



**AGENDA**

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

**Monday, December 18, 2023  
11:00 a.m.**

**Meeting to be held at**

**League of California Cities Office  
Carpenter Room  
1400 K Street, Suite 400  
Sacramento, CA 95814**

**2200 Huntington Lane  
Redondo Beach, CA 90278**

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

**How to Participate via Teleconference:**

Topic: California CLASS Special Board Meeting - Dec 18, 2023

Time: Dec 18, 2023 11:00 AM Pacific Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/98967607143?pwd=WxV4c0xNQnhyZzNFQWtkbm45K2VmUT09>

Meeting ID: 989 6760 7143

Passcode: 374665

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Dial by your location

+12532158782

+13462487799

**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.wohl@publictrustadvisors.com](mailto:molly.wohl@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.wohl@publictrustadvisors.com](mailto:molly.wohl@publictrustadvisors.com).

**CEQA NOTICE:** Unless expressly stated otherwise on the agenda (that a negative declaration, mitigated negative declaration, or environmental impact report is being considered), discretionary actions taken on agenda items will include a finding by the Board that the action is exempt under the California Environmental Quality Act (CEQA). More information about the CEQA determination can be found in the corresponding staff report.



**AGENDA**  
**Monday, December 18, 2023**

- 1. Call to Order**
- 2. Roll Call**
- 3. Action Item:** Approval of minutes of the Meeting of the California CLASS Board of Trustees held on October 19, 2023
- 4. Action Item:** Board consider taking action on signing a letter of consent authorizing Public Trust Advisors to complete a transaction with a new capital partner.  
*Presenter: Tom Tight, Managing Partner at Public Trust Advisors*
- 5. Discussion Item:** Board to discuss potential candidates to fill the opened Board seat.  
*Presenter: Chair Christina Turner*
- 6. Adjournment**  
The next Board of Trustees meeting is currently scheduled for January 11, 2024, at 3 p.m. at the Hotel Valencia, 355 Santana Row, San Jose, CA 95128.

**AMERICANS WITH DISABILITIES ACT (ADA)**

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact (844) 689-2994, or by email [molly.wohl@publictrustadvisors.com](mailto:molly.wohl@publictrustadvisors.com). Requests must be made as early as possible and at least two full business days before the start of the meeting.



California Cooperative Liquid Assets Securities System  
Regular Meeting of the Board of Trustees Meeting Minutes  
October 19, 2023

### **Record of Proceedings**

Meeting Minutes  
California Cooperative Liquid Assets Securities System  
Regular Meeting of the Board of Trustees  
October 19, 2023

A Regular Meeting of the Board of Trustees ("Board") of the California Cooperative Liquid Assets Securities System ("California CLASS") was held at 3:00 p.m. (PDT) on Thursday, October 19, 2023. The meeting was held at the Marriott Riverside, 3400 Market Street, Riverside, CA, and as a Teleconference Meeting on Zoom pursuant to Government Code § 54953(e).

Board Members Present:

Ms. Christina Turner, City Manager, City of Morgan Hill  
Mr. Ryan Clausnitzer, General Manager, Alameda County Mosquito Abatement District  
Mr. George Harris, Director of Finance, City of Lancaster  
Mr. Parker Hunt, Treasurer-Tax Collector, Tehama County  
Ms. Margaret Moggia, Finance Director, Town of Discovery Bay Community Service District

Board Members Absent:

None

Other:

None

Staff Present:

Ms. Alexandra Barnhill, General Counsel, Jarvis Fay  
Ms. Amanda Cadelago, Cal Cities  
Ms. Carolyn Coleman, Cal Cities  
Ms. Irene de Jong, Cal Cities (phone)  
Mr. Cory Gebel, Public Trust Advisors (phone)  
Ms. Crystal Lynn, Public Trust Advisors  
Mr. Dylan Matthes, Public Trust Advisors (phone)  
Mr. Neil McCormick, CSDA  
Mr. Peter Rizzo, Public Trust Advisors  
Mr. Robert Shull, Public Trust Advisors  
Mr. Matt Starr, Public Trust Advisors  
Ms. Cassandra Strawn, CSDA  
Mr. Tom Tight, Public Trust Advisors  
Ms. Molly Wohl, Public Trust Advisors, LLC  
Mr. Rick Wood, CSDA



### **1. Call to Order**

Chair Turner called the meeting to order, which was duly posted at 3:00 p.m.

### **2. Roll Call**

Chair Turner led introductions; staff took roll call, and it was determined that a quorum of the Board was present.

### **3. Public Comment**

There were no comments from the public. One member of the public was in attendance via telephone on Zoom for the beginning of the meeting. They left the meeting during Agenda Item 7 and no other members of the public joined the meeting.

### **4. Consent Agenda**

Staff introduced the consent agenda. No public comment was made. Upon a motion duly made by Mr. Hunt and seconded by Mr. Harris, and with 4 affirmative votes, 0 no votes, and 1 abstention (Moggia), the Board approved the Consent Agenda, which approved the following items:

#### **A. Approval of minutes of the Meeting of the California CLASS Board of Trustees held on July 13, 2023**

#### **B. Approval of report from the Special Meeting of the California CLASS Board of Trustees held on August 15, 2023**

#### **C. Acknowledgement of Custody Statement Receipt**

### **5. Comments from Endorsing Partners**

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

Mr. McCormick, Mr. Wood, and Ms. Strawn provided the Board with updates on their recent work to grow the Special District participant base in California CLASS and to educate prospective participants on the benefits of the investment product. No public comment was made.

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

Ms. Coleman provided a high-level overview of programs at Cal Cities and recent work to address public issues. Ms. Cadelago updated the Board on Cal Cities marketing initiatives and conferences. No public comment was made.

### **6. Board of Trustee Action Items**

#### **A. Election of Board Officers**

Ms. Barnhill introduced this item. No public comment was made. Upon a motion duly made by Mr. Hunt and seconded by Mr. Clausnitzer, the Board unanimously approved (5-0) the following officers of the Board of Trustees:



<u>Name</u>	<u>Position</u>
Ms. Turner	Chair
Mr. Clausnitzer	Vice Chair
Mr. Harris	Treasurer
Mr. Hunt	Secretary

**B. Considering – Resolution No. 23-03 approving regular meeting schedule for Board of Trustees in 2024**

Ms. Wohl presented the proposed regular meeting calendar dates for 2024. Upon a discussion from members, revisions were made to the suggested dates.

Upon a motion duly made by Mr. Harris and seconded by Ms. Moggia, the Board unanimously approved Resolution 23-03 (5-0) the following revised 2024 regular meeting schedule:

<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
January 11, 2024	3 p.m.	San Jose, California, and Teleconference via Zoom
April 11, 2024	3 p.m.	Greater Los Angeles Area, and Teleconference via Zoom
July 11, 2024	3 p.m.	Northern California, and Teleconference via Zoom
October 10, 2024	3 p.m.	Southern California, and Teleconference via Zoom

**C. Considering – Resolution No. 23-04 restricting funds to be held by Treasurer and waiving quarterly reporting obligations**

Ms. Barnhill discussed resolution 23-04 and the restriction of funds held by the Treasurer. There were no comments from the Board. Upon a motion duly made by Mr. Harris and seconded by Mr. Clausnitzer, the Board unanimously adopted Resolution 23-04 (5-0).

**7. Agency Business – Fund Management Reports**

**Credit Research**– Mr. Matthes presented Public Trust Advisors’ approved lists as of September 30, 2023.

**Fund Management** - Mr. Gebel presented to the Board an overview of the current economy as well as an update on the management of the California CLASS Prime fund. The sole member of the public in attendance left the meeting during this item. As a result, requests to take public comment were suspended for the remainder of the meeting.

**8. Agency Business – Fund Administration Reports**

**A. Sales and Distribution Update**

Mr. Shull and Ms. Lynn presented the sales and distribution efforts of the California CLASS team, including new Participants, upcoming conferences, and the growth of the California CLASS Prime fund.

**B. Public Trust Updates**

Mr. Starr discussed security enhancements that are being implemented on the California CLASS Participant portal, such as account change notifications, dual approval requirements, multifactor authentication, bank amendment form updates, caller authentication changes, and additional security measures to protect Participant accounts.

Mr. Tight and Mr. Starr discussed Public Trust's recent announcement that the firm had signed an agreement with a new capital partner. Mr. Tight reported the new partnership would provide for the continued evolution of Public Trust's organizational succession planning. The founding partners of Public Trust will remain involved in the business and all executive leadership and California CLASS personnel will remain consistent. Mr. Starr discussed the significant growth of Public Trust over the past decade and expressed that the new capital partners would be providing resources to assist in the further development of technology infrastructure and cybersecurity. In addition, the partnership will provide additional resources dedicated to new product development to better serve government clients nationwide. Following the Board's discussion, it was requested that staff provide updates to the Board with respect to the ongoing Public Trust client consent process. The Board determined they would discuss scheduling a special meeting during the administrative items portion of this meeting.

Mr. Rizzo notified Board members that the staff is working with its special legal counsel, Orrick, to update the California CLASS registration packet with additional security language.

Mr. Rizzo informed Board members that the California CLASS statement of facts / roster of public agencies filing with the Secretary of State has been updated to include Ms. Margaret Moggia given her recent reappointment to the California CLASS Board of Trustees.

**C. Administrative Items**

Ms. Wohl informed the Board of recent marketing materials that have been electronically distributed to California CLASS Participants since the last Board meeting, as well as the location of updated marketing collateral for Board members to reference and use.

Ms. Wohl notified the Board that the California CLASS brand has been trademarked, and that an official certificate of registration has been received. The trademark is valid for 10 years.

Ms. Wohl reviewed the 2023 Board Budget and reported that the Trustee, accounting, and insurance year-to-date figures are tracking within budget. Legal expenses are above budget, due to additional work required for a new public agency, and it is suggested that this line item be increased by \$10,000 in the 2024 Board Budget.

Ms. Barnhill opened the discussion for the scheduling of a Special meeting of the Board before year end, to allow the Board to consider authorizing consent to have Public Trust Advisors move forward with a new capital partner. Upon a discussion



from members, it was determined that the Special Meeting of the California CLASS Board will be held at 11:00 a.m. on Monday, December 18 at the offices of Cal Cities, 1400 K Street, Suite 400, Sacramento, CA 95814.

## **9. Discussion / Information Items**

### **A. Enhanced Cash**

Mr. Tigh discussed plans to have a soft launch of the Enhanced Cash portfolio during the next three to six months. Additionally, staff plans to have educational meetings in the coming months for Participants about the nature of the investment product.

## **10. Trustee Reports**

### **A. Chair Report**

None.

### **B. Individual Trustees**

Mr. Clausnitzer requested that a Closed Session of the Board be added to the January meeting agenda for members to conduct an annual review of service providers. Additionally, Mr. Clausnitzer asked for a presentation at the January meeting of the registration and onboarding materials that are being presented to new Participants.

Mr. Hunt requested a presentation at the next regular meeting on the onboarding process of new Participants, specifically communications and education provided to Special Districts.

Mr. Harris discussed his participation and speaking engagements at recent conferences, and prospective California CLASS participants. Additionally, he thanked staff for their work to prioritize cybersecurity and safeguarding the California CLASS funds.

Ms. Moggia expressed her appreciation to be back on the California CLASS Board of Trustees. Additionally, Ms. Moggia brought attention to the great work that CSDA is doing for California CLASS.

### **C. Committee Updates**

No report.

## **11. Adjournment**

The next regular Board of Trustees meeting is scheduled for Thursday, January 11, 2024, at 3 p.m. in San Jose, CA.

The Regular Meeting of the California CLASS Board of Trustees was adjourned at 5:38 p.m.





These are the official Minutes of the Regular Meeting of the California CLASS Board of Trustees meeting on October 19, 2023.

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

Date: December 18, 2023

California CLASS Board of Trustees

Minutes taken by: Molly Wohl

Minutes prepared by: Molly Wohl

## **RESOLUTION NO. 23-05**

### **RESOLUTION AUTHORIZING AN ASSIGNMENT UNDER THE INVESTMENT ADVISOR SERVICES AGREEMENT**

**WHEREAS**, on June 17, 2022, the California Cooperative Liquid Assets Securities System (“California CLASS”) entered into a Program Administrative and Investment Advisor Services Agreement (the “Investment Agreement”) with Public Trust Advisors, LLC (“Public Trust”) to appoint Public Trust as the Investment Advisor and the Administrator for California CLASS;

**WHEREAS**, pursuant to the Investment Agreement, Public Trust will act as Investment Advisor and Administrator to effectively manage the California CLASS Investment Program;

**WHEREAS**, pursuant to Section 16 of the Investment Agreement, Public Trust must obtain the written consent of California CLASS before approving any assignment or delegation of Public Trust’s obligations as Investment Advisor or Administrator;

**WHEREAS**, on September 18, 2023, Public Trust entered into a definitive agreement (the “Purchase Agreement”) to recapitalize the firm with Flexpoint Ford LLC (“Flexpoint Ford”);

**WHEREAS**, pursuant to the Investment Advisers Act of 1940, Flexpoint Ford’s acquisition of a controlling interest in Public Trust would constitute an “assignment” of Public Trust’s obligations under the Investment Agreement;

**WHEREAS**, on October 10, 2023, California CLASS received a letter from Public Trust explaining that California CLASS’s consent is required for the Purchase Agreement with Flexpoint Ford to be finalized. Public Trust respectfully requested the consent of California CLASS;

**WHEREAS**, at the October 19, 2023 regular meeting, the Board considered Public Trust’s request, including the additional resources Flexpoint Ford would provide to Public Trust that would assist in further product development and would enhance their technology infrastructure and cybersecurity; and

**WHEREAS**, California CLASS desires to accept the assignment of Public Trust, in the manner specified below.

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

1. Recitals. The Board of Trustees hereby finds and determines that the foregoing recitals are true and correct; the recitals are hereby incorporated by this reference as though fully set forth herein.
2. Approval. The Board of Trustees hereby approves the Consent to Assignment Agreement, subject to minor modification by the Board President in consultation with General Counsel.

3. Implementation. The Board of Trustees hereby authorizes the Board President to take such actions as may be necessary and appropriate to implement the purposes of this Resolution.
4. Effective Date. This Resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Board of Trustees of the California CLASS this 18th day of December 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Christina Turner, Chair

ATTEST: \_\_\_\_\_

Peter Rizzo, Administrator