

Minutes
Meeting of the Trustees of Utrust
May 4, 2018

Trustees of Utrust met May 4, 2018 at the Utrust offices. Attending the meeting were: Chairman David Jones, Trustees: Vice-Chairman Joey Cooper, Roger Greene, Dawn Fry, Jasper Taylor, Regina Waller and Norma Tate. Trust Attorney Dewey Branstetter; staff members: Dr. Dan Tollett, Trust Administrator, Kristi Coleman, Director of Finance & Administration and Dameron Johnson, Communications Specialist; and Mike Hill from SunTrust Investment Firm.

Chairman David Jones called the meeting to order at 2:00 p.m. He welcomed all participants. He requested a motion for adoption of the consent agenda.

Greene/Cooper Motion to adopt the consent agenda. **Motion carried unanimously.**

Administrator's Report

Appreciation of Trustees. Dr. Tollett expressed appreciation for trustees always being at every trustee meeting and for consistently voting for what's best for the trust—not necessarily what's best for each of their own systems. He thanked trustees for promoting the trust and taking actions that will ensure that it continues in perpetuity.

Mini grants. He said that it was fun and rewarding to distribute \$1 Million in Mini Grants to Utrust members and to see the creative ways some schools are using the money. He said that teachers and principals in member systems know the Utrust name and that they like to hear from us because it's always something good. He said that the \$1Million is making a big difference. He said the staff was optimistic that investments would allow for another \$1 million year.

Policy Review. Dr. Tollett said that today was the time for our biennial policy review to give trustees the opportunity to propose new policies or changes in existing policies. He encouraged to continue to ensure that Utrust does the right things the right way to be the best it can be. He said that's why policies are so important.

Improving Practices. He said that the staff meets 2 1/2 hours every Monday morning to report on what's happened during the previous week to plan for improvement in every phase of our operation. He said that the staff is continuously interacting with school staff: creating materials for them, helping them craft responses to problems, offering encouragement to them, explaining things to them, listening to them share experiences and sending money to them.

UAP. He said that the staff is pleased with the continuing development of the Utrust Appreciation Program. He mentioned the Utrust Coordinators Facebook page where coordinators share ways schools are appreciating and celebrating staff members. He said some schools have adopted our suggestion for teachers to be intentional about recognizing and expressing appreciation to individual students.

Claims. He reported that claims have been trending downward in recent years. The economy helps but members have also improved their employment practices, especially by significantly decreasing non-renewals of staff members and by continuing to pay their lowest paid employees during emergency school closings.

History. He reported that the history of Utrust was updated on the website.

Investment Report

For the fiscal year to date period ending March 31, 2018, the Utrust portfolio gained 7.34% compared to the policy benchmark return of 5.43%. The end of period market value was \$21,778,273. The portfolio continues to be geared for long-term growth and the overall asset allocation in line with the investment policy statement ranges. For the period, domestic equities continue to be the primary driver of returns. For the fiscal year to date period, fixed income returns were positive and ahead of the benchmark but expectations for fixed income returns during the intermediate term are lower as the Fed continues to make shifts in monetary policy. The active managers in the portfolio continue to perform well and are ahead of benchmarks in most all time periods. We continue to be pleased by both the long-term and nearer term results of the portfolio.

Cooper/Tate

Motion to approve investment report. **Motion carried unanimously.**

Financial Report

Kristi Coleman presented the financial report for March 31, 2018. She reported that since the beginning of the fiscal year, the investments had shown a lot of growth. As a result, the income is significantly more than anticipated causing a net profit of \$504,628.52. She stated that most of the mini-grant funds had been paid out to member boards with a few systems who haven't collected the total amount made available to them or who haven't applied for any of the funds made available.

She said that claims have been less than projected for the year and she expects this trend to continue until the end of the fiscal year.

Taylor/Fry

Motion to approve the financial report as of March 31, 2018. **Motion carried unanimously.**

Premium Proposal

Kristi Coleman presented a proposal for premiums for the 2019 fiscal year. She said that premiums were calculated according to the current bylaws that state premiums will be the average of each member system's claims for the past four and a half years plus dividends or average claims plus dividends since 1990 depending on the experience rating for that system.

Greene/Cooper

Motion to approve proposed premiums for 2018/19. **Motion carried unanimously.**

Report of Progress of 2017-18 Goals

Dr. Tollett gave a brief report of accomplishment of goals and objectives for the 2017-18 year. He commented on the progress made toward each goal. A copy of that progress report as adopted by the Board of Trustees is attached.

Chairman Jones recessed the meeting at 3:05 p.m. He called the meeting back to order at 3:15 p.m.

Member Appreciation Event

Dr. Tollett stated because the Member Appreciation Dinner has been moved to Friday night, it is becoming increasingly harder to find a venue to host our dinner. This year, we have contracted with the Oz Arts of

Nashville. Because this venue needed to be booked before our trustee meeting in order to secure the location, an email was sent to all of the trustees asking their thoughts on this choice. As a result, this venue was booked.

A series of questions were asked about changes the trustees would like to see in the ways things are done with the member appreciation event specifically the role the trustees play that evening. After this discussion, trustees indicated they enjoyed interacting with the guests including escorting them to their tables and distributing the mini-grant letters and wished to continue that practice. They also indicated the members did enjoy having entertainment as part of the evening celebration.

Utruste Appreciation Program

Dameron Johnson led a discussion about the Utrust Appreciation Program. She showed some of the amazing photos from the Best UAP Photos closed Facebook group from Support Staff Day and other previous appreciation days from the current school year. Then, Dameron and Kristi introduced the new themes for the upcoming school year and stated they will be fun and informative at the same time. They stated it will be rewarding to see all the photos and summaries posted from the schools.

Dameron also stated that constant strides are being made to help make the program stronger. A meeting was held with high school principals to brainstorm ways to make high school programs as strong as elementary ones. She stated the staff will continue to incorporate other strategies to make the Appreciation Program as strong as it can possibly be.

Annual Goals & Objectives

Dr. Tollett said that the staff had prepared and agreed upon the proposed goals and objectives for 2018–19. He said the staff would welcome additional goals that board members might suggest but in the absence of such, he recommended adoption of the goals as presented.

Cooper/Waller

Motion to approve annual goals and objectives. **Motion carried unanimously.**

Legal Update

Dewey Branstetter updated the trustees on the communication with the Hunt Club Commercial Condo Association regarding the issues with the parking area located directly in front of our offices. After numerous requests to the association to fix the drainage issue, an email was sent giving thirty days to resolve the issue. On March 27, a response was sent from the association attorney indicating the association was taking bids to fix the issue. As of the time of the trustee meeting, no further communication had been received nor had any resolution been completed.

Mr. Branstetter indicated he planned to communicate with the association attorney to let him know how long this problem had been in existence and see if he could speed up the process and get the problem addressed.

Proposed Budget

Dr. Tollett presented an overview of the 2018-19 proposed budget. He said that budget notes were included to explain each budget item. He encouraged comments and questions about the budget and he and/or Kristi Coleman responded to each question.

Greene/Fry

Motion to approve proposed budget. **Motion carried unanimously.**

Report of the Nominating Committee

David Jones, chair of the nominating committee which included Regina Waller and Jasper Taylor reported that the committee was pleased to unanimously recommend the re-election of Roger Greene for the East Tennessee position and Dawn Fry for the Middle Tennessee position.

Cooper/Waller

Motion to nominate Roger Greene as the East Tennessee Representative on the Utrust Board of Trustees for a seven-year term and Dawn Fry as the Middle Tennessee representative on the Utrust Board of Trustees for a four-year term.

Meeting Date

The next trustee meeting was set for September 28, 2018 at the Utrust offices.

Meeting Adjourned

David Jones, Chairman

Dan Tollett, Trust Administrator