



California CLASS

Board of Trustees Meeting



Friday, October 28, 2022
Monterey, California



California CLASS Board of Trustees

**InterContinental Hotel
The Clement Monterey**
750 Cannery Row
Monterey, CA

October 27-28, 2022

TIME	FUNCTION	LOCATION
Thursday, October 27		
	Accommodations	InterContinental Hotel The Clement Monterey
7:00 pm	Social Dinner <i>*Note this Dinner is a social meeting, and no California CLASS matters will be discussed</i>	C Restaurant Library Dining Room Located on-site at The Clement Monterey
Friday, October 28		
8:15 am	Breakfast	The Clement Monterey Hovden Room
9:00 am	Special Meeting of the California CLASS Board of Trustees	The Clement Monterey Hovden Room
12:00 pm	Adjourn	



California CLASS Board of Trustees 2022

Trustee	Representing Category	Term Expires
<p>Christina Turner Board Chair</p> <p>City Manager City of Morgan Hill 17575 Peak Avenue Morgan Hill, CA 95037 Direct: 408-776-7382 christina.turner@morganhill.ca.gov</p>	City	June 30, 2024
<p>Ryan Clausnitzer Board Vice Chair</p> <p>General Manager Alameda County Mosquito Abatement District 23187 Connecticut Street Hayward, CA 94545 Direct: 510-925-1756 ryan@mosquitoes.org</p>	Special District	June 30, 2026
<p>George Harris II Board Treasurer</p> <p>Director of Finance City of Lancaster 44933 Fern Avenue Lancaster, CA 93534 Direct: 616-723-5988 gharris@cityoflanasterca.org</p>	City	June 30, 2024
<p>Margaret Moggia Board Secretary</p> <p>Executive Manager of Finance West Basin Municipal Water District 17140 S. Avalon Blvd., Carson, CA 90746 Office: 310-660-6256 Mobile: 310-807-4217 MargaretM@westbasin.org</p>	Special District	June 30, 2026



California CLASS 2022 Key Contact List

Special Counsel

Jenna Magan

Partner, Orrick Herrington & Sutcliffe
400 Capitol Mall, Suite 3000
Sacramento, CA 95814
Direct: 916-329-7980
Mobile: 916-402-0674
jmagan@orrick.com

General Counsel

Alexandra M. Barnhill

Senior Partner, Jarvis Fay LLP
555 12th Street, Suite 1630
Oakland, CA 94607
Direct: 510-238-1409
abarnhill@jarvisfay.com

Administrator

Molly Brown

Client Relations Coordinator
Public Trust Advisors
717 17th Street, Suite 1850
Denver, CO 80202
Mobile: 203-644-9160
Molly.brown@publictrustadvisors.com

Matt Starr

Director, Client Relations
Public Trust Advisors
209 Lofty Oak Lane
Holly Springs, NC 27540
Direct: 914-301-4070
Mobile: 720-775-5088
Matt.Starr@publictrustadvisors.com

Investment Advisor

Thomas Tight

Managing Director
Public Trust Advisors
201 E. Pine Street, Suite 750
Orlando, FL 32801
Direct: 407-588-9391
Mobile: 407-765-0761
Tom.tight@publictrustadvisors.com

Neil Waud

Chief Investment Officer
Public Trust Advisors
717 17th Street, Suite 1850
Denver, CO 80202
Mobile: 720-255-7404
Direct: 303-244-0468
neil.waud@publictrustadvisors.com

Brent Turner

Regional Director of Strategy
Public Trust Advisors
717 17th Street, Suite 1850
Denver, CO 80202
Mobile: 303-999-8190
Direct: 303-481-0469
Brent.turner@publictrustadvisors.com

Kevin Berents

Head of Credit
Public Trust Advisors
717 17th Street, Suite 1850
Denver, CO 80202
Mobile: 303-482-5535
Direct: 720-439-5554
kevin.berents@publictrustadvisors.com



Mark Creger

Director, Portfolio Management
Public Trust Advisors
550 S. Hope Street, Suite 560
Los Angeles, CA 90071
Mobile: 323-573-9529
Direct: 213-545-7452
mark.creger@publictrustadvisors.com

Bob Schull

Director, Investment Advisory Services
Public Trust Advisors
550 S. Hope Street, Suite 560
Los Angeles, CA 90071
Mobile: 925-872-1007
Bob.schull@publictrustadvisors.com

ENDORISING PARTNERS

Neil McCormick

Chief Executive Officer
California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814
Office: 877-924-2732
neilm@csda.net

Rick Wood

Finance & Administration Director
California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814
Office: 877-924-2732
Rickw@csda.net

Norman Coppinger

Deputy Executive Director, Finance &
Operations
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814
Office: 916-658-8277
Mobile: 916-600-8948
ncoppinger@calcities.org

Carolyn M. Coleman

Executive Director and CEO
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814
Office: 916-658-8275
Cell: 916-769-5729
ccoleman@calcities.org

Pam Herrera

Executive Assistant, Office of the CEO
League of California Cities
1400 K Street, Suite 400
Sacramento, CA 95814
Office: 916-658-8229
pherrera@calcities.org



AGENDA
Special Meeting of the
California Cooperative Liquid Assets Securities System
Board of Trustees

Friday, October 28, 2022
9:00 a.m.

Hovden Room, Intercontinental Hotel/The Clement Monterey
750 Cannery Row, Monterey, CA 93940
or
Via Teleconference (see below)

Pursuant to AB 361, the California Cooperative Liquid Assets Securities System ("California CLASS") will be held as a "hybrid" meeting with the option to attend in person at the above location, or electronically, by teleconference or video conference.

How to Participate via Teleconference:

Join Zoom Meeting

<https://zoom.us/j/97322038762?pwd=RmZDVVJ5TXNPWGptUHBCWWFqaktzUT09>

Meeting ID: 973 2203 8762

Passcode: 787521

Dial by your location

+1 719 359 4580 US

+1 669 444 9171 US

Live Comments: The public may address the Board concerning any matter on the agenda and on any other matter within the subject matter jurisdiction of the Board during the public comment period. Members of the public may make live remote public comments via Zoom video conferencing. To access the Zoom platform, download the Zoom computer or mobile app from the Apple Appstore or Google Play. Zoom also allows you to join the meeting by phone. When the Board Chair opens the public comment period on the item you wish to comment, please use the "raise hand" feature (or press *9 if connecting by telephone), which will alert staff that you have a comment to raise.

Written Comments: Public comments may also be submitted in advance of the meeting by emailing the comment to: molly.brown@publictrustadvisors.com For regular or special meetings, if you are commenting on a particular item on the agenda, please identify the agenda item and letter. For regular meetings, if you are commenting on an item not listed on the agenda, please identify your comment as a General Public Comment.

How to Obtain Public Records: Public records that relate to any item on the open session agenda for a meeting are available for public inspection. Those records that are distributed after the agenda posting deadline for the meeting are available for public inspection at the same time they are distributed to all or a majority of the members of the Board. The Board has designated California CLASS's website located at <https://californiaclass.com> as the place for making these public records available for inspection. The documents may also be obtained by contacting the Administrator, at (844) 689-2994 or at molly.brown@publictrustadvisors.com.



AGENDA
Friday, October 28, 2022

1. Call to Order

2. Roll Call

3. Public Comment

This is a 15-minute Public Comment Period for items that are not on the agenda. Each speaker will be limited to approximately three minutes. Members of the public are invited to share comments with the Board on matters within the jurisdiction of California CLASS but not on the agenda. The public may also present comments on agenda items when the matter is called. The Brown Act prohibits action or discussion on items not appearing on the agenda. However, Trustees and staff are allowed to briefly respond to statements made or questions asked during this portion of the agenda. Trustees and staff may also ask questions for clarification in response to a public comment. Please see "How to Submit Public Comments" above.

4. Oath of Office

*Presenters: Chair Turner, Alexandra Barnhill
Administer Oath of Office to Trustees*

5. Board of Trustees Consent Agenda

Members of the Board may approve with one motion – any item on consent agenda may be discussed and any Board member may take an item off the consent agenda to be voted on separately.

A. Considering - Adoption of Resolution No. 22-04, declaring the ability of the Board of Trustees to continue to meet remotely, pursuant to AB 361
Recommended by General Counsel. This would adopt findings to support meetings via teleconference to address health and safety issues posed by Covid-19.

B. Considering – Approval of minutes of the Special Meeting of the California CLASS Board of Trustees held August 11, 2022
Recommended by Administrator. This would confirm the minutes from the prior meeting are accurate.

C. Considering – Adoption of the Approved Lists proposed by the Investment Advisor
Recommended by Administrator. The Investment Advisor provides approved lists that contain the commercial paper issuers as well as the repurchase agreement, corporate security, and bank counterparties approved for investment within the California CLASS portfolios.

D. Considering - Approve of Portfolio Composition as of September 30, 2022
Recommended by Administrator. The most recent months end California CLASS portfolio composition is presented for the Boards approval.

E. Considering - Acknowledgement of Custody Statement Receipt



Recommended by Administrator. California CLASS Custody Statements are sent to Board Members monthly by post, and this item is an acknowledgement that members received the statements.

6. Comments from Endorsing Partners

A. Report from Endorsing Partner, California Special Districts Association (CSDA)

Presenters: Neil McCormick, Chief Executive Officer and Rick Wood, Finance & Administration Director

B. Report from Endorsing Partner, League of California Cities (Cal Cities)

Presenters: Norman Coppinger, Deputy Executive Director, Finance & Operations and Carolyn Coleman, Executive Director and CEO

7. Board of Trustee Action Items

A. Election of Officers

Presenter: Alexandra Barnhill, General Counsel

Conduct annual election of Board Officers, including Chair, Vice Chair, Secretary, and Treasurer to serve a one-year term commencing on January 1, 2023.

B. Considering – Adoption of Resolution No. 22-05 authorizing the approval of amended Bylaws.

Presenter: Alexandra Barnhill, General Counsel

Act on Resolution 22-05 recommending changes to the Bylaws to improve meeting protocols in consideration of the Brown Act requirements.

C. Considering – Adoption of Resolution No. 22-06 authorizing agreement with CliftonLarsonAllen, LLP to provide audit services for fiscal years 2022-2028

Presenter: Tom Tight, Public Trust Advisors Managing Director, and Brent Turner, Public Trust Advisors Regional Director of Strategy in Operations

Act on Resolution 22-06 to contract with an auditing firm for six years.

D. Considering – Adoption of Resolution No. 22-07 approving regular meeting schedule for Board of Trustees in 2023

Presenter: Alexandra Barnhill, General Counsel

Act on Resolution 22-07 setting dates and locations for the 2023 Regular Meeting calendar.

E. Considering – Adoption of Resolution No. 22-08 restricting funds to be held by Treasurer and waiving quarterly reporting obligations

Presenter: Alexandra Barnhill, General Counsel

Act on Resolution 22-08 to establish a limit to the funds available to the Treasurer and to waive the quarterly reporting requirements.



F. Considering – Adoption of Resolution No. 22-09 establishing an expense reimbursement policy pursuant to Government Code Sections 53232.2 and 53232.3

Presenter: Alexandra Barnhill, General Counsel

Act on Resolution No. 22-09 to adopt a written expense policy that is required by state law to specify the types of expenses that are reimbursable.

8. Agency Business - Fund Management Reports

A. Credit Research

Presenter: Taylor Budrow, Public Trust Advisors Senior Credit Analyst

B. Economic Update

Presenter: Neil Waud, Public Trust Advisors Chief Investment Officer

C. Fund Management

Presenter: Neil Waud, Public Trust Advisors Chief Investment Officer

D. Enhanced Cash

Presenter: Tom Tight, Public Trust Advisors Managing Partner and Brent Turner, Public Trust Advisors Regional Director of Strategy in Operations

9. Agency Business – Fund Administration Reports

A. Directors & Operators Insurance Policy

Presenter: Tom Tight, Public Trust Advisors Managing Partner

Report on Directors and Operators (D&O) insurance policy coverage to protect Trustees from potential liability

B. Marketing Initiatives

Presenter: Molly Brown, Public Trust Advisors Client Relations Coordinator

Report on update of marketing initiatives undertaken since the last regular Board meeting.

C. Administrative Items

Presenter: Molly Brown, Public Trust Advisors Client Relations Coordinator and Brent Turner, Public Trust Advisors Regional Director of Strategy and Operations

Report on use of BoardEffect, an online platform for California CLASS Board documents, and update on management fees for California CLASS

10. Discussion/Information Items

A. Vacant Board Seat



Discuss next steps for Ad Hoc Committee to meet and discuss process of appointing fifth Trustee to the Board.

B. Board of Trustee Budgets

Discuss expenses incurred during 2022 and anticipated expenses and budget for Board expenses for 2023.

C. Governmental Accounting Standards Board (“GASB”) Statement No. 79

*Presenter: Laura Glenn, Public Trust Advisors Senior Director Investment Services
Discussion GASB Statement No. 79 for certain external investment pools and pool participants.*

11. Trustee Reports

Trustees may make brief announcements or reports on their own activities, pose questions for clarification, and/or request that items be placed on a future agenda. Except as otherwise authorized by law, no other discussions or action may be taken.

A. Chair Report

B. Individual Trustees

C. Committee Updates

12. Adjournment

The next Board of Trustees meeting is currently scheduled for January 20, 2023 at 9 a.m. via zoom teleconference.

Americans with Disabilities Act: In accordance with the Americans with Disabilities Act, if you need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to observe and/or participate in this meeting, please contact Molly Brown at (844) 689-2994 or at molly.brown@publictrustadvisors.com. Please provide your request as early as possible, and preferably at least two full business day before the start of the meeting. Advance notification with this guideline will enable the California CLASS to make reasonable arrangements to ensure accessibility.

OATH

For the Office of _____

I, _____, do solemnly swear or affirm that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

Signature: _____

Term of Office: _____
Beginning Ending

Subscribed and sworn before me, _____
Month, Day, Year

Official Signature Title



Staff Report

Date: October 28, 2022

To: Board of Trustees

Prepared By: Alexandra Barnhill, General Counsel

Reviewed By:

Subject: **Consent Agenda Item 5.A - Considering Adoption of Resolution No. 22-04 declaring the ability of the Board of Trustees to continue to meet remotely, pursuant to AB 361**

Report in Brief

AB 361, signed by the Governor on September 16, 2021, amends the Brown Act to allow a legislative agency to continue meeting remotely using teleconferencing and virtual meeting technology, as long as the legislative agency makes certain findings and a “state of emergency” has been declared.

Recommended Action:

Adopt a Resolution declaring the ability of the Board of Trustees to continue to meet remotely, pursuant to AB 361.

Discussion:

Commencing in March 2020, amid arising concerns surrounding the spread of COVID-19 through communities in the state, California Governor Gavin Newsome issued a series of Executive Orders designed to contain the COVID-19 virus. These Executive Orders (N-25-20, N-29-20, and N-35-20) collectively modified certain requirements created by the Ralph M. Brown Act (California Government Code Sections 54950 *et seq.*, the “Brown Act”).

The Brown Act allows for teleconference meetings in Government Code Section 54953(b), with the following requirements:

- Give notice of each teleconference location from which a member will be participating in a public meeting and each teleconference location must be specifically identified in the meeting notice and agenda, including full address and room number;
- Each telephone conference location must be accessible to the public;
- Members of the public must be able to address the body at each teleconference location;
- Posting of agendas at all teleconference locations; and
- During teleconference meetings, at least a quorum of the members of the local body must participate from locations within the boundaries of the territory over which the local body exercises jurisdiction.

However, with the enactment of the Governor's Executive Orders described above, as a result of the COVID-19 pandemic, local legislative bodies in California were able to hold public meetings by "teleconference" (a term that includes video conferencing) without complying with all of the above Brown Act requirements for teleconference meetings. Instead, teleconference public meetings were permitted if advance notice of each public meeting was provided as otherwise provided by the Brown Act, and members of the public were allowed to observe and participate in the meeting by telephone or otherwise electronic means.

On June 11, 2021, Governor Newsome issued Executive Order N-08-21, which, among other things, rescinded his prior Executive Order N-29-20, and set a date of October 1, 2021, for public agencies to transition back to "live" public meetings held in full compliance with the Brown Act.

In response, the state legislature adopted AB 361 as an urgency measure, which was signed by the Governor on September 16, 2021, effective immediately thereafter until the law sunsets on January 1, 2024. The stated aim of AB 361 is to "improve and enhance public access to local agency meetings during the COVID-19 pandemic and future applicable emergencies, by allowing broader access through teleconferencing options."

AB 361 amends the Brown Act to allow local legislative bodies to continue hold public meetings remotely using teleconferencing and virtual meeting technology as long as the following requirements are met: 1) a "state of emergency" pursuant to Government Code Section 54953(e)(4); and, 2) the local legislative body has made certain findings including that state and local officials have imposed or recommended measures to promote social distancing or that meeting in person would present imminent risks to the health and safety of the public meeting attendees.

If the state of emergency remains active for more than thirty (30) days, a local agency must make the following findings by a majority vote every thirty (30) days to continue using AB 361's exemption to the Brown Act teleconferencing rules:

- The legislative body has reconsidered the circumstances of the emergency; and
- Either of the following circumstances must exist: the state of emergency continues to directly impact the ability of members to meet safely in person, or state or local officials continue to impose or recommend social distancing measures.

Here, at its August 11, 2022 meeting, the Board of Trustees previously adopted Resolution No. 22-03, finding that the requisite conditions existed for the legislative bodies of the California CLASS to conduct remote teleconference meetings from August 11, 2022 through September 10, 2022, without full compliance with Government Code Section 64953(b)(3).

Given that the Governor's State of Emergency remains in place and the Monterey County Health Officer¹ has recommended social distancing measures for public meetings, the Board of Trustees can make the necessary findings to adopt a Resolution to continue using AB 361's exemption.

Financial Impacts:

There is no financial impact.

Documents:

Attachment 1 – Resolution declaring the ability of the Board of Trustees to continue to meet remotely, pursuant to AB 361.

¹ The current Board meeting is scheduled to take place in Monterey County. On September 22, 2021, the Monterey County Health Department issued its Recommendation Regarding Social Distancing including Remote Meetings of Legislative Bodies in order to lessen the risk of exposure to the COVID-19 virus.

RESOLUTION NO. 22-04

RESOLUTION DECLARING THE ABILITY OF THE BOARD OF TRUSTEES TO CONTINUE TO MEET REMOTELY, PURSUANT TO AB 361

WHEREAS, the California Cooperative Liquid Assets Securities System (“California CLASS”) is committed in preserving and nurturing public access and participation in meetings of the Board of Trustees; and

WHEREAS, commencing in March 2020, amid rising concerns surrounding the spread of the COVID-19 virus through communities in the state, the State of California Governor Gavin Newsome issued a Proclamation of State of Emergency due to COVID-19. Such proclamation remains and is in effect as of the date of this Resolution, as are the facts, circumstances, and emergency under which it was issued; and

WHEREAS, the Health Officer of the County of Monterey has issued various health orders and updates designed to slow the spread of COVID-19 (including variants thereof) such as vaccinations, quarantines, face covering requirements, and social distancing recommendations designed to protect public health, which included a Recommendation Regarding Social Distancing including Remote Meetings of Legislative Bodies, issued by the Health Officer on September 22, 2021; and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20 allowing local legislative bodies to hold remote meetings via teleconference and to make such meetings accessible electronically without violating the open meeting laws found in the Ralph M. Brown Act Ralph M. Brown Act (California Government Code Sections 54950 et seq., the “Brown Act”); and

WHEREAS, on June 11, 2021, the Governor issued Executive Order N-08-21, which placed an end date of September 30, 2021, on such authority; and

WHEREAS, the California state legislature adopted AB 361 as an urgency measure that was signed by the Governor on September 16, 2021, effective immediately. AB 361 amends the Brown Act to allow local legislative bodies to continue meeting remotely using teleconferencing and virtual meeting technology as long as there is a “state of emergency” proclaimed by the Governor pursuant to Government Code Section 54953(e)(4) and upon the local legislative body making certain findings including that state or local officials have imposed or recommended measures to promote social distancing or that meeting in person would present imminent risks to the health or safety of Attendees; and

WHEREAS, since the issuance of Executive Order N-08-21, Delta and Omicron variants emerged, causing spikes in COVID-19 cases throughout the state; and

WHEREAS, due the rise in COVID-19 cases, including numerous variants, the California CLASS continues to be deeply concerned about protecting the health and safety of attendees, particularly given that even fully vaccinated people have contracted the most recent variants, people may have and transmit the virus before knowing they are infected and/or if they are asymptomatic; public officials have experienced COVID-19 outbreaks and/or exposures; meetings of legislative bodies often last

several hours, and meeting facilities are limited in space with seats are close together, with restricted airflow; and

WHEREAS, the Board of Trustees previously adopted Resolution No. 22-03 on August 11, 2022, finding that the requisite conditions exist for the legislative bodies of the California CLASS to conduct remote teleconference meetings from August 11, 2022 through September 10, 2022, without compliance with Government Code Section 54953(b)(3); and

WHEREAS, California CLASS desires to continue holding public meetings of the Board of Trustees remotely using teleconferencing and virtual meeting technology in order to avoid the imminent risk to the health and safety of attendees; and

WHEREAS, the California CLASS, after giving all public notices required by State Law, held a duly noticed public meeting on October 28, 2022; and

NOW, THEREFORE, THE BOARD OF TRUSTEES DOES RESOLVE AS FOLLOWS:

Section 1. **Recitals.** The Board of Trustees hereby finds and determines that the foregoing recitals are true and correct; the recitals are hereby incorporated by reference into each of the findings as though fully set forth therein.

Section 2. **AB 361 Findings.** The Board of Trustees, on behalf of itself and its legislative bodies, hereby finds the following:

- a. A state of emergency remains active due to the coronavirus pandemic, which continues to directly impact the ability of attendees to meet safely in person.
- b. Federal, state or local officials have imposed or recommended measures to promote social distancing.
- c. The Board of Trustees has reconsidered the circumstances of the state of emergency.
- d. The following circumstances exist:
 - (i) The state of emergency continues to directly impact the ability of attendees to meet safely in person.
 - (ii) State or local officials continue to impose or recommend measures to promote social distancing.

Section 3. As of October 28, 2022, meetings of California CLASS may continue to be conducted remotely using teleconferencing and virtual meeting technology for the next 30 days in compliance with AB 361. The Board of Trustees will revisit the remotely conducted meetings of California CLASS within 30 days after the adoption of this Resolution.

Section 4. This resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees for California CLASS on October 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST By:

(Signature)

(Name)

(Title)

(Date)



California Cooperative Liquid Assets Securities System
Special Meeting of the Board of Trustees Meeting Minutes
August 11, 2022
Not yet approved

Record of Proceedings

Meeting Minutes
California Cooperative Liquid Assets Securities System
Special Meeting of the Board of Trustees
August 11, 2022

A Special Meeting of the Board of Trustees ("Board") of the California Cooperative Liquid Assets Securities System ("California CLASS") was held at 11:30 a.m. (PST) on Thursday, August 11, 2022. The meeting was held as a Teleconference Meeting on Zoom pursuant to Government Code § 54953(e).

Board Members Present:

Mr. Ryan Clausnitzer, General Manager, Alameda County Mosquito Abatement District
Mr. George Harris, Director of Finance, City of Lancaster
Ms. Margaret Moggia, Executive Manager of Finance, West Basin Municipal Water District
Ms. Christina Turner, City Manager, City of Morgan Hill

Board Members Absent:

None

Staff Present:

Mr. Rodrigo Bettini, Public Trust Advisors, LLC
Ms. Molly Brown, Public Trust Advisors, LLC
Mr. Norman Coppinger, Deputy Executive Director of Finance and Operations, Cal Cities
Mr. Mustafa Hessabi, Deputy General Counsel, CSDA
Ms. Jenna Magan, Orrick Law
Mr. Neil McCormick, Chief Executive Officer, CSDA
Mr. Robert Shull, Public Trust Advisors, LLC
Mr. Thomas Tight, Public Trust Advisors, LLC (*virtual*)
Mr. Brent Turner, Public Trust Advisors, LLC
Mr. Neil Waud, Public Trust Advisors, LLC (*virtual*)
Mr. Rick Wood, Director of Finance and Administration, CSDA

1. Call to Order

Ms. Turner called the meeting to order, which was duly posted at 11:31 a.m.

2. Introductions/Roll Call – Determination of Quorum



Mr. Turner led introductions; it was determined that a quorum of the Board was present.

3. Action Item

Adopt Resolution 22-03: A Resolution of California CLASS authorizing remote teleconference meetings of the legislative bodies of California CLASS for the period of August 11, 2022, thru September 10, 2022 pursuant to provisions of the Ralph M. Brown Act.

Motion was made by Ms. Moggia to approve Resolution 22-03 as presented, the motion was seconded by Mr. Harris and was then unanimously approved by the Board of Trustees. (4-0)

4. Public Comment

Members of the public are invited to share comments with the Board on matters within the jurisdiction of California CLASS but not on the agenda. The public may also present comments on agenda items when the matter is called. The Brown Act prohibits action or discussion on items not appearing on the agenda. However, Trustees and staff are allowed to briefly respond to statements made or questions asked during this portion of the agenda. Trustees and staff may also ask questions for clarification in response to a public comment.

There were no comments from the public at this time.

5. Action Item

Adopt Minutes of the Special Meeting of the California CLASS Board of Trustees held June 17, 2022.

Motion was made by Ms. Moggia to approve the June 17 Special Meeting minutes as presented, the motion was seconded by Mr. Clausnitzer and was then unanimously approved by the Board of Trustees. (4-0)

6. Information / Action Item

The Board of Trustees received information regarding prospective engagement of attorneys to serve as General Counsel for California CLASS. Mr. Turner reviewed the General Counsel engagements and reported on the process of identifying the attorneys. As requested by Chairwoman Turner, the Trustees entered a closed session to discuss the prospective engagements.

Motion was made by Ms. Moggia to engage Jarvis Fay as the General Counsel for California CLASS. The motion was seconded by Mr. Harris and was then unanimously approved by the Board of Trustees. (4-0)

7. Closed Session Item



The Board of Trustees held a closed session discussion regarding PUBLIC EMPLOYMENT,
Title: General Counsel.

8. Information/Discussion Item

Preliminary discussions were held regarding the adoption of a Regular Meeting Schedule for the California CLASS Board of Trustees. Ms. Brown presented a proposed meeting calendar for the next calendar year and discussed the timeline for social and Board meetings.

Members discussed hosting meetings the third Friday of January, April, July and October. Additionally, the first regular meeting of the Board was scheduled for October 28, 2022.

9. Information / Action Item

Preliminary discussion regarding appointment of a Trustee to the Vacant Seat on the California CLASS Board of Trustees, and consider establishing Ad-Hoc Committee to consider and interview candidates for vacancy on Board of Trustees.

California CLASS Ad-Hoc Committee was formed to consider and interview candidates to fill the fifth Board seat. Ms. Moggia and Mr. Harris were nominated for the committee. Upon a motion by Mr. Clausnitzer and a second by Mr. Harris, the Board unanimously approved the formation of the Ad-Hoc Committee.

10. Report from Endorsing Partner, California Special Districts Association (CASDA)

Mr. McCormick addressed the Board and discussed recent CSDA and California CLASS initiatives.

11. Report from Endorsing Partner, League of California Cities (Cal Cities)

Mr. Coppinger addressed the Board and discussed recent Cal Cities and California CLASS initiatives.

12. Report from Investment Advisor/Administrator, Public Trust Advisors

Mr. Waud provided a high-level update on the economy and fund management of California CLASS.

13. Trustee Reports

Ms. Moggia discussed hosting a workshop during the next meeting to review California CLASS reports and talking points about the fund.

Mr. Harris noted recent communications received and requested information on and changes to signing procedures.

14. Adjournment



Chairwoman Turner requested a motion to adjourn the Special Meeting of the California CLASS Board of Trustees. Motion was provided by Ms. Moggia, seconded by Mr. Clausnitzer, and unanimously approved by the Board at 11:55pm.

These are the official Minutes of the Special Meeting of the California CLASS Board of Trustees meeting dated August 11, 2022.

Signed: _____ Date: October 28, 2022

Ms. Margaret Moggia, Secretary
California CLASS Board of Trustees

Minutes taken by: Molly Brown

Minutes prepared by: Molly Brown

Public Trust Advisors
Commercial Paper Approved List
October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
ABN AMRO FUNDING USA LLC	A-1	P-1	F1						
ALBION CAP CORP/LLC	A-1	P-1							
ALINGHI FUNDING CO LLC	A-1	P-1							
ALPHABET INC	A-1+	P-1		AA+	Aa2		STABLE	STABLE	
ALPINE SEC LLC	A-1	P-1							
AMAZON.COM INC	A-1+	P-1	F1+	AA	A1	AA-	STABLE	STABLE	STABLE
ANGLESEA FUNDING LLC	A-1	P-1							
APPLE INC	A-1+	P-1		AA+	Aaa		STABLE	STABLE	
ATLANTIC ASSET SEC LLC	A-1	P-1							
AUST & NZ BANKING GRP NY	A-1+				Aa3			STABLE	
BANK OF AMERICA NA	A-1	P-1	F1+	A+	Aa2	AA	POS	POS	STABLE
BANK OF MONTREAL CHICAGO	A-1	P-1			WR				
BANK OF NEW YORK MELLON	A-1+	P-1	F1+	AA-	Aa2	AA	STABLE	STABLE	STABLE
BANK OF TOKYO-MIT UFJ NY	A-1	P-1						STABLE	
BARCLAYS BANK PLC	A-1	P-1							
BEDFORD ROW FUNDING CORP	A-1+	P-1							
BENNINGTON STARK CAP CO	A-1	P-1							
BERKSHIRE HATHAWAY INC	A-1+	P-1		AA	Aa2	A+u	STABLE	STABLE	STABLE
BLACKROCK INC	A-1+	P-1		AA-	Aa3		STABLE	STABLE	
BMO HARRIS BANK NA	A-1	P-1		A+	Baa1		STABLE	STABLE	NEG
BNP PARIBAS FINANCE INC	A-1	P-1	F1						
BNP PARIBAS FORTIS SA/NY	A-1	P-1		A+	WR		STABLE	STABLE	
BOFA SECURITIES INC	A-1	-		A+			POS		STABLE
BRITANNIA FUNDING CO LLC	A-1	P-1							
CAFCO LLC	A-1	P-1							
CANCARA ASSET SECUR LLC	A-1	P-1							
CATERPILLAR INC	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE

Public Trust Advisors
Commercial Paper Approved List
October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
CEDAR SPRINGS CAPITAL CO	A-1	P-1							
CHARIOT FUNDING LLC	A-1	P-1							
CHARLES SCHWAB CORP	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
CHARTA LLC	A-1	P-1							
CHESHAM FIN LTD VII	A-1	P-1							
CHESHAM FIN LTD/FIN LLC	A-1	P-1							
CHEVRON CORP	A-1+	P-1	WD	AA-	Aa2	WD	STABLE	STABLE	
CIESCO LLC	A-1	P-1							
CISCO SYSTEMS INC	A-1+	P-1		AA-	A1		STABLE	STABLE	
CITIBANK NA	A-1	P-1	F1+	A+	Aa3	A+	STABLE	STABLE	STABLE
COCA-COLA CO	A-1	P-1	F1u	A+	A1	Au	STABLE	STABLE	STABLE
COLGATE-PALMOLIVE CO	A-1+	P-1	WD	AA-	Aa3	WD	STABLE	STABLE	
COLLAT COMM PAPER V CO	A-1	P-1	F1+						
COLUMBIA FUNDING CO	A-1	P-1							
CONCORD MINUTEMEN CAP CO	A-1	P-1							
CONCORD MINUTEMEN CAP CO	A-1	P-1							
CRC FUNDING LLC	A-1	P-1							
CREDIT AGRICOLE CIB NY	A-1	P-1		A+	WR		STABLE	STABLE	
CREDIT SUISSE NEW YORK	A-1	P-1	F2	A	A2	BBB+	NEG	NEG	NEG
CROWN POINT CAPITAL CO	A-1	P-1							
DEERE & CO	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
DZ BANK AG NY	A-1	P-1							
ELI LILLY & CO	A-1+	P-1		A+	A2	WD	STABLE	STABLE	
EMERSON ELECTRIC CO	A-1	P-1		A	A2		STABLE	STABLE	
ENDEAVOR FUNDING LLC									
ERSTE FINANCE LLC	A-1	P-1	F1						
EXXON MOBIL CORP	A-1+	P-1	WD	AA-	Aa2	WD	STABLE	STABLE	

Public Trust Advisors
Commercial Paper Approved List
October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
FAIRWAY FINANCE CO LLC	A-1	P-1							
GOLDMAN SACHS BANK USA/NY	A-1	P-1	F1+	A+	A1	A+	STABLE	STABLE	STABLE
GOTHAM FUNDING CORP	A-1	P-1							
GREAT BEAR FUNDING LLC	A-1	P-1							
GTA FUNDING LLC	A-1+	P-1							
HALKIN FINANCE LLC	A-1	P-1							
HERSHEY COMPANY	A-1	P-1		A	A1		STABLE	STABLE	
HOME DEPOT INC	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
HONEYWELL INTERNATIONAL	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
HSBC BANK USA NA	A-1	P-1	F1+	A+	Aa3	AA-	STABLE	STABLE	STABLE
ILLINOIS TOOL WORKS INC	A-1	P-1		A+	A2		STABLE	POS	
ING (US) FUNDING LLC	A-1	P-1							
INST SEC FNDG LLC	A-1	P-1							
INTEL CORP	A-1	P-1	F1	A+	A1	A+	NEG	NEG	NEG
INTER-AMERICAN DEV BANK	A-1+	(P)P-1			Aaa		STABLE	STABLE	STABLE
INTERNATIONAL BANK FOR RECON	#N/A	P-1			Aaa	Field Not App	STABLE	STABLE	STABLE
INTERNATIONAL FINANCE CORP	A-1+	(P)P-1		AAA	Aaa	Field Not App	STABLE	STABLE	
IONIC CAPITAL II TRUST	A-1	P-1		A-1	P-1				
IONIC CAPITAL III TRUST	A-1	P-1		A-1	P-1				
JOHNSON & JOHNSON	A-1+	P-1	WD	AAA	Aaa	WD	NEG	STABLE	
JP MORGAN SECURITIES LLC	A-1	P-1	F1+	A+	Aa3		POS	STABLE	STABLE
JUPITER SEC CO LLC	A-1	P-1							
KELLS FUNDING LLC	A-1+	P-1							
KIMBERLY-CLARK CORP	A-1	P-1	WD	A	A2	WD	NEG	STABLE	
LA FAYETTE ASSET SECURIT	A-1	P-1							
LEGACY CAPITAL LLC	A-1	P-1							
LEXINGTON PARKER CAPITAL	A-1	P-1							

Public Trust Advisors
Commercial Paper Approved List
October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
LIBERTY STREET FDG LLC	A-1	P-1							
LIME FUNDING LLC	A-1	P-1							
LMA SA	A-1	P-1							
LONGSHIP FUNDING LLC	A-1+	P-1							
LVMH MOET HENNESSY VUITT	A-1	P-1		A+	A1	WD	STABLE	STABLE	
MACKINAC FUNDING CO LLC	A-1	P-1							
MANHATTAN ASSET FDG CO	A-1	P-1							
MASSACHUSETTS MUTUAL LIF	A-1+	P-1	F1+	A-1+	Aa3	F1+	STABLE	STABLE	STABLE
MASTERCARD INC	A-1	P-1		A+	A1		STABLE	STABLE	
MERCK & CO INC	A-1	P-1	F1u	A+	A1	A+u	STABLE	NEG	STABLE
METLIFE SHORT TERM FUND	A-1+	P-1							
MICROSOFT CORP	A-1+	P-1	F1+u	AAA	Aaa	AAAu	STABLE	STABLE	STABLE
MINNESOTA MINING & MANUF	A-1 *-	P-1		A+ *-	A1			STABLE	
MIZUHO BANK LTD/NY	A-1	P-1							
MONT BLANC CAPITAL CORP	A-1	P-1							
MUFG BANK LTD/NY	A-1	P-1						STABLE	
NATIXIS NY BRANCH	A-1	P-1		A	(P)A1		STABLE	STABLE	
NATL SEC CLEARING CORP	A-1+	P-1		AA+	Aaa		STABLE	STABLE	
NESTLE CAPITAL CORP	A-1+	P-1	F1+					STABLE	
NEW YORK LIFE CAP CORP	A-1+	P-1	F1+					STABLE	
NORTHERN TRUST CORP	A-1	WR	F1+	A+	A2	A+	STABLE	STABLE	STABLE
NOVARTIS FINANCE CORP	A-1+	P-1							
OESTERREICH KONTROLLBANK	A-1+	P-1		AA+	Aa1		STABLE	STABLE	
OLD LINE FUNDING LLC	A-1+	P-1							
PACCAR FINANCIAL CORP	A-1	P-1		A+	A1		STABLE	STABLE	
PEPSICO INC	A-1	P-1	WD	A+	A1	WD	STABLE	STABLE	
PFIZER INC	A-1+	P-1	F1u	A+	A2	Au	STABLE	POS	POS

Public Trust Advisors
Commercial Paper Approved List
October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
PNC BANK NA	A-1	P-1	F1	A	A2	A+	POS	STABLE	STABLE
PRICOA SHORT TERM FDG LL	A-1+	P-1							
PROCTER & GAMBLE CO	A-1+	P-1	NR	AA-	Aa3	NR	STABLE	STABLE	
PRUDENTIAL FUNDING LLC	A-1+	P-1	F1+	AA-	A1	A+	STABLE	STABLE	
RABOBANK USA FIN CORP	A-1	P-1							
REGATTA FUNDING CO LLC	A-1	P-1							
RIDGEFIELD FUNDNG CO LLC	A-1	P-1							
ROYAL BANK OF CANADA NY	A-1+	P-1			(P)Aa1			STABLE	STABLE
SOCIETE GENERALE N AMER	A-1	P-1							
ST ENGINEERING NA INC	A-1+	P-1							
STANDARD CHARTERED BANK	A-1	P-1	F1	A+	A1	A+	STABLE	STABLE	STABLE
STANDARD CHARTERED BK NY	A-1	P-1							
STARBIRD FUNDING CORP	A-1	P-1							
STATE STREET CORP	A-1	WR	F1+	A	A1	AA-	STABLE	STABLE	STABLE
SUMITOMO MITSUI TRUST NY	A-1	P-1							
SVENSKA HANDELSBANK INC	A-1+	P-1	F1+					STABLE	
SWEDISH EXPORT CREDIT	A-1+	P-1		AA+			STABLE	STABLE	
TARGET CORPORATION	A-1	P-1	F1	A	A2	A	STABLE	POS	STABLE
THUNDER BAY FUNDING LLC	A-1+	P-1							
TORONTO DOMINION HDG USA	A-1+	P-1							
TOYOTA MOTOR CREDIT CORP	A-1+	P-1	F1	A+	A1	A+	STABLE	STABLE	STABLE
US BANCORP ("II")	A-1	P-1	F1+	A+	A2	A+	NEG	NEG	STABLE
US BANK NA CINCINNATI	A-1+	P-1	F1+	AA-	A1	AA-	NEG	NEG	STABLE
VICTORY RECEIVABLES CORP	A-1	P-1							
VISA INC	A-1+	P-1		AA-	Aa3		STABLE	STABLE	
WALMART INC	A-1+	P-1	F1+	AA	Aa2	AA	STABLE	STABLE	STABLE
WELLS FARGO BANK NA	A-1	P-1	F1+	A+	Aa2	AA-	STABLE	STABLE	STABLE



**Public Trust Advisors
Commercial Paper Approved List
October-2022**

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch

FOR INFORMATIONAL PURPOSES ONLY. This list is current as of the effective date only and is subject to change. This information is for investment advisory purposes only and should be considered as the property of Public Trust Advisors, LLC and under no circumstance communicated or distributed to any third party or relied upon for any other purpose. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this list. Any financial and / or investment decision may incur losses.



Public Trust Advisors
 Approved List Overnight Bank Deposits
 October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
BANK OF AMERICA NA	A-1	P-1	F1+	A+	Aa2	AA	POS	POS	STABLE
BANK OF THE WEST	A-1	P-1	F1 *+	A *+	A3 *-				
CITIBANK NA	A-1	P-1	F1+	A+	Aa3	A+	STABLE	STABLE	STABLE
FIRSTBANK/CO									
JPMORGAN CHASE BANK NA	A-1	P-1	F1+	A+	Aa2	AA	POS	STABLE	STABLE
PACIFIC WESTERN BANK									
UMB FINANCIAL CORP	A-2			A-	WR		STABLE	STABLE	STABLE
US BANK NA/CINCINNATI OH	A-1+	P-1	F1+	AA-	A1	AA-	NEG	NEG	STABLE
VECTRA BANK COLORADO NA									
WELLS FARGO BANK NA	A-1	P-1	F1+	A+	Aa2	AA-	STABLE	STABLE	STABLE

FOR INFORMATIONAL PURPOSES ONLY. This list is current as of the effective date only and is subject to change. This information is for investment advisory purposes only and should be considered as the property of Public Trust Advisors, LLC and under no circumstance communicated or distributed to any third party or relied upon for any other purpose. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this list. Any financial and / or investment decision may incur losses.



Public Trust Advisors
 Approved List for Repurchase Agreement Counterparties
 October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
BANK OF AMERICA NA	A-1	P-1	F1+	A+	Aa2	AA	POS	POS	STABLE
BANK OF MONTREAL	A-1	P-1	F1+	A+	Aa2	AA-	STABLE	STABLE	NEG
BOFA SECURITIES INC	A-1	-		A+			POS		STABLE
CITIGROUP GLOBAL MARKETS	A-1	P-1	F1	A+	A1		STABLE	STABLE	STABLE
CREDIT AGRICOLE CIB NY	A-1	P-1		A+	WR		STABLE	STABLE	
GOLDMAN SACHS & CO	A-1	WR	F1	A+		A+	STABLE		STABLE
JP MORGAN SECURITIES LLC	A-1	P-1	F1+	A+	Aa3		POS	STABLE	STABLE
ROYAL BANK OF CANADA NY	A-1+	P-1			(P)Aa1			STABLE	STABLE
UBS SECURITIES LLC	A-1	-		A+			STABLE		
WELLS FARGO BANK NA	A-1	P-1	F1+	A+	Aa2	AA-	STABLE	STABLE	STABLE

FOR INFORMATIONAL PURPOSES ONLY. This list is current as of the effective date only and is subject to change. This information is for investment advisory purposes only and should be considered as the property of Public Trust Advisors, LLC and under no circumstance communicated or distributed to any third party or relied upon for any other purpose. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this list. Any financial and / or investment decision may incur losses.



Public Trust Advisors
 MTN Issuers Approved List
 October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
3M CO	A-1 *-	P-1		A+ *-	A1			STABLE	
ABN AMRO BANK NV	A-1	P-1	F1	A	A1	A+	STABLE	STABLE	STABLE
ALPHABET INC	A-1+	P-1		AA+	Aa2		STABLE	STABLE	
AMAZON.COM INC	A-1+	P-1	F1+	AA	A1	AA-	STABLE	STABLE	STABLE
APPLE INC	A-1+	P-1		AA+	Aaa		STABLE	STABLE	
BANK OF AMERICA NA	A-1	P-1	F1+	A+	Aa2	AA	POS	POS	STABLE
BANK OF THE WEST	A-1	P-1	F1 *+	A *+	A3 *-				
BARCLAYS BANK PLC	A-1	P-1	F1	A	A1	A+	POS	STABLE	STABLE
BERKSHIRE HATHAWAY INC	A-1+	P-1		AA	Aa2	A+u	STABLE	STABLE	STABLE
BMO HARRIS BANK NA	A-1	P-1		A+	Baa1		STABLE	STABLE	NEG
BNP PARIBAS FORTIS SA/NY	A-1	P-1		A+	WR		STABLE	STABLE	
CALYON NY	A-1	P-1		A+	WR		STABLE	STABLE	
CATERPILLAR INC	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
CHEVRON CORP	A-1+	P-1	WD	AA-	Aa2	WD	STABLE	STABLE	
CISCO SYSTEMS INC	A-1+	P-1		AA-	A1		STABLE	STABLE	
CITIBANK NA	A-1	P-1	F1+	A+	Aa3	A+	STABLE	STABLE	STABLE
COCA-COLA CO	A-1	P-1	F1u	A+	A1	Au	STABLE	STABLE	STABLE
COLGATE-PALMOLIVE CO	A-1+	P-1	WD	AA-	Aa3	WD	STABLE	STABLE	
COOPERATIEVE RABOBANK UA/NY	A-1	P-1		A+	Aa2		STABLE	STABLE	
CREDIT AGRICOLE CIB NY	A-1	P-1		A+	WR		STABLE	STABLE	
CREDIT SUISSE NEW YORK	A-1	P-1	F2	A	A2	BBB+	NEG	NEG	NEG
DEERE & CO	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
ELI LILLY & CO	A-1+	P-1		A+	A2	WD	STABLE	STABLE	
EMERSON ELECTRIC CO	A-1	P-1		A	A2		STABLE	STABLE	



Public Trust Advisors
 MTN Issuers Approved List
 October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
EXXON MOBIL CORP	A-1+	P-1	WD	AA-	Aa2	WD	STABLE	STABLE	
GOLDMAN SACHS BANK USA/NY	A-1	P-1	F1+	A+	A1	A+	STABLE	STABLE	STABLE
HOME DEPOT INC	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
HONEYWELL INTERNATIONAL	A-1	P-1	F1	A	A2	A	STABLE	STABLE	STABLE
HSBC BANK USA NA	A-1	P-1	F1+	A+	Aa3	AA-	STABLE	STABLE	STABLE
HSBC USA INC	A-2	P-1	F1+	A-	A1	A+	STABLE	STABLE	STABLE
INTEL CORP	A-1	P-1	F1	A+	A1	A+	NEG	NEG	NEG
INTER-AMERICAN DEV BANK	A-1+	(P)P-1			Aaa		STABLE	STABLE	STABLE
INTERNATIONAL BANK FOR RECON		P-1			Aaa	Field Not App	STABLE	STABLE	STABLE
INTERNATIONAL FINANCE CORP	A-1+	(P)P-1		AAA	Aaa	Field Not App	STABLE	STABLE	
JOHNSON & JOHNSON	A-1+	P-1	WD	AAA	Aaa	WD	NEG	STABLE	
JP MORGAN SECURITIES LLC	A-1	P-1	F1+	A+	Aa3		POS	STABLE	STABLE
JPMORGAN CHASE BANK	A-1	P-1	F1+	A+	Aa2	AA	POS	STABLE	STABLE
KIMBERLY-CLARK CORP	A-1	P-1	WD	A	A2	WD	NEG	STABLE	
LVMH MOET HENNESSY VUITT	A-1	P-1		A+	A1	WD	STABLE	STABLE	
MERCK & CO. INC.	A-1	P-1	F1u	A+	A1	A+u	STABLE	NEG	STABLE
MERRILL PIERCE FENNER SM	A-1	-		A+			POS		STABLE
MICROSOFT CORP	A-1+	P-1	F1+u	AAA	Aaa	AAAu	STABLE	STABLE	STABLE
MUFG BANK LTD/NY	A-1	P-1						STABLE	
NATIXIS NY BRANCH	A-1	P-1		A	(P)A1		STABLE	STABLE	
NORTHERN TRUST CORP	A-1	WR	F1+	A+	A2	A+	STABLE	STABLE	STABLE
ORACLE CORP	A-2	P-2 *-	F1 *-	BBB	Baa2 *-	BBB+ *-	NEG		
PACCAR FINANCIAL CORP	A-1	P-1		A+	A1		STABLE	STABLE	
PEPSICO INC	A-1	P-1	WD	A+	A1	WD	STABLE	STABLE	

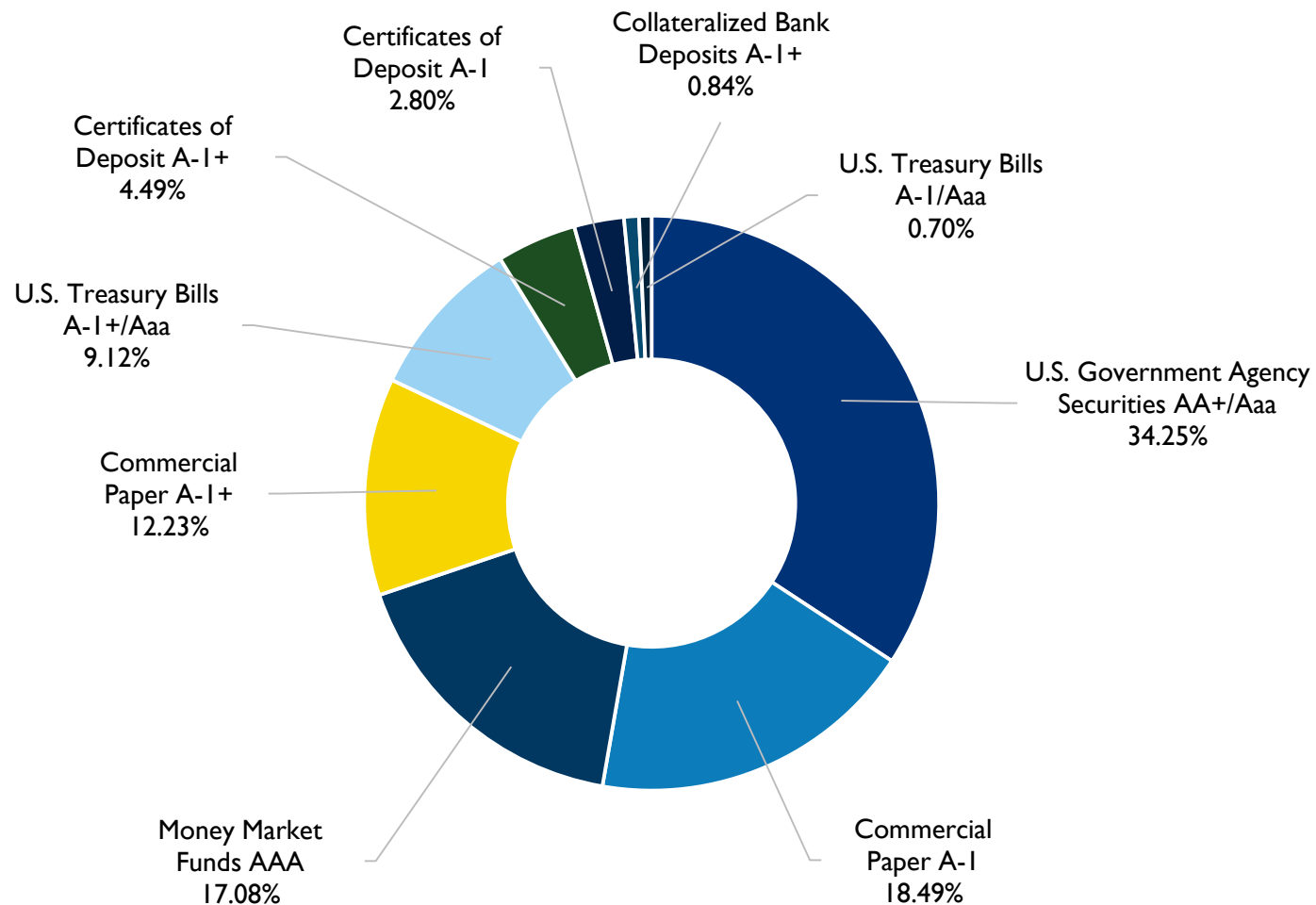


Public Trust Advisors
 MTN Issuers Approved List
 October-2022

Name	Short-Term			Long-Term			Outlook		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
PFIZER INC	A-1+	P-1	F1u	A+	A2	Au	STABLE	POS	POS
PNC BANK NA	A-1	P-1	F1	A	A2	A+	POS	STABLE	STABLE
PROCTER & GAMBLE CO	A-1+	P-1	NR	AA-	Aa3	NR	STABLE	STABLE	
TOYOTA MOTOR CREDIT CORP	A-1+	P-1	F1	A+	A1	A+	STABLE	STABLE	STABLE
US BANCORP	A-1	P-1	F1+	A+	A2	A+	NEG	NEG	STABLE
US BANK NA CINCINNATI	A-1+	P-1	F1+	AA-	A1	AA-	NEG	NEG	STABLE
WALMART INC	A-1+	P-1	F1+	AA	Aa2	AA	STABLE	STABLE	STABLE
WELLS FARGO BANK NA	A-1	P-1	F1+	A+	Aa2	AA-	STABLE	STABLE	STABLE

FOR INFORMATIONAL PURPOSES ONLY. This list is current as of the effective date only and is subject to change. This information is for investment advisory purposes only and should be considered as the property of Public Trust Advisors, LLC and under no circumstance communicated or distributed to any third party or relied upon for any other purpose. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this list. Any financial and /or investment decision may incur losses.

Portfolio Composition as of September 30, 2022





Staff Report

Date: October 28, 2022

To: Board of Trustees

Prepared By: Alexandra Barnhill, General Counsel

Reviewed By:

Subject: **Agenda Item 6.B. - Considering Adoption of Resolution No. 22-05 authorizing the approval of amended Bylaws**

Report in Brief

Amended Bylaws for California CLASS are proposed to be adopted by the Board of Trustees in order to improve the running of meetings in consideration of Brown Act requirements.

Recommended Action:

Adopt a Resolution No. 22-05 authorizing the approval of amended Bylaws for California CLASS.

Discussion:

On June 17, 2022, with the adoption of Resolution No. 2022-01, the Board of Trustees approved and adopted its Bylaws for the California CLASS. Pursuant to Article VI, Section 6.1 of the Bylaws, the Bylaws may be amended by the Board at any regular or special meeting by a majority vote, provided that the proposed amendment to any particular section is included in the notice of such meeting.

Revisions to the Bylaws are now proposed, as demonstrated in the Amended Bylaws (with the changes indicated by redlines), attached as Attachment 1.

In summary, the revisions seek to clarify the duties, term of office and election procedures for each Board officer. The revisions also clarify the running of Board meetings, including specifying voting and quorum requirements, as well as scheduling and posting meetings in compliance with the Ralph M. Brown Act (California Government Code Sections 54950 *et seq.*, "Brown Act").

Financial Impacts:

There is no financial impact.

Documents:

Attachment 1 – Resolution No. 22-05, authorizing the approval of amended Bylaws

RESOLUTION NO. 22-05

RESOLUTION AUTHORIZING THE APPROVAL OF AMENDED BYLAWS FOR THE CALIFORNIA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM

WHEREAS, on June 6, 2022, the West Basin Water Municipal Water District, the City of Lancaster, and the Alameda County Mosquito Abatement District executed and delivered a Joint Exercise of Powers Agreement (“Joint Powers Agreement”) that created and established the California Cooperative Liquid Assets Securities System (the “California CLASS”); and

WHEREAS, on June 17, 2022, the California CLASS confirmed the initial Trustees of the Board of Trustees, adopted Bylaws and authorized the election of officers of the California CLASS, with the adoption of Resolution No. 2022-01; and

WHEREAS, the approved Bylaws may be amended pursuant to Article VI, Section 6.1 of the Bylaws, by majority vote of the Board; and

WHEREAS, the Board of Trustees now wish to amend the Bylaws in order to ensure more efficient running of its public meetings in compliance with the Ralph M. Brown Act (California Government Code Sections 54950 *et seq.*, “Brown Act”); and

WHEREAS, the amended Bylaws, attached as Exhibit 1 and Exhibit 2 and incorporated herein, were made available to the California Class Board of Trustees for review; and

WHEREAS, the California CLASS, after giving all public notices required by state law, held a duly noticed joint public meeting on October 28, 2022; and

NOW, THEREFORE, THE BOARD OF TRUSTEES DOES RESOLVE AS FOLLOWS:

Section 1. **Recitals.** The Board of Trustees hereby finds and determines that the foregoing recitals are true and correct; the recitals are hereby incorporated by reference into each of the findings as though fully set forth therein. Any exhibits attached to this Resolution are incorporated herein by reference.

Section 2. The Board of Trustees hereby authorizes the amendment of the Bylaws for California CLASS, as set forth in Exhibit 1, attached hereto and made a part hereof. A copy of the Bylaws as amended and restated are set forth in Exhibit 2.

Section 3. This resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees for California CLASS on October 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST By:

(Signature)

(Name)

(Title)

(Date)

Attachments:

Exhibit 1 – redlined amended Bylaws

Exhibit 2 – Amended and Restated Bylaws

~~BY-LAWS~~BYLAWS OF

THE

CALIFORNIA CLASS

Adopted: June 17, 2022

Amended: _____, 2022

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized terms used herein but not otherwise defined shall have the respective meanings assigned such terms in the Joint Exercise of Powers Agreement ~~(the “Joint Powers Agreement”)~~ creating the California Cooperative Liquid Assets Securities System. (the “Joint Powers Agreement”).

ARTICLE II

THE CALIFORNIA CLASS

Section 2.1. Name. The official name of the joint powers entity created under the Joint Powers Agreement shall be the California Cooperative Liquid Assets Securities System (also referred to as “California CLASS”).

e

Section 2.2. Governing Board. Notwithstanding anything herein to the contrary, the provisions of the Joint Powers Agreement with respect to the governing board of the California CLASS are incorporated herein by this reference as if set forth at length herein.

Section 2.3. Manner of Exercising Power. As to those powers vested in the California CLASS pursuant to Government Code Section 6509 and the Joint Powers Agreement, unless otherwise specified herein, such powers shall be exercised in the same manner and subject to the same restrictions as to those applicable to Founding Participant City of Lancaster pursuant to the statutes and laws of the State of California.

Section 2.4. Compensation. Trustees shall serve without compensation by the California CLASS. Trustees may receive their actual and necessary expenses, including traveling expenses incurred in the discharge of their duties, but only when authorized by the California CLASS and if there are unencumbered funds available for such purpose.

Section 2.45. Conflicts of Interest. The California CLASS shall, by resolution, adopt a Conflict of Interest Code as required by law.

Section 2.56. Required Filings with California Secretary of State. Within 30 days after the effective date of the Joint Powers Agreement or any amendment thereto, the California CLASS shall cause a notice of the Joint Powers Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State of California in the manner set forth in Government Code Section 6503.5 of the Joint Exercise of Powers Act. Such notice shall also be filed with the office of the Controller of the State of California as required by Government Code Section 6503.6 ~~of the Act~~. The California CLASS shall file a Statement of Facts, for ~~Roster~~Registry of Public Agencies, within 70 days of the effective date of the Joint Powers Agreement or an amendment thereto within 10 days of any change in the constitution of the Board.

ARTICLE III

OFFICERS

Section 3.1. Board of Officers. ~~The Officers~~As established by the Joint Powers Agreement, the management of the California CLASS shall be ~~the~~governed by the Board of Officers. The Board shall consist of five (5) Trustees, appointed pursuant to Section 4.1 of the Joint Powers Agreement. The Officer positions shall consist of a Chair, Vice-Chair, Secretary and Treasurer ~~and~~, with the duties for each position indicated below. The Board shall have the power to appoint such ~~other officers~~additional Officers as ~~the Board may determine~~. Anyit deems necessary. With the exception of the Chair and Vice-Chair, any number of ~~offices~~the Officer positions may be held by the same person.

~~Section 3.2. Chair.~~ Section 3.2. Term. All Officers shall serve a one-year term, which shall commence at the meeting immediately following the election of the Officer and shall expire on December 31st of the following year. Officers may serve consecutive one-year terms and there are no limits on the number of terms to be held by each Officer.

Section 3.3. Chair. The Chair shall preside at all meetings of the California CLASS, and shall submit such information and recommendations to the Board as ~~he or she~~the Chair may consider proper concerning the business, policies and affairs of the California CLASS.

Section 3.34. Vice-Chair. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation, removal or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair, until such time as a new Chair shall be selected in accordance with these Bylaws.

~~Section 3.4.~~

Section 3.5. Secretary. The Secretary shall ~~keep~~be responsible for keeping the records of the California CLASS, ~~shall act as secretary at the meetings of the California CLASS and recording~~including recording all votes, ~~and shall keep a record of~~ the proceedings of the California CLASS in a journal of proceedings to be kept for such purpose, and ~~shall perform~~performing all duties incident to the office. The Secretary ~~shall give or cause~~may delegate these responsibilities to ~~be given notice of all meetings of the Board. The Secretary shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Trustee and to any Participant (if such Participant so requests the California CLASS in writing);~~the Administrator.

Section 3.6.

~~Section 3.5. Treasurer.~~ The Treasurer shall be appointed by the Board as provided by Government Code Section 6505.5 or Section 6505.6 ~~of the Act~~. Subject to the applicable provisions of any agreement or resolution providing for a depository or custodian and except as may otherwise be specified by resolution of the California CLASS, the Treasurer shall have the powers, duties and responsibilities specified in the Joint Exercise of Powers Act, including but not limited to those duties enumerated in Government Sections 6505, 6505.5, 6505.6 and 6509.5 ~~of the Act~~.

~~Section 3.6.~~

~~Section 3.7. Election of Officers. Selection and confirmation, as applicable, of officers~~The election of Officers shall be the first order of business at the ~~last meeting~~Annual Meeting of the California CLASS, ~~regular or special, held in each at the last meeting of the~~ calendar year, as provided in Section 4.6(a) of the Joint Powers Agreement. The ~~officers~~Officers of the California CLASS shall be elected by a majority vote of the full Board. The Officers shall serve at the pleasure of the Board until such ~~officer~~Officer is re-elected or a successor to such office is elected by the Board.

Section 3.8.

~~Section 3.7. Removal of Officers. Subject to the rights, if any, of an officer under any contract of employment, any officer~~ Any Officer may be removed, either with or without cause, by the majority vote of the full Board.

Section 3.9.

~~Section 3.8. Resignation of Officers.~~ Any ~~officer~~Officer may resign at any time by giving written notice to the Board. Any resignation shall take effect as of the date of the receipt of that notice or at any later time specified in that notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the California CLASS under any contract to which the officer is a party.

Section 3.910. Vacancies in Offices. A vacancy in any office because of death, resignation, removal or any other cause shall be filled in the manner prescribed herein for regular appointment to that office. ~~The Chair, as set forth in the Joint Powers Agreement. The Chair, or the Vice Chair in the event of the Chair's vacancy,~~ may make temporary appointments to a vacant office pending action by the Board.

Section 3.1011. Authority to Bind California CLASS. No director, member, officer, agent or employee of the California CLASS, without prior specific or general authority by a vote of a majority of the Board, shall have any power or authority to bind the California CLASS by any contract, to pledge its credit, or to render it liable for any purpose in any amount.

ARTICLE IV

EMPLOYEES AND AGENTS

Section 4.1. Appointment of Employees and Agents. The California CLASS has the power to appoint, employ, retain or contract with any persons for the transaction of the affairs of the California CLASS as provided in the Joint Powers Agreement. Any contractor, consultant, officer, employee or agent of California CLASS may also be a contractor, consultant, officer, employee or agent of any of the Founding Partners. The appointment by California CLASS of such a person shall constitute evidence that the positions are compatible.

ARTICLE V

MEETINGS

Section 5.1. Annual Meetings of the Board. Annual ~~meetings~~Meetings of the Board shall be held at the ~~time~~last meeting of the calendar year and shall be for the purpose of the appointment of Trustees, election of officers, setting the calendar for regular meetings, and other organizational matter as provided in these Bylaws, as provided in Section 4.6(a) of the Joint Powers Agreement.

Section 5.2. Regular Meetings of Board. Regular meetings of the Board shall be held at such place ~~as the Chair may designate, on dates and at a time as fixed by resolution of the California CLASS on the dates and times designated at the Annual Meeting of the Board.~~ Noticing of the regular meeting and agenda materials, and public comment procedures shall comply with the provisions of the Brown Act.

Section 5.3. Special Meetings of Board. Special meetings of the Board may be called at any time by the Chair by delivering written notice to each Trustee. Such written notice may be dispensed with as to any Trustee who at or prior to the time the meeting convenes files with the Secretary of the California CLASS a written waiver of notice. Such waiver may be given by electronic means. Such written notice may also be dispensed with as to any member who is actually present at the meeting. Public notice of the special meeting and agenda materials, and public comment procedures shall comply with the provisions of the Brown Act.

Section 5.4. Closed Sessions. Nothing contained in these Bylaws shall be construed to prevent the Board from holding closed sessions during a regular or special meeting concerning any matter permitted by law to be considered in a closed session. Noticing of the closed session shall comply with the provisions of the Brown Act.

~~Section 5.5. Public Hearings. All public hearings held by the Board shall be held during regular or special meetings of the Board.~~

Section 5.5. Emergency Meetings. Emergency meeting may be scheduled without complying with the 24-hour notice requirement in accordance with Government Code Section 54956.5 of the Brown Act.

Section 5.6. Adjourning Meetings and Continuing Public Hearings to Other Times or Places. The Board may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all Trustees are absent from any regular meeting or adjourned regular meeting, the ~~Secretary~~Administrator may declare the meeting adjourned to a stated time and place ~~and shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings unless such notice is waived as provided for special meetings no less than five (5) calendar days later.~~ A copy of the order ~~or notice of of adjournment must be posted within 24 hours after the adjournment shall be conspicuously posted on, at~~ or near the door of the place where the meeting ~~was~~is held ~~within 24 hours after the time of the adjournment.~~ When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all

purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

Any public hearing being held, or any hearing noticed or ordered to be held at any meeting may by order or notice of continuance be continued or reconvened to any subsequent meeting in the same manner and to the same extent set forth herein for the adjournment of the meetings; provided, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

~~Section 5.7. Meetings to be Open and Public. All meetings of the Board to take action or to deliberate concerning~~ Section 5.7. Quorum and Voting. Three members of the Board shall constitute a quorum for the transaction of California CLASS business. As provided for in Section 4.6(e) of the Joint Powers Agreement, any action of the Board requires the affirmative vote of a majority of the total number of the authorized Board members; in other words, if only three (3) Board members are present, all three (3) members would be required to vote in favor of any action. When any member of the Board is disqualified to vote on any item due to a financial conflict of interest, the disqualified Board member shall be required to leave the room while the matter is being discussed; accordingly, the disqualified member's presence is not to be considered in determining the existence of a quorum, unless authorized by law.

~~Section 5.8. Meetings to be Open and Public. All meetings of the Board to take action or to deliberate on~~ California CLASS business and its conduct shall be open and public. All persons shall be permitted to attend any such meetings except as otherwise provided or permitted by law and Section 5.4 of these Bylaws.

~~Section 5.89. Order of Business.~~ The Chair or Secretary shall prepare or approve the agenda of all meetings. Business will be conducted according to and in the order listed on the agenda, except when determined by the BoardChair, or as permitted by law.

~~Section 5.910. Meeting Minutes.~~ The Board shall approve the minutes of each meeting at a subsequent meeting by a majority vote of the Board and shall cause the minutes of all meetings to be kept and distributed in compliance with state laws and regulations, including the Ralph M. Brown Act ("Brown Act").

~~Section 5.11. Parliamentary Procedure.~~ The ~~presiding officer~~Chair at the meeting shall determine the rules of conduct. ~~The presiding officer and~~ may be guided by the rules of parliamentary procedure set forth in ~~Robert's~~Rosenberg's Rules of Order, ~~but failure.~~ Failure to follow ~~Robert's~~Rosenberg's Rules of Order shall not affect the validity of any action or motion duly taken or adopted by the Board at any lawfully held meeting.

ARTICLE VI

AMENDMENTS

Section 6.1. Amendments to Bylaws. These Bylaws may be amended by the Board at

| any regular or special meeting by majority vote of the full Board, provided that the proposed amendment to any particular section is included in the notice of such meeting.

**BYLAWS OF
THE
CALIFORNIA CLASS**

Adopted: June 17, 2022

Amended: October 28, 2022

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized terms used herein but not otherwise defined shall have the respective meanings assigned such terms in the Joint Exercise of Powers Agreement creating the California Cooperative Liquid Assets Securities System (the “Joint Powers Agreement”).

ARTICLE II

THE CALIFORNIA CLASS

Section 2.1. Name. The official name of the joint powers entity created under the Joint Powers Agreement shall be the California Cooperative Liquid Assets Securities System (also referred to as “California CLASS”).

e

Section 2.2. Governing Board. Notwithstanding anything herein to the contrary, the provisions of the Joint Powers Agreement with respect to the governing board of the California CLASS are incorporated herein by this reference as if set forth at length herein.

Section 2.3. Manner of Exercising Power. As to those powers vested in the California CLASS pursuant to Government Code Section 6509 and the Joint Powers Agreement, unless otherwise specified herein, such powers shall be exercised in the same manner and subject to the same restrictions as to those applicable to Founding Participant City of Lancaster pursuant to the statutes and laws of the State of California.

Section 2.4. Compensation. Trustees shall serve without compensation by the California CLASS. Trustees may receive their actual and necessary expenses including traveling expenses incurred in the discharge of their duties, but only when authorized by the California CLASS and if there are unencumbered funds available for such purpose.

Section 2.5. Conflicts of Interest. The California CLASS shall, by resolution, adopt a Conflict of Interest Code as required by law.

Section 2.6. Required Filings with California Secretary of State. Within 30 days after the effective date of the Joint Powers Agreement or any amendment thereto, the California CLASS shall cause a notice of the Joint Powers Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State of California in the manner set forth in Government Code Section 6503.5 of the Joint Exercise of Powers Act. Such notice shall also be filed with the office of the Controller of the State of California as required by Government Code Section 6503.6. The California CLASS shall file a Statement of Facts, for Registry of Public Agencies, within 70 days of the effective date of the Joint Powers Agreement or an amendment thereto within 10 days of any change in the constitution of the Board.

ARTICLE III

OFFICERS

Section 3.1. Board of Officers. As established by the Joint Powers Agreement, the management of the California CLASS shall be governed by the Board of Officers. The Board shall consist of five (5) Trustees, appointed pursuant to Section 4.1 of the Joint Powers Agreement. The Officer positions shall consist of a Chair, Vice-Chair, Secretary and Treasurer, with the duties for each position indicated below. The Board shall have the power to appoint such additional Officers as it deems necessary. With the exception of the Chair and Vice-Chair, any number of the Officer positions may be held by the same person.

Section 3.2. Term. All Officers shall serve a one-year term, which shall commence at the meeting immediately following the election of the Officer and shall expire on December 31st of the following year. Officers may serve consecutive one-year terms and there are no limits on the number of terms to be held by each Officer.

Section 3.3. Chair. The Chair shall preside at all meetings of the California CLASS, and shall submit such information and recommendations to the Board as the Chair may consider proper concerning the business, policies and affairs of the California CLASS.

Section 3.4. Vice-Chair. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation, removal or death of the Chair, the Vice-Chair shall perform such duties as are imposed on the Chair, until such time as a new Chair shall be selected in accordance with these Bylaws.

Section 3.5. Secretary. The Secretary shall be responsible for keeping the records of the California CLASS, including recording all votes, the proceedings of the California CLASS in a journal of proceedings to be kept for such purpose, and performing all duties incident to the office. The Secretary may delegate these responsibilities to the Administrator.

Section 3.6. Treasurer. The Treasurer shall be appointed by the Board as provided by Government Code Section 6505.5 or Section 6505.6. Subject to the applicable provisions of any agreement or resolution providing for a depository or custodian and except as may otherwise be specified by resolution of the California CLASS, the Treasurer shall have the powers, duties and responsibilities specified in the Joint Exercise of Powers Act, including but not limited to those duties enumerated in Government Sections 6505, 6505.5, 6505.6 and 6509.5.

Section 3.7. Election of Officers. The election of Officers shall be the first order of business at the Annual Meeting of the California CLASS, held at the last meeting of the calendar year as provided in Section 4.6(a) of the Joint Powers Agreement. The Officers of the California CLASS shall be elected by a majority vote of the full Board. The Officers shall serve at the pleasure of the Board until such Officer is re-elected or a successor to such office is elected by the Board.

Section 3.8. Removal of Officers. Any Officer may be removed, either with or without cause, by the majority vote of the full Board.

Section 3.9. Resignation of Officers. Any Officer may resign at any time by giving written notice to the Board. Any resignation shall take effect as of the date of the receipt of that notice or at any later time specified in that notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the California CLASS under any contract to which the officer is a party.

Section 3.10. Vacancies in Offices. A vacancy in any office because of death, resignation, removal or any other cause shall be filled in the manner prescribed herein for regular appointment to that office, as set forth in the Joint Powers Agreement. The Chair, or the Vice Chair in the event of the Chair's vacancy, may make temporary appointments to a vacant office pending action by the Board.

Section 3.11. Authority to Bind California CLASS. No director, member, officer, agent or employee of the California CLASS, without prior specific or general authority by a vote of a majority of the Board, shall have any power or authority to bind the California CLASS by any contract, to pledge its credit, or to render it liable for any purpose in any amount.

ARTICLE IV

EMPLOYEES AND AGENTS

Section 4.1. Appointment of Employees and Agents. The California CLASS has the power to appoint, employ, retain or contract with any persons for the transaction of the affairs of the California CLASS as provided in the Joint Powers Agreement. Any contractor, consultant, officer, employee or agent of California CLASS may also be a contractor, consultant, officer, employee or agent of any of the Founding Partners. The appointment by California CLASS of such a person shall constitute evidence that the positions are compatible.

ARTICLE V

MEETINGS

Section 5.1. Annual Meetings of the Board. Annual Meetings of the Board shall be held at the last meeting of the calendar year and shall be for the purpose of the appointment of Trustees, election of officers, setting the calendar for regular meetings, and other organizational matter as provided in these Bylaws, as provided in Section 4.6(a) of the Joint Powers Agreement.

Section 5.2. Regular Meetings of Board. Regular meetings of the Board shall be held at such place on the dates and times designated at the Annual Meeting of the Board. Noticing of the regular meeting and agenda materials, and public comment procedures shall comply with the provisions of the Brown Act.

Section 5.3. Special Meetings of Board. Special meetings of the Board may be called at any time by the Chair by delivering written notice to each Trustee. Such written notice may be

dispensed with as to any Trustee who at or prior to the time the meeting convenes files with the Secretary of the California CLASS a written waiver of notice. Such waiver may be given by electronic means. Such written notice may also be dispensed with as to any member who is actually present at the meeting. Public notice of the special meeting and agenda materials, and public comment procedures shall comply with the provisions of the Brown Act.

Section 5.4. Closed Sessions. Nothing contained in these Bylaws shall be construed to prevent the Board from holding closed sessions during a regular or special meeting concerning any matter permitted by law to be considered in a closed session. Noticing of the closed session shall comply with the provisions of the Brown Act.

Section 5.5. Emergency Meetings. Emergency meeting may be scheduled without complying with the 24-hour notice requirement in accordance with Government Code Section 54956.5 of the Brown Act.

Section 5.6. Adjourning Meetings and Continuing Public Hearings to Other Times or Places. The Board may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all Trustees are absent from any regular meeting or adjourned regular meeting, the Administrator may declare the meeting adjourned to a stated time and place no less than five (5) calendar days later. A copy of the order of adjournment must be posted within 24 hours after the adjournment, at or near the door of the place where the meeting is held. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

Any public hearing being held, or any hearing noticed or ordered to be held at any meeting may by order or notice of continuance be continued or recontinued to any subsequent meeting in the same manner and to the same extent set forth herein for the adjournment of the meetings; provided, that if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

Section 5.7. Quorum and Voting. Three members of the Board shall constitute a quorum for the transaction of California CLASS business. As provided for in Section 4.6(e) of the Joint Powers Agreement, any action of the Board requires the affirmative vote of a majority of the total number of the authorized Board members; in other words, if only three (3) Board members are present, all three (3) members would be required to vote in favor of any action. When any member of the Board is disqualified to vote on any item due to a financial conflict of interest, the disqualified Board member shall be required to leave the room while the matter is being discussed; accordingly, the disqualified member's presence is not to be considered in determining the existence of a quorum, unless authorized by law.

Section 5.8. Meetings to be Open and Public. All meetings of the Board to take action or to deliberate on California CLASS business and its conduct shall be open and public. All persons shall be permitted to attend any such meetings except as otherwise provided or permitted by law.

Section 5.9. Order of Business. The Chair or Secretary shall prepare or approve the agenda of all meetings. Business will be conducted according to and in the order listed on the agenda, except when determined by the Chair, or as permitted by law.

Section 5.10. Meeting Minutes. The Board shall approve the minutes of each meeting at a subsequent meeting by a majority vote of the Board and shall cause the minutes of all meetings to be kept and distributed in compliance with state laws and regulations, including the Ralph M. Brown Act (“Brown Act”).

Section 5.11. Parliamentary Procedure. The Chair at the meeting shall determine the rules of conduct and may be guided by the rules of parliamentary procedure set forth in Rosenberg’s Rules of Order. Failure to follow Rosenberg’s Rules of Order shall not affect the validity of any action or motion duly taken or adopted by the Board at any lawfully held meeting.

ARTICLE VI

AMENDMENTS

Section 6.1. Amendments to Bylaws. These Bylaws may be amended by the Board at any regular or special meeting by majority vote of the full Board, provided that the proposed amendment to any particular section is included in the notice of such meeting.



Staff Report

Date: October 28, 2022

To: Board of Trustees

Prepared By: Alexandra Barnhill, General Counsel

Reviewed By:

Subject: **Agenda Item 6.C. - Considering Adoption of Resolution No. 22-06 Authorizing Agreement with Clifton Larson Allen, LLP to Provide Audit Services for Fiscal years 2022 to 2028**

Report in Brief

Staff recommends that the Board of Trustees authorize the engagement of Clifton Larson Allen, LLP to provide audit services for fiscal years 2022 to 2028.

Recommended Action:

Adopt a Resolution No. 22-06, authorizing Public Trust Advisors, as Administrator, to enter into an agreement with Clifton Larson Allen, LLP for audit services for the 2022/2023 fiscal year.

Discussion:

Pursuant to the California Cooperative Liquid Assets Securities Systems (“California CLASS”) Joint Power Agreement and state law (Government Code Section 6505), the Board must enter into a contract with a certified public accountancy firm to make an annual audit of the accounts and records of the California CLASS JPA.

At the June 17, 2022 Special Meeting, Clifton Larson Allen, LLP provided the Board with a presentation and overview of their proposed work with California CLASS as an independent auditing firm. The Board authorized engagement of Clifton Larsen Allen, LLP via Resolution 22-02, but did not specify the number of years of the engagement. To ensure transparency about the length of engagement, staff is recommending that the Board authorize a contract for up to six years of services, consistent with Government Code section 12410.6.

After reviewing Clifton Larson Allen, LLP's qualifications and experience as certified public accountants, Public Trust Advisors now recommends that, pursuant to Joint Powers Agreement Section 5.4, the Board authorize Public Trust Advisors to enter into an agreement with Clifton Larson Allen, LLP, in order to provide audit services for the 2022 – 2028 fiscal year, in a form subject to approval by the General Counsel.

Financial Impacts:

Clifton Larson Allen LLP's scope of work estimates that their services will amount to \$39,900 for Fiscal Year 2022-23 and is expected to increase 15-20% per year thereafter.

Documents:

Attachment 1 – Resolution No. 22-06, authorizing Public Trust Advisors, as Administrator, to enter into an agreement with CliftonLarsonAllen, LLP for audit services

RESOLUTION NO. 22-06

RESOLUTION AUTHORIZING PUBLIC TRUST ADVISORS TO ENTER INTO AN AGREEMENT WITH CLIFTON LARSON ALLEN, LLP FOR AUDIT SERVICES (FY 2022/2023 to FY 2027/2028)

WHEREAS, California Cooperative Liquid Assets Securities System (“California CLASS”), in compliance with its Joint Powers Agreement, entered into on June 6, 2022, and Government Code Section 6505, wishes to engage a certified public accountancy firm to conduct audits of the California CLASS for the 2022/2023 fiscal year; and

WHEREAS, the Board of Trustees has reviewed the qualifications and experience of Clifton Larson Allen, LLP, and has determined that the public accountancy firm is qualified to provide independent auditing services for the California CLASS; and

NOW, THEREFORE, THE BOARD OF TRUSTEES DOES RESOLVE AS FOLLOWS:

Section 1. Recitals. The Board of Trustees hereby finds and determines that the foregoing recitals are true and correct; the recitals are hereby incorporated by reference into each of the findings as though fully set forth therein.

Section 2. The Board of Trustees hereby authorizes Public Trust Advisors, as Administrator, to enter to an agreement with Clifton Larson Allen LLP to provide audit services for California CLASS for the 2022/2023 fiscal year, in a form subject to approval by General Counsel.

Section 3. This resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees for California CLASS on October 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST By:

(Signature)

(Name)

(Title)

(Date)



Staff Report

Date: October 28, 2022

To: Board of Trustees

Prepared By: Alexandra Barnhill, General Counsel

Reviewed By:

Subject: **Agenda Item 6.D. - Considering Adoption of Resolution No. 22-07 Approving Regular Meeting Schedule for Board of Trustees in 2023**

Report in Brief

Pursuant to the Joint Powers Agreement and Bylaws of the California Cooperative Liquid Assets Securities System (“California CLASS”), it is recommended that the Board of Trustees approve a schedule for its regular meetings for 2023.

Recommended Action:

Adopt a Resolution No. 22-07, approving 2023 Regular Meeting Schedule for the Board of Trustees.

Discussion:

The Joint Powers Agreement calls for an Annual Meeting to be held by the Board at the last meeting of the calendar year, for the purpose of the appointment of Trustees, election of officers, and for setting the calendar for regular meetings. The date and times of regular meetings are also to be established at the Annual Meeting.

It is recommended that the Board adopt the meeting schedule for the 2023 calendar year, with the suggested locations for each meeting, as indicated in the attached Resolution No. 22-07.

Financial Impacts:

There is no financial impact.

Documents:

Attachment 1 – Resolution No. 22-07, approving the 2023 Regular Meeting Schedule for the Board of Trustees

RESOLUTION NO. 22-07

RESOLUTION APPROVING THE REGULAR MEETING SCHEDULE FOR 2023 FOR THE CALIFORNIA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM BOARD OF TRUSTEES

WHEREAS, the Board of Trustee for the California Cooperative Liquid Assets Securities System (the “California CLASS”) shall establish an annual meeting calendar for the dates, times and locations of upcoming regular meetings in the 2023 calendar year; and

WHEREAS, pursuant to the California CLASS Joint Powers Agreement and Bylaws, the following schedule is established, notwithstanding the scheduling of special meetings as required upon proper notice under Ralph M. Brown Act (California Government Code Sections 54950 *et seq.*, the “Brown Act”); and

NOW, THEREFORE, THE BOARD OF TRUSTEES DOES RESOLVE AS FOLLOWS:

Section 1. Recitals. The Board of Trustees hereby finds and determines that the foregoing recitals are true and correct; the recitals are hereby incorporated by reference into each of the findings as though fully set forth therein.

Section 2. The Board of Trustees hereby establishes the following schedule for regular Board meetings for the calendar year 2023, with the dates, times and physical locations noted below:

DATE	TIME	LOCATION
January 20, 2023	9 a.m.	Teleconference via Zoom
April 21, 2023	9 a.m.	Teleconference via Zoom
July 21, 2023	9 a.m.	Teleconference via Zoom
October 20, 2023	9 a.m.	Teleconference via Zoom

The remote location of the regular Board meetings shall be <https://zoom.us/j/97322038762?pwd=RmZDVVJ5TXNPWGptUHBCWWFqaktzUT09> and may be accessed via computer or mobile device. A call in (audio only) option is available by dialing +1 719 359 4580, Meeting ID: 973 2203 8762, and Passcode: 787521 #.

The physical location of the meeting will be posted on the agenda.

Section 3. This resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees for California CLASS on October 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST By:

(Signature)

(Name)

(Title)

(Date)



Staff Report

Date: October 28, 2022

To: Board of Trustees

Prepared By: Alexandra Barnhill, General Counsel

Reviewed By:

Subject: **Agenda Item 6.E. - Considering Adoption of Resolution No. 22-08 Restricting Funds to be Held by Treasurer and Waiving Quarterly Reporting Obligations**

Report in Brief

It is recommended that the Board of Trustees establish a limit to the funds available to the Treasurer and establish the Treasurer's reporting requirements, as required under state law.

Recommended Action:

Adopt a Resolution No. 22-08, limiting the funds of the Treasurer and establishing reporting requirements.

Discussion:

Pursuant to the California Cooperative Liquid Assets Securities Systems ("California CLASS") Joint Power Agreement and Bylaws, the Treasurer's duties are to comply with the following provisions set forth in Section 6505.5 of the "Joint Exercise of Powers Act":

- Receive and receipt for all money of the agency and place it in the designated appropriate account
- Be responsible, upon his or her official bond, for the safekeeping and disbursement of all agency money
- Pay, when due, out of money of the agency held by the Treasurer, all sums payable on outstanding bonds and coupons of the agency
- Pay any other sums due from the agency, or any portion thereof, only upon warrants of the Treasurer

- Verify and report in writing, on the first day of July, October, January, and April of each year, the amount of receipts since the last report, and the amount paid out since the last report

Here, staff recommends that the Treasurer hold an aggregate value of no more than \$500 (excluding amounts held by any custodian or depository in connection with the California CLASS Investment Program). As a result, having the Treasurer file quarterly reports is unnecessary given that the Treasurer does not hold and does not expect to hold any funds with an aggregate value of more than \$500 given that the funds of California CLASS are held by the Custodian pursuant to the Custody Agreement.

Financial Impacts:

Documents:

Attachment 1 – Resolution No. 22-08, limiting funds of Treasurer and establishing reporting requirements

RESOLUTION NO. 22-08

RESOLUTION RESTRICTING FUNDS TO BE HELD BY TREASURER AND WAIVING QUARTERLY REPORTING OBLIGATIONS

WHEREAS, the California Cooperative Liquid Assets Securities System (“California CLASS”) is a joint exercise of powers entity created under Title 1, Division 7, Chapter 5 of the California Government Code (the “Act”) pursuant to a Joint Exercise of Powers Agreement dated June 6, 2022 (the “JPA Agreement”; all undefined terms herein have the meanings given such terms in the JPA Agreement);

WHEREAS, the Board of Trustees of California CLASS has designated a Trustee of the Board to act as Treasurer, as required by Government Code Section 6505.5 and 6505.6;

WHEREAS, the law requires that: (a) the Treasurer verify and report on a quarterly basis the amount of money they hold for the agency, and (b) they be responsible for the safekeeping of these funds upon an official bond;

WHEREAS, the JPA Agreement provides that no bond shall be required if California CLASS does not possess or own property or funds with an aggregate value of greater than \$500 (excluding amounts held by any custodian or depository in connection with the California CLASS Investment Program);

WHEREAS, the Board hereby finds and determines that having the Treasurer file quarterly reports is unnecessary given that the Treasurer does not hold and does not expect to hold any funds given that the funds of California CLASS are held by the Custodian pursuant to the Custody Agreement;

WHEREAS, pursuant to the JPA Agreement, the California CLASS is required to receive from the Custodian monthly statements providing for the closing balances in each Account within the California CLASS Investment Program and the transactions performed in such Accounts; and

WHEREAS, pursuant to the JPA Agreement, the Trustees of the California CLASS are required to receive from the Administrator a quarterly accounting of expenses paid by the Administrator related to the California CLASS Investment Program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of California CLASS hereby declares as follows:

Section 1. The foregoing recitals are true and correct and incorporated into this Resolution as if set forth herein.

Section 2. The Board hereby directs that the Treasurer shall not hold an aggregate value of more than \$500 (excluding amounts held by any custodian or depository in connection with the California CLASS Investment Program).

Section 3. The Board hereby finds that because the Treasurer holds less than \$500, the continued effectiveness of this Resolution shall serve as the equivalent of the filing of a quarterly report as would otherwise be required by law for so long as this Resolution remains effective and until this Resolution is subsequently amended or rescinded by the Board.

Section 4. This Resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees for California CLASS on October 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST By:

(Signature)

(Name)

(Title)

(Date)



Staff Report

Date: October 28, 2022

To: Board of Trustees

Prepared By: Alexandra Barnhill, General Counsel

Reviewed By:

Subject: **Agenda Item 6.F - Considering Adoption of Resolution No. 22-09 Establishing an Expense Reimbursement Policy pursuant to Government Code Sections 53232.2 and 53232.3**

Report in Brief

For the Trustees to be reimbursed for their California CLASS related expenses, state law (Government Code Sections 53232.2 and 53232.3) requires the Board to adopt a written expense policy that specifies the types of expenses that are reimbursable. Staff has prepared a recommended policy, as described below.

Recommended Action:

Adopt a Resolution No. 22-09, establishing an expense reimbursement policy, pursuant to Government Code Sections 53232.2 and 53232.3.

Discussion:

State Law Requirements: Government Code Section 53232.2(b) states that if a legislative body wishes to reimburse its members for actual and necessary expenses incurred in the performance of his or her official duties, the legislative body must first adopt a written policy, in a public meeting, specifying the types of expenses that may be reimbursed.

The policy may establish reasonable reimbursement rates for travel, meals and lodging, or other actual and necessary expenses. The policy may also default to the Internal Revenue Services (IRS) rates for reimbursement of travel, meals and lodging as established in IRS Publication 463. (Government Code Section 53232.2(c)). State law also mandates that members of legislative bodies shall use government and group rates for lodging or transportation, whenever available (Government Code Section

53232.2(e)), and that the requesting officials must submit expense reports and receipts within a reasonable time after incurring the expense in order to document that the expenses meet the existing policy (Government Code Section 53232.3).

Proposed Expense Reimbursement Policy for California CLASS: Membership in the California CLASS is statewide and is not limited to a specific geographic region. Accordingly, it is anticipated that Board Trustees will be required to travel to various venues across the state in order to attend Board meetings. It is also anticipated that Board Trustees may wish to attend educational seminars, conferences, or attend other ceremonial events related to the California CLASS.

Therefore, staff recommends that the Board adopt an expense reimbursement policy that includes the following provisions:

- Definitions of authorized and ineligible expenses;
- Transportation cost restrictions for airfare, car rental, taxis, ridesharing, or mileage - such as using the most economical mode and class of transportation reasonably consistent with scheduling needs, or having mileage rates reimbursed at the IRS rate in effect;
- Lodging cost restrictions, such as reimbursement only at single occupancy rate, using government or group rates when available;
- Meals and incidental expenses rates based on a 24-hour per day cap;
- Procedure for submitting expense reimbursement requests.

Staff's proposed expense reimbursement policy, with the above recommendations, are included in the attached Resolution No. 22-09.

Financial Impacts:

Expense reimbursements will be tracked in the Trustee expenses line item on the annual Trustee budget, in which \$40,000 is budgeted annually.

Documents:

Attachment 1 – Resolution No. 22-09, Considering Adoption of Resolution No. 22-09 Establishing an Expense Reimbursement Policy pursuant to Government Code Sections 53232.2 and 53232.3

RESOLUTION NO. 22-09

**RESOLUTION ESTABLISHING AN EXPENSE
REIMBURSEMENT POLICY PURSUANT TO
GOVERNMENT CODE SECTIONS 53232.2 AND 53232.3**

WHEREAS, the Board of Trustees of the California Cooperative Liquid Assets Securities System (“California CLASS”) are required to attend meetings for the Board of Trustees, other meetings, conferences, seminars, and may incur other business-related expenses that relate directly to California CLASS’s programs, policies, operations and activities; and

WHEREAS, California CLASS recognizes that attendance at such functions benefits California CLASS and its programs and administration, including serving as a vital forum for the exchange of ideas and methods, presenting and receiving information, and advocating legislation for the benefit of California CLASS and its members; and

WHEREAS, California CLASS desires to pay or reimburse for actual, necessary and reasonable expenses incurred in the performance of official duties, in accordance with the terms of the guidelines and policy adopted by this Resolution; and

WHEREAS, this Resolution establishes guidelines and policy specifying the types of expenses that qualify for payment or reimbursement and the appropriate reasonable reimbursement rates and other cost control standards; and

WHEREAS, these guidelines and policy are adopted in order to satisfy the requirements of Government Code Sections 53232.2 and 53232.3; and

WHEREAS, California CLASS, after giving all public notices required by State Law, held a duly noticed joint public meeting on October 28, 2022; and

NOW, THEREFORE, THE BOARD OF TRUSTEES DOES RESOLVE AS FOLLOWS:

Section 1. Recitals. The Board of Trustees hereby finds and determines that the foregoing recitals are true and correct; the recitals are hereby incorporated by reference into each of the findings as though fully set forth therein.

Section 2. The Board of Trustees finds the following reimbursement guidelines and policy are hereby established:

- A. **Authorized Business Expenses.** California CLASS will pay directly or reimburse actual, necessary and reasonable travel, meal, lodging and other incidental expenses incurred by California CLASS Trustees to (1) attend regular, special Board meetings, or other committee meetings; (2) attend professional or education meetings approved by the Board of Trustees; and (3) conduct other California CLASS business as approved by the Board of Trustees. Payment and reimbursement of expenses must be consistent with the limits and procedures in this policy.
- B. **Ineligible Expenses.** California CLASS will not pay or reimburse for the following

types of ineligible expenses: political or charitable contributions or events; family expenses, including spouse, partner and/or children expenses when accompanying the official on California CLASS business; entertainment expenses (outside of activities offered as part of a conference registration package), including theater, movies (either in-room or at the theater) and sporting events (including gym, massage and/or golf related expenses); non-mileage personal automobile expenses, including repairs, traffic citations, insurance premiums or gasoline; personal losses (including theft) incurred while on California CLASS business; excess baggage fees; charges for personal services (such as haircut or laundry service); alcohol or personal bar expenses; any expense that is reimbursed by a Trustee's employer; or any other expense that is not directly related to the authorized California CLASS business.

C. Expense Limits. Payment or reimbursement of expenses shall be provided in accordance with and subject to the limitations of the standards in this section.

1. *General Provisions*.

- (a) All travel, meal, lodging and other expenses under this policy shall comply with the limits as established in Internal Revenue Service Publication 463 ("Travel, Gift and Car Expenses"), except as otherwise provided in this policy. The California CLASS shall comply with the accountable plan requirements of IRS Publication 463.
- (b) Officials must use government and group rates offered by a provider of transportation or lodging services when available.

2. *Transportation*. The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route.

- (a) *Automobile*. Automobile mileage will be reimbursed at the IRS mileage rates in effect at the time of travel. These rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. If an automobile is rented, reimbursement will be based on the actual, necessary and reasonable rental rates for a compact or mid-size automobile. Actual bridge and road tolls are also reimbursable. In the event that more than one official or Trustee travel together in a personal automobile, the owner of the automobile will be reimbursed. California CLASS will not pay travel reimbursement or mileage if an official or Trustee travels in a vehicle owned by his or her employer. IRS mileage rates will not be paid for rental vehicles.
- (b) *Airfare*. Airfare must be at coach rates, if possible and reasonably consistent with scheduling needs. Airfares that are equal or less than those available through the League of California Cities and the enhanced CA Department of General Services (DGS) Statewide Travel Program are presumed to be the most economical and reasonable for purposes of

reimbursement under this policy.

- (c) *Taxis/Shuttles/Rideshare.* Taxis, shuttles, or rideshare fares may be reimbursed at actual costs, including a 15 percent gratuity per fare, when the cost of such fares is equal or less than the cost of car rentals, gasoline and parking combined, or when such transportation is necessary for time-efficiency.
3. *Lodging.* Lodging expenses will be reimbursed when travel on authorized California CLASS business reasonably requires an overnight stay.
- (a) *Meetings/Conferences.* If lodging is in connection with a Board meeting or conference/educational activity, the lodging rates should at the government or group rate, if available. Lodging rates that are equal or less than government rates are presumed to be reasonable and reimbursable under this policy. In the event that government rates are not available, lodging rates that do not exceed the IRS per diem rates for a given area are presumed reasonable. (See IRS Publication 1542).
 - (b) *Internet Access.* If internet access is required for business-related work on a personal computer or device, then the lodging expense may include an internet-access charge.
4. *Meals.* For travel-related meals where an overnight stay is required, a Trustee may claim \$75 for every 24- hour period of travel. Receipts are not required to claim the per diem.
5. *Other Expenses.* Other actual, necessary and reasonable incidental expenses that are directly related to the authorized California CLASS business may be reimbursed, as determined by the Administrator.

D. Procedure for Reimbursement.

- 1. *Report Form.* An expense reimbursement report (in a form provided by the California CLASS Administrator) must be submitted within one month after incurring the expense. Reports must be accompanied by receipts documenting each expense; credit card statements are also permissible. Reports must document that the expense in question is business-related and otherwise complies with the requirements and limits of this policy. All expense reimbursement forms and supporting documents may be considered a public record subject to disclosure under the California Public Records Act.
- 2. *Administration.* All expenses are subject to verification and audit to ensure compliance with this policy. The Administrator shall administer this policy and may reject or modify an expense payment or reimbursement item as appropriate to comply with the policy's limits.
- 3. *Reports to Board of Trustees.* When a Trustee attends a conference or

organized educational activity at the expense of the California CLASS, he or she shall provide a brief written or oral report on the meeting or activity to the Board of Trustees at its next regular meeting.

4. *Enforcement.* Receipt of reimbursed funds in violation of this policy or falsifying an expense reimbursement report may result in any or all of the following:

- (a) Loss of reimbursement privileges;
- (b) Demand for restitution to the California CLASS;
- (c) Reporting of the expenses as income;
- (d) Civil penalties of up to \$1,000 per day and three times the value of the resources used;
- (e) Criminal prosecution for misuse of public resources.

Section 4. This resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees for California CLASS on October 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST By:

(Signature)

(Name)

(Title)

(Date)



California CLASS Economic Update
October 28, 2022



Macroeconomic Themes



Inflation Remains a Problem

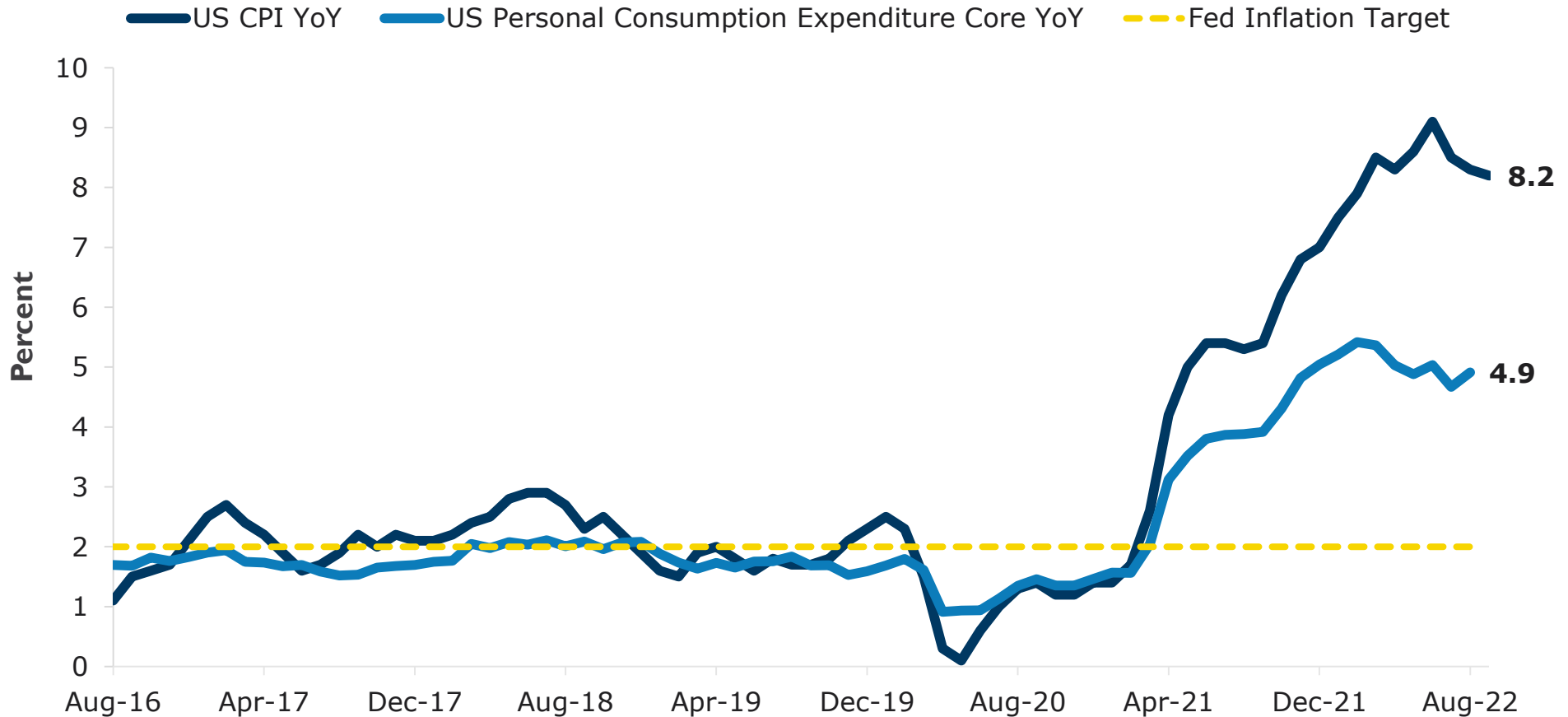


The Fed Goes Big



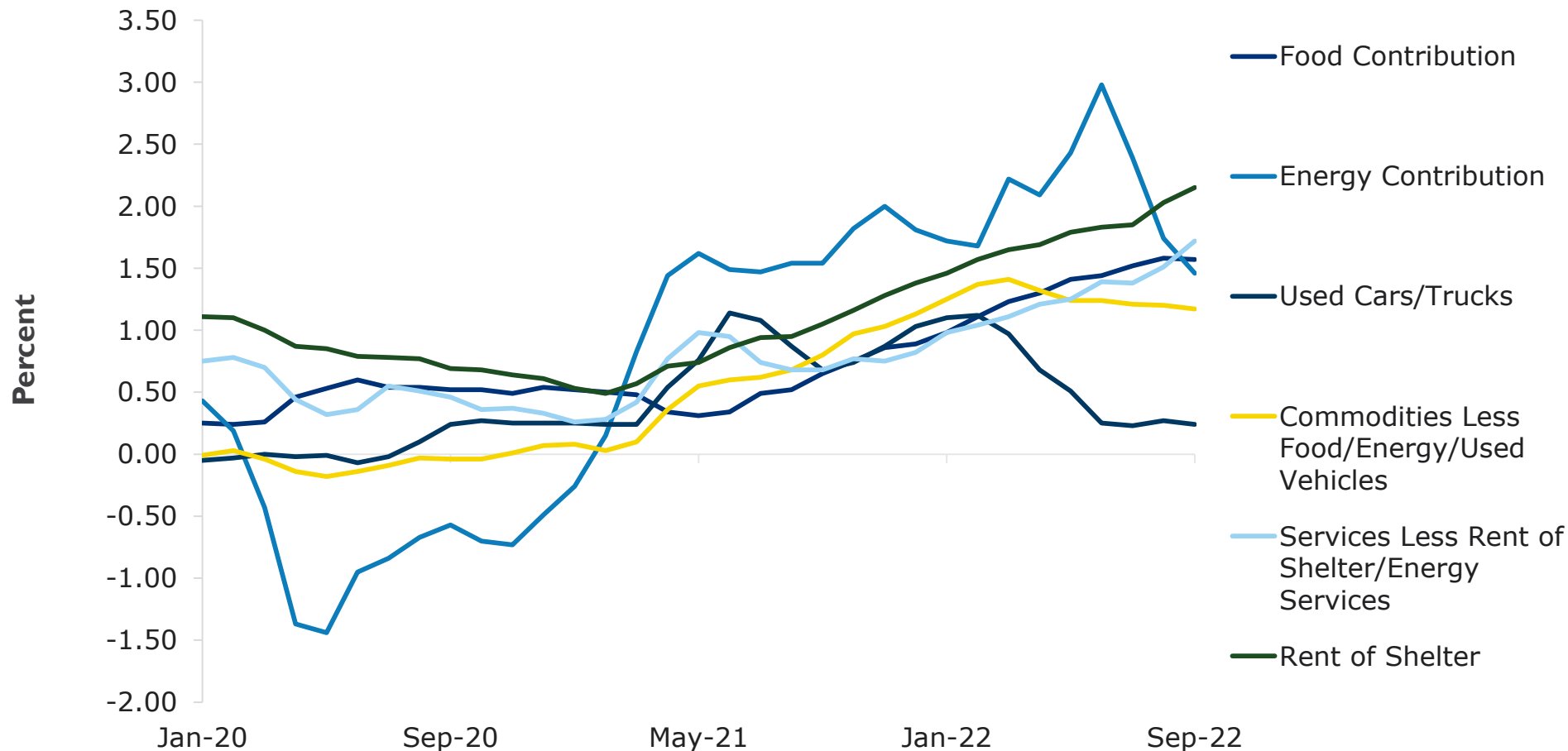
Recession Ahead?

- Please refer to the disclosure slide for additional information.



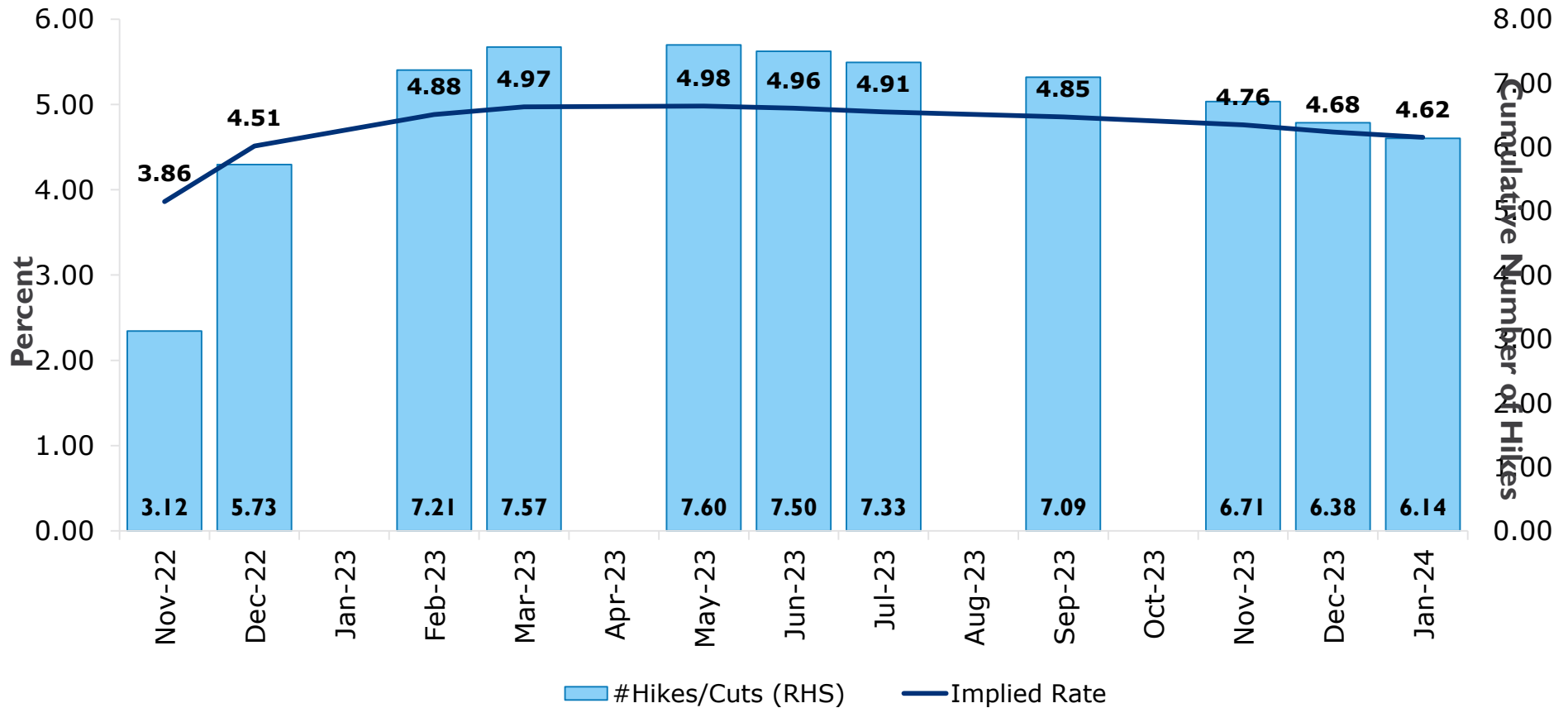
CPI is a measure of prices paid by consumers for a basket of goods/services and only accounts for urban households. PCE, the Fed's preferred measure of inflation, tracks overall price changes for goods and services for all U.S. households and nonprofits. Inflation above the Fed's 2% target is believed to be conducive to tighter monetary policy.

Monthly Net Contributions to Headline Inflation

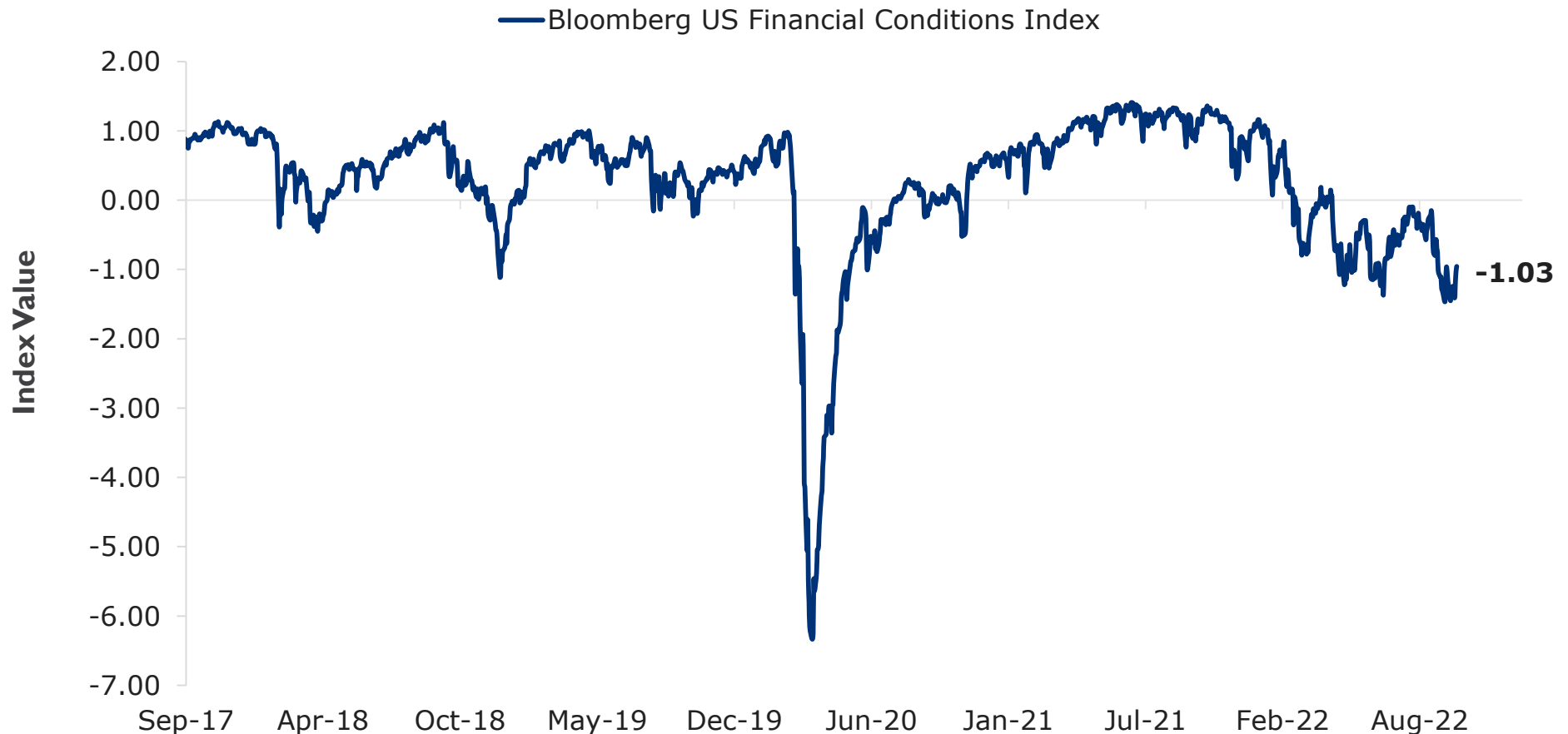


In the above chart, the monthly CPI headline inflation number is broken out by each category's net contribution.

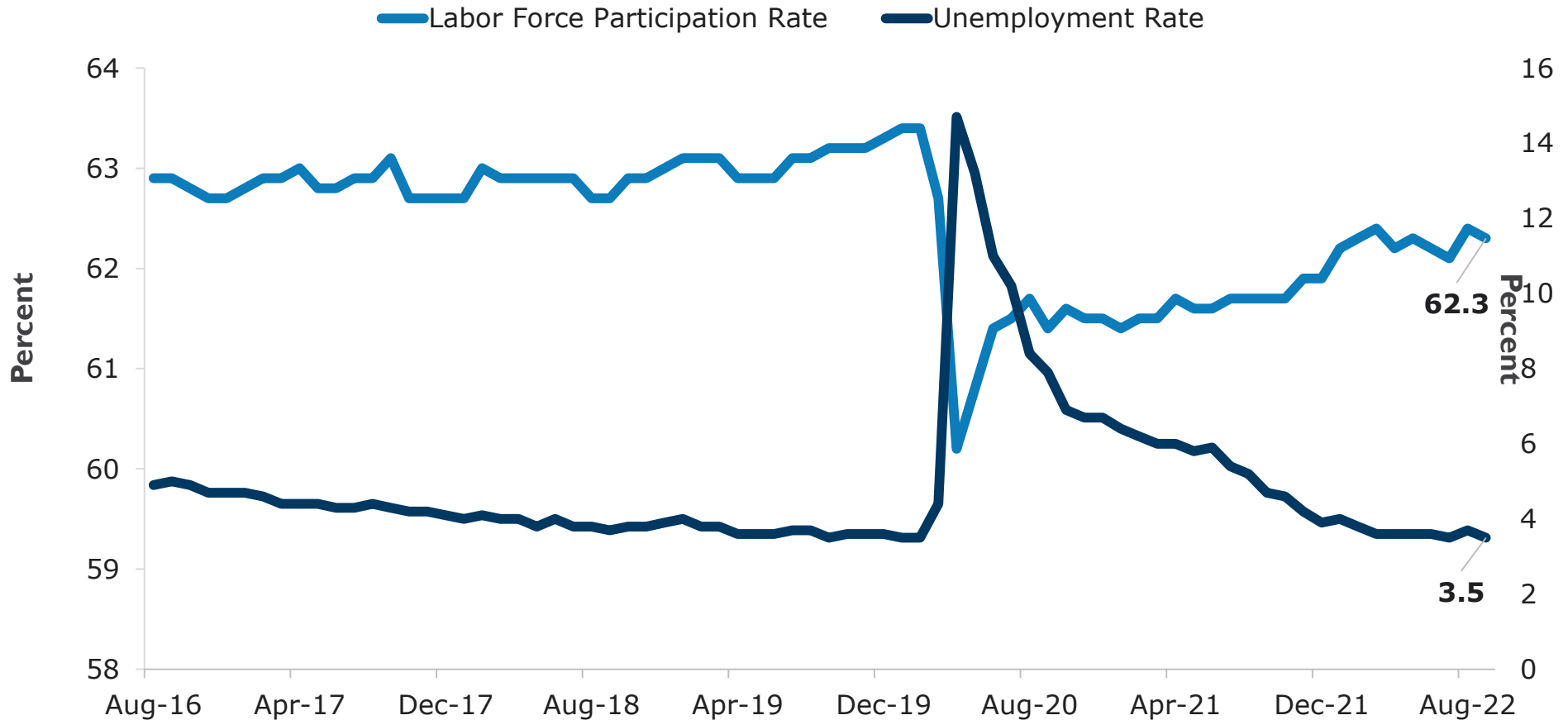
Market Based Probability of a Rate Hike



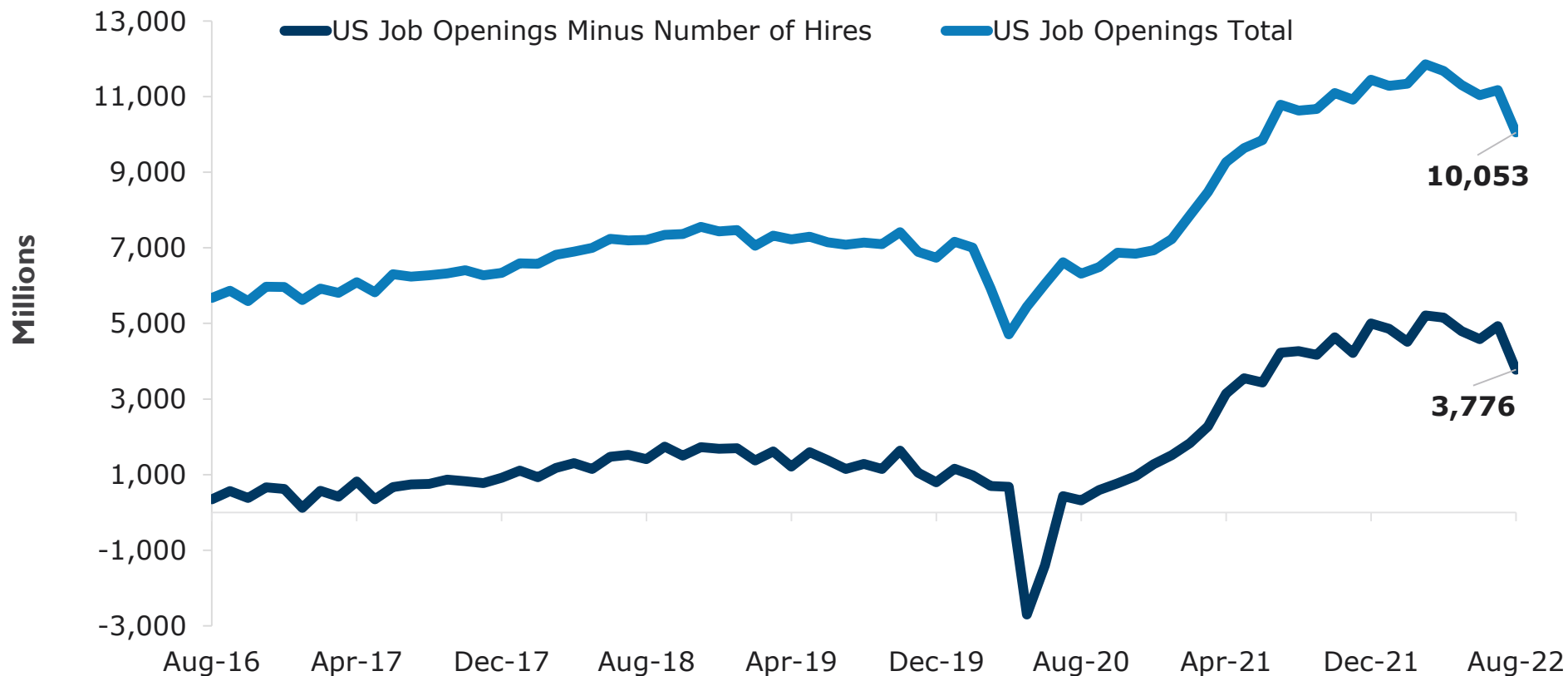
Each data point along the blue line represents the market-implied overnight rate after the corresponding FOMC meeting date. These rates are implied by the Federal Funds Futures contracts. The grey bars represent the number of 25 basis point rate hikes that are currently priced in.



The Bloomberg Financial Conditions Index tracks the overall level of financial stress in the U.S. money, bond, and equity markets by measuring credit spreads, equity prices, and market volatility. The index is used as a gauge to assess the availability and affordability of borrowing funds. Index values above zero signals accommodative financial conditions

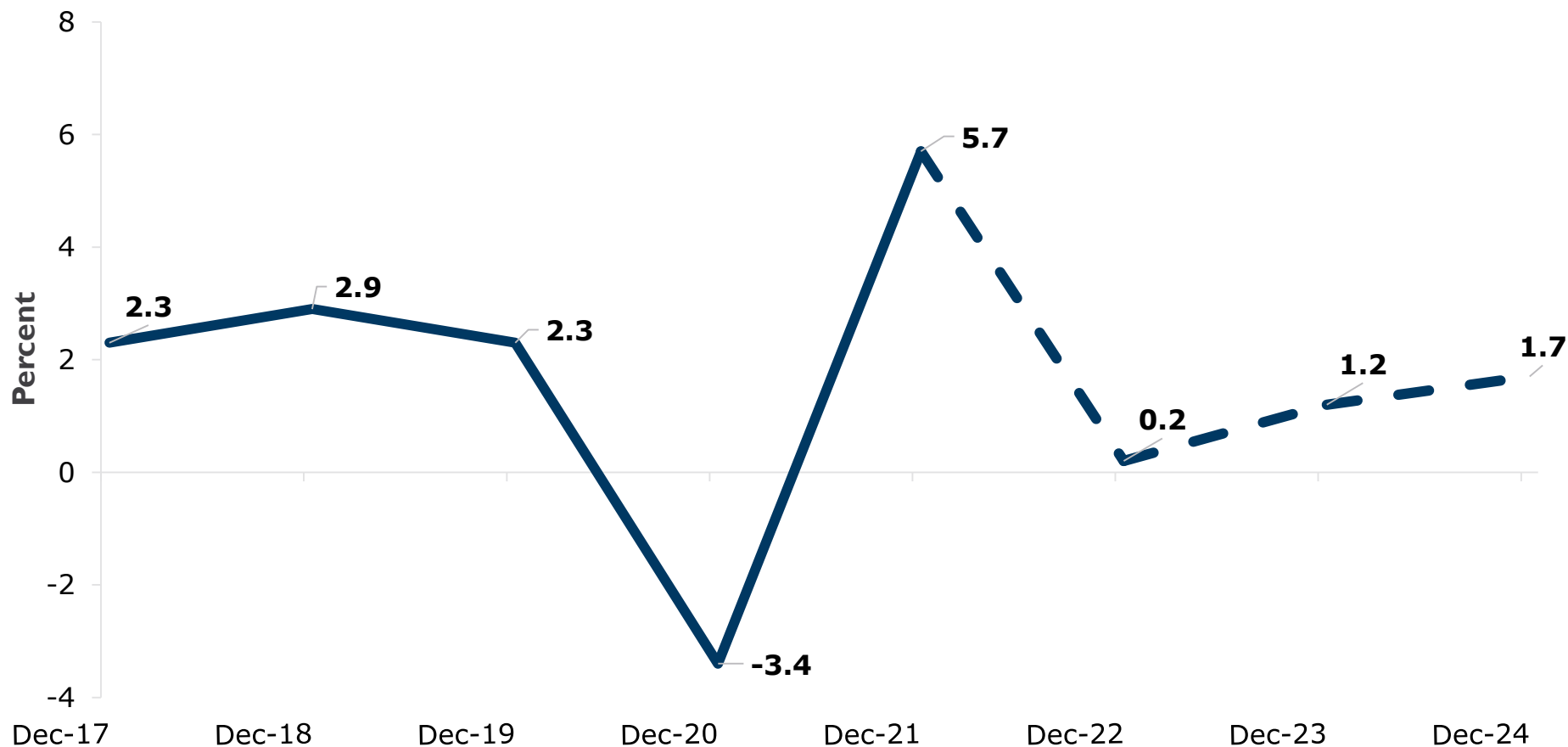


The unemployment rate tracks the number of unemployed persons as a percentage of the labor force (total number of employed plus unemployed). The labor force participation rate is an estimate of the economy’s active workforce. Full employment along with stable prices is one of the Fed’s dual mandates with respect to monetary policy.



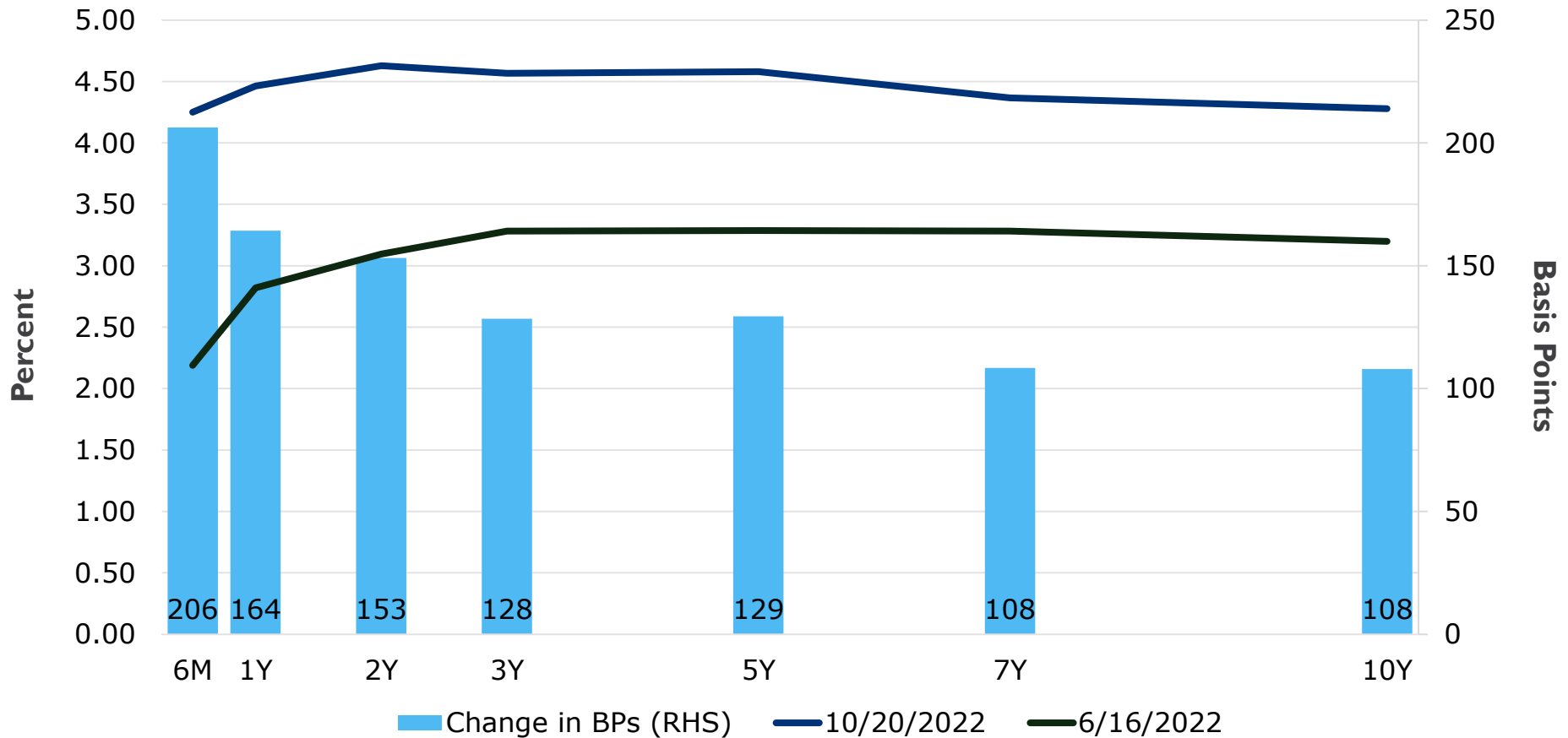
The grey line tracks the number of specific job openings in the economy. Vacancies generally include either newly created or unoccupied positions. The blue line illustrates the gap between job openings and individuals willing to fill those positions.

Federal Reserve Economic Forecast (GDP Growth YoY)

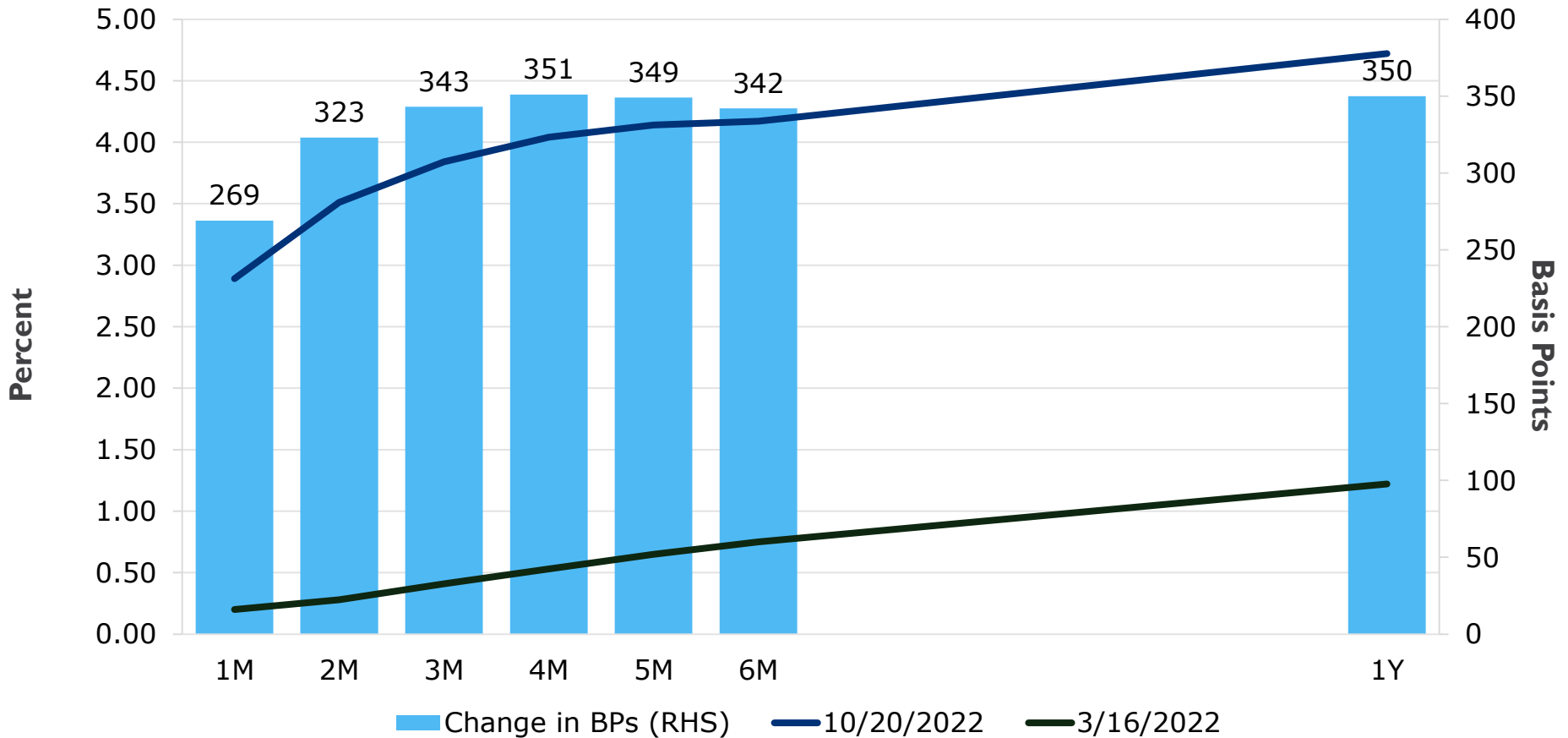


Gross Domestic Product (GDP) represents the total market value of all final goods and services produced by the U.S. during a given calendar year. Strong economic growth is conducive to tighter monetary policy.

U.S. Treasury Yields

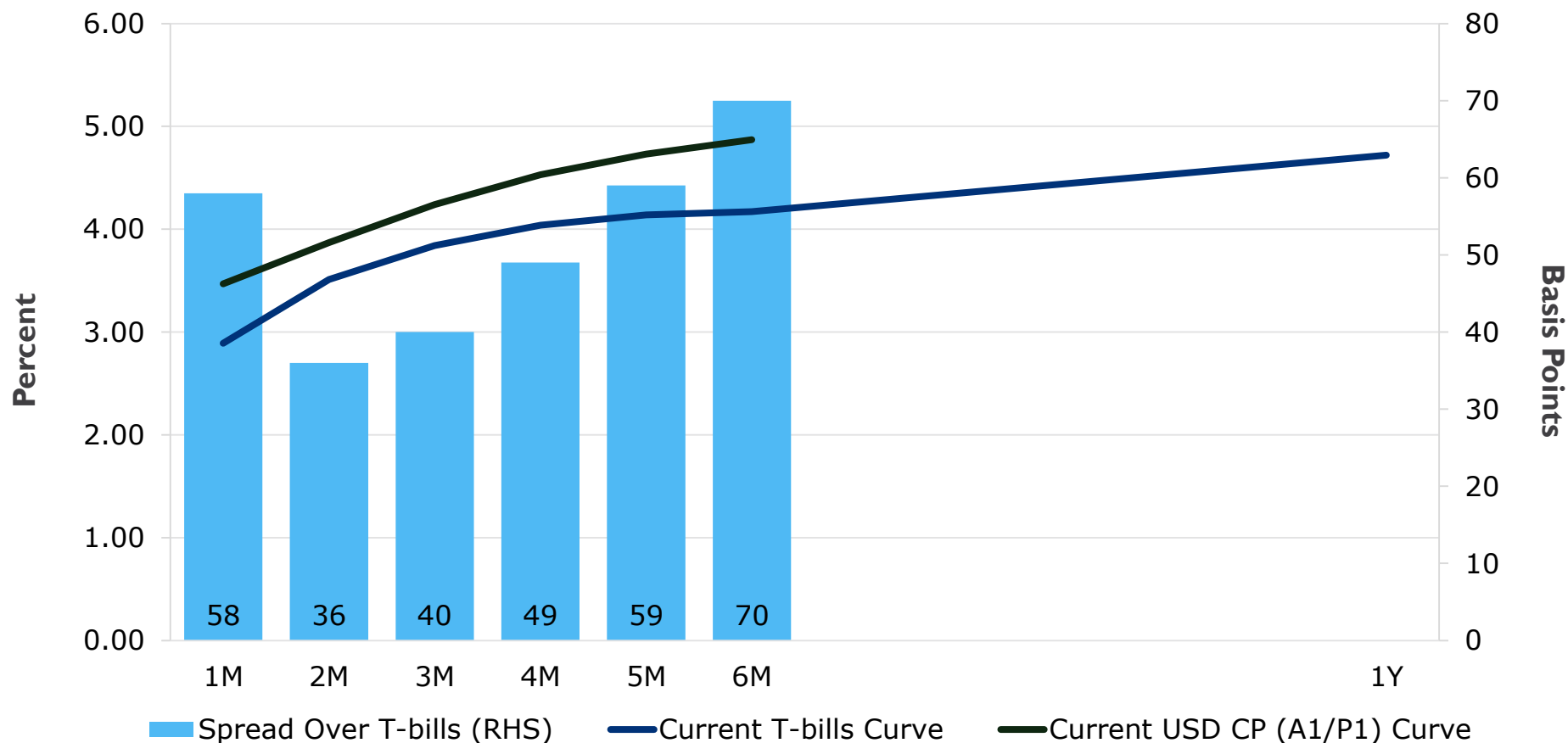


The green line represents the U.S. Treasury Actives curve at the historical date in the above chart legend. The blue line represents the current U.S. Treasury Actives curve on the date in the above chart legend. The light grey bars represents the change in yield between the current and historical curves as measured in basis points.



The green line represents the U.S. Treasury bill curve at the historical date in the above chart legend. The blue line represents the current U.S. Treasury bill curve on the date in the above chart legend. The light grey bars represents the change in yield between the current and historical curves as measured in basis points.

U.S. Money Market Curves



The green line represents the current U.S. dollar A-1 CP curve on the date in the above chart title. The blue line represents the current U.S. Treasury bill curve on the date in the above chart title. The light grey bars represents the difference in yield between the A-1 CP and T-bill curves as measured in basis points.

Conclusions

- 1) The U.S. economy is still feeding off fiscal stimulus and still relatively strong vs other developed economies.
- 2) Labor market is lean, not much to cut as companies struggled to staff up that past few years.
- 3) Fed's aggressive tightening has strengthened the U.S. dollar, causing waves in other markets.
- 4) More rate increases to follow, inflation remains broad-based and persistent.
- 5) As the Fed pushes harder, odds of a policy error increase –
“Several participants noted that, particularly in the current highly uncertain global economic and financial environment, it would be important to calibrate the pace of further policy tightening with the aim of mitigating the risk of significant adverse effects on the economic outlook”

This presentation is for informational purposes only. All information is assumed to be correct but the accuracy has not been confirmed and therefore is not guaranteed to be correct. Information is obtained from third party sources that may or may not be verified. The information presented should not be used in making any investment decisions and is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. All calculations and results presented are for discussion purposes only and should not be used for making calculations and/or decisions. The data in this presentation is unaudited.

This presentation material is for the sole purpose of the California CLASS Board of Trustees.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is not an indicator of future performance or results. Any financial and/or investment decision may incur losses.**

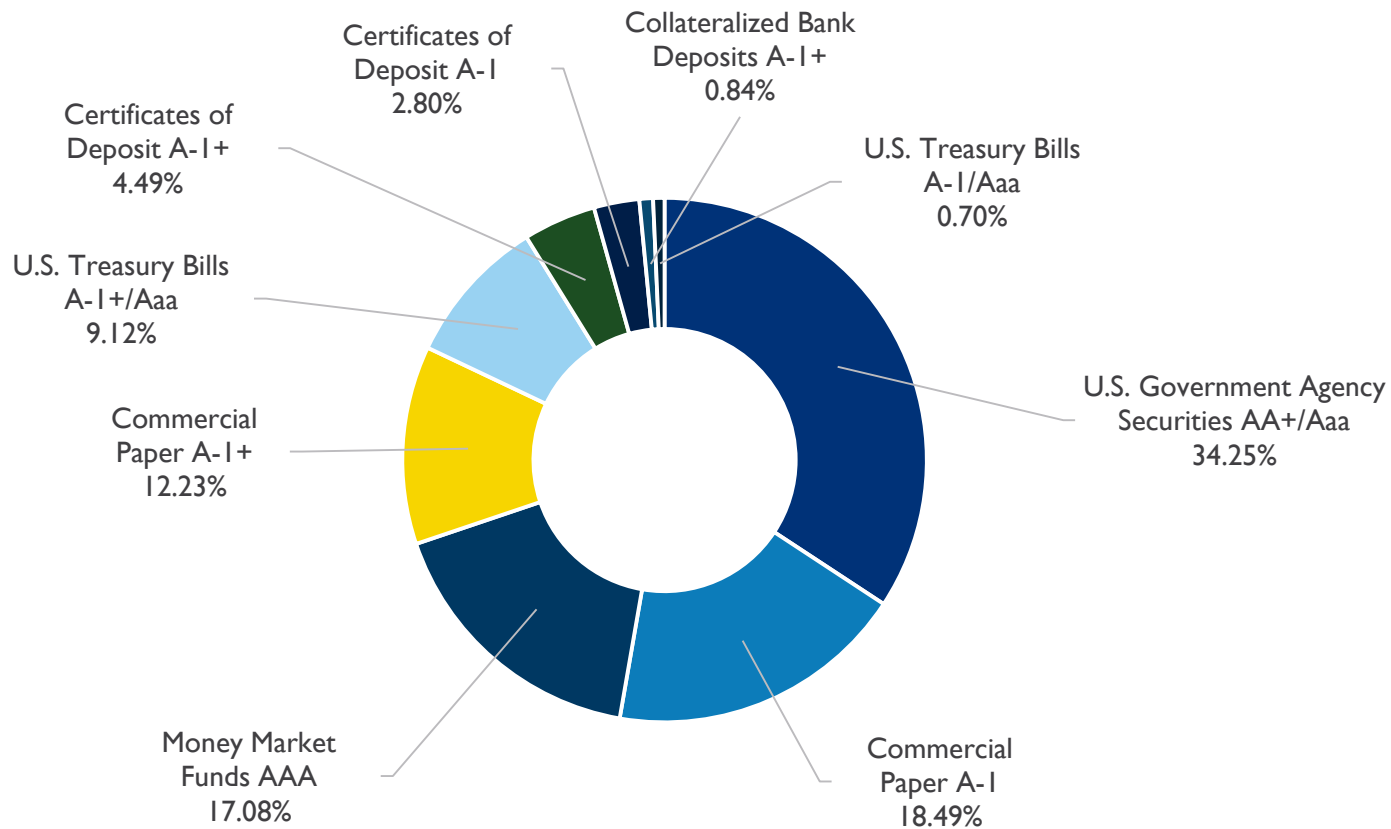


California CLASS Fund Management Report
October 28, 2022



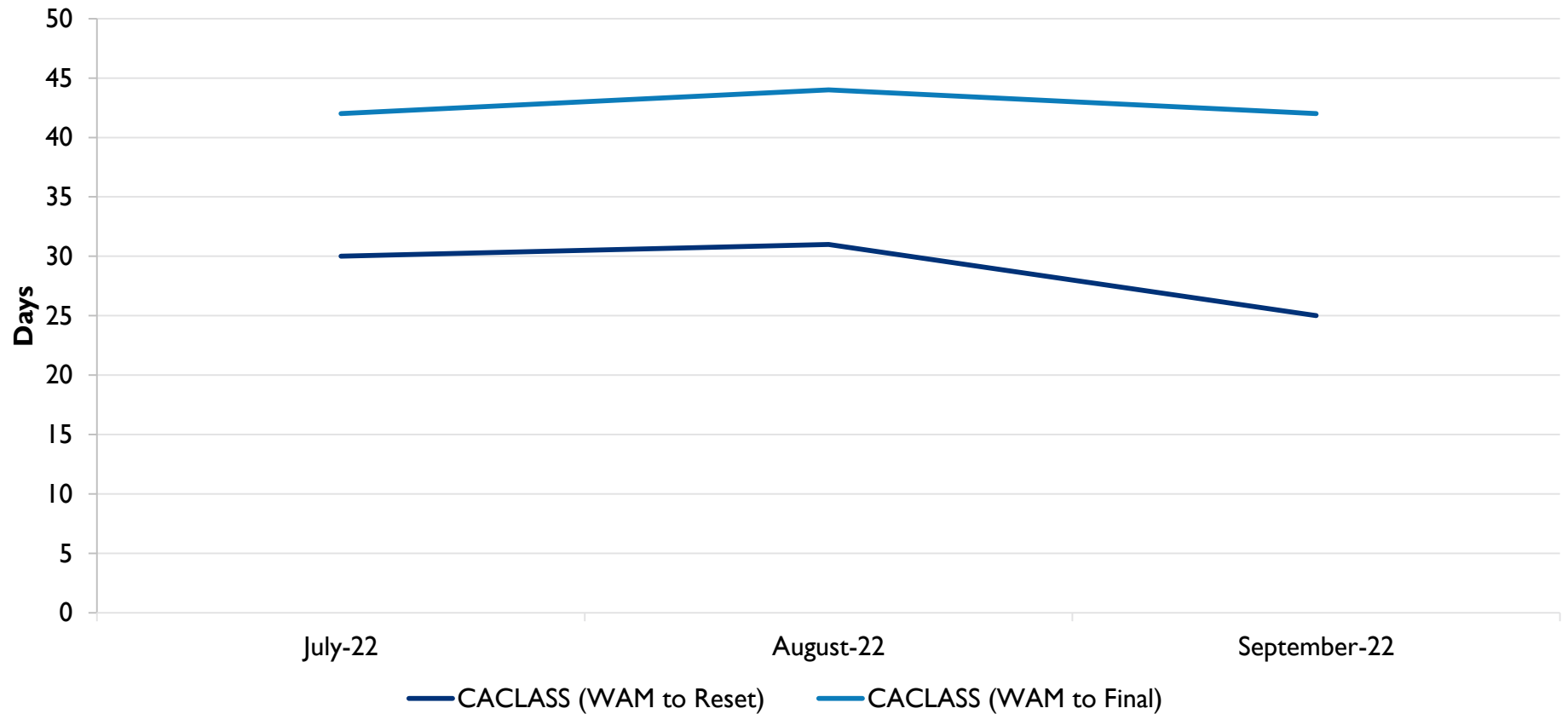
- Asset Allocation
- Follow Standard and Poor's Ratings requirements
- Adherence to California CLASS Investment Policy and state statutes
- Credit review process
- Active pre- and post-trade compliance

Portfolio Asset Breakdown as of September 30, 2022



- Follow Standard & Poor's WAM requirements
- Monitor cash flow needs
- Purchase high quality, liquid assets
- Adherence to Board Policy

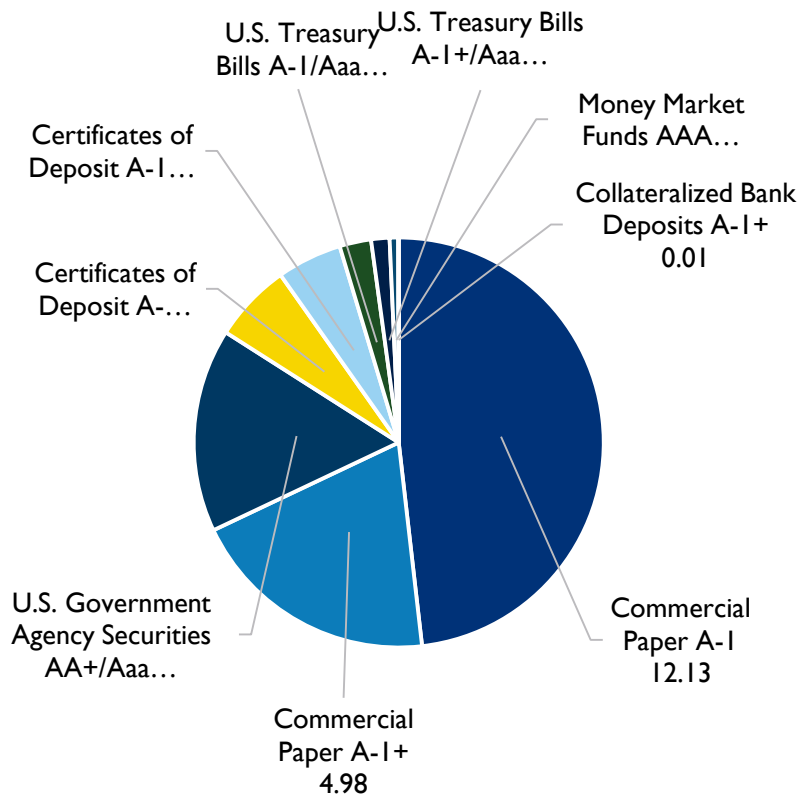
Follow Requirements of Rating Agencies



- 60 Days to Reset Maximum Allowed by Guidelines
- 90-120 Days to Final Maximum Allowed by Guidelines

Adherence to S&P Guidelines

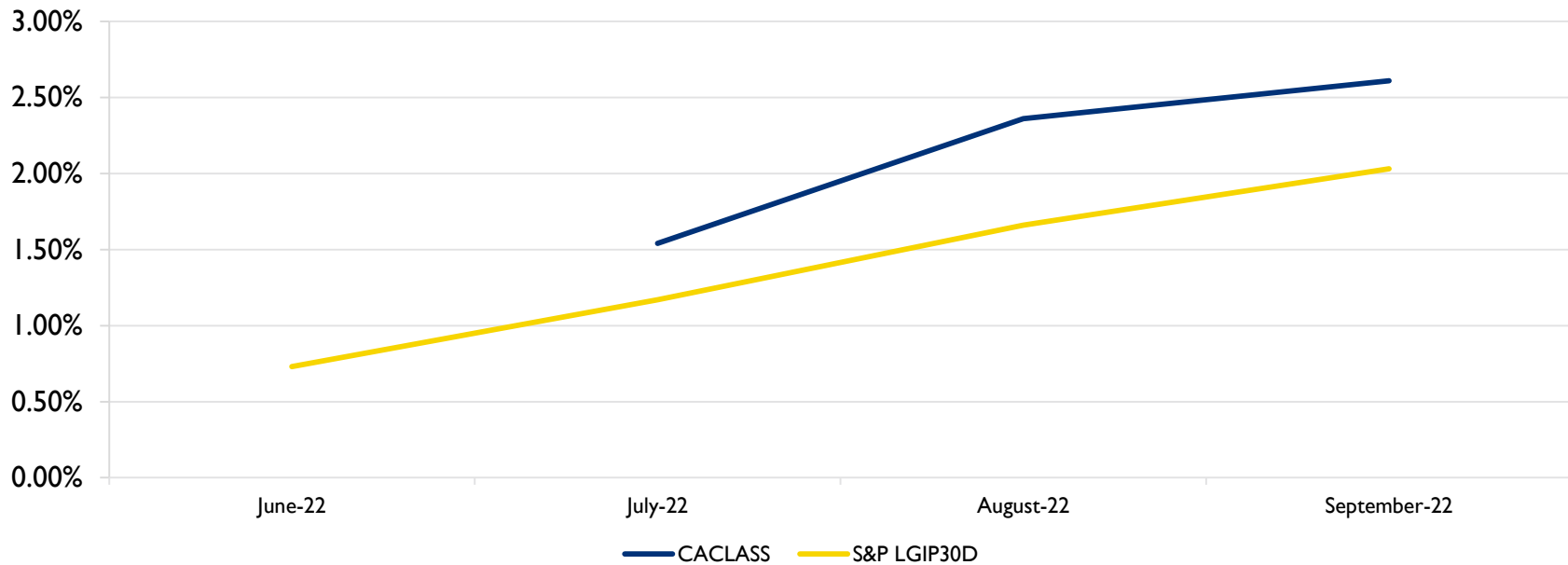
WAM Breakdown – Security Type
September 30, 2022



Security Type	Market Value	WAM
Commercial Paper A-I	\$ 26,349,938	12.13
Commercial Paper A-I+	\$ 17,427,164	4.98
U.S. Government Agency Securities AA+/Aaa	\$ 48,814,267	4.04
Certificates of Deposit A-I+	\$ 6,395,601	1.56
Certificates of Deposit A-I	\$ 3,996,936	1.29
US Treasury Bills A-I/Aaa	\$ 992,263	0.63
US Treasury Bills A-I+/Aaa	\$ 12,999,202	0.36
Money Market Funds AAAm	\$ 24,336,534	0.17
Collateralized Bank Deposits A-I+	\$ 1,198,250	0.01

- Performance
- Portfolio Considerations

California CLASS vs. S&P AAA/AA GIP Comparison 30-Day Net Yields



The benchmark, the S&P US AAA & AA Rated GIP All 30 Day Net Yield (LGIP30D) is a performance indicator of rated GIPs that maintain a stable net asset value of \$1.00 per share and is an unmanaged market index representative of the LGIP universe. The S&P benchmark utilized in this comparison is a composite of all rated stable net asset value pools. GIPs in the index include only those rated based on Standard & Poor's money market criteria. Pools rated 'AAAm' provide excellent safety and a superior capacity to maintain principal value while those rated 'AAM' offer very good safety and a strong capacity to maintain principal value (Source: Standard & Poor's website) The comparison between this index and the portfolio may differ in holdings, duration, fee, and percentage composition of each holding. Such differences may account for variances in yield. Calculation methodology for the LGIP30D is the monthly average of the each week's seven day average rate as provided by Bloomberg. Performance results for California CLASS are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past Performance is no guarantee of future results. Any financial and/or investment decision may incur losses.** * Average monthly yields as of September 30, 2022.

This presentation is for informational purposes only. All information is assumed to be correct but the accuracy has not been confirmed and therefore is not guaranteed to be correct. Information is obtained from third party sources that may or may not be verified. The information presented should not be used in making any investment decisions and is not a recommendation to buy, sell, implement or change any securities or investment strategy, function or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events. All calculations and results presented and are for discussion purposes only and should not be used for making calculations and/or decisions. The data in this presentation is unaudited.

This presentation material is for the sole purpose of the California CLASS Board of Trustees. Charts may not equal 100% due to rounding.

Performance results for California CLASS are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

California

CLASS

California CLASS Enhanced Cash

A next-day liquidity investment option designed for California CLASS Participants seeking additional income



NEW!

California CLASS Enhanced Cash

California CLASS Enhanced Cash is a next-day liquidity investment option designed for California CLASS Participants that seeks to generate a higher yield while complementing the daily liquidity offered by the California CLASS fund for California public agencies. California CLASS Enhanced Cash is best suited for investors with an investment horizon of 12-18 months.

Complement your investment management strategy with Enhanced Cash by gaining exposure to a diversified set of high-quality, short-term securities for your public agency's portfolio. Enhance your ability to manage your assets more efficiently and effectively while maintaining safety and liquidity.

DETAILED PORTFOLIO FEATURES:

CASH MANAGEMENT DIVERSIFICATION

Gain exposure to longer-dated securities to potentially increase the total return profile of your public agency's liquidity portfolio.



WITHDRAWALS

Withdrawn funds are available the business day after the transaction date that is entered in the online portal.



REPORTING

Enhanced Cash Participants can conveniently access transaction confirmations and monthly statements on-demand via the Online Participant Portal.



ACCOUNTS

With Enhanced Cash, your public agency will enjoy unlimited subaccounts and monthly transactions; seamlessly transfer between all of your California CLASS accounts.



www.californiaclass.com

info@californiaclass.com

550 S. Hope Street, Suite 560
Los Angeles, CA 90071

INVESTING MADE EASY

Which investment option best suits your public agency's needs?

Investment Option	California CLASS Prime	California CLASS Enhanced Cash
Portfolio Type	Prime-style fund	Enhanced cash
Purpose	Operating Funds	Strategic Reserves
Rating	'AAAm'	'AAAf/S1'
Liquidity Offered	Daily	Next-Day
Min/Max Investment	None	None
Online Reporting	Transaction confirms, monthly & on-demand statements	Transaction confirms, monthly & on-demand statements
Withdrawals	Unlimited	Unlimited
Accounts	Unlimited	Unlimited
Investment Horizon	Day-to-Day	12-18 Months
WAM	≤60 days	90-200 days
Net Asset Value (NAV)	Stable \$1.00 per share	Variable \$10.00 per share

ELIGIBLE INVESTMENTS

California CLASS investments are made in accordance with California State Code, Section 6509.7. For a complete description of permitted investments, please [click here](#) to view the Enhanced Cash Investment Policy.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. California CLASS Prime is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com.

California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

This endorsement, effective 12:01 am, 06/15/2022
of policy number 42 DC 0459438-22

forms part

issued to: CALIFORNIA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM

by: TWIN CITY FIRE INSURANCE CO.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND DEFINITION OF PRIVATE FUND WITH SCHEDULE OF FUNDS

This endorsement modifies insurance provided under the following:

THE HARTFORD ASSET MANAGEMENT CHOICEsm POLICY

- I. **ITEM 6** of the **DECLARATIONS** is amended by the addition of the following Prior or Pending Dates applicable to any **Claim** in any way involving the corresponding **Private Fund** listed below:

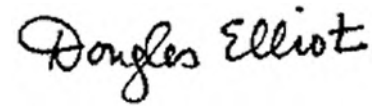
Private Fund:	Prior or Pending Date:
California Cooperative Liquid Asset Securities System	6/15/2022

- II. Section II. DEFINITIONS, (PP) **Private Fund** is deleted and replaced with the following:

(PP) **Private Fund** means:

- (1) the **Named Entity**, if such entity would be an investment company as defined in Section 3 of the Investment Company Act of 1940 but for Section 3(c)(1) or 3(c)(7) of that act, which exists as of the Inception Date of the Policy;
- (2) any entity listed as a **Private Fund** by an endorsement to this Policy;
- (3) any entity that would be an investment company as defined in the Investment Company Act of 1940 but for Section 3(c)(1) or 3(c)(7) of that act, if sponsored by the **Named Entity** as of the Inception Date of the Policy;
- (4) any series or portfolios of (PP)(1), (PP)(2), and (PP)(3), above;
- (5) any entity sponsored by the **Named Entity** as of the Inception Date of the Policy whose sole purpose is holding or acquiring on behalf of one or more **Private Funds** debt or equity investments and/or interests in financial derivatives, including any blocker, feeder, or other entity that facilitates the transfer, collection or distribution of funds between or among any **Private Funds**;
- (6) any alternative investment fund within the scope of Directive 2011/61/EU and Commission Delegated Regulation 231/2013/EU, including any amendments thereto as implemented or amended by any statute, regulation, ordinance or like instrument in any jurisdiction in the European Union, if sponsored by the **Named Entity** as of the Inception Date of the Policy;
- (7) any entity designated as a general partner pursuant to a partnership agreement, or similar document, of a **Private Fund** meeting the definitions of (PP)(1) – (6) organized as a limited partnership but solely with respect to its capacity as the general partner of such **Private Fund**;
- (8) any entity designated as a managing member pursuant to a limited liability company agreement, or similar document, of a **Private Fund** meeting the definitions of (PP)(1) – (6) organized as a limited liability company but solely with respect to its capacity as a managing member of such **Private Fund**; or
- (9) the entities specifically listed in paragraph I of this Endorsement.

All other terms and conditions remain unchanged.

A handwritten signature in black ink that reads "Douglas Elliot". The signature is written in a cursive, flowing style.

Douglas Elliot, President



A New Joint Powers Authority Investment Pool for California Public Agencies

www.californiaclass.com

ENDORSED BY



California Special Districts Association
Districts Stronger Together



LEAGUE OF CALIFORNIA CITIES



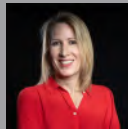
Diversify and Strengthen Your Public Funds Investment Program

- ✓ Endorsed by Cal Cities and CSDA
- ✓ Preservation of principal and access to liquidity
- ✓ Securities marked-to-market daily
- ✓ Same-day liquidity for Prime fund
- ✓ Next-day liquidity for Enhanced Cash fund
- ✓ No minimum balance requirements nor maximum contributions
- ✓ Managed to generate a competitive daily yield
- ✓ Prime fund for agency operating dollars and Enhanced Cash fund for reserves
- ✓ Ratings of 'AAAm' & 'AAAf/S1'

Learn more about investing for California public agencies, and contact us today.



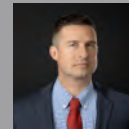
Bob Shull
Director, Investment Services
bob.shull@californiaclass.com
(213) 378-2070



Laura Glenn, CFA®
Senior Director, Investment Services
laura.glenn@californiaclass.com
(404) 822-8287



Brent Turner
Regional Director of Strategy
brent.turner@californiaclass.com
(303) 999-8190



Rodrigo Bettini
Director, Investment Services
rodrigo.bettini@californiaclass.com
(813) 820-0703

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses. California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. More information to come.

What is California CLASS?

California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS offers public agencies a convenient method for investing in highly liquid, investment-grade securities carefully selected to optimize interest earnings while maximizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that provides the framework for the investment of public funds.

How is it governed and managed?

California CLASS is overseen and governed by a Board of Trustees. The Board is made up of public agency finance professionals who participate in California CLASS and are members of the Joint Powers Authority (JPA). The Board of Trustees has entered into an Investment Advisor and Administrator Agreement with Public Trust Advisors, LLC. Public Trust is responsible to the Board for all program investment and administrative activities as well as many of the services provided on behalf of the Participants.

How can we participate?

Enrolling in California CLASS is simple. Public agencies may become Participants simply by filling out the Participant Registration Form that can be found in the document center on the California CLASS website. Public agencies may submit the completed registration packet to California CLASS Client Services for processing at clientservices@californiaclass.com. To obtain account forms and fund documents, visit www.californiaclass.com/document-center/.

Endorsed By:



LEAGUE OF
**CALIFORNIA
CITIES**

www.calcities.org



**California Special
Districts Association**

Districts Stronger Together

www.csda.net

Participants benefit from the following:

- Same-day availability of funds in Prime Fund (11:00 a.m. PT cut-off)
- Deposits by wire or ACH
- Ratings of 'AAAm' & 'AAAf/S1'
- Prime fund transacts at stable NAV
- Portfolio securities marked-to-market daily
- Secure online access for transactions and account statements
- No withdrawal notices for Prime Fund
- Participant-to-Participant transactions
- Interest accrues daily and pays monthly
- No maximum contributions
- No minimum balance requirements
- No transaction fees*
- Annual audit conducted by independent auditing firm**
- Dedicated client service representatives available via phone or email on any business day

*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions.
**External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.



What are the objectives of California CLASS?

Safety

The primary investment objective of the California CLASS Prime fund is preservation of principal. Both California CLASS portfolios are managed by a team of investment professionals who are solely focused on the management of public funds nationwide. The custodian for California CLASS is U.S. Bank, N.A.

Liquidity

When you invest in the California CLASS Prime fund, you have access to your funds on any business day. You must notify California CLASS of your funds transaction requests by 11:00 a.m. PT via the internet or phone. There are no withdrawal notices for the daily-liquid California CLASS Prime fund. Enhanced Cash is a variable NAV fund that provides next-day liquidity and a one-day notification of withdrawal.

Competitive Returns

California CLASS strives to provide competitive returns while adhering to the objectives of safety and liquidity. Participants benefit from the investment expertise and institutional knowledge provided by the team of Public Trust professionals. Portfolio performance is strengthened by the extensive knowledge of California public agency cash flows that the Public Trust team possesses.

Ease of Use

To make cash management streamlined and efficient, California CLASS includes many features that make it easy to access account information and simplify record keeping. Participants can transact on any business day using the California CLASS phone number (877) 930-5213, fax number (877) 930-5214, email clientservices@californiaclass.com or via the California CLASS Online Transaction Portal at www.californiaclass.com.

Flexibility

You may establish multiple California CLASS subaccounts. You will receive comprehensive monthly statements that show all of your transaction activity, interest accruals, and rate summaries. These statements have been specifically designed to facilitate public sector fund accounting and to establish a clear accounting and audit trail for your records.

Legality

California CLASS only invests in securities permitted by California State Code Section 53601; permitted investments are further restricted to those approved by the Board of Trustees as set forth in the California CLASS Investment Policies.

Have Questions? Contact us or visit www.californiaclass.com for more information.



Bob Shull

Director, Investment Services
bob.shull@californiaclass.com
(213) 378-2070



Laura Glenn, CFA®

Senior Director, Investment Services
laura.glenn@californiaclass.com
(404) 822-8287



Brent Turner

Regional Director of Strategy
brent.turner@californiaclass.com
(303) 999-8190



Rodrigo Bettini

Director, Investment Services
rodrigo.bettini@californiaclass.com
(813) 820-0703

Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. **Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.** Please see the Information Statement for further details on the fee calculation and other key aspects about California CLASS. California CLASS Prime is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated by 'AAAF/S1' by FitchRatings. The 'AAAF' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk.

CALIFORNIA CLASS BOARD OF TRUSTEES

California CLASS is governed by a Board of Trustees that administers and oversees the affairs of the program.

Ryan Clausnitzer, Vice-Chair

General Manager

Alameda County Mosquito

Abatement District

George Harris

Director of Finance

City of Lancaster

Margaret Moggia

Executive Manager of Finance

West Basin Municipal

Water District

Christina Turner, Chair

City Manager

City of Morgan Hill

ENDORSED BY



www.calcities.org



**California Special
Districts Association**
Districts Stronger Together

www.csda.net

CONTACT US

Our team of dedicated professionals is committed to assisting California public agencies with their liquidity management needs.



Bob Shull

Director of Investment
Services

(213) 378-2070



Brent Turner

Regional Director
of Strategy

(303) 999-8190



Rodrigo Bettini

Director of Investment
Services

(813) 820-0703



Laura Glenn, CFA®

Senior Director of Investment
Services

(404) 822-8287



www.californiaclass.com

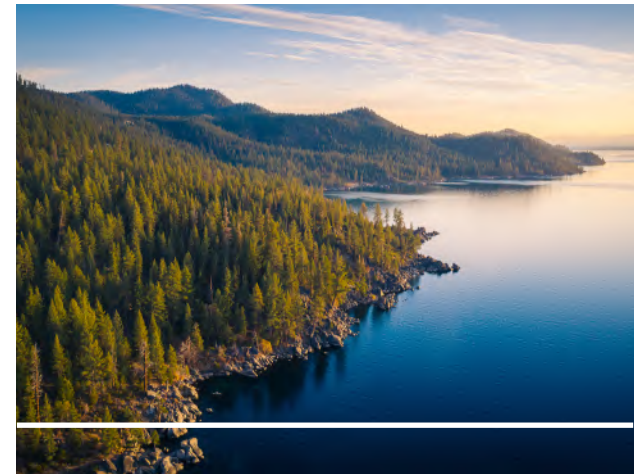


info@californiaclass.com



550 S. Hope Street, Suite 560
Los Angeles, CA 90071

Diversify your public agency's liquidity with
California CLASS.



California CLASS

Established in 2022

**Created to Serve California
Public Agencies**

Investing alongside your peers can
mean more investment income for
your city, county, or special district.

WHAT IS CALIFORNIA CLASS?

California CLASS is a local government investment pool that was created under the Joint Powers Act. It allows eligible public agencies to invest their funds in a professionally managed Joint Powers Authority.

WHO CAN PARTICIPATE?



Counties



Cities



Special Districts



Joint Powers
Authorities



Educational
Entities



Transportation
Commissions

Participation is available to any California public agency under California Government Code 6500 and 6509.7

PERMISSIBLE INVESTMENTS

Investments are made in accordance with California Government Code Section 53601 and the California CLASS Investment Policies.

Permissible Investments	Prime & Enhanced Cash Portfolios
U.S. Treasury Securities	✓
Repurchase Agreements	✓
U.S. Government Agencies	✓
Certificates of Deposit	✓
Highly-Rated Commercial Paper	✓

WHAT FEATURES DOES CALIFORNIA CLASS OFFER?

SAFETY

Portfolios rated and monitored by S&P Global Ratings & Fitch Ratings

All securities permitted by California Government Code

Rigorous internal credit research process

LIQUIDITY

Same-day liquidity for the Prime fund

Next-day liquidity for the Enhanced Cash fund

YIELD

Competitive daily yield

Interest accrues daily and pays monthly

CONVENIENCE

California CLASS charges no transaction or wire fees

Online access for transactions and account statements

Unlimited subaccounts

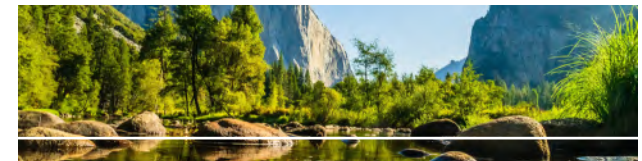
GET STARTED TODAY

Enrolling in California CLASS is simple.

Go to californiaclass.com/join for a step-by-step guide on how to become a Participant.

A Few Questions to Ask Yourself When Evaluating a LGIP:

- 1 Is it rated by S&P or Fitch?
- 2 Does it post a net asset value at day-end?
- 3 Does it offer same-day liquidity?
- 4 Are there contribution limits?
- 5 Does it offer detailed, transparent reporting?
- 6 Is its online platform modern, easy to understand, and simple to navigate?



You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.

CALIFORNIA CLASS BOARD OF TRUSTEES

California CLASS is supervised by a Board of Trustees that administers the affairs of the program and enters into contracts and agreements.

Ryan Clausnitzer

General Manager

Alameda County Mosquito
Abatement District

George Harris

Director of Finance
City of Lancaster

Margaret Moggia

Executive Manager of Finance
West Basin Municipal
Water District

Christina Turner

City Manager
City of Morgan Hill

PROGRAM SPONSORS



**California Special
Districts Association**
Districts Stronger Together

CONTACT US

Our team of dedicated professionals are committed to assisting California public agencies with their cash investment needs.



Bob Shull

Director of Investment
Services
(213) 378-2070



Brent Turner

Senior Director of Investment
Services
(303) 244-0463



Rodrigo Bettini

Director of Investment
Services
(813) 820-0703



Laura Glenn, CFA

Senior Director of Investment
Services
(407) 822-8287



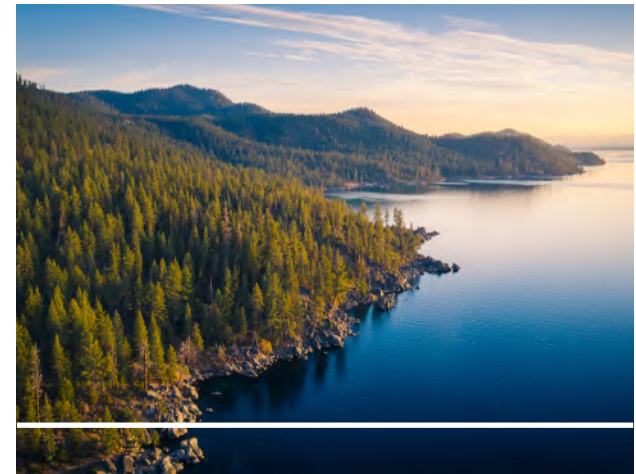
www.californiaclass.com



info@californiaclass.com



550 S. Hope Street, Suite 560
Los Angeles, CA 90071



California
CLASS

Established in 2022

**Created for California
Public Agencies**

Investing with your peers can mean
more investment income for your
local community.

Join today;
begin earning tomorrow.

WHAT IS CALIFORNIA CLASS?

California CLASS is a pooled investment option that was created via a joint exercise of powers agreement that allows California public agencies to pool funds together collectively while earning interest on their investments.

WHO CAN PARTICIPATE?



Counties



Cities



Federal & State Agencies



Public Districts



Educational Entities



Transportation Commissions

Participation is available to any California public agency under California Government Code 66500 and 6509.7.

PERMISSIBLE INVESTMENTS

Investments are made in accordance with California Government Code Section 53601 and the California CLASS Investment Policies.

Permissible Investments

Prime & Enhanced Cash Portfolios

U.S. Treasury Securities



Repurchase Agreements



U.S. Government Agencies



Certificates of Deposit



Highly Rated Commercial Paper



WHAT FEATURES DOES CALIFORNIA CLASS OFFER?

SAFETY

Portfolios rated by S&P Global Ratings & FitchRatings

Investments are made in accordance with California Government Code

Overseen by a Board of Trustees comprised of Participants

LIQUIDITY

Designed to meet Participants' cash flow requirements

No minimum balance requirements or transaction fees

YIELD

Competitive daily yields

Interest compounds and pays monthly

Professionally managed

CONVENIENCE

Deposits by wire or ACH

Online access for transactions and account statements

Unlimited subaccounts

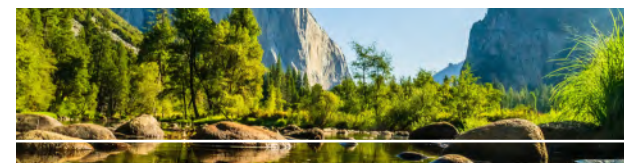
GET STARTED TODAY

Enrolling in California CLASS is simple.

Go to californiaclass.com/join for a step-by-step guide on how to become a Participant.

A Few Questions to Ask Yourself When Evaluating an LGIP

- 1 Check the rating of the fund; is it rated?
- 2 Does the LGIP provide for adequate liquidity?
- 3 How often does interest compound?
- 4 Are there minimum balance requirements?
- 5 How does the rate compare to other daily liquid investment options?
- 6 Are transaction fees incurred?



You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.

2022 Conferences and Events



Date	Name	Organization	Status
2/16/2022	CSMFO 2022 Annual Conference	California Society of Municipal Finance Officers	Registered
5/3/2022	CMTA 2022 Annual Conference	California Municipal Treasurers Association	Registered
5/16/2022	CSDA 2022 Legislative Days Event	California Special Districts Association	Registered
6/7/2022	CACTTC 2022 Annual Conference	California Association of County Treasurers	Registered
6/19/2022	CSDA 2022 GM Leadership Conference	California Special Districts Association	Registered
8/22/2022	CSDA 2022 Annual Conference	California Special Districts Association	Registered
9/7/2022	LCC 2022 Annual Conference	League of California Cities	Registered
9/13/2022	CAJPA 2022 Annual Conference	California Association of Joint Powers Authorities	Registered
10/4/2022	CACTTC 2022 Education Conference	California Association of County Treasurers	Registered
10/26/2022	CACE 2022 Fall Conference	California Association of County Executi...	Not registered
11/7/2022	CSDA 2022 Board Secretary/Clerk	California Special Districts Association	Registered
11/16/2022	CTA 2022 Fall Conference	California Transit Association	Registered
11/29/2022	ACWA 2022 Fall Conference	Association of California Water Agencies	In progress
12/7/2022	LCC 2022 Municipal Finance Institute	League of California Cities	Not registered

From: California CLASS <info@californiaclass.com>
Sent: Thursday, September 1, 2022 3:24 PM
To: California Class eMarketing
Subject: Happy Labor Day from California CLASS



California Cooperative Liquid Assets Securities System



Labor Day Holiday Hours Reminder

California CLASS will be closed on Monday, September 5, 2022, in observance of Labor Day. Please schedule any transaction requests prior to 11:00 a.m. PT on Friday, September 2, 2022, before the holiday weekend.

Have Questions? [Click Here](#)

Copyright © 2022 California CLASS, All rights reserved.
You are receiving this email because you are a California CLASS Participant.

Our mailing address is:

California CLASS
550 S. Hope Street
Suite 560
Los Angeles, CA 90071

[Add us to your address book](#)

Want to change how you receive these emails?
[unsubscribe from this list](#)



California CLASS Program Overview










Everything You Need to Know About Your Newest Investment Option

September 2022

Introduction to Public Trust Advisors, LLC

- Public Trust Advisors, LLC (Public Trust) is an SEC registered independent investment advisor headquartered in Denver, Colorado, with offices in Los Angeles, Florida, New York, Texas, Ohio, New Mexico, Georgia, Arizona, and Michigan
- Public Trust was founded on the fundamental principle of maintaining a single business focus of providing investment management and advisory services to government and institutional investors
- Public Trust is a national leader in providing customized investment advisory solutions based on the clients' unique cash flows, risk tolerances, and investment policies
- **Safety-first investment philosophy** that seeks to deliver consistent, risk-adjusted returns
- The Public Trust Executive Team includes managing partners with 100+ years of combined experience and a team of professionals that are dedicated to the safety of public funds
- Investment Advisor and Administrator for 16 local government investment pools (LGIPs) in 10 different states

Public Trust professional investment experience includes clients that were served by Public Trust employees currently and during their tenure with prior firms. Those entities may currently remain clients of the employees' previous employer. Please refer to the disclosure slide of this presentation for more information.

LGIP	Start Date	Assets	Growth % Since Public Trust Transition	Number of Participants	Services Provided	Investment Style
	2012	\$11.87b	344% ↑	1727	Administrator & IA	Government, Prime, & Enhanced Cash
	2015	\$3.78b	N/A	129	Administrator & IA	Prime & Enhanced Cash
	2015	\$3.04b	174% ↑	767	Administrator	Prime
	2014	\$2.91b	1208% ↑	597	Administrator & IA	Prime & Enhanced Cash
	2013	\$4.23b	2114% ↑	830	Administrator & IA	Prime & Government
	2013	\$17.31b	708% ↑	908	Administrator & IA	Prime & Government
	2015	\$2.25b	435% ↑	452	Administrator & IA	Prime
	2016	\$2.18b	N/A	145	Co-Administrator & IA	Enhanced Cash
	2020	\$275m	N/A	43	Administrator & IA	Prime

Data unaudited. All information is assumed to be correct, but the accuracy has not been confirmed and therefore is not guaranteed to be correct. Source: Public Trust Advisors®. Data as of 06/30/2022. Please refer to the disclosures slide at the end of this presentation for more information. Asset growth is primarily the result of capital inflows, and to a lesser extent, other factors such as the reinvestment of interest and returns.

Public Trust Investment Team

80%

Local Government Investment Pools

20%

Separately Managed Accounts

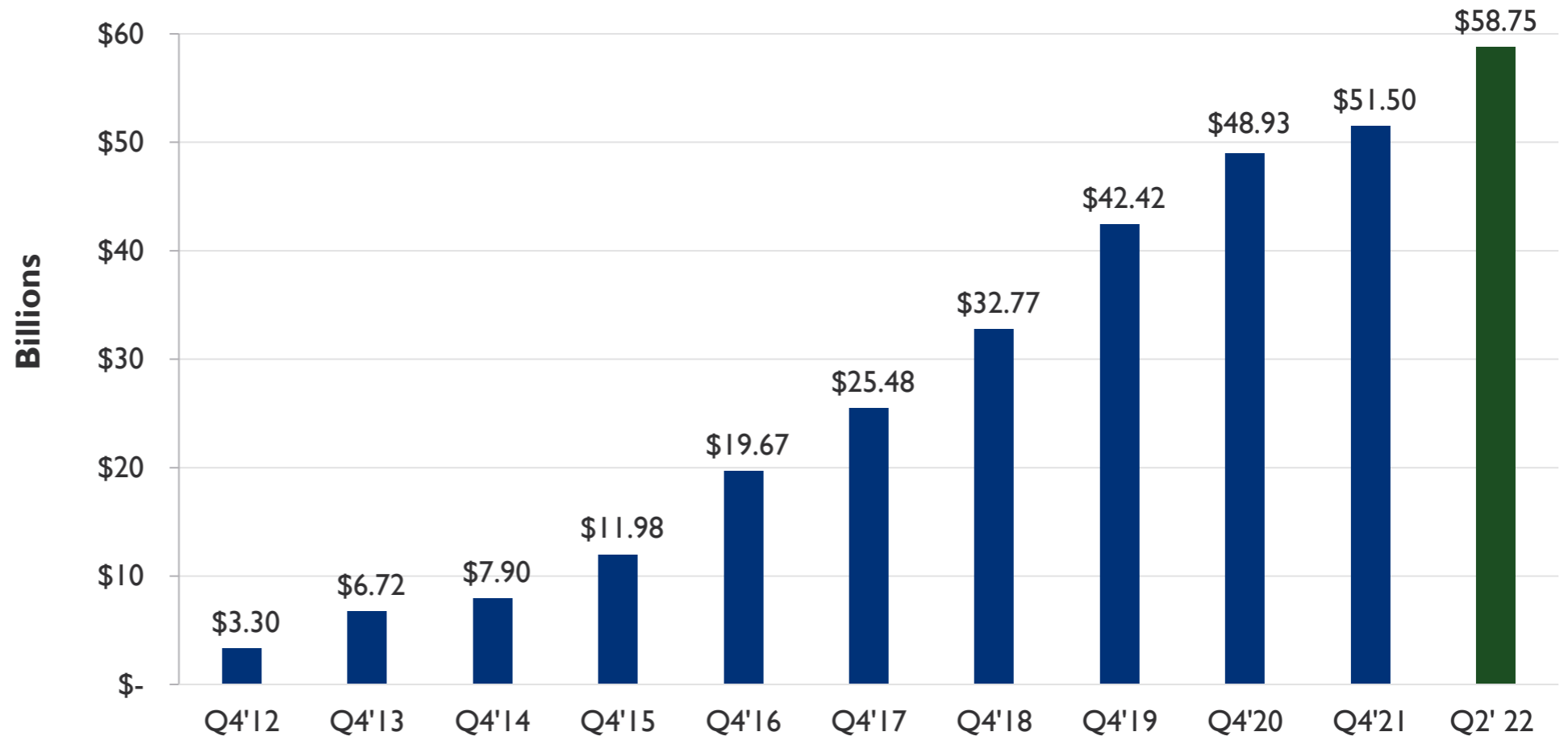
Government, Prime, and Fluctuating NAV

Seasoned, Dedicated Professionals

Customized Investment Solutions

Consistent Risk-Adjusted Returns

Growth in Assets Under Management



Source: Public Trust Advisors. Data unaudited. Public Trust Advisors, LLC took over the management and advisory services as noted in the disclosures page. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. All calculations and results presented are for discussion purposes only and should not be used for making calculations and/or decisions. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.** Please refer to the disclosure slide of this presentation for additional information.

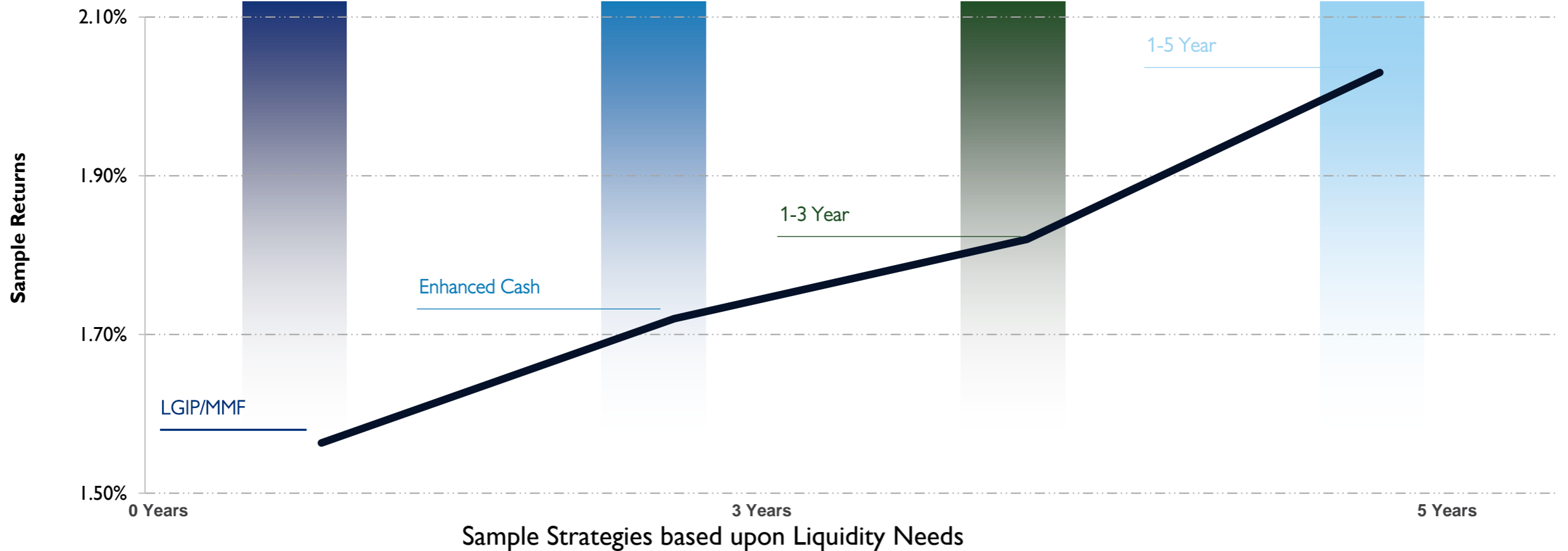
Key Investment Program Decisions

- Maintain an Updated Investment Policy
- Perform a Thorough Cash Flow Analysis
- Determine Appropriate Risk Tolerance For Your Entity
- Determine Appropriate Portfolio Sizing For Liquidity and Core Portfolios
- Evaluate Market Conditions and Economic Data
- Consider Historical Perspective and the Current Environment
- Understand Benefits (Enhanced Earnings, Dynamic Management Approach) and Risks involved with various Investment Strategies (Liquidity, Reinvestment, Credit)
- Assess the Relative Value of Your Investment Options
- Implement an Active and/or Passive Strategy for Core and Liquidity Funds based on Investment Management Goals and Objectives

Please refer to the disclosure slide of this presentation for more information.

Building Your Investment Strategy

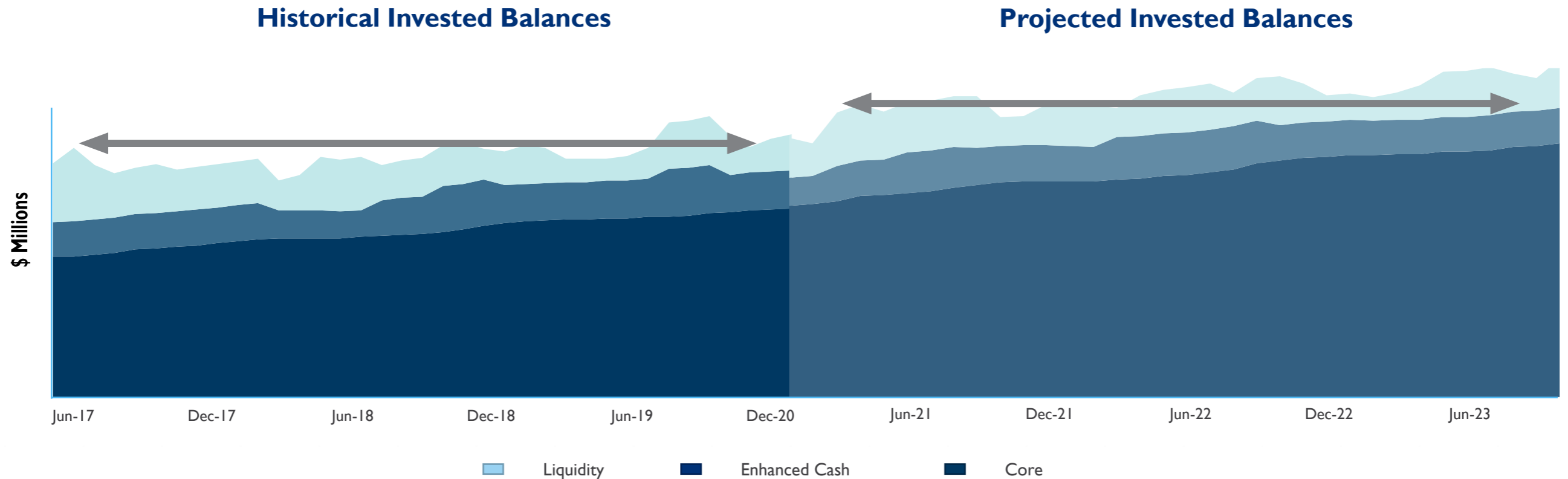
Based upon your specific goals and cash needs



Please refer to the disclosure slide of this presentation for more information. For illustration purposes only. Past performance is not an indication of future results. There is no guarantee that investment strategies will achieve the desired results under all market conditions, and each investor should evaluate its ability to invest long-term, especially during periods of a market downturn.

Cash Flow Planning: Historical and Projected Invested Balances

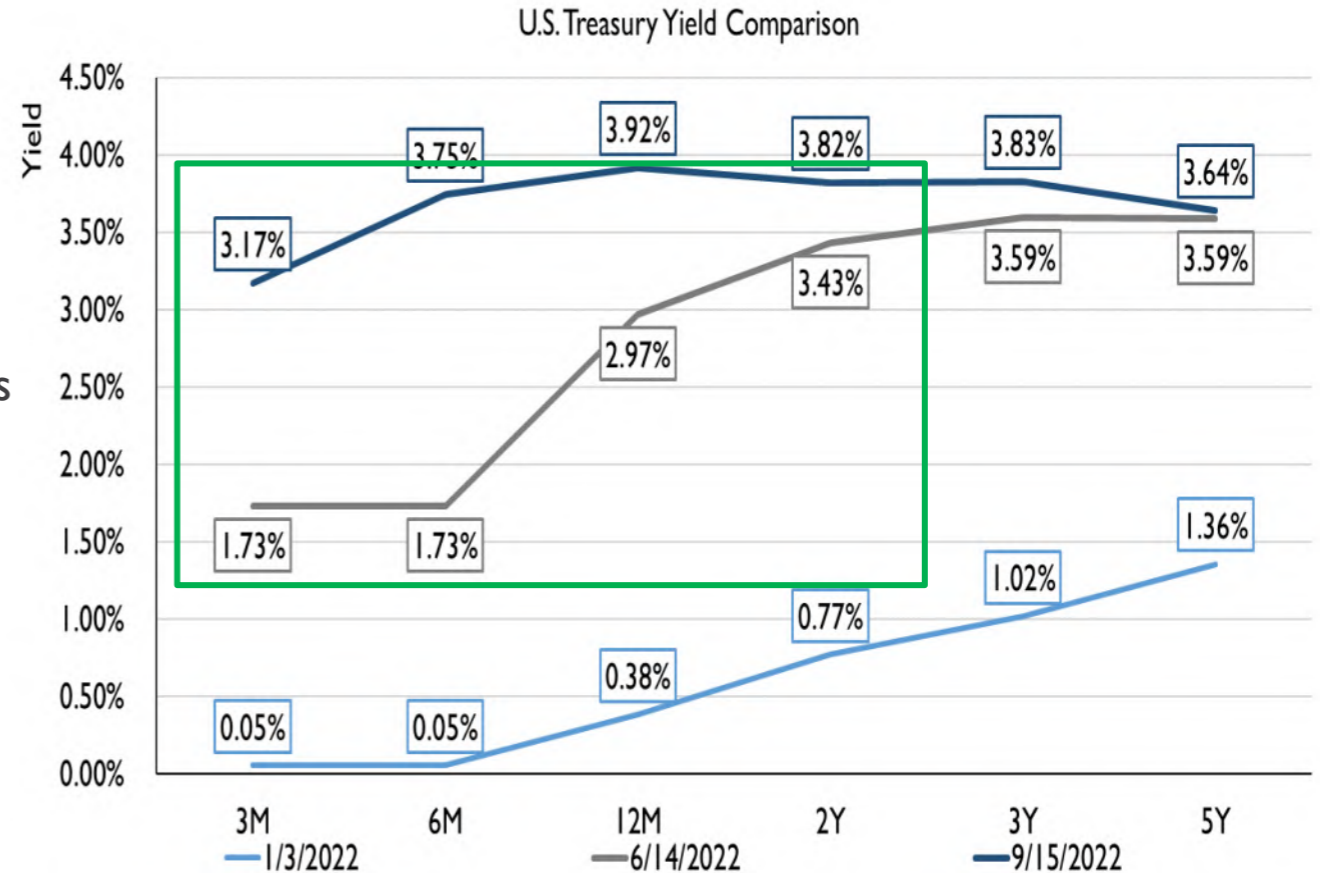
Ensuring sufficient liquidity allows the core portfolio to pursue longer maturities and greater expected returns over time.



For illustration only. Not intended to present an actual cash flow scenario. Information should not be used to make an investment decision. Historical information is not an indicator of future cash flows.

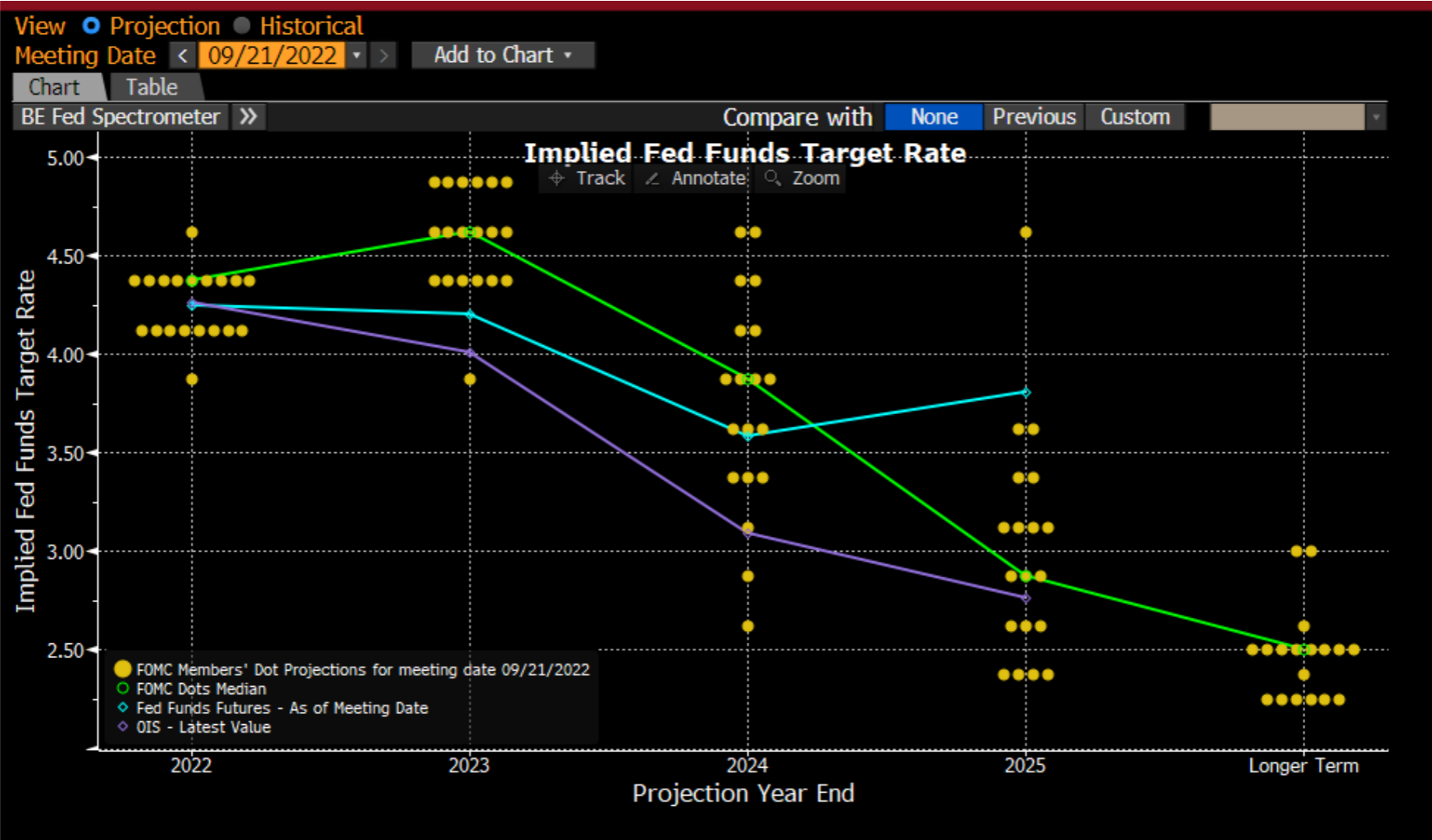
Current Market Impact on Public Sector Portfolios

- Federal Reserve is in play raising the upper limit of the fed funds target range by 3.25% since December of 2021
- Bond yields have surged impacting investment portfolios
 - Bond yields and prices have an inverse relationship
 - Unrealized losses are building in public sector portfolios
- Opportunity to earn additional income as yields rise
- Well-diversified portfolios are poised to outperform
 - Income is the overwhelming driver of portfolio return



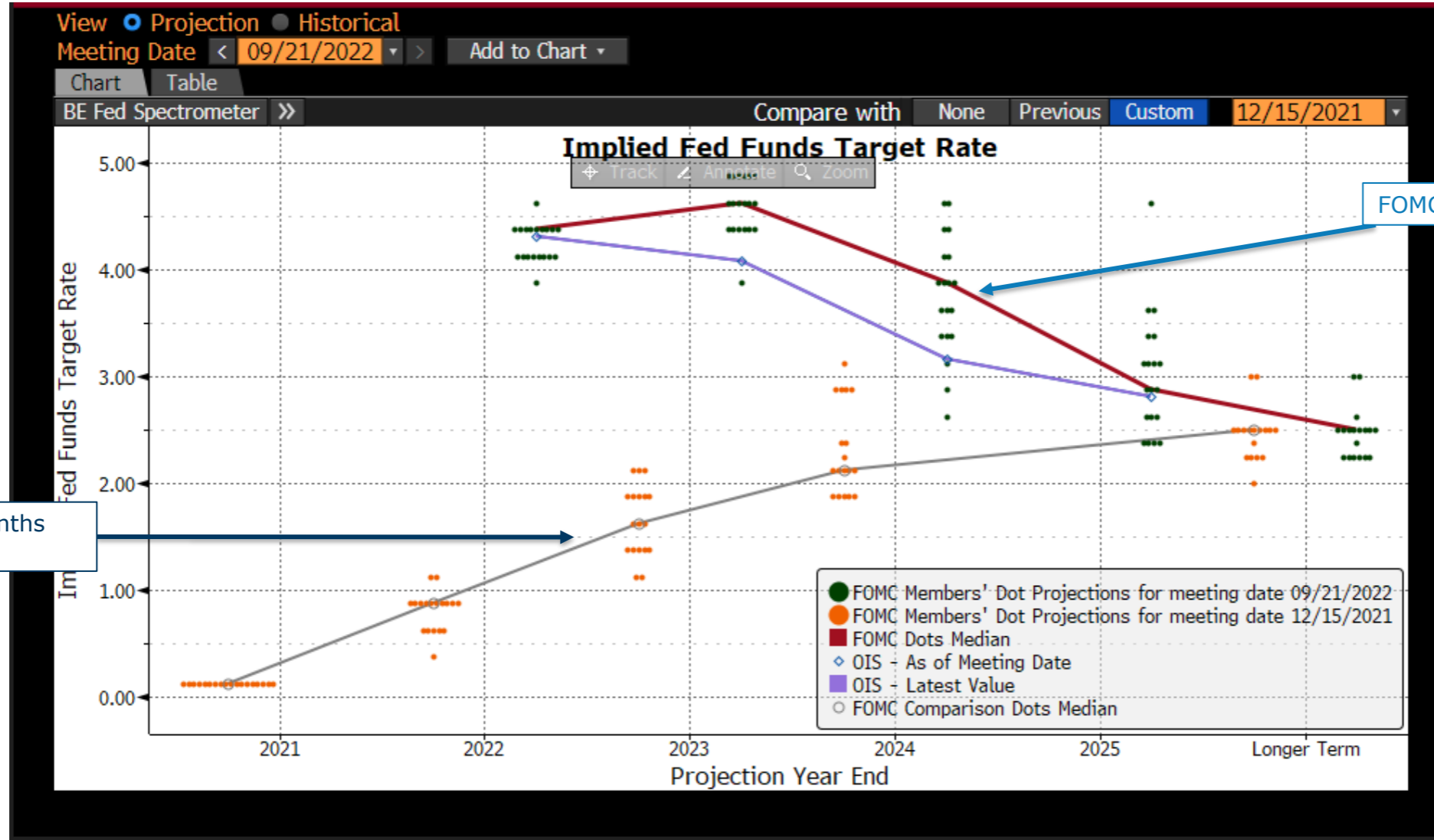
Source: Bloomberg. Please refer to the disclosure slide for additional information.

FOMC Dot Plot as of September 21, 2022



Source: Bloomberg. Please refer to the disclosure slide for additional information.

FOMC Dot Plot December 2021 Versus September 2022



Source: Bloomberg. Please refer to the disclosure slide for additional information.

What Are My Options?

- **California Joint Power Authority (JPA) investment pools**
- **Money Market Funds (MMF) and/or Bank Deposits**
- **LAIF**
- **Investments permitted by California Investment Code 53601**
 - Treasuries and Agencies
 - Municipals
 - Commercial Paper
 - Corporate Notes

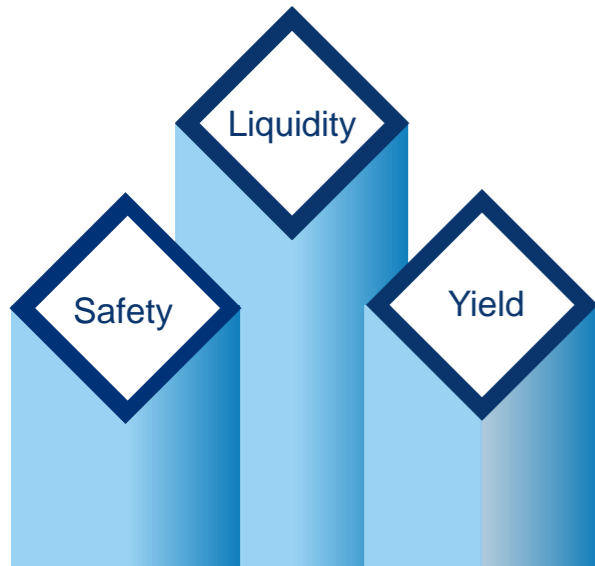
What is California CLASS?

- **California Joint Power Authority (JPA) created investment pool**
 - Stable Net Asset Value (NAV) Prime Style Fund – Rated ‘AAAm’ by S&P Global Ratings
 - Fluctuating NAV Enhanced Cash Style Fund – Rated ‘AAAf/SI’ by FitchRatings
 - Professionally managed by Public Trust Advisors, LLC
 - Lower cost structure than competing alternatives
 - **Custodian:** US Bank, **Auditor:** CliftonLarsonAllen, **Special Counsel:** Orrick
- **Governed by a Board of Trustees of your peers**
- **Created due to the demand to provide greater diversification and transparency in the California LGIP and short duration investment marketplace.**
- **Intuitive, user-friendly transaction and reporting portal**

Please refer to the disclosure slide of this presentation for more information.

LGIP Advantages

- Professional management of public funds
- Access to markets not typically available to smaller entities
- High levels of liquidity
- Institutional knowledge



Purpose

The purpose of California CLASS is to provide all California public agencies with a convenient, short-term investment opportunity carefully selected to optimize interest earnings while seeking to maximize safety and liquidity.

California CLASS was created for all California public agencies.

Please refer to the disclosure slide of this presentation for more information.

Why California CLASS? Why Now?

- **Lack of liquid and short-term investment options for California localities**
 - LAIF caps investment at \$75 million per entity
 - Banks are turning away deposits due to regulatory requirements and market conditions
 - SEC money market reform of 2018 forced many localities into Government MMFs and/or bank deposits
 - Prime style MMF funds have outperformed Government style MMF funds 27 of the last 27 years by an average of 14.4 basis points through multiple economic and interest rate cycles (gross of fees)*
- **ARPA funds, stimulus funding, and rising ad valorem revenues can be factors in driving locality cash balances higher**
- **Demand for greater diversification and transparency in the California LGIP and investment marketplace**
- **Fund participants demand and appreciate oversight from a Board of Trustees comprised of their peers who participate in the fund**

*Source: Crane's money fund intelligence. Please refer to the disclosure slide of this presentation for more information.

California CLASS Partnership

- California Special District Association (CSDA)
- League of California Cities (Cal Cities)
- California CLASS endorsement approved by both Governing Boards
- Coordinated marketing campaign, website branding, and data exchange



**California Special
Districts Association**
Districts Stronger Together



LEAGUE OF
**CALIFORNIA
CITIES**

Please refer to the disclosure slide of this presentation for more information.

Directed by Your Peers

California CLASS is supervised by a Board of Trustees comprised of eligible Participants of the program. The Board has the power to administer California CLASS and its affairs. The California CLASS Board enters into contracts and agreements on behalf of the program.

Any California public agency as defined in California Government Code Section 53600 can participate in California CLASS.

Please refer to the disclosure slide of this presentation for more information.

Who Can Participate?



State Agencies



Counties



Public Districts



Cities



Public Corporations



Regional Transportation Commissions

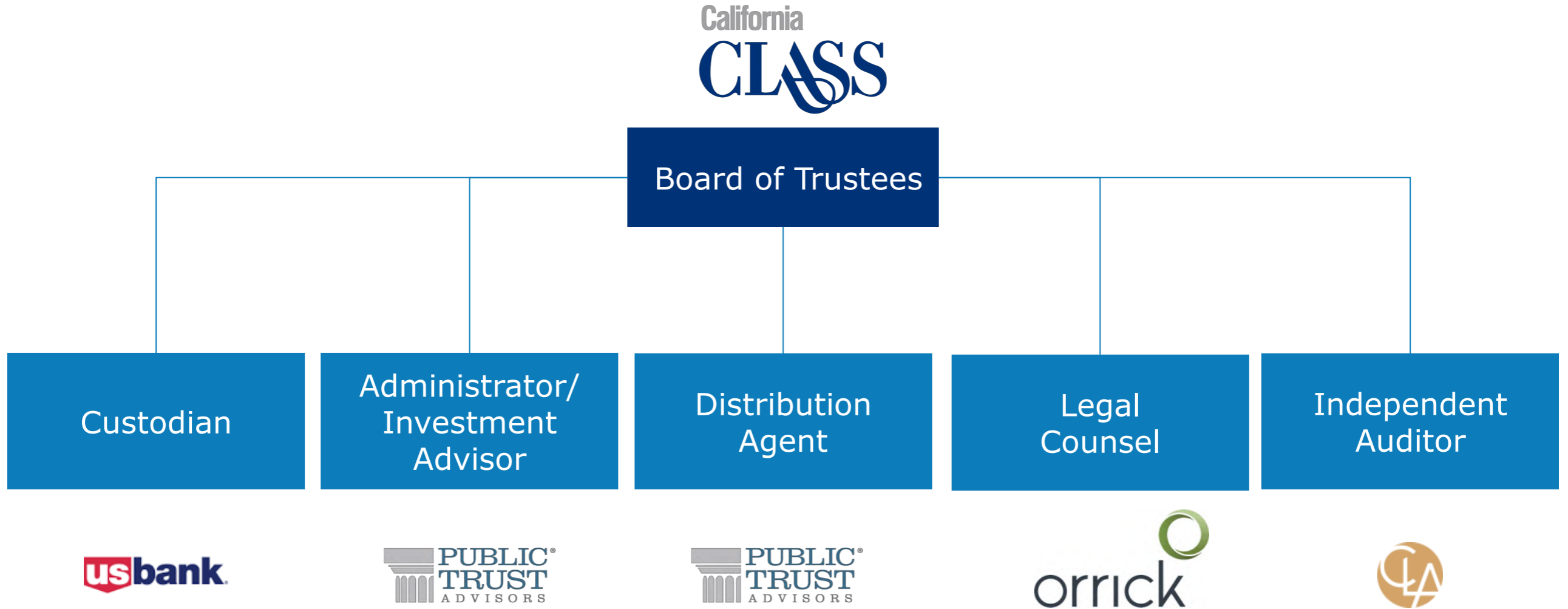


County Boards of Education

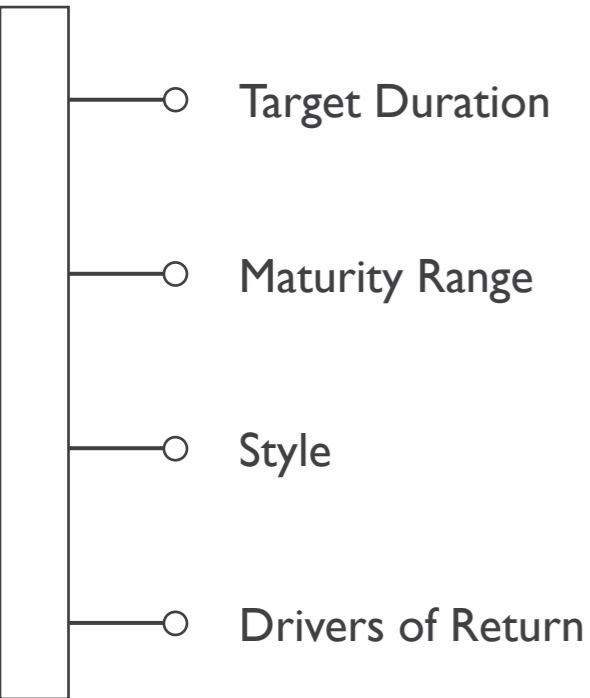


County Superintendents of Schools

California CLASS Oversight



Complementary Investment Strategies



California CLASS Prime	
Target Duration	60 Day WAM Maximum
Maturity Range	One to 397 Days
Style	<ul style="list-style-type: none"> o Stable NAV o Overnight Cash o Operating Core
Drivers of Return	Federal Funds Target Rate Monetary policy expectations Shape of the yield curve Asset allocation Security selection

California CLASS Enhanced Cash	
Target Duration	1.5 – 2 Years
Maturity Range	One to five years
Style	<ul style="list-style-type: none"> o Actively Managed o Focused on Income o Longer Investment Horizon
Drivers of Return	Duration management Shape of the yield curve Asset allocation Security selection

California CLASS offers two complementary strategies that prudently seek to achieve higher returns on operating and reserve funds. California CLASS enables public agencies to take advantage of the full range of investments authorized in the Code of California with the guidance of a professional fund manager.

Please refer to the disclosure slide of this presentation for more information.

California Local Government Investment Pool Options

	California CLASS		LAIF
Portfolio Type	Prime Style MMF	Enhanced Cash	Enhanced Cash*
Purpose	Short term liquidity	Core reserve strategy	Short term liquidity
Investment Advisor	PTA	PTA	CA State Treasurer
Rating	AAAm	AAAf SI	Not Rated
Liquidity Offered	Daily	Next Day	Daily
Investment Authorization	53601	53601	16430 and 16480.4
Weighted Average Maturity	60-day max	9mos – 1.25yr	Unlimited**
Interest Paid	Monthly	Monthly	Quarterly
Rate	Calculated Daily	Calculated Daily	Posted Weekly
Governance	Board of Trustees		Local Investment Advisory Board

Yield Information

	California CLASS	LAIF
Portfolio Type	Stable NAV	Enhanced Cash*
Purpose	Short term liquidity	Short term liquidity
7-Day Yield as of 09/26/2022	2.78%	1.57%*

Source: California CLASS and LAIF Websites. *LAIF daily effective yield as of 09/21/2022. Please refer to the disclosure slide of this presentation for more information.

Benefits of Becoming a Participant

California CLASS leverages people, processes, and technology to maintain a low cost structure, potentially resulting in more investment income returned back to our Participants.

Return

- Competitive daily yields
- Investment diversification

Liquidity

- Same-day liquidity
- Professionally managed portfolio

Convenience

- Effortless distributions to other public entities
- Easy access to all of your investments

Additional Features

Deposits by wire or ACH

Transaction and account statements provided

Dedicated Client Service representatives

California CLASS is built to allow public agencies to conveniently manage their investments and access reporting in a user-friendly and easy-to-understand manner.



No Transaction Fees*,
No Minimum Balance



Unlimited Transactions



Future-Dated Transactions



Participant-to-Participant Transfers

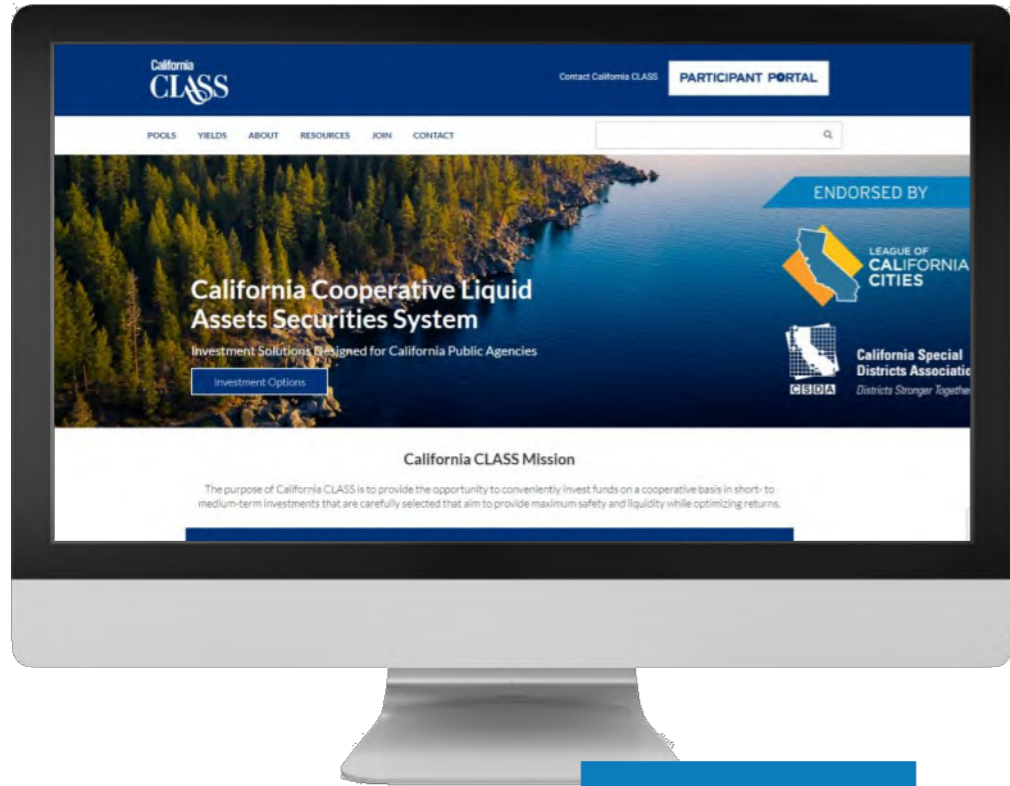


Unlimited Subaccounts

Built to serve California public agencies!

*You may incur fees associated with wires and/or ACH transactions by your bank, but there will be no transaction fees charged from California CLASS for such transactions. Please refer to the disclosure slide of this presentation for more information.

How to Join California CLASS



Scan to
get started!



Under applicable California Government Code, California public agencies may invest in shares of beneficial interest issued by a joint powers authority.

- 1 Read the applicable Information Statements
- 2 Submit your completed California CLASS Registration Packet to our Client Service Team via email or fax at (877) 930-5214.
- 3 After the approval of the above documents, your public agency will receive confirmation that your account has been accepted as a California CLASS Participant.

Please refer to the disclosure slide of this presentation for more information.

California CLASS (CA-01-0000)

Total Balance As Of 11/08/21: \$1,000,000.00

OPEN A NEW SUBACCOUNT

PRIME
As of 11/08/2021

\$1,000,000.00

[View →](#)

Subaccounts

Account #	Name	Avail. Balance	Fund Name
CA-01-0000-0001	General Funds	\$497,000.00	California CLASS
CA-01-0000-0002	Operating Funds	\$503,000.00	California CLASS

[View →](#)

Please refer to the disclosure slide of this presentation for more information.



Investor Details: Sample Account CA-01-0000

Test Account

CA-01-0000 ▾

- 🏠 Dashboard
- 👤 Accounts ▾
- ← Transactions ▾
- 📄 Fund Info
- 📊 On Demand Reports
- 🔗 Help Center

Profile

Address

Mailing Address: 550 S. Hope Street, Suite 560
Los Angeles, CA 90071

Relationship Manager

Name: John Smith
Phone Number: (XXX) XXX-XXXX
Email Address: john.smith@californiaclass.com

Other Info

Tax ID: 00-000000
Fiscal Year End: 09/30
Entity Type: Test Account

Contacts Bank Details

Excel

PDF

Search:

Name

▲ **Permission** ▾



Claire Johnson
(XXX) XXX-XXXX
cjohnson@abccounty.org

Authorized Signer



Tom Bell
(XXX) XXX-XXXX
tbell@abccounty.org

Read Only



Sam Taylor
(XXX) XXX-XXXX
staylor@abccounty.org

Authorized Signer

Please refer to the disclosure slide of this presentation for more information.



Test Account

CA-01-0000

- Dashboard
- Accounts
- Transactions
- Fund Info
- On Demand Reports
- Help Center

Withdrawal

Move funds from one of your subaccounts to a pre-approved bank account. Transactions need to be requested by 2:00 p.m. ET.

Transaction Date

02/01/2022

From Subaccount

CA-01-0000-4001 (\$3,945,266.23 California CLASS Prime)

Transaction Amount Type

Dollars

Transaction Amount

45,647

Payment Method (Select One)

ACH

ACH withdrawals arrive at the receiving bank on the next business dat.

Wire

Withdrawals by wire arrive at the receiving bank on the same day as requested. Wires are released every hour until the cut-off time noted above.

Bank Account

123456: Wells Fargo

Bank Memo

35 characters left

Optional

Internal Memo

255 characters left

Optional

This information will be included in the wire instructions sent to the receiving bank.

This information will only be displayed on your transaction confirmation.

Summary

FROM SUBACCOUNT

California CLASS Prime
CA-01-0000-4001
Current Available Balance: \$3,945,266.23
Current NAV: \$1.00

Dollars: \$45,647

DEPOSIT INTO

WELLS FARGO
Account Number: 123456
ABA: 121000248
FFC: Sample

VERIFY ->

Please refer to the disclosure slide of this presentation for more information.



- Dashboard
- Accounts
- Transactions
- Fund Info
- On Demand Reports
- Help Center

Participant-to-Participant Transfer

Move funds to another Participant's account; transactions must be requested by 2:00 p.m. ET for same-day transfer of funds. Before Participant-to-Participant transfers can be made, the recipient's subaccount **must be linked**. If you have questions or would like to make changes to your Participant-to-Participant settings, please contact Client Services.

Transaction Date

From Subaccount

To Participant(s)

Account	Amount	Internal Memo
California CLASS Prime 123 Village CA-01-0000-1234	\$ 3,000	Village sample memo
California CLASS Prime 456 School District CA-01-0000-4567	\$ 2,500	School district sample memo

Please refer to the disclosure slide of this presentation for more information.

Summary

FROM SUBACCOUNT

California CLASS Prime
 OH-01-0000-4001
 Current Available Balance: \$3,945,266.23

To PARTICIPANT(S)

California CLASS Prime \$3,000.00
 123 Village
 OH-01-0000-1234
 Village sample memo

California CLASS Prime \$2,500.00
 456 School District
 OH-01-0000-4567
 School district sample memo

Transfer Total: \$5,500.00

VERIFY →



Test Account

CA-01-0000

Fund Info

From Date To Date Custom Range

Fund

All Prime

Historical Fund Data

 Search:

As of Date ▲	Fund Name ◆	NAV ◆	Shares ◆	Fund Balance ◆	Dividend Rate ◆	Daily Yield ◆	7-Day Yield ◆	30-Day Yield ◆	Details ◆
02/17/2021	California CLASS Prime	\$1.0000084	XX,XXX,XXX,XXX	\$XX,XXX,XXX,XXX.XX	0.000002339027	0.0854%	0.0863%	0.0863%	<input type="button" value="VIEW"/>
02/18/2021	California CLASS Prime	\$1.000131	XX,XXX,XXX,XXX	\$XX,XXX,XXX,XXX.XX	0.000000816932	0.0853%	0.0862%	0.0862%	<input type="button" value="VIEW"/>
02/19/2021	California CLASS Prime	\$1.000131	XX,XXX,XXX,XXX	\$XX,XXX,XXX,XXX.XX	0.000000816932	0.0853%	0.0862%	0.0862%	<input type="button" value="VIEW"/>

Please refer to the disclosure slide of this presentation for more information.



Looking Ahead

- Federal Reserve committed to lowering inflation
 - Projections are for continued rising rates
 - Will Fed overreach and cause a recession?
- In a rising interest rate environment, shorter weighted average maturity (WAM) funds should outperform longer-dated WAM funds
- Utilize cash flow analysis to determine the proper size of your liquidity and core portfolio
- Our view: do not try to time interest rates – Invest with a longer-term view
- Diversify your entire investment program along the yield curve taking advantage of CA Code

Please refer to the disclosure slide of this presentation for more information.

Let's Connect



Robert Shull
Director, Investment Services

(213) 378-2070
bob.shull@californiaclass.com



Brent Turner
Regional Director of Strategy

(303) 999-8190
brent.turner@californiaclass.com



Rodrigo Bettini
Director, Investment Services

(916) 823-3523
rodrigo.bettini@californiaclass.com



Laura Glenn
Senior Director, Investment Services

(404) 383-4319
laura.glenn@californiaclass.com

Disclosures

California CLASS is rated 'AAAm' by S&P Global Ratings. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. For a full description on rating methodology, please visit www.spglobal.com. California CLASS Enhanced Cash is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfolio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description on rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved.

This presentation is for informational purposes only. The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed. The materials in the attached are opinions of Public Trust Advisors, LLC and should not be construed as investment advice. The presentation is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact. These assumptions may or may not be correct based on foreseen and unforeseen events. All calculations and results presented are for discussion purposes only and should not be used for making and calculations and/or decisions.

Public Trust is required to maintain a written disclosure brochure of our background and business experience. If you would like to receive a copy of our current disclosure brochure, privacy policy, or code of ethics please contact us.

There is no guarantee that investment strategies will achieve the desired results under all market conditions, and each investor should evaluate its ability to invest long-term, especially during periods of a market downturn. This information may contain statements, estimates, or projections that constitute "forward-looking statements" as defined under U.S. Federal and other jurisdictions' securities laws. Any such forward looking statements are inherently speculative and are based on currently available information, operating plans, and projections about future events and trends. As such, they are subject to numerous risks and uncertainties.



Fair Value

A Transparent Look Into An Investment Pool's Holdings

Explore the differences between amortized cost and fair value.

White Paper

Overview

The Fundamentals

Many states and local governments across the country offer local government investment pools (LGIPs) for the exclusive benefit of governmental entities within their state or jurisdiction. California CLASS is just one such example of a LGIP, which in California, is commonly referred to as a Joint Powers Authority investment pool. According to the National Association of State Treasurers (NAST) and the National Association of State Auditors, Comptrollers, and Treasurers' (NASACT) Voluntary Guidelines for the Management of Stable Net Asset Value LGIPs, "LGIPs are operated for the exclusive benefit of governmental entities. Although enabling legislation for each LGIP is unique, they all

share common objectives, and most are designed to serve as short-term investments for funds needed by participants on a day-to-day or near-term basis."

LGIPs and the governmental or private entities that manage them report the values of their securities based on pronouncements issued by the Governmental Accounting Standards Board (GASB). According to the GASB's website, GASB is the "independent, private-sector organization based in Norwalk, Connecticut that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP)." Its mission is "to establish and improve standards



of state and local governmental accounting and financial reporting that will result in useful information for users of financial

reports and educate stakeholders on how to most effectively understand and implement those standards."

Amortized Cost

The Exception, Not the Rule

Some LGIPs have historically been managed as "2a7-like pools" to comply with GASB Statement No. 31 as amended by GASB Statement No. 59 and have elected to measure for financial reporting purposes all investments at amortized cost.^[1]

This method of accounting assumes the value of the underlying securities of the LGIP is the amount paid (cost) for the investments which may include a discount or premium to the face amount of the security. Any discount or premium is recorded (accreted or amortized) as an adjustment over the life of the security,

such that amortized cost equals the principal value at maturity. Discount bonds are typically accreted using a straight-line method, whereby the increase is evenly spread throughout the term life of the bond. For purposes of calculating earnings to each participant, all investments are valued at amortized cost.

In December 2015, the GASB issued Statement No. 79, Certain External Investment Pools and Pool Participants. The Statement is a response to the Securities and Exchange Commission's 2014 amendments to Rule 2a-7. GASB

GASB No. 79

Certain External Investment Pools & Pool Participants

"This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement." - GASB Website

[1] Amortized cost is a valuation method that is typically used for short-term discount instruments. These types of securities are commonly found in LGIP portfolios, such as Treasury bills and commercial paper. Amortized cost sets the value at the instrument's initial (historical) cost plus any interest that has accrued or accreted since acquisition, where interest is assumed to accrue or accrete at a constant rate, rather than at current market rates. Because this method results in stable valuations for portfolio assets, it facilitates the maintenance of stable share prices.

Statement No. 79 establishes specific criteria to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. The Statement provides management standards for LGIPs electing to report and measure LGIP investments at amortized cost and no longer references SEC Rule 2a-7 by eliminating the language "2a-7 like." To qualify for the exception to measure all of its investments at amortized cost for financial reporting purposes, a LGIP must meet the criteria for portfolio maturity, portfolio quality, portfolio diversification, portfolio liquidity and shadow pricing (at a minimum monthly), in addition to transacting at a stable net asset value (NAV) per share. Significant noncompliance prevents the LGIP from utilizing the amortized cost *exception*.

An external pool that reports its holdings at its fiscal year-end at amortized cost does not take into consideration any market-related changes to the underlying securities. As stated in Paragraph B6 of GASB Statement No. 79, "In the Board's view, the overall goal of the specific criteria presented in the Statement should be to limit the risk that external investment pool investments measured at amortized cost significantly deviate from fair value." However, if a LGIP has a long weighted average maturity (WAM) and rates have risen dramatically, or a credit crisis negatively impacts the credit exposure in the LGIP, this may not be depicted in a pool that has elected to report under the exception of amortized cost.

The GASB in Statement No. 79, Paragraph B3 states "Consistent with Statement 72, the Board believes that measuring investments at fair value generally is preferable. Fair value provides consistency and comparability between governments. However, Statement 72 allows an exception to fair value measurement for 2a-7 like external investment pools because the amortized cost of investments held by 2a-7 like external investment pools will closely approximate fair value." They reiterate their preference for fair value throughout Statement No. 79. Specifically, again in Paragraph B7 they state "However, the Board has expressed its general preference for measuring investments at fair value and intends for this exception (amortized cost) to apply only in narrow circumstances. The specific requirements in this Statement make those narrow circumstances clear." Fair value measurement enhances and strengthens the transparency of financial information provided to the public.

The GASB is not the only entity that has opined on some of the nuances involved in the use of amortized cost measurement for reporting the value of a portfolio's securities. According to a Federal Reserve Board staff working paper from March of 2022,^[2] "The Securities and Exchange Commission (SEC)...

noted 'deficiencies' in money market funds' (MMF) use of amortized (historical) cost for valuing portfolio assets and stated that the use of amortized cost – which to this day helps MMFs in many countries maintain stable NAVs – might advantage redeeming investors over others:

The Commission is concerned that the use of the amortized cost method... may result in overvaluation of undervaluation of the portfolios of MMFs... [so that] investors purchasing or redeeming shares could pay or receive more or less than the actual value of their proportionate shares of the funds' current net assets. The effect of such sales or

redemptions may therefore result in inappropriate dilution of the assets and returns of existing shareholders (SEC, 1977)."

California CLASS Prime transacts its Participants' shares at a stable NAV of \$1.00. It measures and reports investments at fair value because this provides a transparent and accurate picture of the value of a LGIP's holdings based on current market conditions. While adhering to GASB 79 affords other LGIPs the ability to utilize the amortized cost exception to measure and report the value of their securities, California CLASS does not choose to utilize the exception.

Rated Local Government Investment Pools

A Deeper Dive

Like so many MMFs, a LGIP may choose to obtain a rating from a nationally recognized statistical rating organization (NRSRO). California CLASS Prime is 'AAAm' rated by S&P Global Ratings under their principal stability fund rating methodology. According to S&P, a Principal Stability Fund Rating (PSFR), "commonly referred to as a money market fund rating, is a forward-looking opinion about a fixed

income fund's ability to maintain principal value (i.e., stable NAV)." As a rated LGIP, the holdings must be submitted weekly to S&P to ensure the LGIP is adhering to the criteria for a 'AAAm' rated fund. A marked-to-market NAV is calculated and submitted each week. This weekly review guarantees the marked-to-market NAV has not deviated substantially from a NAV that was calculated using amortized cost. A

[2] Bouveret, Antoine, et al. "Money Market Fund Vulnerabilities: A Global Perspective." Federal Reserve Board: Finance and Economics Discussion Series. 8 Mar. 2022. www.federalreserve.gov/econres/feds/files/2022012pap.pdf.

weekly marked-to-market NAV provides assurance the LGIP can operate at a \$1.00 NAV and redemptions from the pool are not detrimental to remaining participants.

In addition, S&P believes “credit quality is an important contributor to NAV stability.” The Public Trust Advisors Credit Research team is responsible for the fundamental analysis of investment counterparties and management of related risks for California CLASS. Team members focus on analyzing trends and data to prioritize risk that may be associated with various fixed-income securities. Using advanced and proprietary tools and techniques, the team strives to stay ahead of the market and protect client assets by maintaining an ongoing review of approved credits.

During the financial crisis in 2008, there were LGIPs that encountered difficulties when news hit that holdings were in default or on the verge of a downward ratings migration. Some of these LGIPs allowed significant redemptions at \$1.00 per share when the marked-to-market NAV of the fund was below \$0.995. A panic by the participants led to a “run on the fund.” For those LGIPs that did not measure their holdings at fair value, a thorough and ongoing review of the credit holdings as well as a weekly marked-to-market NAV calculation would have provided critical insight into its ability to maintain principal value. The ability of a fund to redeem shares at \$1.00 per share versus an amortized cost value of “approximately” \$1.00 would have been highlighted through the NAV’s weekly marked-to-market calculation.

The fundamental objectives of a LGIP are safety and liquidity. The GASB created Statement No. 79 to address accounting and financial reporting for external investment pools and participants. As they state in their basis for conclusions in Appendix B, Paragraph B4, “In studying the effects of 2014 Rule 2a7, the Board noted that some of the requirements are meant to regulate the operations of money market funds. The Board believes that requiring external investment pools to meet some of those requirements would be outside the scope of accounting and financial reporting. Therefore, the Board decided to develop specific stand-alone criteria and separate them from external regulatory guidance.” Simply said, regulating the operations of an external pool is outside the scope of GASB’s authority.

In 2016, the National Association of State Treasurers (NAST) and the National Association of State Auditors, Comptrollers, and Treasurers (NASACT) released “The Voluntary Guidelines for the management of Stable Net Asset Value Local Government Investment Pools.” Their guidance is “recommended as voluntary best practices to serve as general guidelines for the investment and operation of LGIPs intended to maintain a stable NAV. The intent is to help assure both sponsors and pool participants that such pools are highly likely to maintain a NAV of \$1.00 while providing a reliable source of liquidity for participants.” The guidelines provide guidance for prudently managing a LGIP to ensure safety of principal and liquidity. A well-managed LGIP’s objective is to maintain a safe and diversified investment pool - not to report at amortized cost at fiscal year-end.

In conclusion, as the GASB states throughout Statement No. 79, the preference is to measure investments at fair value because the use of amortized cost is intended to be an exception in narrow circumstances. We believe measuring and reporting the investments of a LGIP at fair value gives an accurate and timely depiction of the investments and provides transparency to

the participants. By measuring investments at fair value and in managing the Prime Fund in accordance with S&P's AAAM guidelines, California CLASS and other stable \$1.00 NAV LGIPs managed by Public Trust Advisors pursue the primary objectives of offering Participants maximum safety, daily liquidity, and optimized returns.



Written By:

Laura Glenn, CFA®

Senior Director, Investment Services
Public Trust Advisors, LLC

Laura is a Senior Director of Investment Services for Public Trust where she is responsible for providing individually tailored and customized investment management, administrative, and advisory solutions to public sector entities across the U.S. Prior to joining Public Trust, Laura most recently served as a Portfolio Manager for the State of Georgia where she was responsible for the management of the State's

commingled LGIP, served on the Office of State Treasurer Investment Committee, and was the point person for fund distribution for hundreds of state and local government clients.

Laura is a CFA charterholder, is an active member and former president of the Government Investment Officers Association (GIOA), and a frequent expert panelist on LGIPs at the National Association of State Treasurers (NAST) and GIOA conferences. Laura led the states response to the GASB exposure draft on GASB Statement 79 regarding external investment pools and pool participants.

Questions on Fair Value?

CONNECT WITH US

We are here as a dedicated fiduciary and investment resource for you and your public agency.



Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. The information presented should not be used in making any investment decisions. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. **Past performance is not an indication of future performance. Any financial and/or investment decision may incur losses.**