

Iowa Association of School Boards

Meeting Minutes

Iowa Schools Joint Investment Trust

11/15/2018 05:00 PM

Notice of Meeting of the Board of Trustees
Iowa Events Center, Business Center (Level 2)
730 Third Street, Des Moines, IA 50309

Trustees and Officers: **Jon Rowen**, Trustee and Chair; **Lisa Bartusek**, Ex-officio Trustee and Secretary; **Paul Bobek**, Trustee and Treasurer and Assistant Secretary; **Susie Meade**, Trustee; **Troy Padellford**, Trustee; **Kevin Powell**, Trustee; **Bill Grove**, Trustee and **Elizabeth Brennan**, Trustee

Service Providers: **Beth Grob**, Ahlers Law Firm, Legal Counsel; **Matthew Dwenger** and **Jenny Blankenship**, Wells Fargo, N.A. ("WF"), Custodian; **Scott Cabalka**, RBC Global Asset Management U.S., Inc. ("RBC GAM"), **Bethany Jessen**, RBC Global Asset Management U.S., Inc. ("RBC GAM"); Investment Advisor, **Jim Davis**, **Charlie Czachor** and **Paul Kruse**, PMA Financial Network ("PMA"), Administrator, FTA Provider and Marketer

Others: **Patricia Wright** and **Stephanie Rousseau**, Iowa Association of School Boards ("IASB")

Attendees

Voting Members

Jon Rowen, District #2 Director
Kevin Powell, District #3 Director
Paul Bobek, CFO-West DSM CS & ISJIT Board of Trustees
Susie Meade, ISJIT Board of Trustees/Superintendent - Winterset
Elizabeth Brennan, AEA District Director
Troy Padellford, District #8 Director
Bill Grove, District #7 Director

Non-Voting Members

Lisa Bartusek, Executive Director
Patricia Wright, Deputy Executive Director and Chief Financial Officer
Stephanie Rousseau, Executive Assistant
Beth Grob, ISJIT Partner - Ahlers & Cooney (Counsel)
Scott Cabalka, ISJIT Partner - RBC Global Asset Mgmt
Bethany Jessen, ISJIT Partner - RBC Global Asset Mgmt
James Davis, ISJIT Partner - CEO, PMA Financial Network
Charlie Czachor, ISJIT - PMA Financial Network
Paul Kruse, Financial Services Marketing Director
Matthew Dwenger, ISJIT Partner - IRT Wells Fargo
Jenny Blankenship, Wells Fargo

1. Call to Order

A quorum being present, Jon Rowen, Chair and Trustee, called the meeting to order at 5:00 p.m.

2. Approval of Agenda

Chair Rowen stated that the first item on the agenda was to approve the agenda for the meeting.

A motion was made and seconded to approve the agenda.

Motion made by: Troy Padellford

Motion seconded by: Paul Bobek

Voting

Unanimously Approved

3. Approval of Minutes-September 21, 2017

Chair Rowen stated that the next item on the agenda was the approval of the minutes of the September 20, 2018 meeting of the Board.

A motion was made and seconded to approve the following resolution:

RESOLVED, that the minutes of the meeting of the Board of Trustees held on September 20, 2018 in the form presented be and they hereby are, approved.

Motion made by: Kevin Powell

Motion seconded by: Troy Padellford

Voting

Unanimously Approved

4. Appoint Grove Replacement

Chair Rowen then stated the Trustees are asked to consider the IASB Board of Directors' recommendation for an appointment to an open Board of Trustee seat. A motion was made and seconded to approve the following resolution:

RESOLVED, that the Trustees hereby elect Liz Brennan as a Trustee of ISJIT for a term ending September 2019.

Motion made by: Susie Meade

Motion seconded by: Troy Padellford

Voting

Unanimously Approved

5. Election of Vice Chair (one-year term)

Chair Rowen then stated the next item on the agenda was the election of Vice Chair. Padellford nominated Kevin Powell.

The Board unanimously voted to approve Kevin Powell to serve as Vice Chair for a one (1) year term.

Voting

Unanimously Approved

6. Review and Approve General Purpose Resolution - Ahlers Law Firm

A motion was made and seconded to approve the following resolution:

RESOLVED, that, without in any way limiting the power, authority or discretion elsewhere granted or delegated, the Trustees of ISJIT authorize and direct the Chair, Vice-Chair, Secretary and Treasurer and all other officers, officials, employees and agents of ISJIT to carry out and perform actions as they, in consultation with Trust counsel, the Administrator, the Adviser, the Custodian and their counsel, consider necessary, advisable, desirable or appropriate to carry out the business of ISJIT in accordance with the Administration, Investment Advisory and Custodian Agreements, the Information Statement and other approved ISJIT documents, including without limitation and whenever appropriate the execution and delivery of such documents and certificates, the payment of such expenses and the taking of such other actions as may be reasonably necessary to implement directions and instructions approved by the Trustees. The execution and delivery of these documents and the taking of such actions shall constitute conclusive evidence of approval by the Board of Trustees, and any such actions taken prior to the date hereof are hereby ratified and confirmed in all material respects.

Motion made by: Elizabeth Brennan

Motion seconded by: Troy Padellford

Voting

Unanimously Approved

7. Quarterly Reports

a. Quarterly Treasurer's Report

Mr. Bobek reviewed the materials attached to agenda item 7(a) that were provided to the Board members prior to the meeting.

A motion was made and seconded to approve the following resolutions:

RESOLVED, that the Trustees accept and approve the Treasurer's Report for the quarter ending September 30, 2018 as presented; and

FURTHER RESOLVED, that the Trustees ratify and confirm the payment of expenses from the Administrative Fund as indicated in the Treasurer's Report; and

FURTHER RESOLVED, that the Trustees hereby establish a goal of one years' operating expenses as a reserve within the Administrative Fund.

Motion made by: Troy Padellford

Motion seconded by: Susie Meade

Voting

Unanimously Approved

b. Quarterly Administrators Report

Mr. Czachor then reviewed the materials attached to agenda item 7(b) of the Board materials.

A motion was made and seconded to approve the following resolutions:

RESOLVED, that the Trustees accept and approve the Administrator's Report, including the Compliance Certificate, for the quarter ending September 30, 2018; and

FURTHER RESOLVED, that the financial statements for the Portfolio for the period ended September 30, 2018 be approved as presented; and

FURTHER RESOLVED, that the Trustees, upon review of the reports of distribution of fees for the Diversified Portfolio for the period ended September 30, 2018, finds that the fees are in accordance with the Service Provider Agreements and the Sponsorship Agreement as approved on August 15, 2016, and approves their payment;

FURTHER RESOLVED, that the Trustees ratify and confirm dividend payments made to Participants prior to the date of this resolution; and that the Trustees declare, as of 3:00 p.m., Central Time, on each business day hereafter until the next regular meeting of the Trustees a cash dividend payable to Participants of record immediately before 3:00 p.m., Central Time, consisting of the net income of ISJIT, since the previous business day, with such dividends to be paid to such Participants on the last business day of the applicable month. For the purpose of calculating dividends, the net income of ISJIT consists of any discount or premium to the date of maturity, less accrued expenses of ISJIT, and pursuant to the administrator agreement, the administrator is authorized and directed to make payment of continuing dividends, in additional units of ISJIT on a monthly basis.

Motion made by: Paul Bobek

Motion seconded by: Kevin Powell

Voting

Unanimously Approved

c. Quarterly Marketing Report

Mr. Kruse reviewed the information attached to agenda item 7(c) and discussed the fund balances and trends.

A motion was made and seconded to approve the following resolution:

RESOLVED, that the Trustees accept and approve the Marketer's Report, including the Compliance Certificate, for the quarter ending September 30, 2018.

Motion made by: Susie Meade

Motion seconded by: Bill Grove

Voting

Unanimously Approved

d. Quarterly Adviser's Report

Mr. Cabalka provided an overview of current economic conditions and portfolio composition and reviewed the materials attached to agenda item 7(d).

A motion was made and seconded to approve the following resolutions:

RESOLVED, that the Trustees accept and approve the Adviser's Report, including the Compliance Certificate, for the quarter ending September 30, 2018; and

FURTHER RESOLVED, that the Board of Trustees accepts and approves all transactions for the Diversified Portfolio for the quarter ended September 30, 2018; and

FURTHER RESOLVED, that the composition of the Portfolio, including the market value per share and the daily average portfolio maturity for the quarter ended September 30, 2018, be approved as presented;

Motion made by: Troy Padellford

Motion seconded by: Elizabeth Brennan

Voting

Unanimously Approved

e. Quarterly Custodian Report

Mr. Dwenger reviewed the materials attached to agenda item 7(e).

A motion was made and seconded to approve the following resolution:

RESOLVED, that the Trustees accept and approve the Custodian's Report, including the Compliance Certificate, for the quarter ending September 30, 2018.

Motion made by: Kevin Powell

Motion seconded by: Paul Bobek

Voting

Unanimously Approved

f. Quarterly Legal Counsel Report

Ms. Grob reviewed the information attached to item 7(f).

A motion was made and seconded to approve the following resolution:

RESOLVED, that the Trustees accept and approve the Legal Counsel's Report, including the Compliance Certificate, for the quarter ending September 30, 2018.

Motion made by: Susie Meade

Motion seconded by: Troy Padellford

Voting

Unanimously Approved

8. Consent to PMA Transaction

Chair Rowen then turned to Jim Davis to review the Transaction described in the letter from PMA to the ISJIT Board dated October 22, 2018.

A motion was made and seconded to approve the following resolution:

RESOLVED, that the Trustees have reviewed the Transaction as described in the PMA letter dated October 22, 2018, and have determined it is in the best interest of the ISJIT Participants to provide written consent to the Transaction as requested.

Motion made by: Troy Padellford

Motion seconded by: Paul Bobek

Voting

Unanimously Approved

9. Review and Approve Financial Depositories

Chair Rowen turned to Mr. Czachor for the review and approval of financial depositories. Mr. Czachor presented the materials attached to agenda item 9.

A motion was made and seconded to approve the following resolution:

RESOLVED, that the Trustees determine that the certificates of deposit issued by Iowa Banks as set forth are first tier securities and that the list of banks approved for issuing the certificates of deposit present minimal risk of default based upon PMA's credit analysis for the quarter ended September 30, 2018.

Motion made by: Susie Meade

Motion seconded by: Troy Padellford

Voting

Unanimously Approved

10. Confirmation of Upcoming Meeting Dates

Ms. Grob noted upcoming meeting dates, including meeting dates for calendar year 2019.

11. Adjournment

A motion was made and seconded to adjourn the meeting.

Chair Rowen adjourned the meeting at 5:58 p.m.

Motion made by: Troy Padellford

Motion seconded by: Elizabeth Brennan

Voting

Unanimously Approved

Board Chairperson

Secretary