



**RECORD OF PROCEEDINGS**  
**Michigan Cooperative Liquid Assets Securities System**  
**Board of Trustees**  
**June 17, 2022**

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, June 17, 2022 at the Residence Inn by Marriott Downtown Ann Arbor

Board Members Present:

- Mr. Edward Bradford
- Ms. Karen Coffman
- Ms. Kelly Corbett
- Ms. Susan Daugherty
- Ms. Barbara Fandell
- Mr. Bruce Malinczak
- Ms. Catherine McClary
- Ms. Julie Omer
- Mr. Eric Sabree
- Mr. Edward Sell
- Mr. Joe Snyder (virtual)
- Mr. Scott Taylor (virtual)
- Ms. Teri Weingarden

Board Members Absent

- None

Staff Present:

- Mr. Jeff Anderson, Public Trust Advisors, LLC
- Ms. Kristin Angel, Public Trust Advisors, LLC
- Mr. Kevin Berents, Public Trust Advisors, LLC (virtual)
- Ms. Molly Brown, Public Trust Advisors, LLC
- Mr. Taylor Budrow, Public Trust Advisors, LLC (virtual)
- Mr. Sean Fitzgerald, Public Trust Advisors, LLC
- Ms. Christa Kronquist, Public Trust Advisors, LLC (virtual)
- Mr. Randy Palomba, Public Trust Advisors, LLC
- Mr. Peter Rizzo, Public Trust Advisors, LLC
- Mr. Matthew Starr, Public Trust Advisors, LLC (virtual)

Others Present:

- Mr. Robert Dormanesh, CliftonLarsonAllen (virtual)
- Mr. Johnny Minassian, CliftonLarsonAllen (virtual)



**1. Roll Call of the Members**

Chairman Sell called the meeting to order, which was duly posted, at 10:01 a.m. It was determined that a quorum was present.

**2. Approval of Agenda**

Ms. Weingarden 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. Presentation and Approval of Scope of Work for 2022 Michigan CLASS Audit by CliftonLarsonAllen, LLP**

Mr. Minassian and Mr. Dormanesh presented the scope of the 2022 audit for Michigan CLASS. They provided an overview of the audit plan, required communications, risk assessment procedure and investment, transactional and statement reviews. The completed audit will be available for the Board to review at its regularly scheduled September meeting.

**5. Credit Update**

Mr. Budrow, Credit Research, joined the meeting telephonically to present the recent changes to the Michigan CLASS Approved Lists. Mr. Berents discussed credits ongoing ESG related research initiatives.

**6. Consent Agenda**

Ms. Fandell asked to pull item B from the consent agenda for discussion. With a motion made by Ms. McClary and a second from Ms. Coffman, the Board unanimously approved items A, C, D and E on the consent agenda.

The Board discussed Public Trust Invoices from March, April, and May 2022. Staff explained the fee structure in a low interest rate environment. With a motion made by Ms. Weingarden and a second from Ms. Corbett, the Board unanimously approved the consent agenda as presented.

The consent agenda included: the regular minutes of the Board Meeting dated March 11, 2022, approved lists, Public Trust invoices, approval of portfolio composition, and an acknowledgement of custody statement receipt.

**7. Board of Trustee Action Items**

**A. Approval of Amended Michigan CLASS By-Laws**

Staff presented amendments to the By-Laws as requested by the Board during their annual review of the operating document in March. The first amendment is reflective





of the modified Trustee term length to a four-year commitment. The second amendment is the inclusion of the signature authority language.

Ms. McClary moved to approve the By-Laws as presented, Mr. Sabree seconded the motion, which passed unanimously.

**B. Approval of 2022 Michigan CLASS Board of Trustees Election Schedule**

Staff presented the 2022 Michigan CLASS Board of Trustees Election Schedule. Ms. Omer moved to approve the Election Schedule as presented, Ms. McClary seconded the motion, which passed unanimously. The 2022 election nomination period is set to run from August 5 to September 2, and the election is set to run from October 7 to November 10.

**C. Other Items**

None.

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

Mr. Fitzgerald, Portfolio Manager, provided the Board with a comprehensive economic overview, and also covered the fund characteristics of both the Michigan CLASS Prime and EDGE portfolios.

As inflation and market volatility continue, the Federal Open Market Committee's (FOMC) rate adjustments remain data dependent through the rest of 2022. As always, the Michigan CLASS Portfolio team continues to remain focused on the primary investment objectives of safety, liquidity and then yield.

**9. Board Responsibilities**

**A. Review of Governance Policy – Protect**

- **Election Policy**
- **Board Expense Reimbursement Policy**
- **Records Management Policy**
- **FOIA Policy**
- **Privacy Policy**

The Board of Trustees performed its annual review of the items listed above. The Election Policy was updated to reflect the transition to the four-year term cycle. Ms. Corbett noted further required edits to the policy. Staff will present the amended election policy at the September meeting for the Board's review.

Mr. Taylor moved that the Board reapprove the Protect, Board Expense Reimbursement, Records Management, FOIA, and Privacy policies as presented, Mr. Snyder seconded, and the motion passed unanimously.

**10. Monitoring Responsibilities**

**A. Protect Policy – Treatment of Clients**

Staff noted that the next Participant survey will be distributed in January 2023 and results will be presented at the March Board meeting.



**11. Discussion/Information Items**

**A. Michigan CLASS EDGE / Variable NAV Presentation**

Peter Rizzo, Director of Investment Services, discussed the EDGE portfolio and presented on the S&P stress testing methodology.

**B. LCSA Updates**

Ms. Angel and Mr. Anderson provided updates regarding the ongoing partnership with LCSA. Michigan CLASS and LCSA continue to conduct regular calls to review the partnership and distribution processes. The distribution method through Michigan CLASS has been mutually beneficial to all parties.

**C. New Opportunities**

Ms. Angel and Mr. Anderson discussed initiatives to expand the Michigan CLASS client base and engage zero balance accounts. The Michigan CLASS team is taking steps to learn about the special districts throughout the state, including fire, drain and water commissions, and regional nuances in how funds are managed.

**D. Due Diligence Feedback**

Members provided positive comments on their visit to the Public Trust Headquarters in Denver. Attendees found value in meeting the Denver-based team and learning about Public Trust's organizational processes and operations. Staff thanked the members for taking time to visit.

**E. September 23 Michigan CLASS Board Meeting**

Staff reviewed the September Board meeting day sheet. The September meeting will be hosted at the Crystal Mountain Resort on September 23, immediately following the MMTA conference.

**F. Other Items**

None

**12. Board Committee Updates**

None

**13. Board Advocacy Updates**

None

**14. General Business**

**A. Chairman Report**

No report.

**B. Treasurer's Report**

Treasurer Snyder presented the 2022 year to date budget.

**C. Individual Trustee**

Ms. McClary provided updates and recent developments from MGFOA.



**D. Legal Counsel Comments**

No report.

**15. Administrator Updates  
Staff Report – General Administration**

**A. Marketing Report**

Ms. Angel and Mr. Anderson provided the Board with recent sales and marketing efforts, including a detailed listing of upcoming conferences and events.

**B. Marketing Initiatives**

Staff provided copies of the most recently distributed marketing collateral.

**C. Tasks and Projects**

Staff provided a list of Michigan CLASS related projects. The Michigan CLASS Webinar date is subject to change.

**D. Public Trust Updates**

Mr. Palomba discussed recent staffing changes and new business at Public Trust.

**E. Other Items**

None

**16. Executive Session**

None

**17. Adjournment**

Upon a motion by Mr. Bradford and a second by Mr. Sabree the meeting was officially adjourned at 1:14 p.m.

These are the official Minutes of the Michigan CLASS Board of Trustees meeting Friday, June 17, 2022.

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

Karen Coffman, Secretary

Date: September 23, 2022

Minutes taken by: Molly Brown  
Minutes prepared by: Molly Brown