

Minutes
Meeting of the Trustees of Utrust
May 3, 2019

Trustees of Utrust met May 3, 2019 at the Utrust offices. Attending the meeting were: Chairman David Jones, Trustees: Vice-Chairman Joey Cooper, Roger Greene, Jasper Taylor, and Norma Tate. Trust Attorney Hunter 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. Absent were: Dawn Fry and Regina Waller.

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/Taylor Motion to adopt the consent agenda. **Motion carried unanimously.**

Administrator's Report

Dr. Tollett expressed appreciation to the Trustees for their continuing commitment to attend trustee meetings and participate in the governance of Utrust. He said that the staff had had several rewarding experiences since the last trustee meeting and was anxious to share a few of them today.

He reported that the Utrust mini grants are making a significant difference in schools in member districts. He shared a few examples. David Jones said that the photos and videos on the Utrust facebook page showed how helpful the mini grants were to the schools receiving them.

He reported that the staff had visited several school districts since the last meeting including Chester(3) Crockett, Tipton, Hardin (2), McNairy, Hickman (2), Sullivan, Humphreys, West Carroll, McMinn, Sweetwater, Dickson, Fayetteville City, Haywood and had held a System Coordinators Meeting for West Tennessee.

He reported that the association had finally done something with the parking lot to help alleviate the standing water problem. It was not a perfect solution but at least water no longer stands in front of the walkway.

Investment Report

Mike Hill stated the portfolio advanced during Q1 to reverse the sell off of 4Q2018. He said the overall portfolio allocation continues to be geared for growth with allocations to domestic large, mid and small cap equities and to a lesser extent an allocation to international equities. Fixed income comprises approximately 30% of the portfolio. Calendar year to date gains through April 30, 2019 were +12.90%. Fiscal year to date gains through April 30, 2019 were +5.74% with a market value of \$21, 840,774.

SunTrust's outlook for the remainder of 2019 is constructive for the US economy and related equity markets. We anticipate less favorable conditions for international markets broadly. Given the strong performance for fixed income to start the year, it is likely returns will be muted through the second half of 2019.

Cooper/Tate

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

Financial Report

Kristi Coleman presented the financial report for March 31, 2019. She reported that since the beginning of the fiscal year, the investments had shown some growth but not as much as projected. As a result, our expenses have exceeded our net income. 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.

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.

Greene/Cooper

Motion to approve the financial report as of March 31, 2019. **Motion carried unanimously.**

Premium Proposal

Kristi Coleman presented a proposal for premiums for the 2020 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.

Tate/Cooper

Motion to approve proposed premiums for 2019/20. **Motion carried unanimously.**

Report of Progress of 2018-19 Goals

Dr. Tollett gave a brief report of accomplishment of goals and objectives for the 2018-19 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 thanked the trustees for responding to the inquiry about having the appreciation dinner at the Country Music Hall of Fame. He said it was a very satisfactory place to have the event but informed the trustees again that finding a venue for the member appreciation dinner on Friday evenings has become increasingly difficult as Nashville grows. He urged trustees to share with the staff their suggestions about venues, the program or anything else related to the event.

Cooper/Tate

Motion to approve the dinner being held at the Country Music Hall of Fame. **Motion carried unanimously.**

Utrust Appreciation Program

Dameron Johnson led the discussion about the Utrust Appreciation Program. She informed the trustees of the themes for the upcoming 2019-20 school year. She stated all the 2019-20 packets will be finished and available on the Utrust website during the summer. Coordinators will be able to get their program started at a leisurely pace during the summer so they will not be rushed at the beginning of the school year.

Dameron also said there will be a Summer Checklist on the website for the coordinators to help keep them organized and ready. She also informed the Trustees of the upcoming BrainTrust Workshop being held at the Utrust office with outstanding school coordinators across the State of Tennessee. The goal of the workshop is to brainstorm every aspect of the program and come up with ways to make it even better. Kristi Coleman stated that the Trustees are the best advocates for the Utrust Appreciation Program. She reminded them the staff is willing to travel to their systems to talk to their superintendents to get the program going in their schools.

Annual Goals & Objectives

Dr. Tollett said that the staff had prepared and agreed upon the proposed goals and objectives for 2019–20. 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.

Tate/Taylor

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

Legal Update

Hunter Branstetter, in the absence of his father Dewey, discussed the unemployment status in Tennessee and expressed relief that the association had attempted to resolve the pavement issue.

Proposed Budget

Dr. Tollett presented an overview of the 2019-20 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/Cooper

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

Report of the Nominating Committee

David Jones, chair of the nominating committee which included Joey Cooper and Jasper Taylor reported that the committee was pleased to unanimously recommend the re-election of Norma Tate for the East Tennessee position.

Taylor/Jones

Motion to nominate Norma Tate as the East Tennessee Representative on the Utrust Board of Trustees for a seven-year term.

Meeting Date

The next trustee meeting was set for September 27, 2019 at the Utrust offices.

Meeting Adjourned



David Jones, Chairman



Dan Tollett, Trust Administrator