



## CIT Advisory Board Meeting Minutes Monday, August 7<sup>th</sup>, 2023 @ 2:00 pm CDT

*Present: Dick Davis, Varn Philbrook, Jeff Dillon, Tom Van Tassell, Matt McClendon, Cheryl Milnes, Ashley Cleere, Patrick Stewart, Andrea McCall.*

*Absent: Steve Russ, Jim Walsh*

Meeting called to order by Varn P @ 2:02 CDT. Thanks to all attending.

Opening Prayer by **Ashley C.**

**Varn P** asked April minutes to be seconded – **Dick D**, they were approved.

**Ashley C** reported a lot of positive feedback about this year's Annual Meeting. Working to provide consistent support of staff and boards/committees. Who is serving who? For the CIT Advisory Board: Cheryl as CFO, Andrea as Executive Assistant.

**Cheryl M** Administrative Reports: Currently no new participants. No Community Bank update.

*First topic:* When churches request funds it could be 1 ½ months for them to receive funds, checks are used to disburse funds. She is looking into helping churches receive their funds sooner. Any changes will require changes in trust agreements; changes must be ratified by ALL churches. Suggestion: Do it at the annual CIT meeting? The bank would allow member churches to withdraw up to 50%, and receive those funds within a few days, values based on the prior months' balance.

*Second topic:* Allow churches to receive ACH (Automated Clearing House) funds; a method could be developed to have churches submit an ACH form yearly/every two years with current bank information.

Cheryl will send Trust documents to all members of the CIT to review and have available for discussion at the next meeting.

**Matt McC** provided the Vanguard information and assessments. ([Vanguard Report pages](#)):

What have we seen in the Market? Recently, the US has been downgraded.

Page 4: Global markets rebound, inflation coming down, Fed Reserve raising rates, Bank failures in March, US equities over 60%, new bull market; markets rebounded, fixed income showed some positive returns. End of 2<sup>nd</sup> quarter shows balanced portfolio, which shows that having a diversified portfolio makes sense.

Page 5/6: AI concentrated investments. Fixed income showing more positive returns, little bit of a recession, Investors still taking risks, yield curve is inverted, which has been a sign that preceded a recession.

Page 9: June End, 25.2 million. All in all: 2<sup>nd</sup> quarter 3.8%, 9,6% year-to-date, this was attributed to location, credit overweight.

We are getting closer to longer term average of what we would be expecting for a 60/40 portfolio. **Varn** commented that we are about 5% below an all-time high. The economy has been resilient despite the Federal Reserve trying to get inflation under control. Housing is showing weakness, labor market is tight – Recession likely to be pushed out to beginning of 2024.

Page 14: Federal Reserve more balanced, will hold rates at this time. Approaching slowdown.

- Varn P** asked Matt McC to have updated projections ready for the October meeting. 10-year outlook: Over the next 10 years the US Dollar will depreciate.
- Dick D** Does the Fed raising rates has impact on Third World Countries? Capital flow?
- Matt McC** Their Chief Economist is saying that we shouldn't overreact (like 2011), because the overall market shrugged it off. You may see slightly higher rates.
- Varn P** Argentina has gone to Chinese currency...discussion? **Matt McC**: This will not be an issue in the near future because China has too many controls in place.
- Shared Investment Advisory Committee Conference Call document from 2017 with the rest of the board, highlighting Rick Bauzenberger's vision for CIT, with the reminder not to be budget driven. Expressed that credit should be going to Rick for this direction.
- Shared the document: Gift Allocation Policy. This document was renamed from 'Policy Guidelines'. This document will be going to the BoD to be approved.
- Tom V** We should think about adding a new team member to replace Jim Walsh. Tom asked to reach out to Jim and determine if he wishes to remain on the CIT Board.

**Next meeting: Monday, October 16 at 2pm CT**

Respectfully submitted,

Andrea McCall, Executive Assistant (in collaboration with Varn Philbrook)