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# Credit Union Department



## NEWSLETTER

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No. 04-08

[www.tcu.state.tx.us](http://www.tcu.state.tx.us)

April 30, 2008

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### **Notice of Legislative Advisory Committee Meeting**

The Legislative Advisory Committee will meet in Austin on Friday, May 2, 2008, at 9:00 a.m., in the conference room of the Department. [\(Click here for a copy of the agenda\).](#)

### **Dealing with Problems in the Current Environment**

There is a natural tendency for credit unions experiencing difficulties to regard examiners with trepidation and to say as little as possible. The Department, however, encourages credit unions in these circumstances to take exactly the opposite approach — to engage their examiners even more than they might have in good times. Why? Because when problems arise, our examiners need more information, not less, to understand the true dimensions of the credit union's problems — rather than assuming the worst. We believe the process works best with a combination of early and realistic problem identification, effective two-way communication, and balanced supervision by the Department. If we can achieve that, we will go a long way towards achieving our common goal: to make sure that credit unions remain safe and sound, and continue to meet members' financial services needs.

### **Directors College**

Regulators of all industries — including financial services — are turning their attention to the manner in which boards of directors carry out their responsibilities. At the same time, credit union operations, products, services and regulations are growing in complexity. The National Association of State Credit Union Supervisors (NASCUS), in conjunction with its Annual State System Summit, is offering a one-day event geared toward enhancing state credit union board members' understanding of the critical statutory, fiduciary and regulatory responsibilities of a director.

Former National Credit Union Administration (NCUA) Chairman Dennis Dollar is scheduled to kick off the event with a session on director roles and responsibilities. Other sessions will detail

the regulator and examiner expectations of a director and provide an overview of essential safety and soundness regulations and the critical elements of compliance.

The school is scheduled from 8:30 a.m. to 4:00 p.m. on August 20 at the Westin Hotel, in Seattle, Washington. Content is geared toward credit union directors but anyone is welcome to attend. NASCUS Summit attendance is not required. If you have any questions or wish to register, please contact NASCUS at (703) 528-5974 or email [jenny@nascus.org](mailto:jenny@nascus.org).

### **Former Commission Member Honored**

Hal Thomas, former member of the Credit Union Commission, was recently inducted into the Texas Credit Union Hall of Fame. Mr. Thomas began his credit union career in 1964 and retired in 2007 as CEO of Community Resources Credit Union. Throughout his credit union career, Mr. Thomas served in various organizations, including on our Commission from May 5, 1997 through September 3, 2003.

### **Report Submittal Deadlines**

The Department has established the following schedule for submittal of required reports and supporting information during the next 90 days:

**Report of Officials** – Submittal Deadline: Within 10 days after election of the board officers after the 2008 annual meeting

- Report provides the name and contact information for each of your credit union's directors and other key officials for the current year. The Report of Officials program and instructions were mailed to each credit union with the call report packet on January 2, 2008.

**Second Quarter Call Report** – Submittal Deadline: July 21, 2008

- Report of accounting and statistical information from the credit union's records as of June 30, 2008. The call report software and instructions for completion and electronic submittal will be mailed to each credit union on June 30, 2008.

### **Publishing Notice of Applications in the Texas Register**

In order to meet the submission deadlines for the applicable issues of the *Texas Register*, it is necessary for the Department to establish the schedule included below. Completed applications received after the deadline for the month cannot be published until the following month.

#### **Published In**

#### **Deadline for Receipt**

**May, 2008**  
**June, 2008**

**Friday, May 16**  
**Friday, June 13**

## **Applications Approved**

Applications approved since March 31, 2008 include:

<b><u>Credit Union</u></b>	<b><u>Changes or Groups Added</u></b>
Merger or Consolidation Change(s) Approved:	
<b>Nordstrom Sculpture Springs FCU with Service 1<sup>st</sup> CU</b>	See Newsletter No. 08-07
<b>BMA Credit Union with Neighborhood Credit Union</b>	See Newsletter No. 03-08

## **Applications Received**

The following applications were received and published in the April 25, 2008 issue of the Texas Register:

Field of Membership Expansion(s):

**United Credit Union** (Tyler) -- To permit persons who live, work, worship or attend school in Smith County, Texas, to be eligible for membership in the credit union.

**First Service Credit Union** (Houston) (#1) -- To permit employees of Frontier Drilling who work in or are paid from Houston, Texas, to be eligible for membership in the credit union.

**First Service Credit Union** (Houston) (#2) -- To permit employees of House of Forgings, Inc. who work in or are paid from Houston, Texas, to be eligible for membership in the credit union.

**First United Credit Union** (Tyler) – To permit persons who live, work, worship, attend school and businesses located within a ten (10) mile radius of First United Credit Union’s office located at 3304 S. Broadway, Suite 102, Tyler, Texas 75701, to be eligible for membership in the credit union.

**Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at <http://www.tcup.state.tx.us/applications.html>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.**

Merger or Consolidation Change(s):

An application was received from **Smart Financial Credit Union** (Houston) seeking approval to merge with **Key Federal Credit Union** (Houston). Smart Financial Credit Union will be the surviving credit union.

An application was received from **America’s Credit Union** (Garland) seeking approval to merge with **Garland Federal Credit Union** (Garland). America’s Credit Union will be the surviving credit union. In accordance with Texas Finance Code §122.005(b) and 7 TAC §91.104(b), the Commissioner has the authority to waive or delay public notice of an action.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

