



RECORD OF PROCEEDINGS
Michigan Cooperative Liquid Assets Securities System
Board of Trustees
June 16, 2023

A Regular Meeting of the Board of Trustees ("Board") of the Michigan Cooperative Liquid Assets Securities System ("Michigan CLASS") was held at 9:00 a.m. on Friday, June 16, 2023 at The Inn at Harbor Shores in St. Joseph, Michigan

Board Members Present:

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

Board Members Absent

- Mr. Bruce Malinczak

Staff Present:

- Ms. Kristin Angel, Public Trust Advisors, LLC
- Mr. Jeff Anderson, Public Trust Advisors, LLC
- Ms. Molly Brown, Public Trust Advisors, LLC
- Mr. Sean Fitzgerald, Public Trust Advisors, LLC
- Mr. Peter Rizzo, Public Trust Advisors, LLC
- Mr. Brian Sugrue, Public Trust Advisors, LLC
- Mr. Dylan Matthes, Public Trust Advisors, LLC (phone)

Others Present:

- Mr. Matt Boughton, Cohen & Co (phone)



1. Roll Call of the Members

Chairman Sell called the meeting to order, which was duly posted, at 9:00 a.m. It was determined that a quorum was present.

2. Approval of Agenda

Ms. Weingarden moved to approve the agenda, Ms. Corbett seconded the motion, which passed unanimously.

3. Comments from the Public or Other Interested Parties

No comments.

4. Presentation of Scope of Work for 2023 Michigan CLASS Audit by Cohen & Co.

Mr. Boughton provided an introduction and thanked the Board for awarding Cohen & Co the opportunity to work as the new auditor for Michigan CLASS. Mr. Boughton proceeded to provide the Board with an overview of the scope of work for the Michigan CLASS audit for fiscal year ending June 30, 2023. Additionally, Mr. Boughton presented Cohen & Co's procedures, strategy, culture, and team.

5. Credit Update

Mr. Matthes, Public Trust Advisors Jr. Credit Analyst, joined the meeting telephonically to present the recent changes to the Michigan CLASS Approved Lists.

6. Consent Agenda

Ms. Omer moved to approve the consent agenda as presented, Ms. McClary seconded the motion, which was unanimously approved by the Board.

The consent agenda included: the regular minutes of the Board Meeting dated March 23, 2023, approved lists, Public Trust invoices, and approval of portfolio composition.

7. Board of Trustee Action Items

A. Approval of Auditors Engagement

Staff provided the Board with an overview of the 2023 Michigan CLASS election schedule. The nomination period is set to run from August 4 to September 1, and the election is set to open on October 6 and close on November 9. Ms. Fandell noted that the election results would be ratified at the December 14 Board Meeting.

A motion was made by Ms. Coffman to approve the 2023 Michigan CLASS election schedule. Mr. Bradford seconded the motion, which was unanimously approved.

B. Other Items

None.

8. Staff Reports – Fund Management

Mr. Fitzgerald, Public Trust Advisors Portfolio Manager, provided the Board with a detailed economic review. The Federal Open Market Committee met on Wednesday,



June 15 and released new economic projections. The Federal Reserve holds its benchmark rate in the 5 to 5.25% target range. New projections show policymakers favor half-point of additional increases this year, which would push borrowing costs to about 5.6. The forecasts for economic growth and core inflation rose for 2023, while unemployment projects fell.

Mr. Fitzgerald went on to briefly describe the Public Trust team's current portfolio strategies for Michigan CLASS. As always, the safety of the public's funds will always be the primary objective. The Portfolios are well-diversified, have significant liquidity and are invested in accordance with state law and the Michigan CLASS Investment Policies.

9. Board Responsibilities

A. Review of Governance Policy – Protect

The Board will review the Protect policy at the September meeting due to the Protect policy not being included in the meeting packet.

The Election, Board Expense Reimbursement, Records Management and Privacy Policies were all reviewed, and with no comments from Board members or staff the Board approved the policies.

The FIOA policy was last updated in 2018 and members requested for legal counsel to check if any new FOIA laws have been adopted since the Board policy was written. Upon a motion by Ms. Fandell and a second by Ms. Weingarden, the Board unanimously approved to have legal counsel review if FOIA policy and corresponding statutes.

10. Monitoring Responsibilities

A. Protect Policy – Treatment of Clients

The Michigan CLASS Participant Survey results were attached to the meeting book for review at this meeting.

11. Discussion/Information Items

A. Participant Survey Results

Staff reviewed the 2023 Participant Survey responses with Board members. A total of 78 Participants responded and the format of the survey was open ended to capture direct feedback. The responses guided a discussion amongst members of successful enhancements to the Participant portal and the relationship team's efforts in the field.

B. LCSA

Mr. Anderson discussed the ongoing partnership with LCSA and the education of Michigan CLASS. Additionally, Mr. Anderson updated members on communication



improvements that are being implemented because of a recent lag in messaging regarding recent ACH distributions.

C. Security Enhancements

Mr. Sugrue discussed upcoming enhancements to security and user experience within the Michigan CLASS Participant portal, including dual factor authentication, direct in-portal account editing, transaction processing, and bank account audit emails.

D. Insurance

Staff reviewed insurance certificates from Public Trust and Fifth Third Bank. In reviewing Exhibit H in the Participant Agreement, it was noted that the administrator and custodian are maintaining sufficient insurance coverage.

E. September 22, 2023 Michigan CLASS Board Meeting

Staff reviewed the day sheet for the next Michigan CLASS Board meeting scheduled to be held at the Hotel Indigo in Traverse City on September 22, 2023. Chairman Sell noted an educational session will be arranged around the Michigan CLASS landscape and representative coverage in the state.

F. Other Items

None.

12. Board Committee Updates

None.

13. Board Advocacy Responsibilities

None.

14. General Business

Chair Report - Chairman Sell updated members on his recent execution of the Auditor Engagement with Cohen and Co.

Treasurer Report - Mr. Snyder reviewed the year-to-date Trustee budget and noted the expenses are in good standing. On a motion by Mr. Bradford, a second by Ms. Daugherty, the Board unanimously approved the current Trustee budget.

Individual Trustees – None.

Legal Counsel Comments – None.

15. Staff Reports – General Administration

A. Cyber Security Presentation

Mr. Sugrue provided members with a detailed overview of Public Trust's cyber security initiatives drawing on lessons learned from a recent cyber security executive leadership trip to Israel.



B. 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.

C. Marketing Initiatives

Staff provided copies of the most recently distributed marketing collateral.

D. Tasks and Projects

Staff provided a list of Michigan CLASS related projects.

E. Public Trust Updates

Ms. Brown updated members on the office renovation project in Denver, the upcoming Public Trust sales retreat and new business in Nebraska and North Carolina.

F. Other Items

None

16.Executive Session

None.

17.Adjournment

Upon a motion by Ms. Daugherty and a second by Mr. Taylor the meeting was officially adjourned at 12:22 p.m.

These are the official Minutes of the Michigan CLASS Board of Trustees meeting Friday, June 16, 2023.

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Signed, _____
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Date: September 22, 2023

Karen Coffman, Secretary

Minutes taken by: Molly Brown

Minutes prepared by: Molly Brown