

Henry County Retired Teachers Foundation

January 14, 2020

10:00am

Meeting of the Board of Trustees

Minutes

ATTENDANCE

Name	Position	Year Term Ends	Present
Becky Chamberlin	Agent	N/A	P
Gene Grime	Treasurer	N/A	P
Steve Seagrave	Secretary	N/A	P
Terry Witt	Vice President	2019	P
Linda Wagner	President	2020	P
Sandra Honemann	Member	2021	P
Gregg Merrill	Member	2022	P
Jamie Bostelman	Member	2023	P
Chuck Klamer	Member	2024	P

MINUTES – The minutes from the September 17, 2019 meeting were reviewed. Terry moved and Sandy seconded a motion to approve the minutes. MOTION PASSED

TREASURER REPORT - Gene Grime presented the financial report detailing income and expenditures since the last meeting. The balance in the checking account is \$41,328.83 at present. Account balances for each book grant are as follows.

	January 2017	January 2018	January 2019	January 2020
Sherman =	\$27,049.89	\$26,105.23	\$28,000.30	\$27,553.09
Griffith =	\$27,127.28	\$26,215.18	\$26,542.70	\$26,098.80
King =	\$20,271.71	\$19,230.51	\$19,994.74	\$20,688.80
Brubaker =	\$85,597.64	\$84,598.71	\$101,464.14	\$106,657.38

Gene is continuing to rotate the CDs as they come due. He is timing them to come due just prior to the need for scholarship funds in the spring book grant rotations. The goal is to avoid pulling from the endowment fund if we do not have to do so. A printed copy of the Excel ledger with the checkbook, savings, and CDs was provided. Also provided was the written annual report on the various book grant funds. Even with increasing the book grants to \$1500 each this year the overall balances are higher this January compared to last year.

ANNUITY - With the annuity through Global Atlantic Gene has been working with Kirk Fruth our advisor to rebalance the portfolio to provide more diversity and stability. Kirk Fruth was here to share an update on the annuity. This annuity is designed for endowments as it is designed to continue to grow and provide guaranteed income.

Initial Investment =	\$117,892.00	Established 11/28/2014
Guaranteed Death Benefit =	\$117,892.00	Initial Value 11/28/2014
Guaranteed Death Benefit =	\$129,816.79	Locked in amount January 8, 2018
Account Value =	\$118,454.03	As of 12/31/2019
Guaranteed Withdrawal Base =	\$139,112.56	Locked in amount January 8, 2018
Annual Withdrawal Amount =	\$6,955.63	Locked in amount January 8, 2018

Kirk provided a written document showing the history of the annuity since it was established. Since of the current board members only Steve and Gene were there when it was established, he went over the historical data and explained how the annuity works. Steve is the “annuitant” upon whom the life insurance is based. The withdrawal base that was locked in as of January 8, 2018 is \$129,816.79. This was also “locked in” at that time as the guaranteed death benefit. We are now pulling out funds each year. The contract terms provide for a 5% annual withdrawal based on the withdrawal base (\$139,112.56). The account value will rise, or decline based on the stock market. However, the

annual 5% withdrawals are based on the locked in withdrawal base. Should the account value get extremely low based on poor stock market results we may need to consider options. However, since over long term the stock market does go up, we should be patient with ups and downs. Kirk noted that we do not have to take the annual 5% withdrawal if we have other sources of income which could cover the cost of the annual book grants and other expenses.

MOTION - Steve moved to approve the treasurer's report, seconded by Chuck. APPROVED

OLD BUSINESS -

- Financial Audit –
 - Completed October 28, 2019 – The audit has been completed through October 16, 2019 by Marvin Barlow and the letter dated 10/29/2019 indicates the books and accounts are in good order.
 - The Foundation bylaws require an audit each two years or when the treasurer changes.
- College Student Grants – We need to come up with more ways to get access to the grants out to college students. Terry is working with Larry Vocke to create a Facebook posting and link that could go on Facebook. She will set it up initially on her own Facebook page. We can send this to people we have links with on Facebook and ask them all to share with their college age friends. She is also coordinating this with Kathy Hefflinger at the county level for notices she puts out in the county.

NEW BUSINESS

- New Foundation Board Member – Charles (Chuck) Klamer – We welcomed Chuck to the board.
- Annual Meeting – The Annual Meeting of the Foundation is held in conjunction with the regular meeting of the HCRTA on the second Monday in March. This is on March 9, 2020. The President and Treasurer present their written annual report to the members at that time.
- Annual Meeting Costs – We discussed various options for clarifying which expenses the Foundation would pay for meetings of the membership at which the Foundation conducts business. Terry moved that the Foundation will pay for the hall rentals in March and July as well as meals for scholarship recipients and parents in July so long as funds are available. Sandy seconded the motion. APPROVED
- Update Book Grant Forms – Discussion/Set 2020 deadlines - Gregg will handle getting application information to the Napoleon guidance counselor. Steve will handle Liberty Center. Linda will handle Holgate. Sandy will handle Patrick Henry. They will do this by February 1st.
- Book Grants Amount – We discussed that at some point we may increase the amount to \$200 each but not this year. We increased to \$1500 for the 2019 grants and plan to continue that for 2020.

NEXT FOUNDATION BOARD MEETING – March 10, 2020 at 10:00am at Terry's house.

- 2019 Year End Financial Report
- 2019 President's Report
- Election of Officers
- Grant Readers

ADJOURNMENT – The meeting adjourned at 11:20am.