



# city of muskogee FOUNDATION

## MINUTES

### OF THE CITY OF MUSKOGEE FOUNDATION BOARD MEETING HELD AT MUSKOGEE LITTLE THEATER 311 SOUTH THIRD ST., MUSKOGEE, OKLAHOMA ON DECEMBER 19, 2016

The City of Muskogee Foundation Board of Directors met at Muskogee Little Theater, Muskogee, Oklahoma, on Monday, December 19, 2016.

I. The meeting was called to order by Chairman Earnie Gilder at 5:06 pm.

II. The roll call was as follows:

Directors Present: Bob Coburn, Nancy Gaden, Earnie Gilder, Dan Hall, Tracy Hoos, Daniel Miller, Mike Miller, Jay Updike, Leroy Walker, and Johni Wardwell.

Directors Absent: Keith Biglow, Patrick Cale and Leigh Ann Matthews.

Advisory Directors Present: Kim Lynch

Advisory Directors Absent: D.J. Thompson, Scott Robinson and Lisa Smith

Others Present: Kari Blakley, Frank Merrick, Sherrie Schroeder and Laura Wickizer of Communities Foundation of Oklahoma/City of Muskogee Foundation; Brad Zerger of BancFirst; Marie Synar of Muskogee Port Authority; Mike Stewart of the City of Muskogee; DeWayne Smoot of Muskogee Phoenix; Brett Baggett of BB Media; Treasure McKenzie and Stephen Story of Muskogee Bridges out of Poverty; Coni Wetz of Muskogee Little Theater.

Chairman Gilder noted that a quorum of the directors was present.

III. **Consideration of Approval of Minutes of the October 24, 2016 Board meeting.**

The minutes of the October 24, 2016 Board meeting were reviewed. Walker made a motion to approve the minutes. Gaden seconded this motion and the motion passed by unanimous consent.

IV. **Review and consider for approval the Financial Statements**

Gaden reported on the financials of the City of Muskogee Foundation. The Foundation's total assets in November 2016 were \$140,689,288. Total liabilities were \$30,083,974. Unrestricted Trust Net Assets are \$107,572,134. Total Revenues in November 2016 were \$2,396,289 and the total expenses were \$71,444 which brings the excess of revenues over expenses to \$2,324,845 for November 2016.

Wardwell made a motion to approve the financials. Daniel Miller seconded this motion; motion passed by unanimous consent.

*Cale entered board room at 5:10 pm.*

## **V. Chairman's Report**

Chair Gilder introduced Treasure McKenzie, Director of Muskogee Bridges Out of Poverty, who provided brief updates on their program. Kari Blakley also introduced Brett Baggett, videographer working with the City of Muskogee Foundation's PR & Marketing Committee, who was filming portions of the meeting for the next marketing video. McKenzie reported 243 total graduates over the lifetime of the program and 215 children participants. McKenzie introduced Stephen Story, a recent graduate, who shared his story and success from the program as well as his engagement in the program after graduation.

Chair Gilder introduced Coni Wetz, Director of Muskogee Little Theater, and thanked her for hosting our board meeting at the new theater. Coni Wetz provided brief updates and highlights of the new theater including their last two sold out shows.

Chair Gilder referred board members to page 10 in their board books to the second column titled "write offs". Gilder explained that the information shown is unused or unpaid grant or loan funds that City of Muskogee Foundation staff has recommended the list for review by the Board of Directors.

Gilder called for a vote to approve for the total write offs for 2016 in the amount of \$3,249,702. Gaden made a motion to accept the write off recommendations as shown on page 10. D. Miller seconded the motion. The motion passed by unanimous consent.

## **VI. Committee Reports**

### **A. Investment Committee**

Chair Coburn reported the committee met earlier that day and asked Brad Zerger to make a full report. Zerger stated that the Foundation's portfolio is essentially flat year-to-date. Zerger reported that the committee continues to invest according to policy.

Chair Coburn presented the Investment committee's recommendation of a \$3.5M granting budget for 2017. This is a decrease from last year's granting budget by \$1.5 M. Coburn explained that according to the schedule of commitments presented on pages 10 and 11, the grant budget was decided after reviewing the 2017 grant budget payables and non-budgeted payables.

D. Miller made a motion to approve the committee's recommendation of a granting budget of \$3.5M. Gaden seconded the motion. The motion passed by a unanimous consent.

Chair Coburn recommended the board review and approve a loan of \$1,500,000 to the City of Muskogee Urban Renewal Authority (URA) for the purpose of purchasing real estate in the TIF District as defined; and combining the above cited \$1,500,000 loan with the existing loan due from the URA, which totals \$4,000,000 resulting in a new loan totaling \$5,500,000.

Urdike made a motion to approve a loan of \$1,500,000 to the City of Muskogee Urban Renewal Authority (URA) for the purpose of purchasing real estate in the TIF District as defined; and combining the above cited \$1,500,000 loan with the existing loan due from the URA, which totals \$4,000,000 resulting in a new loan totaling \$5,500,000. This new loan is unsecured and repayment will be dependent on the excess Tax Incremental Financing (TIF) revenues generated from the collection of Sales Tax and Property Tax as outlined in the TIF agreement of 2014. To direct the Foundation Chairman and Executive Director to negotiate all documents necessary to complete the transaction; and further authorizing the Foundation

Chairman to execute the same; all as recommended for approval by the Economic Development Committee and Finance and Investment Committee.

Hall seconded the motion.

Below are the individual votes of the Board Members:

Ayes: Cale, Coburn, Gaden, Hall, Hoos, D. Miller, M. Miller, Updike, Walker, Wardwell.

Nays:

Recusals: Gilder

The motion passed.

Chair Coburn recommended the board review and approve borrowing \$1,500,000 to combine the current bank loan of \$3,200,000 for a total of \$4,700,000 plus accrued interest and cost, secured by certain assets of the Foundation.

Gaden made a motion for approval borrowing \$1,500,000 and further cause the current outstanding \$3,200,000 bank loan to be combined with the new money for a loan in the principle amount of \$4,700,000 plus accrued interest and cost, secured by certain assets of the Foundation, with terms to be agreed upon by the Lender and the Foundation Chairman and Executive Director and to execute said documents with Lender as required. D. Miller seconded the motion; motion passed by unanimous consent.

#### **B. Economic Development Committee**

Chair Updike recommended the board review and approve an out of cycle grant in the amount of \$79,327 to the City of Muskogee for Harris Road Railroad Crossing.

Updike made a motion to approve a grant for \$79,327 to the City of Muskogee for the Harris Road Railroad Crossing. Coburn seconded the motion.

Below are the individual votes of the Board Members:

Ayes: Cale, Coburn, Gaden, Hall, Hoos, D. Miller, M. Miller, Updike, Walker, Wardwell.

Nays:

Recusals:

The motion passed by unanimous consent.

Chair Updike recommended the board review and approve a grant for up to \$1,000,000 to the Muskogee City-County Port Authority to administer the Strategic Investment Program (SIP) for January 1 – December 31, 2017.

Walker made a motion to approve a grant for up to \$1,000,000 to the Muskogee City-County Port Authority to administer the Strategic Investment Program (SIP) for January 1 – December 31, 2017.

Hall seconded the motion.

Below are the individual votes of the Board Members:

Ayes: Cale, Coburn, Hall, Hoos, D. Miller, M. Miller, Updike, Walker, Wardwell.

Nays:

Recusals: Gaden, Gilder

The motion passed by unanimous consent.

#### **C. Education & Empowerment Committee**

Chair Walker reported that the committee did not meet this month but are preparing for January's meeting to evaluate 2017 Summer LOI's.

#### **D. Health & Wellness Committee**

Chair Hoos reported that the committee did not meet this month and no new information to report.

**E. Quality of Life Committee**

Chair Wardwell reported that the committee did not meet this month and no new information to report.

**F. Marketing & PR Committee**

Laura Wickizer reported the Committee is almost complete with the filming portion of the next PR video that is focused on the Bridges program.

**I. Staff Report**

Laura Wickizer recommended the board review and approve the proposed 2017 City of Muskogee Foundation board meeting schedule on page 14 of their board book.

Wardwell made a motion to approve the 2017 City of Muskogee Foundation board meeting schedule. Updike seconded the motion. The motion passed by unanimous consent.

The next board meeting location was announced, March 27, 2017 at 5:00 pm at Five Civilized Tribes Museum.

**II. The meeting was adjourned at 5:55 pm.**

Approved:



\_\_\_\_\_

Earnie Gilder, Chairman of the Board



\_\_\_\_\_

Laura Wickizer, Assistant Secretary