**MINUTES OF THE**

**CAPITAL TRUST AGENCY, INC.**

 The 225th meeting of the Capital Trust Agency, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Thursday, August 11, 2022 at 8:00 a.m.

 The following Board Members were present: Burt Snooks (Chairman), Gary Michaels (Vice-Chairman), Bob Cleveland (Secretary), Chris Kemp (Assistant Secretary), Deborah Roche (Board Member), Tom Naile (Board Member), and Harrison Wilder (Board Member). Also attending was Denis McKinnon (Executive Director), and Connie Beargie (Office Administrator). Attending via Zoom telecommunications was Kareem Spratling (BMO) and Krista Hall (BMO).

**AGENDA ITEM:**

 Approval of Minutes: 5/27/2022

**DISCUSSION:**

No discussion.

 **MOTION/ACTION:**

**Gary Michaels made a motion to approve the 5/27/2022 minutes as presented. Tom Naile seconded. Vote for approval was 7-0.**

**AGENDA ITEM:**

 Capital Trust Agency, CDE - Budget Amendment FYE 9/30/2022

**DISCUSSION:**

 Denis McKinnon stated that although CTA CDE had no activity this past year, he has had discussions with the City Manager to keep the entity open for future projects with the City.

The Budget Amendment proposes paying the Authority $500,000 for startup expenses. The balance of the funds in the CTA CDE accounts, currently in PNC bank, should be moved into a new account with Hancock Bank in order to avoid the higher fee structure at PNC Bank. Remaining funds could be allocated for future City of Gulf Breeze projects.

 **MOTION/ACTION:**

**Chris Kemp made a motion to approve the budget amendment for FYE 9/30/2022. Bob Cleveland seconded. Vote for approval was 7-0.**

**AGENDA ITEM:**

 Capital Trust Agency, CDE - Budget FYE 9/30/2023

**DISCUSSION:**

 No Discussion

 **MOTION/ACTION:**

**Bob Cleveland made a motion to approve the budget for FYE 9/30/2023. Tom Naile seconded. Vote for approval was 7-0.**

**AGENDA ITEM:**

 Capital Trust Agency - Budget Amendment FYE 9/30/2022

**DISCUSSION:**

 Denis McKinnon stated the interest income is slightly lower as well as the origination fee income. Both of these are to be expected due to market changes and the close of CTA new business operations. Denis also noted that several assisted living facilities did not perform as well as expected, however we are actively communicating with the principals and our business partners with the expectation of seeing improvements by the end of the year or they will be written off for auditing purposes.

 Bob Cleveland asked if the board could be given a list of all CTA’s current projects including a brief synopsis of their performance. Deborah Roche asked if a specific geographical region could be identified as an area to watch for higher defaults.

 Bob Cleveland stated he would like to see all programs remain on the budget revisions in order to account for all bad debt, not just the current revised quarter.

 **MOTION/ACTION:**

**Bob Cleveland made a motion to approve the budget amendment for FYE 9/30/2022. Deborah Roche seconded. Vote for approval was 7-0.**

**AGENDA ITEM:**

 Capital Trust Agency - Budget FYE 9/30/2023

**DISCUSSION:**

 No Discussion

 **MOTION/ACTION:**

**Bob Cleveland made a motion to approve the budget for FYE 9/30/2023. Chris Kemp seconded. Vote for approval was 7-0.**

**AGENDA ITEM:**

 Bryant Miller Olive Engagement Letter

**DISCUSSION:**

 Denis McKinnon stated the original engagement letter between CTA and BMO did not include a conflict waiver. The conflict waiver has become necessary due to the Authority’s recent engagement of BMO, which includes a conflict waiver.

 Bob Cleveland asked if not on same side of the table, would BMO be able to represent CTA. Kareem said they would not represent either side of the transaction.

 Kareem stated that, for example, if St. John’s Classical Academy came back to CTA with a request for additional bonds, they would be issued by the Authority on parity with the current bonds and BMO would represent both sides.

M**OTION/ACTION:**

**Deborah Roche made a motion to approve the Bryant Miller Olive Engagement Letter. Gary Michaels seconded. Vote for approval was 7-0.**

No other formal business of the board was taken and the meeting adjourned at approximately 9:24 am.

Minutes submitted by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Connie Beargie, Office Administrator

Approved by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Burt Snooks, Chairman