

OKLAHOMA BANKERS ASSOCIATION
Meeting of the Board of Directors
11 a.m., Tuesday, Nov. 26, 2024

Zoom link: <https://us06web.zoom.us/j/83216213913?pwd=DQpnaDC0Gc8RmdWiVwZbA0HavfxN2i.1>

Meeting ID: 832 1621 3913

Passcode: 903919

For telephone audio:

(346) 248 7799

Meeting ID: 832 1621 3913

Passcode: 903919

AGENDA SUMMARY

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

ANY ITEMS REQUIRING BOARD ACTION APPEAR IN RED.

Consent Agenda — Board minutes — The minutes from the October board meeting and executive committee meeting are in the board packet as **Exhibit A**.

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

Financials — Membership invoices for both banks and strategic members were sent Nov. 1 for the 2025 membership year. Several payments have already been received. One bank and one strategic member have communicated that they will not be renewing their membership.

Following is a summarized view of the consolidated and association-only income statements. Included at the end are several graphs demonstrating various trends. The significant spike in total revenue and net income during the 21-22 fiscal year is a result of receiving PPP funds during that fiscal year.

Consolidated Performance

	Actual	Plan	Prior Year
Income	\$2,127,059	\$2,073,417	\$1,867,209
Expense	<u>1,742,820</u>	<u>1,919,567</u>	<u>1,637,485</u>
Net Profit (Loss)	\$ 384,239	\$ 153,850	\$ 229,724

The consolidated entities have a Net Income of \$384,239 which is significantly better than Plan and Prior Year. On a consolidated basis, Actual Income is greater than Plan by \$53,642/3% and Prior Year by \$259,850/14%. Consolidated Expense is less than Plan (\$176,747/9%) and more than Prior Year (\$105,335/6%).

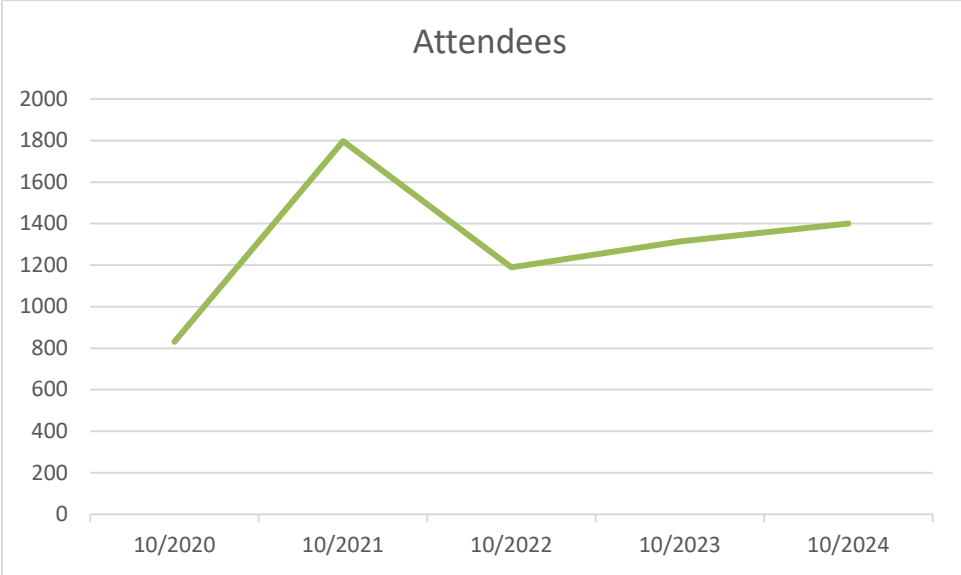
Dues revenues are comparable to Plan and slightly more than Prior Year. Revenue from Convention, Seminars, Schools & Subscriptions is slightly less than Plan and better than Prior Year. Products and Services revenue and Insurance revenue continue to trail both Plan and Prior Year. Advertising & Sponsorship revenue exceeds both Plan and Prior year.

All expenses, by program, are less or comparable to Plan. This should serve as confirmation that variances are based on planned changes. Compared to Prior Year, most program expenses are lower with a few exceptions. Conventions, Seminars & Schools and Endorsements are more than Prior Year but reasonable in comparison to Plan.

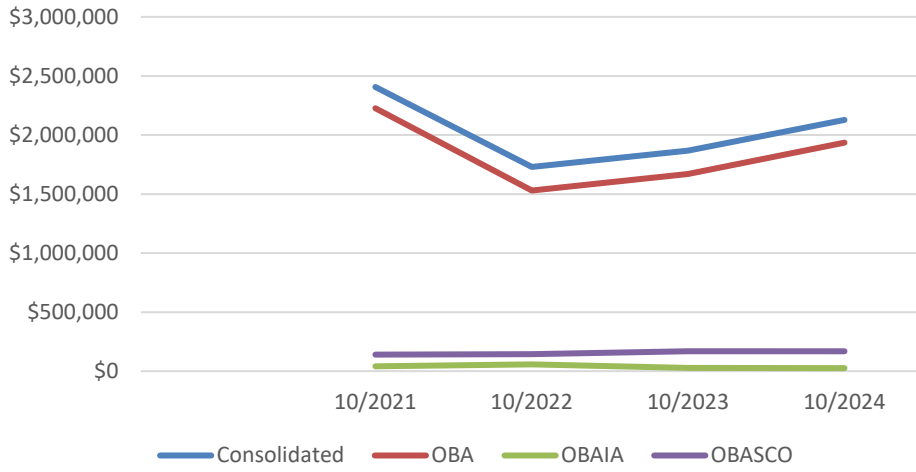
Association Only

	Actual	Plan	Prior Year
Income	\$ 1,934,598	\$ 1,856,085	\$ 1,670,457
Expense	<u>1,498,464</u>	<u>1,644,823</u>	<u>1,411,698</u>
Net Income (Loss)	\$ 436,135	\$ 211,262	\$ 258,759

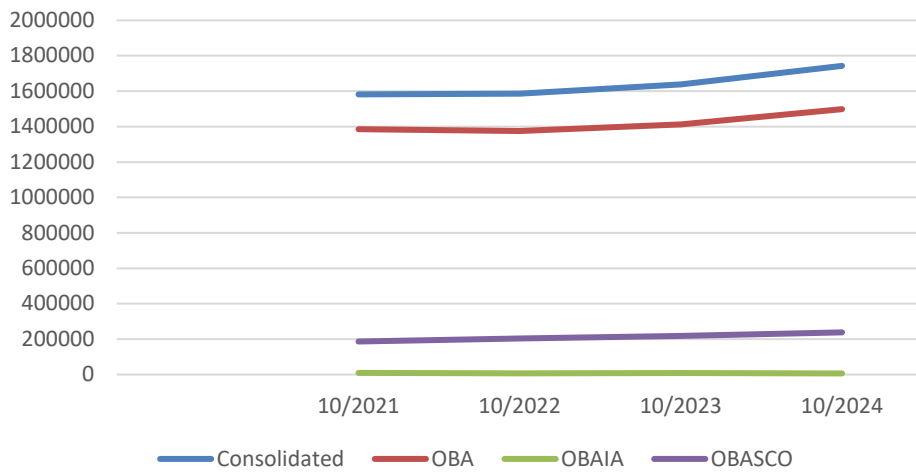
At the Association level, Actual Income exceeds Prior Year and Plan. Association Actual Expense is less than Plan and more than Prior Year. The Association has a Net Income of \$436,135 compared to Plan Net Income of \$211,262 and Prior Year Net Income of \$258,759.

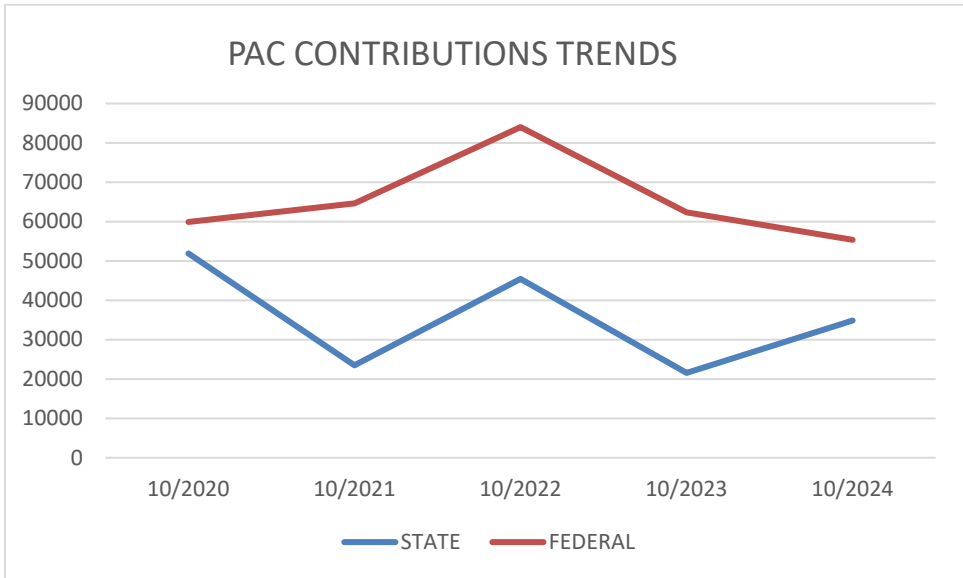
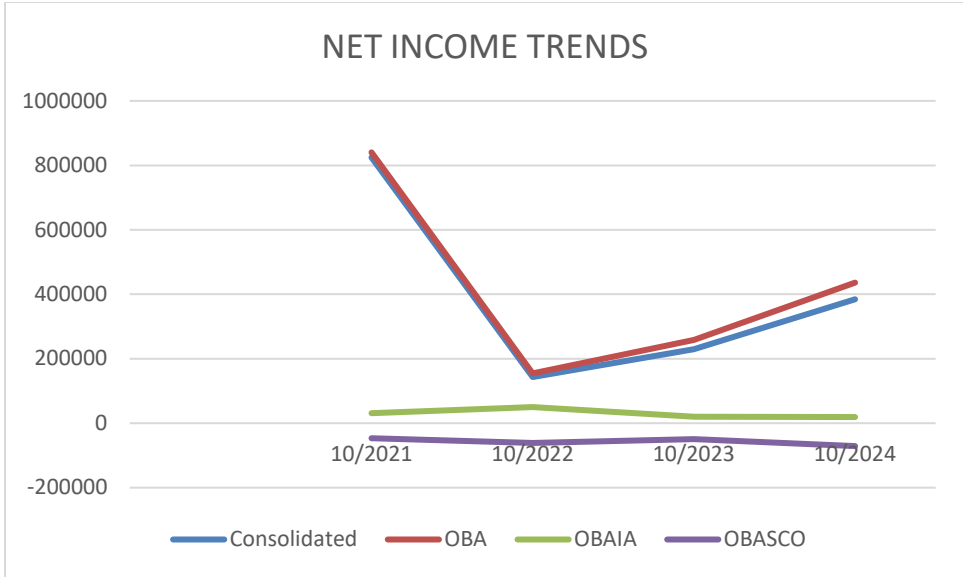


REVENUE TRENDS



EXPENSE TRENDS





The financial statements are included in your board packet as **Exhibit B**.

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

Staff reports —

Education and Training — Here’s a summary for the education department activities:

Nov 5	IRA Basics	Tulsa	42	Loni Porta
Nov 6	IRA Update	Tulsa	57	Loni Porta
Nov 7	IRA Basics	OKC	83	Loni Porta

Nov 8	IRA Update	OKC	91	Loni Porta
Nov 14	HR Seminar	OKC	23	Vicki Worster
Nov 15	WIB Luncheon*	OKC	92	Rebecca Eastham
Nov 18 – 23	Operations School**	OKC	39	various instructors

*Lunch sponsored by Great Plains Bank.

**Lunch sponsors: Mabrey Bank, The Bankers Bank, BancCard of America, BancFirst.

WEBINARS (September)

- 64 sold*
- \$9697 royalties*

*1 bank had a large purchase

WOMEN IN BANKING

The committee held a brief meeting prior to the luncheon Nov 15. The next luncheons will be held in February.

- February 21, OKC (Lunch sponsored by The Bankers Bank)
- February 28, Tulsa (Lunch sponsored by City National Bank)

COMPLIANCE SCHOOL

Honors Graduates were selected and recognized on Nov 25. Janis and Kathryn Ivey presented their awards.

- Brianna Tyra Great Plains Bank, Mangum
- Darian Shaw Bank7, OKC

INTERMEDIATE SCHOOL

The board met Nov 8. Minor changes were made to the schedule and instructors. Enrollment will open in early December.

COMMERCIAL LENDING SCHOOL

The board met Nov 20 to work on the 2025 school. Slight changes were made to the schedule. The board agreed to limit enrollment to 65. Registration will open in mid-December.

GRC Report and PAC report —

We will have a full report of the OBA Annual Washington Visit at the Board meeting as well as an update on what the polls look like at the time of the meeting. Anything regarding the elections in the report would be outdated by the time we meet on Wednesday.

Federal Issues

U.S. Senate

Republicans – 53
 Democrats – 45
 Independents – 2

Republicans will have a majority control in the Senate. During the election the Republicans were able to flip four seats.

- Montana
- West Virginia

- Pennsylvania
- Ohio

Senator John Thune (R-SD) was selected to be the new Majority Leader in the U.S. Senate. Leader Thune is a strong supporter of community banks and should be an asset in the Senate.

Oklahoma Senator James Lankford won an uncontested bid to become the vice chair of the Senate GOP Policy Committee. Senator Lankford becomes the first Oklahoma Republican to become a member of the Senate GOP leadership team in more than 20 years, since for Senator Don Nickles.

**U.S. House
(As of November 24, 2024)**

Republicans – 219
Democrats – 213
3 – undecided

Undecided House Races

CA 13
98% reporting
*R – John Duarte (102,550 votes) 50%
D – Adam Gray (102,346 votes) 50%

CA 45
99% reporting
*R – Michelle Steel (156,882 votes) 49.9%
D – Derek Tran (157,427 votes) 50.1%

IA 1
99% reporting
*R - Mariannette Miller-Meeks (206,950 votes) 50.1%
D – Christina Bohannon (206,150 votes) 49.1%

Treasury Secretary

Scott Bessent

Bessent, founded and runs the hedge fund Key Square Group. Bessent is a very strong supporter of Trump's tax cuts and cutting the corporate income tax. The reason that I single out this nominee is because this individual will play a key role when it comes to nominating individuals for regulatory agencies.

FDIC

Chairman Gruenberg announced that he will resign on January 19. As of today, below is the current makeup of the FDIC Board:

- (D) Chair Marty Gruenberg
- (R) VC Travis Hill
- (R) Director Jonathan McKernan
- (D) Rohit Chopra
- (D) Michael HSU

OCC

Acting Comptroller Hsu will resign on January 19th or be removed by the President on January 20th. The Comptroller of the Currency can be removed by the President with reasons communicated to the U.S. Senate.

CFPB

Director Chopra will resign on January 19th or be removed by the President on January 20th. The Supreme Court decided the removal of limitations for the Director of the CFPB are unconstitutional and they can be removed at the will of the President.

Federal Reserve

Chairman Jerome Powell's term doesn't end until 2026. There aren't any statutes in place that include details about whether a president can remove a fed chair. No president has ever attempted to remove a Fed Chair from their role before, though, so the authority to do so has not been legally tested.

On January 20, 2025 every single agency will receive an official letter from the White House COS, on behalf of the President that a regulatory freeze has been put in place. Every single president does this, it's not unique to any particular party. This gives the incoming administration an opportunity to examine every single rule. The rules of the letter are:

- If a rule is pending, leave it as it is.
- If a rule has been finalized, but not yet published in the federal register, pull it back.
- If a rule has been published in the federal register and hasn't become effective yet, push out the effective date.

The following Rules are subject to the "Regulatory Freeze."

- Basel 3 Endgame – July 1, 2025
- Overdraft – October 1, 2025
- 1033 – April 1, 2026
- Brokered Deposits - ?
- Mortgage Servicing - ?
- Section 1071 – July 18, 2026

There are some rules that are considered "Final Rules" and wouldn't fall under the "regulatory freeze."

- CRA
- Credit Card Late Fees
- Bank Merger Guidelines

The Congressional Review Act is a seldom used tool that could and most likely be used to address any rules that wouldn't fall under the "Regulatory Freeze." To overturn a rule, both chambers of Congress must pass the CRA joint resolution of disapproval under fast-track procedures, and the President must sign it. If the president vetoes the resolution, Congress can override the veto. If the resolution passes without a veto, the rule is revoked. The agency is also prohibited from reissuing the same rule in "substantially the same form", unless Congress authorizes a similar rule through new legislation.

FDIC Insurance Reform

To be discussed during the meeting.

Things are going to move very fast at the federal level, we have about a two-year window to accomplish a whole lot of work. President Trump's tax proposal is rumored to be almost done and will most likely be dropped by the end of January. This issues will suck all the oxygen out of Washington for several weeks. It's going to be a fun time and we will be flying down the road at a 120 mph with no brakes.

State Issues

The members of the Oklahoma legislature have officially been sworn into office, the Senate was sworn in on November 13th and the House on November 20th. Shortly after the Senate was sworn in, it held a vote for President Pro Tempore of the Senate. This vote is held within the majority Caucus and you will never know how each member voted. After the dust had settle Sen. Lonnie Paxton emerged victorious, rumors are that he defeated Sen. Bullard by one vote. On November 19th, the House Republican caucus elected Rep. Kyle Hilbert as the next Speaker of the Oklahoma House of Representatives.

There are several new members of the both the House and the Senate, below is the party breakdown for both the House and the Senate.

State Senate

39 – Republicans

8 – Democrats

1 – Vacancy (Special election on March 4th, 2025)

New Senate Members

11 – Republicans

3 – Democrats

State House

81 – Republicans

20 – Democrats

New House Members

14 – Republicans

3 – Democrats

The OBA is potentially going to introduce three pieces of legislation this year. Last year the OBA introduced a state level ACRE bill that would hopefully spur lending in the rural areas of Oklahoma. We were successful in the House and ran into some hurdles in the Senate. We are waiting on a response from those legislative members that were involved last year to give it the green light for this year. The second bill that we are considering has to do with some minor changes for the handful of Savings & Loans in the state. The third bill that we will absolutely be running deals with Crypto ATM, the intent of the legislation will add some consumer protections and hopefully mitigate some of the scams that are currently happening in Oklahoma.

Pac Report —

PAC fundraising totals for the year are up from the same point last year. At the end of October, the State PAC has raised, \$55,935 while the FED PAC has raised \$34,870 for a total of \$90,805. This total is \$7,858 more than where we were at this point last year. We usually have one or two special board meetings between November and December. Those meetings will go a long way to help us get prepared for our pre-session mass check writing event.

We have started receiving fundraiser invites and they won't stop until late January. Every State Senator and State Representative will be asking for money. They are all trying to retire debt from the 2024 election or starting to build their war chest for their next election.

It's very important that we have as many bankers as possible support the PAC. We recently sent a personalized letter to all Presidents and CEO's that haven't contributed, we are hoping that letter will generate some year-end contributions.

There are several ways that you can contribute, you can do a one-time personal check, a monthly EFT or have your bank host a Special Board Meeting. All of these options are easy and greatly appreciated. We are thankful for all the support that we have received from the bankers in 2022. Any chance you have to talk to other bankers about the PAC will be greatly appreciated as we continuously work to educate the membership on the important role the PAC plays in our success. Should you have any questions please don't hesitate to contact Adrian or Megan.

OBASCO Report —

- **New Strategic Members*:**
 - Check Printing Contract Consulting - Endorsement contact signed with OBA
 - Mhp.si

- **2025 Photo Calendar Contest/Order** – Some calendar orders have already shipped & delivered this week and rest being delivered next week.

- **Oklahoma Bankers Hall of Fame** – Finalizing sponsorships and congratulatory messages. Working on the program and seating. Currently, at \$47k.

- **2025 Holiday Closing Signs** – Having to order through Florida Bankers & local printer for these as pricing has gone up and to add Indigenous People sign to the packages. Accepting pre-orders now and will be delivered last week of Nov to banks that order.

- **2025 Strategic Membership Dues & Sponsorship Planning Guide** – Updated membership packet, letter, sponsorship guide and logos. Small Business Strategic Member new last year for businesses less than 5 employees. All renewals sent out Nov. 1.

- **2025 OBA Bank Directory** – Preparing to update Strategic Member section based on renewals along with reviewing ad sales.

- **OBA/Blanchard 2025 Surveys** – 2025 contract signed for Director Survey and Salary Survey. Subscription option available for participation of both surveys again. OBA must obtain min. 20 bank participants to earn revenue share. Timing of surveys: Director Survey Jan/Feb and Salary Survey Spring/Summer.
- **2025 OBA Senior Management Forum Sponsorships** – Working on sponsorship packages with new hotel and golf course directly. Goal is to exceed \$42k last year, currently at \$20k.
- **2025 OBA Annual Convention Sponsorships** – Working on sponsorships with renewals of strategic members & endorsed vendors contract terms. Goal is to exceed \$89k, currently at \$16k.
- **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.
 - **New Rep: out of Austin, TX. Robert Todd 512.982.9813 | Robert.Todd@odpbusiness.com**
 - Interior Workspace/Furniture: Cheryl Krawczyk, Cheryl.Krawczyk@workspaceinteriorsod.com
 - NGS/3M – partnership for providing and installing high-quality security film to enhance safety & security of buildings.
- **Bank Performance Report (BPR)** – Quarterly publication electronic and/or printed format for banks to see where they rank based on 8 different performance categories. Q3 2024 reports has 178 Oklahoma banks avail for sale.
- **Profit Resources Inc. (PRI)** – New Core Contract Endorsement – will be traveling with Adrian visiting banks this fall.
 - Contact: Brady Chianciola - bchianciola@profitresources.com (413) 544-1584 (Cell)
- **Banc Card** – New Merchant Services Endorsement – will be traveling with Adrain visiting banks this fall.
 - Contact: David Miller – dmiller@banccard.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)
- **Servis1st** – Card Program Endorsement through the ABA – Karen Grahn KGrahn@servisfirstbank.com
- **Compliance Alliance** – Reached out to Victoria Stephens, General Counsel to possibly help us write Record Retention Handbooks for our members.
- **New Endorsement: Check Printing Contract Consultants** – working with select targeted OK Banks to negotiate check printing agreements on behalf of banks with significant savings on their next check printing agreement.
 - Contact: Greg Baitt – greg,baitt@checkprintingconsulting.org (216) 396-0225
 - Contact: Jim Schartman – jim.schartman@checkprintingconsulting.org (216) 970-0105

Legal Report — OBA staff will have an update on the Legal Department during the board meeting.

Member relations —

OBA Emerging Leaders Academy Class

The 2024-25 OBA Emerging Leaders Academy convened for its first session on Nov. 6. As would be expected with this group, they quickly got in the thick of conversation on 5 Voices, Leadership Styles and Team Building. Upon adjournment, the class already seems to have a strong camaraderie. Their next session is Thursday, Dec. 5.

- Session II: Thursday, Dec. 5, 2024.
- Session III: Friday, Jan. 24, 2025.
- Session IV: Wednesday, Feb. 26, 2025.
- Session V: Friday, March 28, 2025.
- Session VI: Friday, April 25, 2025.
- Graduation: OBA Convention, May 2025.



2024 Hall of Fame Luncheon & Induction Ceremony set for Dec. 5

We are near capacity. Reserve your seat(s) now if you plan to attend.

The OBA is proud to announce the group of inductees for the Oklahoma Bankers Hall of Fame, with the ceremony set for Dec. 5 in Oklahoma City.

The Oklahoma Bankers Hall of Fame Luncheon & Induction Ceremony honoring Guy Berry III, Herschel Brewster, Bradley Krieger and Gregg Vandaveer, as voted on by a panel of their banking industry peers.

The ceremony will be held over lunch at 11:30 a.m. on Dec. 5 at the Oklahoma History Center, which is located at 800 Nazih Zuhdi Dr., in Oklahoma City.

If you are interested in attending the event, please RSVP by Nov. 29 to the OBA's Joan Anderson (joan@oba.com) at 405-424-5252. The cost for an individual seat is \$75 and \$700 for a table of 10.

Additionally, contact Thi Pham (405-424-5252, thi@oba.com) for sponsorship opportunities.

Jan. 7: Emerging Leaders Committee Meeting

On Tuesday, Jan. 7 the Emerging Leaders Committee will meet over lunch in Oklahoma City to work on ways to continue engagement with the division.

Save the date for the 2025 Washington Visit

Save the date for next year, Sunday, Sept. 21 through Tuesday, Sept. 23. More information soon!

External/internal communications —

The Communications Department has continued to monitor any media and public relations fallout from the the Lindsay bank failure. Jeremy will have an update on it during the board meeting. Included in your board packet as **Exhibit C** is [a story in the local news website NonDoc](#) about the issues at the bank, as part of a larger article on overall problems in the City of Lindsay, as a whole.

The Department has also been readying for the upcoming Oklahoma Bankers Hall of Fame induction ceremony, compiling and writing the bios for each of the inductees, producing a short video for each of the inductees, as well as the audio/visual components of the ceremony and preparing media releases for the inductees, to be sent out the afternoon after the induction ceremony.

Also included in your board packet as Exhibit D is the latest update on the Communications Department's ongoing social media strategy, based on efforts and discussions from the OBA's Strategic Planning meetings.

Fraud Department — Current Trends:

- ATM Jackpotting
- ATM vandalism followed by service technician robbery
- CrimeDex Alerts – August (12), September (14), October (8)

Projects in the works:

- Fraud Loss Action Plan - immediate actions needed to increase recovery options
- Fraud Prevention Questionnaire – documented proof of customer counseling on fraud (building guidance)

Great news! OBA has been designated as a Key Partner of the FBI. The Oklahoma City Division Special Agent in Charge (SAC), Supervisory Special Agent over Complex Financial Crimes, and their Law Enforcement Consultant/Private Sector Coordinator will join us at the February 2025 Board of Directors meeting to meet Board, GRC & Emerging Leaders and talk about what this designation means.

On 11/14, Adrian, Megan and Sharon met with Dudley Gilbert, Oklahoma Banking Department, Joy McGill, AARP, and Jay Hannah, BancFirst regarding legislative changes to address the number of cryptocurrency ATMs in the state of Oklahoma. Other states making changes include MN, VT, WA.

Statewide MAFIA or information sharing group meetings in Oklahoma City, Lawton, Texoma (Durant) and Stillwater. Miami and McAlester areas wanting to start MAFIA meetings.

Weekly Update articles – 9/23 Upcoming changes to reporting counterfeit currency; 10/7 Counterfeit check scams targeting attorneys; 10/28 ATM Jackpotting continues; 11/11 Fraudulent emergency data requests; 11/18 Treasury check verification system changes to include payee information.

Events include:

- | | |
|-------|--|
| 10/8 | Western Oklahoma Bankers Association, Elk City (Bankers) |
| 10/9 | OKC MAFIA |
| 10/9 | OBA Consumer Lending School (Bankers) |
| 10/14 | FNBT Chickasha (Bankers) |

10/15 Meeting with Oklahoma County Clerk Maressa Treat regarding UCC filing backlog
10/16 Tulsa MAFIA
10/17 Texoma MAFIA
10/24 OBA Bank Fraud Investigations 101 (Bankers)
11/5-7 Blue Sky Bank Cushing, Tulsa & Weatherford (Bankers)
11/7 BancFirst Sand Springs (Bankers)
11/14 Southeastern Oklahoma Bankers Association, Krebs (Bankers)
11/18 OBA Operations School (Bankers)
11/19 Exchange Bank Stillwater (Bankers)
11/20 Vision Bank Ada (Community, Students & Bankers)
12/13 IS MAFIA

Board Calling Reports — We will discuss the pending board calling initiative.

Other business — If there is any other business for the board to discuss, we will bring it up here.