



Board Meeting Minutes

September 9, 2022

Via Zoom

The board joined the CU staff at its All Hands Conference Call

Board Members Participating: Billy Hix, Wayne Fawbush, Dominique Gomez, Donna Kay Yeargan, Debby Warren, Max Sprinkle, Salomon Torres. Billy led the meeting as the approved Temporary Board Chair.

Staff Members Participating: Bryn Bagwell, Kim Griffey, Ines Polonius, Dale Rutherford, Cynthia Terry

Call to Order at 10:16 a.m.

Approval of Minutes from Meeting on May 27, 3033 and the call on August 11, 2022. Wayne Fawbush moved to approve the minutes. Max Sprinkle seconded the motion. The minutes were approved unanimously.

Strategy Conversation: Cynthia Terry and Dale Rutherford presented the new eWealthHealth Program and described how the 1st Cohort was launched. The purpose of the new program is to ensure that small business owners, especially entrepreneurs of color, build inter-generational wealth through their business in addition to focusing on business success.

Diversity, Equity and Inclusion: The CEO discussed the work that SLT completed with the Ideals Institute but that this was not the right group to engage our entire, already very diverse staff. The board raised the following questions for the organization to tackle:

- How do we set metrics for an organization across 7 states?
- How do we address age diversity in this process?
- Where are we going?
- Where are we currently in the journey?
- Why do we want racial equity?
- What are we missing in our treatment of each other?

Audit Firm Selection: Kim Griffey described the thorough process she used to issue notifications about the RFQ. Only two firms submitted a proposal. Kim provided an analysis comparing the pros and cons of each firm. She opened cost proposal for the first time in front of the board.

FORVIS: \$49,400 starting, after three years \$55,000 and after 5 years to \$62,400 in 2026
WIPFLI \$38,900 starting, after 3 years to \$ 40,900

Motion: Wayne Fawbush moved that WIPFLI be selected but with a new team leader and new teammates. Donna Kay Yeargan seconded the motion. WIPFLI was unanimously approved as the next audit firm.

Financial Report: Kim Griffey reviewed the financials and dashboard with the board for the quarter ending June 30, 2022. She reported that CU had \$9.7 million in the bank in cash for lending with

\$4.4 million in loan commitments we need to have available if all borrowers came requesting draws on their existing loans. CEO and Director of Lending are actively raising capital for the water/waste water lending.

Motion: Salomon Torres moved to accept the financial report. Dominique Gomez seconded the motion. The financial report was accepted unanimously.

Resolution: The CFO requested a blanket resolution that will allow the CEO to establish new bank accounts with the understanding that the board will be informed of any new accounts opened and their specific purpose. Donna Kay moved to authorize the CEO to establish a new bank account when their was a programmatic need or fiscal management reason to do so. Wayne Fawbush seconded the motion. The resolution was approved unanimously.

Lending Report: Bryn Bagwell reviewed the written lending report submitted to the board. She reported receiving 700 Nuestra Casa applications when the program was featured in Telemundo. On small business loans, the board noted that there were very few rural loans. Bryn informed the board that the lending team was now using texts to secure follow up data about the borrower with respect to sales, expenses, profits, jobs created.

Conflict of Interest Disclosure: The Temporary Board Chair, Billy Hix, disclosed that a regional water authority approached the Cherokee Nation for an emergency loan to address a wiring issue. Cherokee Nation did not have funding available at that time. They then approached CU to secure the loan quickly with Cherokee Nation signing letter of commitment. Billy Hix personally signed that letter of commitment.

Update on RCAP National: Billy Hix and Ines updated the board on the leadership change at the RCAP National office with Olga Morales-Pate becoming the new CEO.

Update on Legal Complaint: The CEO updated the board on the pending legal complaint, Elizabeth Lilly, et.al. vs Barton-Lexa Water Assoc, Phillips County Sewer, CU per an email from CU's attorney working to get CU dismissed from the complaint. While this was likely, it was not finalized.

Strategic Plan: The CEO reviewed the PowerPoint that provided an update on each goal, highlighting the opportunities and challenges to date.

Policy Monitoring by CEO

- Asset Protection Policy
- Compensation and Benefits Policy
- Communication and Support to Board

The CEO noted that there were no exceptions to compliance with the policies. Dominique Gomez moved to accept the policy monitoring report. Debby Warren seconded the motion. The report was accepted unanimously.

Policy Monitoring by Board

- Cost of Governance
- New Board Member Selection Policy

- Global Board Staff Linkage Policy

Wayne Fawbush moved to indicate compliance with the policies monitored by the board. Dominique Gomez seconded the motion. The board voted unanimously to indicate its compliance.

The CEO requested that board members review and sign the Conflict of Interest Policy for FY2022. Salomon Torres requested a review of the policy. Wayne Fawbush, Debby Warren and Salomon Torres agreed to meet as an adhoc committee to review and suggest edits to the policy to be presented to the board at its next meeting.

Next board meeting date: December 16, 2022.

Meeting adjourned at 4:02 p.m.

December 16, 2022

Date

DocuSigned by:

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Billy Hix
Board Secretary/Treasurer