



Annual Board Meeting Minutes

November 13, 2024
Nacogdoches, Texas

Call to Order at 5:55 p.m.

Board Members Present In-Person: Chris Page, Billy Hix, Deb Markley, Salomon Torres, Donna Kay Yeargan. Board Members Present by Phone/Online: Debby Warren, Dominique Gomez and Max Sprinkle

Staff Present In Person: Martha Claire Bullen, Michael Rivera, Ines Polonius. Staff Present Online: Kim Griffey

Approval of Minutes

- Board Meeting on September 26, 2024 – Donna Kay Yeargan moved to approve the minutes, Deb Markley seconded the motion. Approved unanimously.
- Board Executive Session Phone Call on October 22, 2024 – Billy Hix moved to approve the minutes. Deb Markley seconded the motion. Approved unanimously.

Organizational Budget for FY 2025 – The CFO, Kim Griffey, reviewed the budget for each program area and the organization as a whole. Salomon Torres moved to approve the budget. Billy Hix seconded the motion. The budget for FY2025 was approved unanimously.

Financial Report for FY2024 – CFO, Kim Griffey, explained that auditors are arriving for field audit on December 2, 2024 and Finance Team is almost done closing out the books. Financial statements presented to the board for FY2024 are preliminary. CU reached total assets of \$39.3 million by the end of the fiscal year with \$18.4 million in liabilities including Deferred Revenue of \$3.7 million. Deferred Revenue refers to the amount of received grants to cover future expenses and loans. The board had requested a breakdown of revenue sources for FY2024:

- Federal Grants and Contracts 69%
- Philanthropy 20.4%
- Program Income 8.03%
- State Contracts and Grants 2.28%

Deb Markley moved to accept the preliminary financial report. Donna Kay Yeargan seconded the motion. The financial report for FY2024 was accepted unanimously.

Lending Report – Director of Lending, Michael Rivera, reviewed the lending report with the board. Of note is the data on home improvement loan write offs at 5.3%. The team was expecting a threshold closer to 9%. He reported that the key staff person for the program resigned and that there should be a replacement in place early December. He also confirmed that the CDFI Recertification application was

submitted on November 13, 2024. Salomon Torres moved to accept the lending report. Donna Kay Yeargan seconded the motion. The Lending Report was accepted unanimously.

Report from the 401k Trustee Committee – Martha Claire Bullen, chair of the 401K Trustee Committee, provided the board with a written report and highlighted that 92.7% of CU staff are actively participating in the plan. The committee decided that CU provide training to the staff on the fact that provider Principal offers services to help staff create a will. Staff also need more education about borrowing from 401K as staff are using funds for small dollar loan. Billy Hix moved to accept the report. Deb Markley seconded the motion. The annual 401K report was accepted unanimously.

Bylaw Changes – The CEO reminded the board that they had not reviewed the bylaws in 10 years and that the planned change in officers would require a bylaw change. Deb Markley and Debby Warren agreed to be the ad hoc committee to review the bylaws and propose changes to the board at its next meeting for discussion and possible approval.

Limited English Proficiency Plan – The CEO informed the board that no changes to the plan were required. The plan is posted on the board website. Salomon Torres moved to approve the plan unchanged. Donna Kay Yeargan seconded the motion. The LEP Plan was approved unanimously.

Board Member Selection Policy – The policy was adjusted to reflect the changes the board made to board structure. The revised policy was reviewed. Donna Kay Yeargan moved to approve the revised policy. Billy Hix seconded the motion. The revisions were approved unanimously.

Policy Monitoring by CEO

The CEO monitored the following policies and found CU is in compliance with all policies monitored this quarter. The 401K Retirement Plan policy was monitored by the chair of the 401K Trustees, Martha Claire Bullen, and reviewed by the CEO while the Lending Policy was monitored by the Director of Lending, Michael Rivera and reviewed by the CEO.

- 401K Retirement Plan Policy
- Lending Policy
- Ends Focus of Grants

Deb Markley moved to accept the CEO Monitoring Report. Salomon Torres seconded the motion. The monitoring report was accepted unanimously.

Monitoring of Policies by Board

- Accountability of the Chief Executive
- Delegation to Chief Executive Officer Policy
- Chief Executive Officer Job Description Policy

The board monitored these policies. The first policy will be revisited once the board has completed the evaluation of the CEO during the first quarter of the year.

The CEO gave an update on the following items:

- Hiring of Chief Engagement and Operations Officer
- Legal Complaint by SIXELA
- EEOC Complaint

Plan Board Meeting for 2025

- February 21, 2025 - Zoom
- April 4, 2025 - Zoom
- July 17, 2025 – CU Anniversary Celebration
- November 5 to 7, 2025 – Site Visit Humphreys County, Mississippi

Executive Session – Minutes by Board Chair, Chris Page

The purpose of the session was to discuss and affirm a series of actions developed during its October 2024 meeting. The Board unanimously agreed to put forth a series of actions to be considered and, as appropriate, adopted at the Community Unlimited annual meeting in November:

1. On a motion by Deb Markley and a second by Donna Kay Yeargan, the Board unanimously adopted a term of two years for Communities Unlimited officers, with the eligibility of serving additional terms at the pleasure of the Board.
2. Donna Kay Yeargan offered a motion to establish a new position of Vice Chair to deepen CU's leadership bench and ease in future transitions. With a second by Salomon Torres, the motion was approved.
3. Chris Page called for nominations of a Chair with a term to begin January 1, 2025. Donna Kay Yeargan placed in nomination the name of Debby Warren receiving a second from Dominique Gómez. With no further additions, nominations were declared ceased by Chris Page. On a motion by Deb Markley and second by Billy Hix, Debby Warren was unanimously elected to the position of Chairman.
4. Deb Markley placed in nomination and moved the election of Billy Hix to the newly-created Vice Chair position. With a second by Donna Kay Yeargan, the motion was approved unanimously.
5. Billy Hix placed in nomination and moved the election of Deb Markley for the position of Secretary/Treasurer. With a second by Salomon Torres, the motion was approved unanimously.
6. On a motion by Billy Hix and a second by Dominique Gómez, the Directors unanimously approved the re-election to the Board of Donna Kay Yeargan.

With no further business, Billy Hix offered a motion to conclude the Executive Session. Max Sprinkle offered a second, and the meeting was adjourned at 8:25 p.m.