

Children's Trust Fund of Michigan
Board of Directors Regular Meeting
April 15, 2015 @ 1:40 p.m.
Jackson National Life Insurance Company
1 Corporate Way
Lansing, Michigan, 48951

MINUTES

In Attendance:

Mark Davidoff (Phone)
Lena Epstein (Phone)
Mike Flanagan
Bill Hardiman
Karl leuter
Mark McDaniel
Deb Shaughnessy
Rashmi Travis
Lori Wortz

Not in Attendance:

John Brown
Shelly Kester
Sgt. Keith Disselkoen
Andra Rush
Vivek Sankaran

CTF Staff: Mike Foley, Tricia Headley, Emily Schuster-Wachsberger
Other (Department of Treasury): Lan Chen, Greg Parker, Woodrow Tyler

Minutes from December 19, 2014

Motion to approve: Deb Shaughnessy
Motion seconded: Karl leuter
Approved

Finance Committee Report

- a. The Department of Treasury presented details about current CTF investments including new portfolio allocations to fit with the new PA #306, which ensures a more consistent funding stream from the trust fund. To maximize investments and maintain a minimum \$23.5M in the corpus, Treasury will continue working closely with CTF to making judicious decisions, based upon, in part, risk tolerance and growth potential. Current investments include: bonds, equities, alternative investments (a new category) and cash

- b. Fiscal year 2015 finances are so far fiscally sound. CTF will not have OPEB and legacy costs this fiscal year but currently there is no guarantee that the appropriation will be covered in the 2016 fiscal year. Also, 2nd half of fiscal year 2015 costs will be reduced due to staffing reductions. The need for CTF to maintain a minimum cash reserve for financial security purposes was expressed.

2016 CTF Budget

- a. A review, discussion of and motion to approve the proposed 2016 budget took place.
Motion to approve: Mike Flanagan
Motion seconded: Karl leuter
Approved

OPEB and Legacy Cost Concerns

- a. A motion was made to establish meetings with appropriate legislators and others to discuss future OPEB and any other legacy cost appropriation concerns.
Motion to approve: Mike Flanagan
Motion seconded: Bill Hardiman
Approved

Fund Development

- a. Returns on the state income tax check-off campaign were less than \$100K in 2014 and to date the 2015 tax campaign is less than last year's. It has been State of Michigan practice to take off listed charities from state income tax form #4642 if any organization fails to collect a minimum \$100K for two years in a row. The tax charitable giving revenue has been a consistent and important source of revenue for CTF since the 1980s. A discussion with Treasury officials is warranted to help guarantee the continuance of this funding source.
- b. The license plate continues to be a steady monetary source for CTF earning approximately \$125K annually.
- c. Tricia Headley stated that the Pam Posthumus Signature Auction Event is now 4 weeks away. Although optimistic that all sponsorship and auction item goals will be met by the May 13th event, their current value is approximately half of targeted totals. Advisory, legislative and other event committees are actively involved in event planning including obtaining sponsorships and auction items. Board members were also encouraged to assist with these efforts.

Establishment of New Eastern Wayne County Local Council

- a. After fiscal year 2015 ends The Institute for Population Health will no longer be the fiduciary for the Eastern Wayne County Local Council. After meeting with current council membership including board members, Emily and Mike made a recommendation to the CTF board that the Kids-Talk program arm of The Guidance Center become the next designated Wayne Council Local Council for Detroit and related areas.
Motion to approve: Mark McDaniel
Motion seconded: Karl leuter
Approved

Executive Director's Report

- a. With Sarah Davis's promotion to another DHHS position and Sylvia Brown Jones's retirement only the Direct Services analyst position was back-filled.

Scott Addison joined CTF as the Direct Services Analyst in February, 2015.
Possible future work assignment modifications are under consideration.

Other

- a. The meeting was adjourned at 3:35 pm.
Motion to approve: Karl leuter
Motion seconded: Mark McDaniel
Approved

Minutes by: Emily Schuster-Wachsberger/Mike Foley