

MEETING OF THE BOARD OF TRUSTEES

Wednesday, May 3, 2023

3:00 p.m.

Murfreesboro Municipal Airport
Business Center

AGENDA

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| 1. | Interviews of Consultant for OCIO Search | Information/Action |
| 2. | Approval of Minutes
[<i>Attachment 1</i>] | Action |
| 3. | Update: Insurance Coverages | Information |
| 4. | Update: Establishment of Investment and Bank Accounts | Information |
| 5. | Financial Report | Information |
| 6. | Update on Committee on Contributions | Information |
| 7. | Other Business | Information/Action |
| 8. | Future Meetings | Action |
| 9. | Adjournment | Action |

AGENDA ATTACHMENT 1

Murfreesboro Community
Investment Trust
Benefiting the Murfreesboro Community

MINUTES
Board of Trustees
March 22, 2023

The Murfreesboro Community Investment Trust Board of Trustees met in the Business Center at the Murfreesboro Municipal Airport at 4:00 p.m. on Wednesday, March 22, 2023.

The following board members were present and in attendance:

Shawn Applegate
Anne Davis
Kevin Gentry, Chair
Rick LaLance
Lee Moss
Richard Stone

Mr. Steve Flatt was absent and excused from the meeting.

Also present at this meeting were:

Craig Tindall, City Manager
Adam Tucker, City Attorney
Jennifer Brown, Board Secretary/City Recorder/Finance Director
Erin Tucker, Budget Director
Sam Huddleston, Assistant City Manager
Angela Jackson, Executive Director of Community Services
Mike Browning, Public Information Officer
Chad Gehrke, Airport Director
Karen Lampert, Grant Manager

Chair Gentry called the meeting to order and determined a quorum was present.

The minutes from the January 24, 2023, meeting were presented to the Board for consideration. Mr. Moss made a motion that the minutes be approved as presented. Mr. LaLance seconded the motion. There being no further discussion, the motion passed by unanimous vote of the members present.

City Attorney Adam Tucker reviewed the updates on obtaining an EIN and the Trust tax filing status from the previous Board meeting. Mr. Tucker stated that legal counsel was obtained from Joe Gibbs to file the EIN application and tax status determination letter for the

Trust. Mr. Gibbs advised the Trust to seek determination as both a 501(c)(3) and government exemption under section 115.

Chair Gentry welcomed Mr. Ken Halliburton to discuss insurance options and coverage levels. Mr. Halliburton presented an insurance package to the Board with quotes for general liability with annual premium of \$926.00 and directors and officers with an annual premium of \$5,115.00. Mr. Halliburton reviewed the coverage and deductible requirements under each policy. He also stated that employment practices, employee dishonesty, and cyber security were not covered in the quoted policies. Mr. Lee asked if this policy would also protect the Committee on Contributions members. Mr. Halliburton confirmed that it would provide coverage for those members. There was discussion on how to provide cyber security coverage. Mr. Tucker stated he would verify if the Trust can be covered under the current City policy. Mr. Halliburton offered to provide a quote for cyber security coverage as well.

Mr. LaLance presented the next item on the agenda, overview of the Trust allocation history. Mr. LaLance displayed the spreadsheet used during initial City Council discussions for creating the Trust and City Charter Amendment to discuss the payments from Middle Tennessee Electric and the allocations to the City and the Trust each year. Mr. LaLance gave additional explanation on amounts that were allocated to the City and how the projected Trust balances were determined.

Chair Gentry introduced the next item, Transfer and Management of Corpus. Mr. Tindall reviewed the process of going through the resolutions to allow for the transfer of funds and funds management. Mr. LaLance stated that he would be abstaining from voting on these resolutions due to his association with Raymond James.

A discussion regarding insurance and the need to have it in place prior to transferring funds to the Trust accounts ensued. Mr. Stone motioned to have Mr. Halliburton get the Directors & Officers and General Liability insurance so that initial fund transfer can commence.

Mr. Moss seconded the motion and all members of the Board present voted "Aye", except Mr. LaLance, who abstained from the vote.

Board Resolution 23-01 Acceptance of Trust Funds from the City of Murfreesboro was presented to the Board for approval. Mr. Stone motioned to approve Resolution 23-01 contingent to having insurance in place, seconded by Mr. Moss. Upon roll call said resolution was approved by the following vote:

Aye: Shawn Applegate
Anne Davis
Lee Moss
Richard Stone
Kevin Gentry

Abstain: Rick LaLance

Board Resolution 23-02 Authorization to Establish Investment Account was presented to the Board for approval. Ms. Davis motioned to approve Resolution 23-02, seconded by Mr. Moss. Upon roll call said resolution was approved by the following vote:

Aye: Shawn Applegate
Anne Davis
Lee Moss
Richard Stone
Kevin Gentry

Abstain: Rick LaLance

Board Resolution number 23-03 Authorization to Establish Banking Accounts was presented to the Board for approval. Mr. Moss motioned to approve Board Resolution 23-03, seconded by Mr. Applegate. Upon roll call said resolution was approved by the following vote:

Aye: Shawn Applegate
Anne Davis
Rick LaLance
Lee Moss
Richard Stone
Kevin Gentry

Ms. Davis reviewed the process used by The Christy-Houston Foundation, Inc. to find a consultant to help build and manage the request for proposals for Outsourced Chief

Investment Officer. Ms. Davis presented results from Alpha Capital Management as an example consultant report and stated that the most recent process she went through took approximately 6 months to complete. Mr. Tindall and Ms. Davis will schedule interviews with Alpha Capital Management and two other consultants for the next Board meeting.

Mr. Tindall reviewed the status of the draft investment policy. He stated it might be more prudent to wait for the OCIO selection to draft the policy with them.

Mr. Tindall reviewed the budget including the City administration fee and the tentative budget. Current budget documentation includes the balance of FY23 and all of FY24. Ms. Davis suggested adding the grant software. The bank account will start with \$100,000.00. Mr. Moss made a motion to approve \$100,000.00 in the bank account for budget expenses. Mr. LaLance seconded the motion and all members of the Board present voted "Aye".

Chair Gentry then opened discussion on the Committee on Contributions. Mr. Tindall updated the Board on the first meeting of the Committee. He also stated that Ms. Jackson, Executive Director of Community Services, would be assisting in the application process.

Chair Gentry then moved to discussion on future meeting date and content. The Board determined the next meeting would be May 3, 2023, at 3:00 p.m. in the Business Center at the Murfreesboro Municipal Airport to review funding, insurance policy updates, and interviews with RFP consultants.

There being no further business, Chair Gentry announced the meeting adjourned at 6:06 p.m.

ATTEST:

KEVIN GENTRY – BOARD CHAIR

JENNIFER BROWN – BOARD SECRETARY/
CITY RECORDER