CREDIT UNION COMMISSION MEETING MINUTES
Credit Union Department Building
914 East Anderson Lane, Austin, Texas
July 18, 2025

A. CALL TO ORDER -- Chair Jim Minge called the meeting to order at 9:01 a.m. in the conference room of the Credit Union Department Building, Austin, Texas, pursuant to Chapter 551 of the Texas Government Code, and declared that a quorum was present. Other members present included Liz Bayless, Karyn Brownlee, Beckie Stockstill Cobb, Cody Huggins, David Bleazard and Kay Rankin-Swan. Vice Chair David Shurtz was in attendance via videoconference. The Chair introduced new Commission member Sarah Jones Oates, and also announced that Karen L. Miller, General Counsel for the Department, will serve as legal counsel for the commission. Representing the Department staff were Commissioner Michael S. Riepen, Deputy Commissioner Robert W. Etheridge, Director of Information and Technology Joel Arevalo, and Executive Assistant Brenda Medina. Chair Minge appointed Brenda Medina as Recording Secretary. The Chair inquired and the Commissioner confirmed that the notice of the meeting was properly posted with the Secretary of State **(July 7, 2025 TRD#2025003875)**.

- **GENERAL PUBLIC COMMENT --** Chair Minge invited public input on matters that were not scheduled items on the agenda for possible future consideration by the Commission. No public comments were received.

B. MINUTES OF PREVIOUS MEETINGS (March 21, 2025) -- The Chair referred the members to the draft minutes of the previous meetings included in the agenda packet and asked for any proposed edits. Hearing none, the Chair asked for a motion to approve the minutes. Mrs. Brownlee moved for approval of the minutes of March 21, 2025 meeting, as presented. Mrs. Ames seconded the motion, and the Commission carried the motion unanimously.

C. AUDIT COMMITTEE REPORT

C. (1) DISCUSSION OF THE FY 2025 INTERNAL AUDIT REPORT AND POSSIBLE VOTE THAT THE COMMISSION ACCEPT THE REPORT AND AUTHORIZE ITS SUBMISSION TO THE STATE AUDITOR'S OFFICE. Chair Cobb gave the Commission the report on the Audit Committee's activities. Dan Graves with Weaver Tidwell gave an update on the findings in the Internal Audit Report. 9:15 a.m. – Chair Cobb made a motion that the Commission accept the FY 2025 Internal Audit Report and authorize its submission to the State Auditor' Office. No second was required, and the Commission carried the motion unanimously.

C. **(2) DISCUSSION OF AND POSSIBLE VOTE TO TAKE ACTION ON THE FY 2026 INTERNAL AUDIT PLAN.** After a short discussion, Chair Cobb moved that the Commission accept the FY 2026 Internal Audit Plan. No second was required, and the Commission carried the motion unanimously.

D. COMMISSIONER EVALUATION COMMITTEE REPORT

Chair Brownlee gave the Commission her report on the Commissioner Evaluation/Search Committee's activities. On June 30 and again on July 17, 2025, in public meetings, the Commissioner Evaluation Committee continued its work on the Credit Union Department Hiring Plan & Selection Process for the role of Commissioner, due to the planned, pending resignation of our current Commissioner, Mike Riepen.

The Committee targeted nine websites for posting the opening for Credit Union Commissioner. Of those, six were successfully utilized. For various and valid reasons, three of our target websites denied the request to post. However, our six successes resulted in the receipt of a favorable number of applications. The Committee met in executive sessions during both our June and July meetings. All applicants were considered. The Committee determined five applicants meet the basic qualifications. Our Committee would like to discuss our current candidate pool further in an Executive Session.

Additionally, the Committee voted yesterday to request the Commission's approval of up to $90K for use of a search firm if the Committee deems it is necessary after its further evaluation of the existing five qualified candidates over the next month. And, if the committee does feel it is necessary, then we request official authorization from the Commission to be able to enter a contract with a Search Firm on behalf of the Commission to expedite the hiring process.

The Commission entered into Executive Session at 9:18 a.m. The Chair reconvened the meeting at 10:20 a.m. Chair Brownlee moved that the Commission approve up to $90K for use of a search firm if the Committee deems it is necessary after its further evaluation of the existing five qualified candidates over the next month. And, if the committee does feel it is necessary, then we request official authorization from the Commission to be able to enter a contract with a search firm on behalf of the Commission to expedite the hiring process. No second was required, and the Commission carried the motion unanimously.

E. DISCUSSION, CONSIDERATION AND POSSIBLE VOTE ON RECOMMENDED CHANGES TO THE COMMISSION'S POLICY MANUAL RELATED TO THE BUDGET AND RESERVES POLICIES. Commissioner Riepen discussed the recommended changes that focus on providing the most operating flexibility and accountability for the use of funds that are available. Mrs. Ames moved that the Commission approve the recommended changes to the Commission's policy manual related to the budget and reserves policies as recommended. Mr. Bleazard seconded the motion, and the motion was unanimously adopted.

F. RULEMAKING MATTERS

Mrs. Ames gave the Commission the report on the Rules Committee activities.

F. (1) ADOPTION, IN PART, OF PROPOSED AMENDMENTS TO 7 TAC, PART 6, CHAPTER 97, SUBCHAPTER B, SECTION 97.113 (FEES AND CHARGES) – Mrs. Ames moved that the Commission approve the publication and comment on the proposed amendments to 7 TAC, Part 6, Chapter 97, Subchapter B, Section 97.113 (Fees and Charges). Coming upon a recommendation from the Rules Committee, no second was required, and the Commission carried the motion unanimously.

F. (2) ADOPTION OF PROPOSED AMENDMENTS TO 7 TAC, PART 6, CHAPTER 91, SUBCHAPTER A, SECTION 91.101 (DEFINITIONS AND INTERPRETATIONS) – Mrs. Ames moved that the Commission approve the publication and comment on the proposed amendments to 7 TAC, Part 6, Chapter 91, Subchapter A, Section 91.101 (Definitions and Interpretations). Coming upon a recommendation from the Rules Committee, a Standing Committee of the Commission, no second was required and the Commission carried the motion unanimously.

F. (3) ADOPTION OF THE RULE REVIEW OF 7 TAC, PART 6, CHAPTER 91, SUBCHAPTER A (GENERAL PROVISIONS), SUBCHAPTER B (ORGANIZATION PROCEDURES), SUBCHAPTER J (CHANGES IN CORPORATE STATUS), AND SUBCHAPTER L

(SUBMISSION OF COMMENTS BY INTERESTED PARTIES), AND READOPTION OF RULES. – General Counsel Karen Miller reported

Mrs. Ames moved that the Commission approve the publication and comment on the proposed amendments to 7 TAC, Part 6, Chapter 91, Subchapter A (General Provisions), Subchapter B (Organization Procedures), Subchapter J (Changes in Corporate Status), and Subchapter L (Submission of Comments by Interested Parties, and Readoption of Rules. Coming upon a recommendation from the Rules Committee, a Standing Committee of the Commission, no second was required and the Commission carried the motion unanimously.

F. (4) RECOMMENDATION FOR PROPOSED AMENDMENTS TO 7 TAC, PART 6, CHAPTER 91, SUBCHAPTER A, SECTION 91.125 (GENERAL RULES). – General Counsel Karen Miller reported

Mrs. Ames moved that the Commission approve the publication and comment on the proposed amendments to 7 TAC, Part 6, Chapter 91, Subchapter A, Section 91.125 (General Rules). Coming upon a recommendation from the Rules Committee, a Standing Committee of the Commission, no second is needed to consider and vote on the issue Coming upon a recommendation from the Rules Committee, a Standing Committee of the Commission, no second was required and the Commission carried the motion unanimously.

F. (5) RECOMMENDATION FOR PROPOSED AMENDMENTS TO 7 TAC, PART 6, CHAPTER 91, SUBCHAPTER J, SECTION 91.1003 (MERGERS/CONSOLIDATIONS) – Mrs. Ames moved that the Commission approve the publication and comment on the proposed amendments to 7 TAC, Part 6, Chapter 91, Subchapter J, Section 91.1003 (Mergers/Consolidations), as modified. Coming upon a recommendation from the Rules Committee, a Standing

Committee of the Commission, no second was required and the Commission carried the motion unanimously.

G. DEPARTMENT'S FY 2025 BUDGET AND FINANCIAL PERFORMANCE – Commissioner Riepen reported on this item. After lengthy discussion, the Commission took no action.

H. DEPARTMENT'S OPERATING PLAN FY 2026 BUDGET. Commissioner Riepen reported on the operating plan and FY 2025 budget. Mrs. Brownlee moved that the Commission approve the Department's Operating Plan and FY 2026 Budget, as amended, to include an additional $90,000 in potential search firm expenditures. Mrs. Ames seconded the motion, and the motion was unanimously adopted.

I. STATUS OF THE STATE CREDIT UNION SYSTEM – Deputy Commissioner Etheridge reported on the status of the state credit union system. After a brief discussion of some of the key financial trends, no formal action was taken by the Commission.

J. CHAIR APPOINTMENTS – Chair Minge reported on the new chair assignments. Mrs. Ames will be the Vice Chair of the Commission and Sara Jones Oates has been assigned to the Rules Committee. No changes were made to the Commissioner Evaluation / Search Committee or to the Audit Committee.

K. Legal Update –

- *Credit Union Department v. Ken Paxton, Attorney General of Texas; Cause No. D-1-GN-21-007168*
- *Cooperative Teachers Credit Union v. Credit Union Department,*

State Office of Administrative Hearings; Docket No. 469-23-07487

- Pending Open Records Request - Merger of Space City Credit Union into Texas Dow Employees Credit Union
- Consumer Complaints Summary

General Counsel Karen Miller reported on the legal update for the department. After lengthy discussion, the Commission took no action.

J. AGENDA ITEMS, ARRANGEMENTS, AND DATES. Chair Minge stated the tentative date for the next meeting would be on Friday, November 7, 2025, at 9:00 a.m.

ADJOURNMENT – There being no further business for the Credit Union Commission, Chair Minge adjourned the meeting at 11:41 a.m.

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Jim Minge Chairman	Isabel Velasquez Recording Secretary

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