

**CITY OF PONTIAC
POLICE AND FIRE RETIREE PREFUNDED
GROUP HEALTH & INSURANCE PLAN
BOARD OF TRUSTEES VEBA MEETING MINUTES
July 29, 2021**

A regular meeting of the Board of Trustees was held on Thursday, July 29, 2021 via Conference Call in accordance with Michigan’s Executive Orders issued restricting in-person gatherings due to COVID-19, and Michigan’s Open Meetings Act, as amended.

Trustees Present

Lon Britton, Buffalo, WY
Matt Nye, Chairman, Lake Orion, MI
Darin Carrington, Finance Director, Pontiac, MI

Others Present

Matt Henzi, AsherKelly
Chris Kuhn, AndCo.
Duane Menter, BeneSys, Inc.
Jennifer Crosby, BeneSys, Inc.
Niki Rockov, Meadowbrook
David Sheeran, Meadowbrook
Steve Smith, Meadowbrook
Drew Simmermeyer, Nyhart
Danielle Winegardner, Nyhart

Trustee Absent

Deirdre Waterman, Mayor
Craig Storum, Trustee

Trustee Nye declared that a quorum was present and called the meeting to order at 10:10 a.m.

AGENDA

CONSENT AGENDA

- A. Minutes of Regular Meeting - May 27, 2021
- B. Financial Reports
 - 1. Financial Reports – April - May 2021
 - 2. Bills for Ratification through July 29, 2021

RESOLUTION 21-16 By Carrington, Supported by Britton
Resolved, That the Consent Agenda for July 29, 2021 be approved.

Roll Call Vote:	Lon Britton	Yea
	Matt Nye	Yea
	Darin Carrington	Yea

CONSULTANTS

- A. Meadowbrook
 - 1. Benefits 2021 – 2022

David Sheeran and Steve Smith presented benefit renewal information for the P&F VEBA. The coverage for P&F VEBA members is due to end August 31, 2021. The new City of Pontiac VEBA Trust is not prepared to start benefits September 1, 2021 as originally intended. The P&F VEBA wanted to prepare a stop gap coverage for its members to cover them until the new VEBA can begin benefits. The intent of the P&F Board was to offer equivalent coverage as would be offered by the new VEBA according to the Settlement Agreement. In addition, it is important to the P&F Board that the members be able to both move to the new VEBA coverage outside of an Open Enrollment Period as well as any credit accrued toward deductibles be applied to their new coverage. For members who chose the Opt-Out the Trust will offer them continued coverage until the \$20,000 is paid out. It was determined that Meadowbrook would auto-enroll members for both the Under-65 coverage and those on Medicare. Meadowbrook and Matt Henzi will draft a letter to members informing them of the stop-gap coverage, the auto-enrollment and who to contact with questions or concerns. For Medicare coverage the current plan doesn't meet the Settlement Agreement. It was determined that the Trust would keep the current coverage and the new settlement plan coverage will go into effect January 1, 2022 either through this Trust or the New VEBA Trust depending on when coverage through the new VEBA becomes available. The Board determined that effective September 1, 2021 contributions for medical premiums will no longer be taken from retiree pensions. The Trust will cover the cost of coverage until the new VEBA takes over. Meadowbrook representatives stated it will be no problem for PF VEBA members to enroll in the new VEBA even if the new VEBA selects a non-Blue Cross insurance product. Meadowbrook also advised that the new VEBA should work with its insurance agents on issues like crediting a PF VEBA member's annual deductible spent while on the PF VEBA plan but before enrollment in the VEBA plan.

RESOLUTION 21-17 By Britton, Supported by Carrington

Resolved, to approve the auto renewal of insurance coverage for Medicare members in current plan offered as of September 1, 2021 and Non-Medicare Simply Blue 500 in conformity with the Settlement Agreement with Legal and Meadowbrook to create the appropriate correspondence.

Roll Call Vote:	Lon Britton	Yea
	Darin Carrington	Yea
	Matt Nye	Yea

C. AndCo.

Christopher Kuhn reviewed the asset manager summary and market update through June 2021. It was recommended that \$2M be transferred from the YCM Eq Wtg S&P 500 to Baird Intm Fl.

RESOLUTION 21-18 By Britton, Supported by Carrington

Resolved, to at the recommendation of AndCo transfer \$2MM from YCM Eq Wtg S&P 500 to Baird Intm Fl.

Roll Call Vote:	Lon Britton	Yea
	Darin Carrington	Yea
	Matt Nye	Yea

ATTORNEY'S REPORT

PF VEBA Tax Exempt Status – Form 1024

Attorney Henzi addressed this matter for the Board in the Attorney Report. He noted that the IRS had acknowledged receipt of the letter and forms submitted by Mr. Henzi and will respond within 90 days.

Updated Timeline for PF VEBA/VEBA Transition

Attorney Henzi addressed this matter for the Board in the Attorney Report. He discussed an updated draft VEBA transition timeline that was sent out to plan professionals. The timeline was amended due to certain events. The timeline is now using a November 1, 2021 as the date for commencement of benefits.

PF VEBA Fiduciary Liability Insurance Tail Policy

Attorney Henzi addressed this matter for the Board in the Attorney Report. He informed the Board that a Fiduciary Liability Tail Policy has been put into place for the P&F VEBA as a safeguard beyond when the Trust is dissolved.

PF VEBA Fiduciary Liability Insurance Tail Policy

Attorney Henzi addressed this matter for the Board in the Attorney Report. He reported that he has requested from Chubb a Fiduciary Liability Insurance Tail Policy for the VEBA to cover until the merger is complete. He has provided the requested details of the merger to Chub and is waiting for a quote.

Vital Information Request

Attorney Henzi addressed this matter for the Board in the Attorney Report. He reported it has been determined that actual signatures were not given on the green Certified Mail Postcards for some of the members due to COVID-19 restrictions for social distancing. As a result, those members receiving pension where an actual signature was not given cannot have their pension suspended for not returning the Vital Form. It was determined that the Final Vital Form Mailer would once again be sent Certified Mail to those members since COVID-19 restrictions have been relaxed.

PUBLIC COMMENT – None.

UNFINISHED BUSINESS

A. Vital Information 3rd Request Mailer Results

Ms. Crosby presented the Board with detailed results of the Final Vital Information Mailer with Pension Suspension. Pension were suspended for five members who did not submit the Vital Information Forms. Of these five members four have now turned in the Vital Forms and their pensions were reinstated. One person is still outstanding. We have six members who we did not have verifiable signatures on the Certified Mail Postcards, so their pensions were not suspended. The Board determined to do the Final Mailing via Certified mail again now that COVID restrictions are less stringent and see if that helps get those last few Vital Forms.

B. Computer/iPad Policy

Ms. Crosby updated the Board that she has received the signed policies from everyone except for Mayor Waterman.

NEW BUSINESS

A. April – June 2021 Expenses

Ms. Crosby presented the April 2021 to June 2021 expenses to the Board and informed the Board.

RESOLUTION 21-20 By Britton, Supported by Carrington
Resolved, to approve expenses for April to June 2021.

Roll Call Vote:	Lon Britton	Yea
	Darin Carrington	Yea
	Matt Nye	Yea

B. Robinson Capital Management – Voluntary Fee Waiver

BeneSys provided a memo from Greg Prost with Robinson Capital Management informing the Board that they have determined to voluntarily waive a portion of the advisory fee paid by clients with respect to assets included in the Deposit in Place Program on a temporary basis.

CORRESPONDENCE

A. 2021 Public Funds Forum

B. BeneSys Acquires Beacon Technologies Group

C. BeneSys Data Security Summary – June 2021

D. BeneSys Network Penetration Testing – June 2021

E. BeneSys Response to DOL Cybersecurity Guidance – July 2021

F. YCM – Address Change Letter

NEXT MEETING DATE: September 8-10, Manager Review

ADJOURNMENT

RESOLUTION 21-21 By Britton, supported by Carrington
Further Resolved, that the meeting be adjourned at 12:29 p.m.

Roll Call Vote:	Lon Britton	Yea
	Matt Nye	Yea
	Darin Carrington	Yea

I certify that the foregoing are the true minutes of the
Police & Fire Retirement Pre-Funded Group Health and
Insurance Plan “VEBA Trust” on July 29, 2021.

As recorded by BeneSys