



## **RECORD OF PROCEEDINGS**

### **Meeting Minutes Michigan Cooperative Liquid Assets Securities System Board of Trustees September 28, 2017**

A Regular Meeting of the Board of Trustees ("Board") of the Michigan Cooperative Liquid Assets Securities System ("Michigan CLASS") was held at 9:30 a.m. on Thursday, September 28, 2017 at The Bavarian Inn Lodge, One Covered Bridge Lane, Frankenmuth, MI 48734.

#### Board Members Present:

- Mr. Jeff Anderson
- Ms. Kelly Corbett
- Ms. Glenna Macdonald
- Mr. Edward Sell
- Mr. Joe Snyder
- Ms. Julie Omer
- Mr. Scott Taylor
- Ms. Susan Daugherty

#### Board Members Absent:

- Mr. Jeffrey Budd
- Mr. Bruce Malinczak
- Ms. Holly Moon
- Mr. Bradley Slagh

#### Staff Present:

- Mr. Randy Palomba, Public Trust Advisors, LLC
- Mr. Chris Toney, Public Trust Advisors, LLC
- Mr. Matthew Starr, Public Trust Advisors, LLC
- Mr. Richard Garay, Public Trust Advisors, LLC
- Ms. Kristin Angel, Public Trust Advisors, LLC
- Ms. Christa Kronquist, Public Trust Advisors, LLC (phone)

#### Others Present:

- Ms. Michelle Alexander, CliftonLarsonAllen, LLP (phone)



**1. Roll Call of the Members**

Vice Chairman Sell called the meeting, which was duly posted, to order at 9:33 a.m. It was determined that a quorum was present.

**2. Approval of Agenda**

Ms. Corbett moved to approve the agenda as presented, Ms. Daugherty seconded the motion, which passed unanimously.

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

None

**4. Presentation of Audit Scope by CliftonLarsonAllen, LLP**

Ms. Alexander presented the Michigan CLASS Audited Financial Statements for the fiscal year ended on June 30, 2017. The auditors issued a clean opinion and thanked staff for all its cooperation.

**5. Consent Agenda**

Upon a motion made by Mr. Anderson and a second from Ms. Omer, the Board unanimously approved the consent agenda as presented.

**6. Board of Trustee Action Items**

**A. Resolution 17-02: Approval of Michigan CLASS Annual Report for Fiscal Year Ended June 30, 2017**

With a motion made by Mr. Taylor and a second from Ms. MacDonald, the Board unanimously approved the Michigan CLASS Annual Report as presented. Staff will deliver the final approved report to all Michigan CLASS Participants.

**B. Resolution 17-03: Approval of Michigan CLASS Board Expense Policy**

The Board made several minor changes to the policy to incorporate additional transparencies. With those amendments, upon a motion made by Ms. Omer and a second from Ms. Daugherty, the Board unanimously approved the Board Expense Policy.

**7. Staff Reports – Economic Overview and Fund Overview**

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.

**8. General Board of Trustee Items**

**A. Strategic Engagement with Participants, Potential Participants and State of Michigan Representative**

No report.

**B. Review of Governance Policy – Direct**

The Board of Trustees annually reviews its Governance Policies, no changes were recommended at this time.



**C. Review of Governance Policy – Enable**

No changes were recommended to the Enable Policy at this time. Staff to make recommendations on additional Michigan CLASS policies at the regularly scheduled December Board meeting.

**D. Approval of Trustee Ballot for the 2017 Board of Trustee Election**

With a motion made by Ms. Corbett, seconded by Mr. Snyder, the Board of Trustees unanimously approved the 2017 ballot. In the discussion that followed the Board determined that the Participant list would be available to candidates via MYACCESS, and that the short candidate biographies would indicate which candidates are incumbents. The election period opens on Friday, October 13.

**E. Proposed 2018 Board Meeting Calendar**

The Board set a tentative meeting schedule for 2018 as follows: 1) March 23, 2018 in Grand Rapids 2) June 22, 2018 in Lansing 3) September 28, 2018 in Petoskey and 4) December 13, 2018 in Ann Arbor.

**9. Board Monitoring Responsibilities****A. Emergency Investment Advisor Succession**

Staff will provide a full report on Michigan CLASS business continuity at the regularly scheduled December meeting. This report will include disaster recovery plan, investment advisor succession and cybersecurity.

**10. Discussion Items****A. Updates to Website**

Staff presented the new Texas CLASS Website, which launched earlier in the month. The Michigan CLASS site is under development and is set for release in early 2018.

**B. 2017 International ASBO Conference**

Public Trust hosted an event at the International ASBO Conference in Denver. Ms. Corbett noted that she had attended the event, as well as the open house at Public Trust's headquarters.

**C. BoardEffect Access**

Staff provided the Board with presentation detailing the accessibility of documents in BoardEffect.

**D. December 2017 Board Meeting**

Due to several conflicts the December meeting has been moved to Detroit and will be held on Friday, December 15<sup>th</sup>.

**E. Other Items**

None.

**11. Board Committee Updates**

None



**12. Board Advocacy Updates**

None

**13. General Business**

**A. Chairman Report**

No Report

**B. Treasurer's Report**

Ms. MacDonald reported that she had reviewed the current 2017 Board Expenses.

**C. Individual Trustee**

- Ms. Corbett requested that the library in BoardEffect be updated as several documents are currently difficult to locate.

**D. Legal Counsel Comments**

None

**14. Administrator Updates**

**Staff Report – General Administration**

**A. Marketing Report**

Staff introduced Ms. Kristin Angel, Regional Marketing Director. Ms. Angel officially started in July, she be working as a team with Mr. Garay to provide excellent service to Michigan CLASS Participants.

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. Additionally, staff discussed its work on a new customer relationship management tool (CRM).

**C. Tasks and Projects**

Staff provided a list of current projects concerning Michigan CLASS.

**D. Public Trust Updates**

Public Trust recently added several new employees who will work directly for Michigan CLASS including two additional full-time members of the credit team and two additional full-time members of the client service team. Staff will prepare an updated organizational chart to share with the Board in December.

**E. Other Items**

None



**15. Executive Session**

None

**16. Adjournment**

Upon a motion by Ms. MacDonald and a second by Mr. Anderson the meeting was adjourned at 12:39 p.m.

These are the official Minutes of the Michigan CLASS Board of Trustees meeting September 28, 2017.

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

Bradley Slagh, Secretary

Date: December 15, 2017

Minutes taken by: Matthew Starr  
Minutes prepared by: Matthew Starr