



National Credit Union Administration

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: November 21, 2011

FROM: Kent D. Buckham *KDB*
Director, Office of Consumer
Protection

SUBJ: Henrico Federal Credit Union's
Application to Expand its Community
Charter

ACTION REQUESTED: Approve application for an expansion of a community charter for Henrico Federal Credit Union (Henrico FCU) in Henrico, Virginia, under Section 109 of the Federal Credit Union Act, and Interpretive Ruling and Policy Statement (IRPS) 08-2, as amended by IRPS 10-1.

DATE ACTION REQUESTED: December 15, 2011

OTHER OFFICES CONSULTED: Examination and Insurance

VIEWS OF OTHER OFFICES CONSULTED: The Office of Examination and Insurance concurred.

BUDGET IMPACT, IF ANY: None

RESPONSIBLE STAFF MEMBERS: Director Kent Buckham, Office of Consumer Protection; Director Robert C. Leonard, Consumer Access Division; and, Consumer Access Analyst Claudia Yale.

SUMMARY: Henrico FCU was chartered in 1967 to serve employees of Henrico County, Virginia. In 2002, the credit union converted to a community charter serving Henrico County, Virginia. Henrico FCU seeks an expanded community to serve residents in the greater Richmond area and enable it to pursue merger opportunities in the requested area.

As of June 30, 2011, Henrico FCU reported assets of \$119.9 million and 20,760 members from a potential of 300,000, representing a penetration of 6.92 percent.

Henrico FCU proposes to serve persons who live, work, worship, or attend school in, and businesses and other legal entities in the Richmond, VA Metropolitan Statistical Area (MSA), consisting of the following counties and independent cities in Virginia:

Amelia County, Caroline County, Charles City County, Chesterfield County, Cumberland County, Dinwiddie County, Goochland County, Hanover County, Henrico County, King and Queen County, King William County, Louisa County, New Kent County, Powhatan County, Prince George County, Sussex County, Colonial Heights city, Hopewell city, Petersburg city, and Richmond city.

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The Richmond MSA has a population in excess of 1,000,000; therefore, National Credit Union Administration Board approval is required.

Henrico FCU's application meets NCUA requirements to expand its community charter. As required by IRPS 10-1, the Richmond, Virginia MSA meets NCUA's definition of a well-defined local community because it is a Core Based Statistical Area with a population of 2.5 million or less.

Additionally, Henrico FCU's business and marketing plan demonstrates its ability to serve residents throughout the area. The plan is comprehensive and encompasses recent NCUA guidance provided in Letter to Credit Unions 11-FCU-03 regarding business plans for credit unions seeking or expanding a community charter. It demonstrates Henrico FCU has the facilities, staff, and infrastructure to serve residents throughout the area, based on technical capacity and an understanding of its demographics.

RECOMMENDED ACTION: Approve the application to expand the community charter for Henrico Federal Credit Union.

Attachments