

Henry County Retired Teachers Foundation

January 11, 2022

1:00pm

Meeting of the Board of Trustees

Minutes

ATTENDANCE

| Name | Position | Voting Member | Year Term Ends | Present |
|------------------|--------------------|---------------|----------------|---------|
| Becky Chamberlin | Agent | Y | N/A | P |
| Gene Grime | Treasurer | Y | N/A | P |
| Steve Seagrave | Secretary | Y | N/A | P |
| Terri Witt | Grants Chairperson | N | 2022 | P |
| Gregg Merrill | Member | Y | 2022 | P |
| Jamie Bostelman | President | Y | 2023 | P |
| Patty Hill | Member | Y | 2024 | P |
| Janet Aschemeier | Member | Y | 2024 | P |
| Karen Maassel | Member | Y | 2025 | P |
| Kirk Fruth | Member | Y | 2026 | P |
| Larry Zachrich | Member | Y | 2026 | P |

MINUTES – The minutes from the September 24, 2021 meeting were reviewed. Kirk moved and Greg seconded a motion to approve the minutes. MOTION PASSED

UNEXPIRED TERM – Due to the death of Chuck Klammer, his term ending in 2024 needs to be filled. Karen moved that the board appoint Patty Hill to the unexpired term. Larry seconded the motion. MOTION PASSED

GRANTS CHAIRPERSON – The amendment to the bylaws added this appointed nonvoting position to the board. Larry moved that the board appoint Terri Witt to the position. Kirk seconded the motion. MOTION PASSED

TREASURER REPORT - Gene Grime presented the financial report detailing income and expenditures as of the end of 2021. The balance in the checking account is \$4,599.68 at present. Account balances for each book grant are as follows.

| | January 2017 | January 2018 | January 2019 | January 2020 | January 2021 | January 2022 |
|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Sherman = | \$27,049.89 | \$26,105.23 | \$28,000.30 | \$27,553.09 | \$26,785.66 | \$26,246.30 |
| Griffith = | \$27,127.28 | \$26,215.18 | \$26,542.70 | \$26,098.80 | \$25,578.71 | \$23,278.48 |
| King = | \$20,271.71 | \$19,230.51 | \$19,994.74 | \$20,688.80 | \$21,787.36 | \$20,616.06 |
| Brubaker = | \$85,597.64 | \$84,598.71 | \$101,464.14 | \$106,657.38 | \$110,412.00 | \$113,947.38 |

Gene is not renewing the CDs as they come due because of the extremely low rates available. He is putting the funds into the checkbook waiting until the Federal Reserve raises rates. 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.

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 |
| Guaranteed Withdrawal Base = | \$139,112.56 | Locked in amount January 8, 2018 |
| Annual Withdrawal Amount = | \$6,955.63 | Locked in amount January 8, 2018 |
| Account Value = | \$121,594.34 | As of 12/31/2021 |
| Total Withdrawals (2018 to 2022) = | \$34,778.15 | As of 1/11/2022 |

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 - Karen moved to approve the treasurer’s report, seconded by Greg. MOTION APPROVED

OLD BUSINESS -

- Financial Audit – The last audit was completed October 28, 2019. Marvin Barlow did the audit for us. The Foundation bylaws require an audit each two years or when the treasurer changes. Due to the Covid pandemic and cancelled meetings we did not do an audit at the end of 2021. President Jamie will make the arrangements for the audit since it is due.
- Student Grants – Terri updated the board on the grants. The recipients were listed in the September minutes. For the new board members, Terri explained that we did an extra grant in 2021 since one of the applicants was a relative of one of the originators and we had extra funds.

NEW BUSINESS

- New Foundation Board Members – We had several new members due to the expansion of the board and elections. We welcomed Patty, Janet, Karen, Larry and Kirk 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 14, 2022. The President and Treasurer present their written annual report to the members at that time. (Annual Meeting Costs – In 2019 we discussed various options for clarifying which expenses the Foundation would pay for meetings of the membership at which the Foundation conducts business. At that time we passed a motion 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.)
- Updated Book Grant Forms – We discussed and finalized updated forms for 2022. This included combining the college age grant forms into a single form to reduce paperwork and make judging easier for grant readers. - Patty will handle getting application information to the guidance counselors in Napoleon, Patrick Henry and Liberty Center. Kirk will handle Holgate. Karen will handle Four County. They will do this by February 1st. Steve will email updated forms to board members and have them posted on our web site.
- Book Grants Amount – We discussed grant amounts. Kirk moved that we keep the \$1500 amount for the 2022 grants, seconded by Janet. MOTION APPROVED

NEXT FOUNDATION BOARD MEETING – March 15, 2022 at 1:00pm at Jamie's house.

- 2021 Year End Financial Report
- 2021 President’s Report
- Election of Officers
- Grant Readers

ADJOURNMENT – The meeting adjourned at 2:03pm.