



THE CREDIT UNION REFLECTION

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COMMISSIONER'S COMMENTS

E. J. FACE, Jr.



As most of you now know, effective July 1, 1997 I became Commissioner of Financial Institutions. I thank all of you for your letters, cards and calls of congratulations. It is indeed an honor and privilege to succeed Mr. Bailey. I look forward to upholding the high standard established by Mr. Bailey, and to tackling the many challenges ahead.

My goal as Commissioner is to serve and protect the public via flexible and responsive regulation and supervision of state-chartered financial institutions. Over the years, I have developed a regulatory approach based on accessibility, fairness and common sense. With respect to the Bureau, there will be no significant changes to Bureau staff, other than the addition of new employees through attrition. My initial focus will be on technology and examiner training. I intend to provide our examiners with the support and tools necessary so they may perform at their highest and most efficient level.

Please call on me anytime if I may be of service.



YEAR 2000



Year 2000 is an issue that clearly is drawing a lot of attention. The Bureau of Financial Institutions is taking an active role in determining that all Virginia federally insured state chartered credit unions will be Year 2000 compliant. The Bureau sent out a one page questionnaire to assess the Year 2000 compliance status of all state chartered credit unions. In addition NCUA sent all federally insured credit unions a Year 2000 Quarterly Call Report. The Bureau will cooperate with NCUA to obtain this necessary information. The Bureau will also monitor and update the status of each state chartered credit union as it is examined.

The Bureau has set a goal of achieving compliance by the end of 1998 of all our state chartered credit unions. Therefore, your cooperation is needed and will be appreciated. If you have any questions, please do not hesitate to contact Werner Paul, Financial Institutions Examiner, at (804)-371-9657.

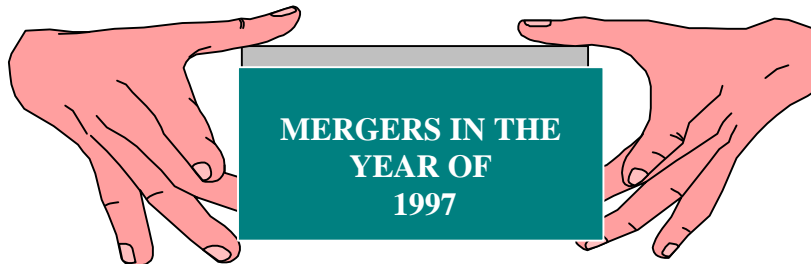
YEAR-END CALL REPORT

During the first week of January the Call Report for year end 1997 was sent to all Virginia federally insured state chartered credit unions. This report should be completed using accounting and statistical information from your credit union's records as of December 31, 1997. It is recommended that the Call Report be completed using the PC 5300 Windows computer system provided by NCUA. This system is efficient to use and helps to ensure error free reporting.

Please submit your completed Call Report as soon as possible, but no later than **January 26, 1998**. This date is an important deadline because the Bureau has a short time frame to process all the Call Reports, upload them to NCUA's mainframe computer, and produce the Bureau's Annual Report. Also please submit a copy of your December 31, 1997 financial statements to facilitate correction of any errors found in processing.



Please call George Latham, Deputy Commissioner, at (804)-371-9698 if you have any questions.



At the end of 1996 there were 81 state chartered credit unions. The following mergers took place in 1997 which affected state chartered credit unions:

- **Chessie-Newport News CU merged into Newport News Shipbuilding ECU on October 1, 1997.**
- **Naval Hospital CU in Portsmouth merged into Navy FCU on October 14, 1997.**
- **S & S Machinery CU in Cedar Bluff merged into Virginia League Central CU in Lynchburg on November 13, 1997.**
- **Hampton University Employees FCU merged into Virginia Educators CU in Newport News on November 26, 1997.**

Thus, at the end of 1997 there were 78 state chartered credit unions. The assets of all state chartered credit unions exceeded \$2.1 billion as of June 30, 1997.

Deputy Commissioner Latham's Notes:

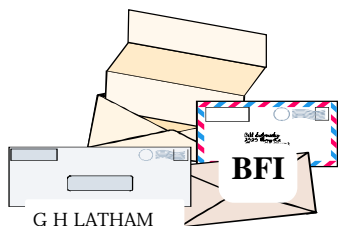


This is the first issue of the "Credit Union Reflection." Commissioner Face has encouraged each section within the Bureau to better communicate information from the Bureau to the financial institutions we regulate. We hope you find "The Credit Union Reflection" helpful. We also encourage your feedback as well as questions that may be answered in future issues. "The Credit Union Reflection" will be published quarterly to provide you with information you want to know and can make use of.

As noted above there were a few mergers in 1997 involving state chartered credit unions. The Bureau processes many more address changes and branch applications. The law requires that mergers, branches, and relocations be approved by an application or notice process. Notification of address and name changes is also required. These applications and notifications are processed by the Bureau's Corporate Research and Structure section. Deputy Commissioner Nick Kyrus, whose phone number is provided under "Important Numbers," must be contacted directly for any of these changes in your corporate structure. Contacting Mr. Kyrus early in the process and providing him with accurate and complete information speeds up the approval process, which is what everyone wants: to have their application approved immediately!

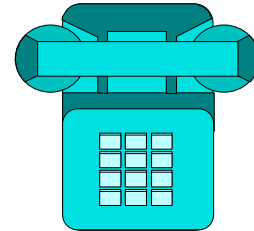
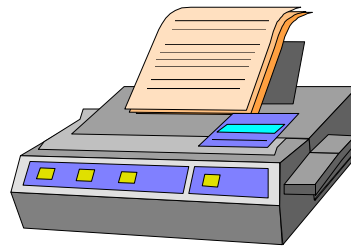
I mention this necessity to contact Corporate Research and Structure early in the process with your questions because there has been confusion in a number of cases in the past which has caused frustrating delays. So when you're thinking **merger, branching, relocating, or name changes** please call Mr. Kyrus at (804)-371-9690.

Again, let me hear from you about your ideas to make "The Credit Union Reflection" helpful to you. And, as always, I welcome your questions, which I try to answer, to clarify, and to help you understand.



“Important Numbers”

FAX
804-371-9416



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Jeanette J. Sanders, Senior Office Technician	804-371-9267
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Corporate Structure and Research	
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(applications or notices for mergers, relocations, name changes, and branch openings and closings)	



CONTACT US AT OUR WEBSITE www.state.va.us/scc

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**IMPORTANT
INFORMATION
INSIDE**