

Minutes
Utrust Trustee Meeting
September 27, 2019

Trustees of the Unemployment Compensation Trust met September 27, 2019 at the Utrust offices. Attending the meeting were: Chairman David Jones, Vice Chairman Joey Cooper; trustees: Roger Greene, Dawn Fry, Norma Tate Jasper Taylor and Regina Waller; Dewey Branstetter, Trust Attorney; Investment Adviser Mike Hill from SunTrust; Auditor Rich Lockwood, Karen Stephens and Kristen Francisco from Blankenship; staff members: Dr. Dan Tollett, Trust Administrator, Kristi Coleman, Director of Finance & Administration and Dameron Johnson, Communications Specialist.

Chairman David Jones called the meeting to order at 2:00 p.m.

TAYLOR/GREENE: Motion to approve the consent agenda. **Motion carried unanimously.**

Administrator's Report

Dr. Tollett expressed appreciation to the trustees for their continued commitment and attendance at meetings. He congratulated Norma Tate for being selected as Woman of the Year in Grainger County and for being reelected to new seven-year term as a Utrust trustee

Mini Grants. He discussed the popularity of mini grants and said that we all share the hope of being able to distribute mini grants in perpetuity. He suggested that in order to be able to do that, we need to allow our accumulated reserve to steadily increase. He suggested that we revisit our policy on mini grants at the next meeting.

System Visits. He reported on visits to McKenzie, Huntingdon, Carroll County, Grainger County Principals, Hawkins County New Superintendent, York Institute Leadership Team, Henry County New Superintendent. He said that Hardin County has begun participate in the UAP this year. After bus driver appreciation day, the coordinator wrote on our facebook page, "I am loving the impact the Utrust program is having on Pickwick Southside!"

instructional Videos. He said that the staff was in the process of revising instructional videos on the website to reflect the continuing improvements made to the program.

Member Appreciation Dinner. He previewed the decisions to be made in the meeting regarding the member appreciation dinner.

Utrust Investments. He said that while investments have continued to grow but because of the market, we did not achieve the projected growth. He asked that we add a discussion of implications and strategies to the agenda for the next trustee meeting.

Investment Report

Mike Hill reported for the fiscal year ending June 30, 2019, the Utrust portfolio advanced 6.64% compared to the benchmark return of 5.81%. Current and long-term performance is very strong on both an absolute and relative basis. The portfolio is positioned for long-term growth consistent with SunTrust's outlook for the domestic economy. The allocation to equities is 70% with an overweight to domestic equities relative to international equities based on expected economic growth rates in the U.S. versus abroad.

The investment outlook continues to see modest economic growth in the U.S. and continued slowing of growth in international markets. Benefiting the U.S. market is the recent shift in Fed policy to accommodation and rate cuts. The additional monetary stimulus should serve as a catalyst for continued growth and equity price appreciation as long as the Federal Reserve stays in front of any signs of a slowdown. Unsettled trade negotiations will continue to spark volatility.

GREENE/FRY:

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

Audit Report

Karen Stephens and Rich Lockwood discussed the audit report. They said the financials as of June 30, 2019 were presented in a fair and accurate manner and therefore the Trust received an unmodified opinion. No adjustments were necessary.

COOPER/FRY:

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

Financial Report

Kristi Coleman reviewed the financial report for August 31, 2019. She reported that the investments had decreased in value since the beginning of the fiscal year attributing to the net loss for the fiscal year to date of a little over \$150,000.

She reported the claims for July and August were trending about the same as compared to the same time last year. The claims for July were \$11,000 more while the August claims were \$9,000 less than the same time period for last year.

WALLER/TATE:

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

Utrust Appreciation Program

Dameron Johnson reported on the 2019-20 Utrust Appreciation Program. In a presentation created from photos and summaries posted in the closed Facebook group Utrust Coordinators, she highlighted systems that had a great start to their 2019-20 appreciation program. Hancock, Hamblen, Putnam and Benton Counties were highlighted to show the Trustees what happened in the schools in their counties. Dameron explained the importance of commenting on the posts

by the trustees and thanked David Jones for making affirming comments to his school coordinators.

She explained the length of time it takes to go through all the photos, videos and summaries posted by the coordinators because the program is growing rapidly. She closed her presentation stating that she believes 2019-20 will be the best appreciation year yet because of the efforts made to visit new superintendents, host workshops and continual improvements made to make the UAP easy to implement.

Membership Appreciation Dinner

The agenda for the Membership Appreciation Dinner at the Country Music Hall of Fame was discussed. Trustee responsibilities were discussed and agreed upon.

Recess. Chairman Jones called a recess at 3:35 p.m. He called the meeting back to order at 3:45 p.m.

Legal Update

Mr. Branstetter gave a brief report regarding an elected school official receiving unemployment benefits charged to one of our members.

He also gave the trustees a compilation of the results of the Trust Administrator Performance Evaluation that had been previously distributed to and completed on line by individual trustees along with comments. Attached are the summary results of the evaluation.

Group Average (4 is the maximum score possible) was an overall average rating of 3.87.

COOPER/TAYLOR:

Motion to approve the Trust Administrator Evaluation.
Motion carried unanimously.

Program Briefing System Coordinator

As part of an effort to ensure that trustees understand every facet of Utrust's operation, a brief session on the system coordinator was held. The purpose and function of the system coordinator was discussed with a video explaining the importance and responsibilities of the coordinator.

Mini-Grants

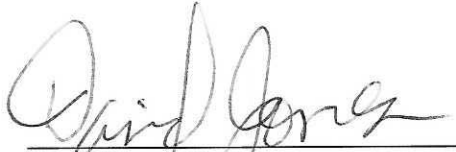
The staff presented three options for distribution of Utrust Mini-Grants. The options included distribution of dividends through mini-grants in the amount of \$750,000, \$900,000 and \$1,000,000.

JONES/COOPER:

Motion to approve the third option of \$1,000,000 for distribution of dividends through mini-grants. **Motion carried.**

Date of Next Meeting

The next trustee meeting was set for May 1, 2020.



David Jones, Chairman



Dan Tollett, Trust Administrator

Utrust Trust Administrator Evaluation Results

	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6	Trustee 7	Average
1. Has clearly defined the basic purpose or mission of the organization	4	4	3	4	4	4	4	3.86
2. Has clearly defined a vision for the organization in the future	4	4	4	4	4	4	4	4.00
3. Has attracted a high performing team with the knowledge ,skills, energy and passion to make the mission and vision a reality	4	4	4	4	4	4	4	4.00
4. Leads a planning process that establishes annual goals, strategies and action plans that are consistent with the vision and mission	4	4	3	4	4	4	4	3.86
5. Leads a performance management process that ensures accountability and makes midcourse corrections in goals and strategies as necessary.	4	4	3	4	3	4	4	3.71
6. Consistently makes decisions that enables the organization to achieve its goals better.	4	4	3	4	4	4	4	3.86
7. Regularly demonstrates creativity in identifying new opportunities and solving issues the organization is facing.	4	4	3	4	4	4	4	3.86
8. Has established an effective organizational structure for the organization to deliver on its mission	4	4	4	4	4	4	4	4.00
9. Delegates effectively to members of the staff.	4	4	4	4	3	4	4	3.86
10. Articulates priorities and ensures management focus and accountability around addressing priorities.	4	4	3	4	3	4	4	3.71
11. Solicits feedback from the board membership and employees and uses it to enhance the direction and operation of the	4	4	3	4	3	4	4	3.71
12. Regularly delivers a consistent message to all stakeholders regarding the vision, mission and priorities of the organization.	4	4	3	4	4	4	4	3.86
	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6	Trustee 7	Average

Utrust Trust Administrator Evaluation Results

	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6	Trustee 7	Average
25. Makes decisions on where to allocate resources based on maximizing value to the organization	4	4	3	4	3	4	4	3.71
26. Ensures the organization's financial records are accurate and up to date.	4	4	4	4	4	4	4	4.00
	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6	Trustee 7	
Average Trustee Score	4.00	4.00	3.46	4.00	3.62	4.00	4.00	
OVERALL PERFORMANCE SCORE	3.87							

Level 4: Exceeds expectations. Performance consistently exceeded expectations in all essential areas of responsibility.
Level 3: Meets expectations. Performance consistently met expectations in all essential areas of responsibility.
Level 2: Improvement needed. Performance did not consistently meet expectations – performance failed to meet expectations in some essential areas of responsibility.
Level 1: Unsatisfactory. Performance was consistently below expectations in most essential areas of responsibility.

Summarization of Administrator's Performance

Great Job!

This is an easy eval to fill out! I am honored to serve along side the trustees!!

Overall exceeded expectations!

Great Job!

Dan's dedication to the Utrust is very obvious in his performance of his role as administrator

Cannot say enough things about Dan Tollett and his team!

Professional, personal and perfectly delightful!

Dan has worked with our members to reduce their unemployment claims. This has resulted in money saving for their school systems.

This sound financial management has allowed \$1 million to be returned in mini-grants to members along with increasing our reserves.

What specific goals would you like to see the Trust achieve?

Continue on the same path and increase mini-grant amounts

Continue to move towards less reliance upon premiums from members to pay claims

Continue to give!!!

By growing the Trust but I'm not sure how

Continue to monitor our financial progress and better our financial position