



## Board Meeting Minutes

May 27, 2022

Via Zoom

The board joined the CU Staff for All Hands Conference Call and met the members of the new Operations Leadership Team.

**Call to Order** at 10:15 a.m.

**Board Members Participating:** Billy Hix, Wayne Fawbush, Dominique Gomez, Donna Kay Yeargan, Debby Warren, Max Sprinkle, Salomon Torres. Billy Hix led the meeting in Chris Page's absence.

**Staff Members Participating:** Bryn Bagwell, Martha Claire Drysdale, Kim Griffey, Ines Polonius, Tommy Ricks

**Approval of Minutes** from Meeting February 4, 2022. Wayne Fawbush moved to approve the minutes. Donna Kay Yeargan seconded the motion. The minutes were approved unanimously.

**Strategy Conversation:** Community Sustainability and Broadband – Martha Claire Drysdale, Director of Community Sustainability, presented her vision for the CS program and the changes made in the past 12 months. She discussed the need for CU to serve as a fiduciary for federal broadband funding for small, rural communities. While this is an operational issue, each board member weighed in and the board arrived at consensus to support staff in taking the necessary steps to serve as a fiduciary.

**Update on Strategic Plan Implementation:** CEO presented an update on the progress being made on the implementation of each of the goals in the strategic plan. CEO will continue to make quarterly updates.

**Changes to CU's 401K Plan:** Tommy Ricks, President of the 401K Trustees, proposed the following new Vesting Schedule for CU's 40K Plan:

Year of Employment	Employee Contributions Eligible for Withdraw or Transfer upon Separation	CU Contributions Eligible for Withdraw or Transfer upon Separation
0 – 1year	100%	0% (No CU Contributions made until after 12-months of employment)
Year 2	" "	25%
Year 3	" "	50%
Year 4	" "	75%
Year 5 ~	" "	100%

Salomon Torres moved to approve the new vesting schedule. Wayne Fawbush seconded the motion. The new vesting schedule was unanimously approved as presented.



**Staff Retention Strategies:** The CEO presented the research conducted by SLT members on the vacation benefit our peers at RCAP and PRT provide as an incentive for employees to stay with the organization. She presented a new vacation schedule that will go into effect October 1, 2022.

The CEO also informed the board about an across the board pay increase in order to reach market parity and address rising inflation which is negatively impacting staff.

**Financial Report** – CFO, Kim Griffey, presented the financial Dashboard and Reports through March 2022. She pointed out that CU has \$3.3 million in loan commitments that we are required to cover when borrower needs the fund. While it is highly unlikely that all borrowers will request their funds at the same time, we need to manage cash to be able to cover these commitments. Wayne Fawbush moved to approve the financial report. Max Sprinkle seconded the motion. The financial statements were accepted unanimously.

**Approval of Form 990 for FY2021:** The CFO reviewed the Form 990 with the board in detail. Max Sprinkle moved to approve the submission of Form 990 as presented. Donna Kay Yeargan seconded the motion. The Form 990 for FY 2021 was approved unanimously.

**Workers Comp Commission:** The CFO reported that CU had to pay a \$500 fine for not having a contractor insured. No board action required at this time.

**Lending Report** – Bryn Bagwell, Director of Lending, reviewed the lending report with the board.

**Prevention of Lender Liability:** The Director of Lending also provided a detailed update on CU's strategy to avoid situations that could create lender liability. She has put the following requirements in place:

- 1) A form has to be signed by any loan client who wishes to engage in CU Technical Assistance allowing free exchange of information concerning the financial information of the client before and after the loan. If the form not signed, the Entrepreneurship Team and Lending Team will only discuss the client when given express permission.
- 2) Entrepreneurship Team will allow the client to modify the projections created by CU's team, but will notify the Lending Team of the alteration. If a client is working with the Entrepreneurship Team, Lenders will send the projections to the consultant so that the difference can be considered in approvals.
- 3) The Entrepreneur Team will not recommend approval or modifications to CU Lending Team.

**Policy Monitoring by CEO:** The CEO monitored the following policies and found that CU is in compliance with all three policies monitored during the second quarter of 2022.

- General Limitations
- Consumer Treatment
- Staff Treatment

All Consumer and Staff Treatment forms were collected by the CFO and emailed directly to Billy Hix. All forms indicate compliance with the policies.

Debby Warren moved to accept the monitoring report. Dominique Gomez seconded the motion. The CEO Monitoring Report was accepted unanimously.

**Monitoring of Policies by Board:** Board members monitored the Board Members' Code of Conduct policy. The CEO will circulate the conflict-of-interest form to board members via DocuSign

Billy Hix disclosed that the Cherokee Nation is contracting with CU to facilitate community meetings around regionalization opportunities, present a regional solution, get them to the place that they can hire engineer to develop a regionalization plan.

The board also monitored the following policies:

- Unity of Control
- Global Governance Commitment
- Governing Style
- Board Job Description

Salomon Torres moved to affirm that the board is compliance. Wayne Fawbush seconded the motion. The board unanimously affirmed that it is functioning in compliance with the governance policies.

**Dates for 2022 Board Meetings** virtual/in person

3<sup>rd</sup> Quarter - Site visit September 8<sup>th</sup> travel date / September 9<sup>th</sup> Meeting date. Amarillo/ Panhandle. To be confirmed depending on COVID risk.

4<sup>th</sup> Quarter - Zoom – November 4<sup>th</sup> - Approval of FY2023 budget

The meeting was adjourned at 4:05 p.m.

September 9, 2022

Date

DocuSigned by:



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Billy Hix

Board Secretary/Treasurer