5
- **Transfund** – Luke Shoemaker – GOLD sponsor – Closest to the Pin Golf Sponsor - #31
- **Works24** – Rick Jones – Golf Longest Drive Sponsor – Booth #29

Government Relations — State issues —

We are less than a month from the end of the legislative session and the chaos has started, and nobody saw it coming. Last week Senate Pro. Tempore Greg Treat removed Sen. Roger Thompson as Chair of Senate Appropriations. Sen. Chuck Hall immediately became Chair of Senate Appropriations and was tasked with passing a \$14B budget in less than 30 days. While this move throws a monkey wrench in the plans for the Senate, House and Governor, it also upends all of the policy issues that are still alive. The legislature can adjourn as soon as they pass a budget, nobody knows if that is going to be next week or on May 31st, which is the last day the legislature can meet this regular session.

Since we last met there have been several issues that have made it to the Governor's desk for his approval and some that died during the legislative process.

HB4062

This bill removes the sunset of the SBA tax credit, modifies standards of certain tax credits to require they be located in the state, and directs such credits be claimed for fees paid to the SBA. Governor Stitt signed this bill into law on 4/30.

HB4069

This bill adjusts criminal penalties for persons found to be in possession of multiple magnetic cards containing stolen credit or gift card data, imposing more penalties for possession of more cards. Governor Stitt signed this bill in law on 5/1.

SB1819

This bill creates the uniform special deposits act which defines special deposits and outlines associated agreements, procedures for distribution to beneficiaries, interests, and obligations. Governor Stitt signed this bill into law on 4/26.

SB1510

This bill would modify provisions of the Energy Discrimination Elimination Act making certain conditions for contracting applicable to only state agencies, rather than to all government entities. This bill failed on the House floor by a vote of 44-40.

HB4092

This was the bill that was introduced by the OBA that focused on our rural communities. The bill would have allowed lenders that made certain ag loans in communities with a population less than 5,000 to take the net interested earned and remove it from net income. During the Senate Finance Committee there were several questions asked as to why only rural communities should get this benefit. Our author wasn't able to rein them in and it snowballed from there. The bill failed for a lack of a second.

SB1903

This bill prohibits the charging of a buyer's premium on online auction marketplaces for sheriff auctions and sets upper limits on other fees. We are also adding language to this bill that will hopefully address the logjam of foreclosures in Oklahoma county.

Federal issues —

Last month Congressman Frank Lucas announced that he is going to make a run at chairman of the House Financial Services Committee (HFSC). Frank is the longest serving Republican on the committee. At the end of 2023 the Chairman of the HFSC announced that he won't be seeking re-election on 2024. Chairman McHenry's retirement leaves an opening as chairman of the HFSC. Currently there are four members of the HFSC that have announced they are running for the Chair. This will be a long and grueling process for everyone. We'll support Frank as much as we can on this journey. The OBA will be hosting a fundraiser for the congressman here at the OBA on Wednesday, May 29th at 11:30am.

On May 16th there will be two bill that are marked up in the House Financial Services Committee. Both bills are introduced because of Section 1071

H.R. 1806 (Small Lender Act)

This bill exempts certain financial institutions and transactions from the CFPB reporting requirements with respect to data about small business credit applications.

Under the bill, the requirements apply only to financial institutions that originate at least 500 credit transactions to small businesses in each of the preceding two years. The bill further defines small businesses as those with annual revenue of \$1 million or less.

Currently, the CFPB has proposed a rule that the requirements apply only to financial institutions that originate at least 25 annual credit transactions to small businesses in each of the preceding two years. The rule further defines small businesses as those with annual revenue of \$ 5million or less.

H.R. 1810 (Bank Loan Privacy Act)

This bill requires the CFPB to issue a rule prior to deleting or modifying publicly available small business loan data due to privacy concerns. Specifically, the bureau must describe the intended modifications and deletions and explain how such modifications and deletions will advance a privacy interest.

In late April word started to spread that President Biden will propose easing federal restriction on cannabis by reclassifying the drug. This reclassification hasn't changed in more than 50 years. The proposal would change the classification of marijuana from a strictly controlled Scheduled I narcotic to a schedule III drug. This change would expand the availability of cannabis for medicinal purposes. This proposed change has no impact at all on the issues we face as bankers regarding cannabis. The only way that banks can legally bank the cannabis industry is if the Safe Act passes Senate and is signed into law by the President.

Trigger Leads

Sen. Jack Reed (D-R.I.) and Sen. Bill Hagerty (R-Tenn.) recently introduced the Homebuyers' Protection Privacy Act (S.3502). The Act would amend the Fair Credit Reporting Act to prohibit credit reporting agencies from selling trigger leads in certain circumstances. Trigger leads are a marketing product sold by credit bureaus containing contact information for consumers who have had a credit report pulled while in the process of shopping for a mortgage loan. In the bill, a consumer reporting agency would not be able to furnish a trigger lead to a third party unless: the third party certifies to the consumer reporting agency that the consumer has authorized the solicitations; or the third party certifies it has originated the consumer's current residential mortgage loan, is the servicer of the consumer's current residential mortgage loan, or is an insured depository institution or insured credit union and holds a deposit account for the consumer to whom the consumer report relates. Similar legislation has been introduced in the House.

Credit Card Competition Act (S.1838)

- Durbin 2.0
- Being pushed by big box merchants
- Government imposed routing mandates.
- Data Security Risks
- Rewards program would be eliminated
- NDAA & other must pass pieces of legislation
- The proposal would mandate requiring banks with more than \$100B in assets to offer merchants multiple credit card processing networks.

- The practical impacts of this mandate on the largest issuers would fall on smaller issuers as well, likely making community bank cc issuance uneconomical.

PAC Report — PAC Contribution totals for the year are slightly lower than the same point last year. At the end of April, the State PAC raised \$16,87 while the FED PAC raised \$3,686 for a total of \$19,873. This total is \$620 behind of where we were at this date last year. So far, this has been a good year for the PAC. We are seeing some momentum as we get into full election mode.

We still have a lot of work to do the rest of this calendar year. With the state legislature getting ready to adjourn in a couple of weeks they will all be gearing up and it won't be long before we get a bunch of fundraiser requests. The primaries are on June 18th so there won't be a lot of time between the end of session and the primary elections.

We will be reaching out to all the Pres/CEOs that haven't contributed to the PAC in the next couple of weeks to ask for your help. If you are considering hosting a special board meeting please contact me so that we can get it on the calendar. Adrian is available to come and speak with your staff about the importance of getting involved politically.

If you haven't contributed to the PAC, we would strongly encourage you to consider making a contribution. It's a powerful tool when we send out a solicitation that 100% of the OBA Board contributes to the PAC. To those Board Members who are rolling off at this year's convention, thank you for all the support you've given to the PAC and thank-you for serving on the board and helping to make the banking industry in Oklahoma ever stronger.

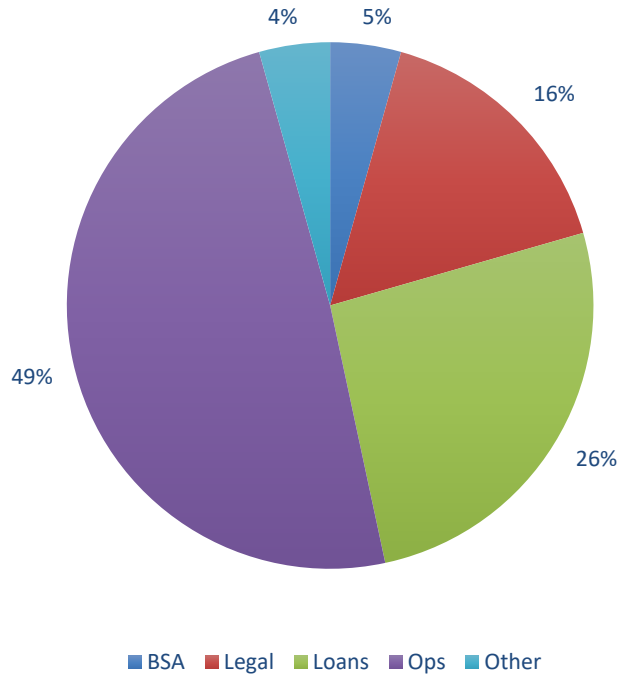
Legal Report — The following is a recap of the Compliance Team's activities since our last report. This is for the months of March and April 2024.

During March the team handled 58 calls and approximately 195 email contacts/questions for 253 in total. This averaged 12 contacts per business day. In April, we handled 61 calls and 125 email contacts/questions for a total of 186.

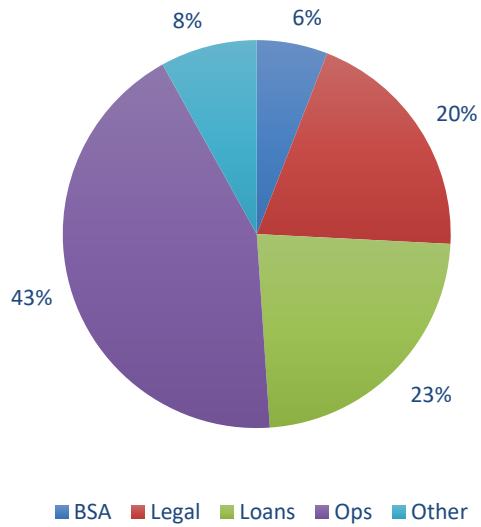
49% of the March total contacts were operations related, 26% pertained to loans, 16% were legal issues, and 9% were BSA and other miscellaneous issues. April's distribution was 40% operations-related; 23% pertaining to loans; 20% on legal issues; 6% on BSA/AML; and 8% Miscellaneous/Other.

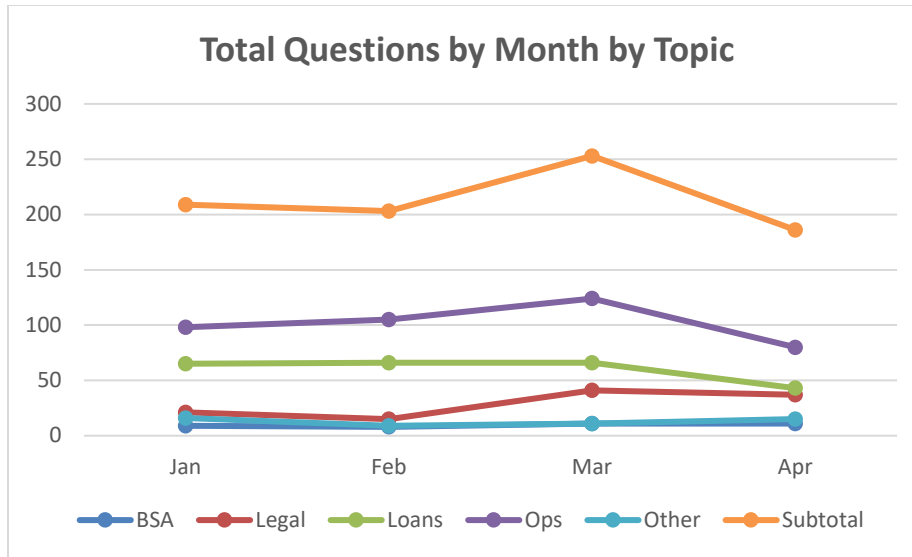
March saw a 25% increase over February even though there was only one additional working day. The total daily contact count increased from 10.2 to 12. April's total daily contact count dropped to 8.5.

Compliance Questions Mar. 2023



Compliance Questions APR. 2023





Here are sample questions from March and April, from the unusual, to the common. Some questions come to us in a series of follow-up questions, and these are represented by the supplemental “.1, .2” identifiers.

Q1: We have a few charged off checking accounts that we would like to satisfy by offsetting another account. Can you give some basic guidelines for this process.

A1: In order to use offset, the two accounts must have common ownership. For instance, Jane Doe has a charged-off account. She also has a CD as sole owner and a joint account with John Doe. The bank can use offset against either or both accounts. If the bank uses setoff against the joint account, I recommend notifying the joint owner, and in the event that checks written by John are returned unpaid as a result of the offset, use "refer to maker" as the reason to prevent the District Attorney filing false and bogus check charges. Keep in mind that the Garnishment of Federal Benefits Rule does apply.

On the other hand, let's say Jane Doe is the sole member of an LLC. he bank cannot use offset at all even if the LLC is using Jane's SSN, because the accounts do NOT have common ownership.

If you have a particular scenario in mind, please send me the details, and I will be happy to provide guidance.

Q2: When calculating the number of days that a full-time employee must take off work to comply with the state of Oklahoma's rules, what exactly is a "banking" day?

A2: It is any day the bank is open for business. Note that the employee doesn't actually have to be absent from the bank, but rather s/he could be assigned to a different position with no contact or input regarding the position s/he currently holds. During the absence of an officer or employee, the duties of the absent officer or employee must be performed by other bank officers and employees. The employees who take over those duties cannot ask the employee on "vacation" questions during the required time period. It is an excellent time for cross training, which we applaud.

Q2.1: I know this is nitpicking, but when you say "business," does that mean specifically open to customers? For example, if a bank chooses to be open on Columbus Day for their employees to come in to catch up on paperwork or filing or stuff like that, but do not wait on customers, is that considered open for "business"?

I believe that in the past, an examiner has stated that a "banking day" is the same as a "business day" meaning that it is a day on which the Federal Reserve is open.

A2.1: If the employees are working whether or not the bank itself is open to the public, then it defeats the intended purpose of the rule.

Q2.2: I'm going to be more specific and tell you the scenario that I'm needing clarification on. My 5-day vacation is scheduled to be June 17-21, Monday through Friday. I just realized that June 19th, Juneteenth, is during that week. We are not open to the public, but we are allowed to come in and work on filing and other necessary catch-up stuff. I'm going to be on vacation (out of state) but my question is that since Juneteenth is a federal holiday, but we're open to do some work, do I have to take another day off to qualify for my 5 consecutive banking days?

I'm really NOT being obtuse on purpose, but I need to be sure I get this right so I'm not in violation of the state's rules.

A2.2: If the employee came in to perform tasks associated with his or her usual tasks, then it would not count as 5 consecutive days. For instance, if I am a loan officer and I am reviewing loan documentation, delinquent payments, or the like, it doesn't matter whether the bank is open to the public or not. This would not count as a vacation day.

Q3: I have a few questions regarding unclaimed property that I was hoping you may help me with.

One of our banks charges a \$100 fee for remitting unclaimed property to the state. Their disclosures state that the bank can take this fee.

- If the balance is less than \$100, can they take the balance as their fee and not remit to the state?
- If the bank has an open and active account for an owner of an unclaimed money order, if they deposit the funds into their account, do they place a stop on the original issued check? Do they need to create a stop payment form and sign it?
- If the bank has a cashier's check that is less than \$50 made payable to someone other than the remitter and the remitter has an open account, can they deposit the funds into the remitters account instead of remitting to the state?
- If the bank has a money order or cashier's check that is going to be reported to the state and the value over \$100, can the bank take their \$100 fee and send the remaining balance to the state?

A3: With regard to the charging of what I would call an escheatment fee, I had another bank asking the same question. My answer to your first, third, and fourth questions is "No." Imposing such fees violates the Uniform Unclaimed Property Act and its administrative rules. Sec. 652 of the Act provides:

C. A holder may not impose with respect to property described in subsection A of this section any charge due to dormancy or inactivity or cease payment of interest unless:

1. Reasonable notice that the holder may impose the charge or cease payment of interest is given to the owner of the property, either:

a. at the time the account is opened,

b. through a schedule of charges sent to the owner of the property, or

c. through a statement in the rules, regulations, or bylaws of the holder that the holder may impose the charge or cease payment of interest; and

2. The holder regularly imposes such charges or ceases payment of interest. If the holder regularly reverses or otherwise cancels such charges or retroactively credits interest for a reason other than an error or omission by the holder, then in proportion to the extent that it does so with respect to other deposits, the holder shall likewise reverse or otherwise cancel charges or retroactively credit interest with respect to property that is reported to the State Treasurer as unclaimed under the Uniform Unclaimed Property Act.

The board of directors of the bank must approve a dormant account fee and/or curtailment of interest, and the provisions must be disclosed to the account owner, for these to be legally imposed. Further, the bank can only refunds such fees or interest when it has made a mistake, e.g., there was account activity and the dormancy fee was charged in error, or payment of interest was curtailed due to inactivity but the account had activity. If the bank reimburses or credit interests on the request of the customer rather than due to a bank error, then the bank cannot deduct the fees or curtail interest without violating this section and will owe these to Unclaimed Property Division of the Oklahoma Treasurer. See Title 735: 80-5-1 (a) and (c) of the administrative code, below.

Such fee cannot be lawfully charged under the Administrative Rule 735: 80-5-1(b)

735:80-5-1. Charges and deductions that may be withheld

(a) Charges shall not be deducted from unclaimed intangible property unless:

(1) A reasonable notice of service charges or deductions is given to the owner at the time the account is opened; or

(2) A schedule of service charges or deductions has been mailed to the owner; or

(3) A statement concerning such charges has been incorporated in the rules, regulations, or bylaws of the holder.

(b) Such charges or fees may not be excluded, withheld, or deducted from property subject to the Uniform Unclaimed Property Act if, under its policy or procedure, the holder would not have excluded, withheld or deducted such charges or fees in the event the property had been claimed by the owner prior to being reported or remitted to OST.

(c) If charges are deducted from property, a holder shall include or attach as a part of the report filed pursuant to the Uniform Unclaimed Property Act:

(1) The value or amount of each item or property before any charges are deducted therefrom;

(2) The amount of the charges deducted from each item and the date or dates on which such charges were deducted.

(3) Policy that the holder regularly imposes such charges and does not regularly reverse or otherwise cancel them.

(4) Such other information or documentation that substantiates the deduction of the charges.

I assume the money order is signed by the purchaser rather than a bank employee. In that case, the bank will put a stop pay on the MO and credit the customer's account. On the other hand, if the MO is signed by a bank employee, it is the equivalent of a cashier's check, and as such is an obligation of the bank and not subject to stop payment, so it is subject to [UCC Section 3-312 - Lost, Destroyed, or Stolen Cashier's Check, Teller's Check, or Certified Check](#). Note these checks never expire. If one is presented to the bank and paid after the bank has remitted the funds as unclaimed property, the bank will file a claim for the remitted funds with proof that it has paid the check.

Q3.1: Do you have any guidance on the following questions being that the escheatment fee is board approved and the fee is disclosed at account opening?

- One of our banks charges a \$100 fee for remitting unclaimed property to the state. Their disclosures state that the bank can take this fee. If the balance is less than \$100, can they take the balance as their fee and not remit to the state?
- If the bank has an open and active account for an owner of an unclaimed money order, if they deposit the funds into their account, do they place a stop on the original issued check? Do they need to create a stop payment form and sign it?
- If the bank has a cashier's check that is less than \$50 made payable to someone other than the remitter and the remitter has an open account, can they deposit the funds into the remitters account instead of remitting to the state?
- If the bank has a money order or cashier's check that is going to be reported to the state and the value over \$100, can the bank take their \$100 fee and send the remaining balance to the state?

Also, a while back I emailed regarding the bank being required to send unclaimed property to the state in which the customer currently lives. I spoke directly to the treasuries office and they informed me that it is the bank's responsibility to know the laws of all 50 states and remit to the state of the last known address.

A3.1: May I see the disclosure? The issue that concerns me is that it sounds like the \$100 fee will be imposed only when the account must be reported as unclaimed property. If my assumption is correct, I will pose the question to the unclaimed property division keeping the bank's name anonymous.

Q3.2: A scan was attached depicting various fees highlighted and one boxed in red, "*Unclaimed Property Fee \$100.00*".

A3.2: You are skating on very, very thin ice here. You are already charging a monthly \$10 dormant account fee once the account has no activity for 2 years, then charge a \$100 fee for reporting the account as unclaimed property. I have charging what I would call an escheat fee.

I don't have problem with the dormant account fee as long as consumer account disclosures describe what constitutes dormancy before imposing the fee. I will note that \$10 is higher than any other bank I know of.

The \$100 unclaimed property fee is not allowed under the statutes nor the Administrative Rules. The bank is leaving itself wide open to liability in the event of an examination by the Oklahoma Treasurer under Sec. 679 of the Unclaimed Property Act. If that occurs, the bank will have to disgorge this fee as well as pay for the cost of the examination.

Q4: I am asking for clarification on the charging of return deposit item fees anytime that a check is returned unpaid. Is this for larger size banks or all size banks? Also, I need to verify that the compliance date of this is November 1, 2023. As always, I appreciate any and all guidance that you can provide me.

A4: The Federal Reserve has not been vocal at all about your question. The CFPB and FDIC are the firebrands here, and the OCC has hit a couple of larger banks with penalties, generally invoking UDAP provisions under the Federal Trade Commission Act or, in the case of the Bureau, the Consumer Financial Protection Act.

The FDIC issued guidance on this question in August 2022, in its Financial Institution Letter 40-2022. Technically, it applies to ALL FDIC-supervised financial institutions, without regard to size.

Here is a link to the FDIC's guidance: <https://www.fdic.gov/news/financial-institution-letters/2022/fil22040a.pdf>

Member Relations —

May 13: Emerging Leaders Reception at Convention

As in previous years, there will be a reception hosted by the Emerging Leaders held in conjunction with the OBA Annual Convention. This will take place at 6 p.m. on Monday, May 13 at the [Red Piano Lounge](#) in the Skirvin Hilton. All bankers welcome.

OBA Emerging Leaders Chair

The OBA Emerging Leaders elected Adam Howell as chair of the Emerging Leaders Division. Adam is an AVP/lender for Quail Creek Bank. He succeeds American Exchange Bank's Julie Stovall and will serve a two-year term both as Division chair and on the OBA board of directors.

2024 Professional Member Scholarship

Each year, the Oklahoma Bankers Association awards a \$1,000 scholarship to a graduating high school senior who has a parent, grandparent, sibling or spouse who is a Professional Member of the Association. We received a record number of applications, and a panel bankers had the difficult task of selecting the recipient. This year's scholarship was awarded to Lauren Witcher, a student at Bixby High School. She will attend the University of Oklahoma this fall and intends to pre-pharmacy. She is the daughter of Katie Witcher with AVB Bank in Broken Arrow.

2024 Washington Visit

The OBA's Annual Washington Visit is Sept. 22 through Sept. 24, and the hotel will be The Mayflower Hotel. [Click here](#) to view the brochure and to register. If you have any questions, contact [Megan McGuire](#) at the OBA.

Hotel Accommodations:

[The Mayflower Hotel](#)

1127 Connecticut Ave NW, Washington, D.C. 20036

Group Rate: \$329 per night

Room reservations must be made through the hotel before Friday, Sept. 6, 2024.

Accommodations after this date are on a space-available basis only. Room rates are \$329 per night.

To reserve your room, reserve online by clicking this [reservation link](#) or call (877) 212-5752 and reference the “Oklahoma Bankers Association” room block.

Thank you for your participation!

Thank you to everyone who took the time and effort to attend a Bankers’ Night Out event and/or Contact Banker at the Capitol. The BNO events brought out bushels of bankers across the state, and the constant presence of bankers at the State Capitol was “known” and has helped us while working on issues facing your industry.

[Click here](#) to view photos from the 2024 Contact Banker program.

2024-25 OBA Emerging Leaders Academy

We are currently finalizing the dates and curriculum for the 2024-25 Academy. The application should be available by early June; application deadline mid-September. The first class will be in November.

2024 ABA Annual Convention

The ABA recently opened early bird registration for their Annual Convention scheduled for Oct. 27-29, 2024, at New York Hilton Midtown in New York City. [Click here](#) for more information.

ABA Emerging Leader Awards

The ABA has opened up nominations for its Emerging Leader Awards to be awarded at the 2024 ABA Convention. If your bank has a candidate, please review the information below and [click here](#) for additional details and the nomination form.

The ABA Emerging Leader Awards identify and recognize the next generation of bank leaders who are committed to the highest standards of achievement and service to the industry and their communities. Developing and guiding future leaders is critical to our industry’s success, as today’s emerging leaders are tomorrow’s decision-makers.

If you or someone you know exhibits banking leadership characteristics including steadfast dedication, inventiveness, and integrity, send us a nomination!

Entry period ends July 1, 2024.

Fraud Department — Scam/issue discussions with our banks centered on:

- Building or organizing a fraud/loss prevention department.
- Customer wires to large banking entities for “investments”. When and how to recover.
- Customers securing loans, collateralized by real estate, to continue sending funds to scammer.
- New commercial accounts opened for sole purpose of depositing stolen checks.
- OMES discussion on fraud mitigation ideas for their payment processes.
- Counterfeit checks on commercial accounts where bank is notified beyond Reg CC return deadline. Recovery best practices produced.
- Customers withdrawing cash to deposit into crypto ATMs.

- Skimming and ATM jackpotting. The U.S. Department of Justice issued an alert on 4/1/2024 regarding Romanian fraud rings blanketing the U.S. with retail payment terminal overlay skimmers. Within days, numerous overlay skimmers were discovered and removed from grocery stores, convenience stores and restaurants in Central Oklahoma. Good Morning America story here <https://youtu.be/Sljmr8m88P8?si=0hubl9XgmV8CMrzz>.

In April, attended statewide MAFIA or information sharing group meetings in Oklahoma City 4/10, Lawton 4/17, Texoma 4/18 and Stillwater 4/24. Benefits of attendance include networking, information sharing on current schemes, fraudsters, and loss mitigation practices, plus building better relationships between financial institutions and local law enforcement officials.

AARP Oklahoma Fraud Prevention Telephone Townhall on Facebook Live April 3.

Community program in Perry 4/11.

Banker programs in Altus 4/16, Durant 4/17 and Pawnee 4/18. Debuted initial draft of the Fraud Bingo game in Altus and Durant.

Upcoming May events include:

Canadian County Fraud Group initial meeting 5/8

Oklahoma Day of Education with Credit Professionals 5/8

Oklahoma Bankers Night Out Guymon 5/9

OBA Convention

In discussion with multiple members for Combating External Fraud programs

Communications/Public Relations — The communications department is in the process of finishing the A/V materials for convention, as well as the scripts for the convention process.

Additionally, the May Oklahoma Banker newspaper went out early last week with the new board members, 50-Year Club inductees, and features on the incoming and outgoing chairs.

A new TikTok Time was released this past week promoting the convention.

A mobile-friendly convention website should be fully ready by the time of the board meeting.

Other Business — For any other business, there will be an update, if needed, at the board meeting.

OKLAHOMA BANKERS ASSOCIATION
Meeting of the Board of Directors
Wednesday, March 27, 2024

A meeting of the Board of Directors of the Oklahoma Bankers Association was held on Wednesday, March 27, 2024. The meeting was called to order by Chairman Bryan Cain at 1:15 p.m.

OBA Board Members Present:

Bryan Cain	Alicia Wade	Steven Bagwell	Adam Anderson
Mark Caldwell	Nancy Cantu	Priscilla Cude	Ted Cundiff
Bill Fanning	Steve Hart	Matt Jackson	Keith Mansfield
Jeff Merwin	Leigh-Anne Taylor	Gregg Weber	Andrew Wells
Beth Wright	Julie Stovall		

Call-Ins

Rigo Aranda	Frazier Henke
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OBA Board Members Not Present:

Amada Alvidrez	Bert Davison	Sean Kouplen	Ryan Quidley
Debbie Ward			

OBA Staff Present:

Adrian Beverage	Lea Ann Jackson	Janis Reeser	Megan McGuire
Sharon Lewis	Joan Anderson		

Agenda

Agenda was approved as presented

Approval of Minutes

Motion to approve the minutes of the meeting held on Wednesday, February 28, 2024 was made by Priscilla Cude and seconded by Alicia Wade. The motion was approved unanimously with no abstentions.

Committee Reports

Performance and Oversight – Bryan Cain, Chairman

Financial Statements

Lea Ann Jackson told the group that financially things are looking very good. She also mentioned that the OBA Tax Return was filed on March 15, 2024. She gave a shout-out to Jeremy Cowen for his work with the newspaper.

Consolidated Performance

	Actual	Plan	Prior Year
Income	\$3,405,974	\$3,081,095	\$3,104,057
Expense	<u>2,803,561</u>	<u>2,973,311</u>	<u>\$2,647,638</u>
Net Profit (Loss)	\$ 602,413	\$ 107,784	\$ 456,419

Association Only

	Actual	Plan	Prior Year
Income	\$3,062,291	\$2,747,445	\$2,759,782
Expense	<u>2,415,601</u>	<u>2,539,963</u>	<u>2,289,985</u>
Net Income (Loss)	\$ 646,690	\$ 207,482	\$ 469,797

Approval of Financials

A motion was made by Ted Cundiff and seconded by Steve Hart to approve the financial statements. The motion was approved unanimously with no abstentions.

Education and Training

Janis reported on the following:

- Had approximately 195 at the WIB Conference that was held on March 26
 - Will probably hold similar conference again in about 18 months
- Convention booths are sold out
- If any member has someone who is thinking of attending one of the GSB's, there are still scholarship opportunities available

OBASCO

See Agenda Summary

Committee Reports

Planning & Business Development – Alicia Wade, Chair

Government Relations – Adrian Beverage

Since all Board Members were in the Government Relations Council meeting as well, Adrian did not go over this information again. *See Agenda Summary for more information.*

PAC Report

Adrian reported that the PAC is doing well, but it will be stretched thin this year so all support is appreciated!

Legal Report

See Agenda Summary

Committee Reports

External/Member Relations – Amada Alvidrez, Chair

Member Relations

Megan reported on the following items:

- The OBA would like to hear from bankers interested in serving as chairperson of the Emerging Leaders Division
- Emerging Leaders Reception at OBA Convention, May 13
- Please join us for one or more BNO nights
- Sign up for Contact Banker if you haven't already done so
- 2024 OBA college scholarship is available
- Dates for the Washington Visit are September 22-24
- Dates for ABA 2025 Washington Visit are March 16-20

Fraud Department

Sharon Lewis reported that she is in the process of collecting “fraudulent items” in order to create a game for training purposes. She is also updating the website and mentions there are several programs coming in April. *See Agenda Summary for more information.*

Communications/Public Relations

In Jeremy's absence, Megan reported on the following:

- Two newer features were in the March issue of the Oklahoma Banker
 - "4 W's and an H" feature, which is a notable member of the OBA Emerging Leaders Q&A
 - "What is OBA doing for Oklahoma bankers?" will give short highlights of what the OBA has accomplished in the past month

Other Business

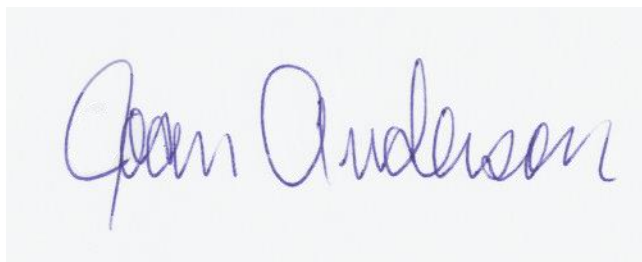
Adrian mentioned to the group that the OBA has had one application in their search of having an "in-house" counsel here at the OBA. This process may take a while in order for the Association to get the right person.

He also mentioned that it is time to find new Board Members. The nominating committee consists of the following:

- Amada Alvidrez – Chair of Nominating Committee
- Adam Anderson
- Matt Jackson
- Andrew Wells
- Beth Wright

There being no further business Jeff Merwin motioned with a second by Gregg Weber to adjourn the meeting. Adjournment was at 1:55 p.m.

Respectfully Submitted



Joan Anderson
Recording Secretary

ASSUMPTIONS/REASONING

Trends per multi-year:

total revenue:

declined as the full impact of the pandemic was felt, covering multiple fiscal years
FY 2021-22 has an increase in revenue that is attributable to PPP funds and two
Senior Management conferences in one fiscal year;
Approx. \$100k decline in revenue for proposed budget due to:
Elimination/reduction in endorsements (KeyState & NFP)
Reduction in revenue such as directory and newspaper ads
Anticipated flattening of revenue streams

total expense:

declined as the full impact of the pandemic occurred
reduced travel and training
reduced expense for production of education programs - fewer
programs/attendees
FYE 2022 had multiple transitions - staffing changes; increase in production of
education programs; limited increase in staff/officer travel
and training
FYE 2023 didn't include fall Bankers Nights Out and had limited travel for elected
officers

Proposed Budget

Includes a pool representing a 5% increase in compensation, excluding President/CEO
Includes estimate of 5% increase in employee medical and dental premium expense
Does NOT assume any change in dues revenue, i.e. no increase in deposits of member
banks or loss of member banks

Investment income creates a significant variance in comparing from year-to-year.
Historically, we have included CD Interest and a level \$60,000 for investment
portfolio

Increase in Subscription expense reflects change in software acquisition from purchase to
to subscription-based.

Budget assumes that we will continue our contract with BankersOnLine through June 30 at w/
time we will have in place a General Counsel and Assistant General Counsel.
This will result in an increase of approximate 10% in expense. This will be
offset by reduced speakers fees and, hopefully, new revenue.

CONSOLIDATED MULTI-YEAR COMPARISON

	Budget 2024-2025	Projected 2023-2024	Actual 2022-2023	Actual (W/ PPP) 2021-2022	Actual 2020-2021	Actual 2019-2020	Actual 2018-2019
Total Revenue	\$ 4,205,405	\$ 4,193,693	\$ 3,905,834	\$ 4,177,457	\$ 3,274,540	\$ 3,445,349	\$ 3,692,130
Total Expense	\$ 3,848,309	\$ 3,604,040	\$ 3,673,344	\$ 3,644,091	\$ 3,116,902	\$ 3,509,514	\$ 3,617,927
Net (Accrual Basis)	\$ 357,096	\$ 589,653	\$ 232,490	\$ 533,366	\$ 157,638	\$ (64,165)	\$ 74,203

limited pandemic effect

most of fiscal year in pandemic

2 mos pandemic

	A	B	C	D	E	F	G
1	CONSOLIDATED						
2					Projected		
3					YE #s for		
4					FY 23-24		
5					based on		
6			Actual 22-23		1/31/24 f/s		Budget 24-25
7	INCOME						
8	Dues		\$2,042,225		\$2,092,883		\$2,109,720
9	Education		1,152,570		1,205,000		1,232,500
10	Sponsorships		291,424		336,425		342,500
11	Investment - Recog & Unrec		74,466		285,000		210,000
12	Other		2,100		600		600
13	Prod/Services		343,049		273,785		310,085
14	Total Income		3,905,834		4,193,693		4,205,405
15							
16							
17	EXPENSE						
18							
19	Education (excluding		\$554,207		\$547,170		\$635,675
20	categories listed						
21	below)						
22	Compensation/Benefits/Contract Labor		2,333,375		2,224,405		2,290,595
23	Office Overhead		253,992		265,680		308,579
24	Building-related		120,887		118,400		123,100
25	Travel, Incl Vehicle		43,339		40,770		59,090
26	Association Promotion		24,296		33,110		47,100
27	Products/Services		65,467		89,535		66,480
28	Administration		83,277		112,095		126,470
29	Lobbying/PAC		50,491		39,975		48,700
30	Public/Mbr/Prof Relations		3,945		2,700		4,200
31	Newspaper		24,793		24,480		25,500
32	Overhead Allocation		0		0		(0)
33	Total Expense		\$3,558,069		\$3,498,320		\$3,735,489
34							
35	Net Income		\$347,765		\$695,373		\$469,916
36							
37	Depreciation		115,275		105,720		112,820
38	Unrealized gain(loss)		1,744		(42,100)		0
39	Net gain (loss) on sale		12,303		11,246		0
40	capital improvements						
41							
42	Net per f/s		\$232,490		\$589,653		\$357,096
43							
44							
45							
46							
47							
48							

	A	B	C	D	E	F
1			OBA			
2				Projected		
3				YE #s for		
4				FY 23-24		
5				based on		
6		Actual 22-23		1/31/24 f/s		Budget 24-25
7	INCOME					
8	Dues	\$1,916,898		\$1,955,383		\$1,971,720
9	Education	1,152,570		1,205,000		1,232,500
10	Sponsorships	218,097		254,600		258,500
11	Investment - Recog	74,466		285,000		210,000
12	Other	2,100		600		600
13	Prod/Services	100,309		82,630		86,025
14						
15	Total Income	\$3,464,440		\$3,783,213		\$3,759,345
16						
17						
18	EXPENSE					
19						
20	Education (excluding	\$554,207		\$547,170		\$635,675
21	categories listed					
22	below)					
23	Compensation/Benefits/C ontract Labor	1,998,131		1,893,200		1,943,712
24	Office Overhead	249,087		261,020		299,720
25	Building-related	120,887		118,400		123,100
26	Travel, Incl Vehicle	40,683		40,620		49,900
27	Association Promotion	19,404		25,510		43,325
28	Products/Services	60,298		85,000		60,000
29	Administration	69,414		94,475		103,950
30	Lobbying/PAC	50,491		39,975		48,700
31	Public/Mbr/Prof Relations	3,945		2,700		4,200
32	Overhead Allocation	(81,063)		(78,800)		(95,543)
33						
34	Total Expense	\$3,085,484		\$3,029,270		\$3,216,739
35						
36	Net Income	\$378,956		\$753,943		\$542,606
37						
38	Depreciation	112,658		102,550		102,960
39	Unrealized gain(loss)	1,744		(42,100)		0
40	Net gain (loss) on sale	7,303		11,246		0
41	capital improvements	0		0		-
42						
43	Net per f/s	\$275,345		\$704,739		\$439,646
44						

	A	B	C	D	E	F	G	H
1				OBAIA				
2					Projected			
3					YE #s for			
4					FY 23-24			
5					based on			
6	INCOME		Actual 22-23		1/31/24 f/s		Budget 24-25	
7								
8	Investment		\$0		\$0		\$0	
9	Bank Insurance		63,196		46,790		63,000	
10	Employee Group Insur		1,973		1,980		1,800	
11	Other Insurance Progr		45,097		19,035		16,440	
12								
13	Total Income		\$110,266		\$67,805		\$81,240	
14								
15								
16	EXPENSE							
17								
18	Compensation/Benefit		\$4,017		\$3,910		\$5,721	
19	Office Overhead		110		240		324	
20	Travel, Incl Vehicle		0		0		250	
21	Association Promotion		4,248		0		0	
22	Products/Services		0		0		0	
23	Administration		6,910		8,820		8,520	
24	O/H Allocation		789		800		1,129	
25								
26	TOTAL EXPENSE		\$16,073		\$13,770		\$15,944	
27								
28	Net Income		\$94,193		\$54,035		\$65,296	
29								
30	Depreciation Expense		2,156		0		2,000	
31								
32	Net per f/s		\$92,037		\$54,035		\$63,296	

