



## **RECORD OF PROCEEDINGS**

### **Meeting Minutes Michigan Cooperative Liquid Assets Securities System Board of Trustees March 17, 2017**

A Regular Meeting of the Board of Trustees ("Board") of the Michigan Cooperative Liquid Assets Securities System ("Michigan CLASS") was held at 10:00 a.m. on Friday, March 17, 2017 at The Soaring Eagle Resort & Casino, 6800 Soaring Eagle Blvd., Mt. Pleasant, MI 48858.

#### **Board Members Present:**

- Mr. Jeff Anderson
- Mr. Jeffrey Budd
- Ms. Kelly Corbett
- Ms. Glenna MacDonald
- Ms. Holly Moon
- Mr. Edward Sell
- Mr. Bradley Slagh
- Mr. Kurt Dawson
- Ms. Julie Omer
- Mr. Scott Taylor
- Ms. Susan Daugherty

#### **Board Members Absent:**

- Mr. Bruce Malinczak

#### **Staff Present:**

- Mr. Randy Palomba, Public Trust Advisors, LLC
- Mr. Greg Wright, Public Trust Advisors, LLC (phone)
- Mr. Matthew Starr, Public Trust Advisors, LLC
- Mr. Richard Garay, Public Trust Advisors, LLC
- Mr. Chris DeBow, Public Trust Advisors, LLC
- Mr. Chris Toney, Public Trust Advisors, LLC (phone)
- Mr. Carter Genoar, Public Trust Advisors, LLC (phone)

#### **Others Present:**

- None



**1. Roll Call of the Members**

Chairman Budd called the meeting, which was duly posted, to order at 10:00 a.m. It was determined that a quorum was present.

**2. Approval of Agenda**

Ms. Moon moved to approve the agenda as presented, Ms. Omer seconded the motion, which passed unanimously.

**3. Comments from the Public or Other Interested Parties**

None

**4. Consent Agenda**

Chairman Budd requested that the Consent Agenda be split to more thoroughly discuss the portfolio and credit items (C-G).

Ms. Corbett made a motion to approve consent agenda items A. (Minutes of the December 8, 2016 Board) and B. (Public Trust Invoices) Mr. Dawson seconded the motion, which was unanimously approved.

Mr. Toney, Head of Credit Research at Public Trust, and Mr. Genoar, Credit Analyst, presented the current approved lists for Michigan CLASS. The discussion covered hold codes, ratings, the Public Trust credit process and a full review of the Royal Bank of Canada. Mr. Toney will be present at the regularly scheduled Board meeting in September of 2017.

With a motion made by Mr. Dawson and a second from Mr. Anderson, the Board unanimously approved items C-G of the consent agenda.

**5. Board of Trustee Action Items**

No action items.

**6. Staff Report – Fund Management**

Mr. Palomba discussed the U.S. economy and reviewed the detailed financial updates that were included in the Board packet regarding market overview, fund safety, liquidity and yield.

**7. General Board of Trustee Items**

**A. Review of Annual Calendar**

The Board of Trustees reviewed the 2017 meeting calendar; June 16<sup>th</sup>, 2017 (Holland), September 28<sup>th</sup>, 2017 (Frankenmuth) and December 15<sup>th</sup>, 2017 (Ann Arbor).

**B. Review of Signature Authority**

Upon a motion by Ms. Moon and a second by Mr. Sell the Board of Trustees unanimously agreed that the authorized signatories for 2017 would be Ms. MacDonald (Treasurer), Mr. Budd (Chairman) and Mr. Sell (Vice-Chair). Public Trust invoices will be sent to all three individuals, with one signature providing the necessary authority to release payment of invoices.



**8. Board Monitoring Responsibilities**

**A. Treatment of Clients – Participant Survey (Protect Policy)**

The Board of Trustees reviewed a draft of the 2017 Participant survey. During the subsequent discussion, individual trustees provided feedback on several of the survey questions. Staff will make edits to the existing draft and will provide an updated draft for further Board review prior to release of the survey.

**B. Communication and Support**

Staff presented the Board with a document cataloging the items which Public Trust provides to maintain a high level of communication, support and transparency. Upon review, Ms. Omer moved to confirm that Public Trust has provided an appropriate level of communication and support, Ms. MacDonald seconded the motion, which carried unanimously.

**9. Discussion Items**

**A. Board Insurance Policy**

Staff presented the Board of Trustees with a copy of the updated Board Insurance Certificate.

**B. Michigan CLASS Board Portal**

Prior to the meeting, the Michigan CLASS Board participated in a brief webinar introduction to "BoardEffect". The new software will serve as central location for all documents, past meeting information, contact information, by-laws etc. Meeting packets are built inside the portal using agenda templates allowing the Board to conveniently and securely RSVP for meetings, review materials, take notes and approve documents.

**C. Michigan CLASS Web Site**

Staff provided a progress report on the new Michigan CLASS web site.

**D. Lansing Lugnut Game – April, 21, 2017**

Mr. Garay will be hosting CLASS Participants at the annual Lansing Lugnut outing on the evening of April 21, 2017.

**E. June 2017 Board Meeting**

Staff provided a tentative schedule for the June meeting, which will be held in Holland, MI on Friday, June 16, 2017.

**F. Cybersecurity and Business Continuity**

Mr. Wright joined the meeting via teleconference to present Public Trust's ongoing cybersecurity efforts and how they relate to the business continuity and disaster recovery efforts of both Public Trust and Michigan CLASS.



**G. Due Diligence / National GFOA / International ASBO**

Both the National GFOA (May) and International ASBO (September) annual conferences are scheduled to be held in Denver, CO in 2017. Public Trust announced that the firm will be hosting several events during each conference.

**H. Other Items**

None

**10. Board Committee Updates**

None

**11. Board Advocacy Updates**

None

**12. General Business**

**A. Chairman Report**

No Report

**B. Treasurer's Report**

Ms. MacDonald reviewed and approved the final 2016 Board expenses as well as the 2017 projected expenses. With a motion by Mr. Dawson and a second from Ms. MacDonald the Board unanimously resolved to accept both the 2016 and 2017 Board expenses.

**C. Individual Trustee**

Mr. Sell requested information on making bulk contributions via MYACCESS. Staff will discuss with the client service team.

Mr. Dawson will be retiring this summer. Mr. Budd will work with staff to obtain a current listing of active City Participants to begin the vetting process for potential candidates to fill the future vacancy.

**D. Legal Counsel Comments**

None

**13. Administrator Updates**

**Staff Report – General Administration**

**A. Marketing Report**

Mr. Garay provided a marketing update on assets under management, new Participants, underfunded Participants, entity distribution, conferences and events.

**B. Marketing Initiatives**

Staff provided copies of the most recently distributed Investor Newsletters and electronic marketing.



**C. Public Trust Updates**

Public Trust continues to grow, having added five new full-time employees during the first quarter of 2017. Three of the five are new members of the client service team at the Denver headquarters who work daily with the Michigan CLASS Participants.

**D. Other Items**

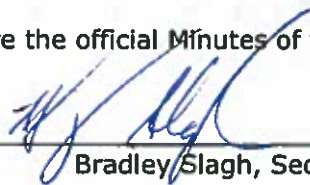
None

**14. Adjournment**

Upon a motion by Mr. Sell and a second by Mr. Dawson the meeting was adjourned at 12:25 p.m.

These are the official Minutes of the Michigan CLASS Board of Trustees meeting March 17, 2017.

Signed: \_\_\_\_\_

  
Bradley Slagh, Secretary

Date: June 16, 2017

Minutes taken by: Matthew Starr

Minutes prepared by: Matthew Starr