

**CITY OF PONTIAC
POLICE AND FIRE RETIREE PREFUNDED
GROUP HEALTH & INSURANCE PLAN
BOARD OF TRUSTEES VEBA MEETING MINUTES
May 31, 2018**

A regular meeting of the Board of Trustees was held on Thursday, May 31, 2018, at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

Trustees Present

Lon Britton (via phone)
Craig Storum
Matt Nye, Chairman

Others Present

Matt Henzi, Sullivan, Ward, Asher & Patton
Duane Menter, BeneSys, Inc.
Violet Gjorgjevski, BeneSys, Inc.
Chris Kuhn, AndCo.

Trustees Absent

Deirdre Waterman, Mayor (excused)

Chairman Nye declared that a quorum was present and called the meeting to order at 9:14 a.m.

AGENDA CHANGES

CONSENT AGENDA

- A. Approval of Regular Meeting Minutes: February 22, 2018
- B. Financial Reports
 - 1. Financial Reports – January – March 2018
 - 2. Bills for Ratification – March, April and May 2018

RESOLUTION 18-07 By Britton, Supported by Storum
Resolved, That the Consent Agenda for May 31, 2018, be approved.

Yeas: 3 – Nays: 0

CONSULTANTS

- A. AndCo.

Mr. Kuhn of AndCo. discussed the Asset/Manager Summary as of May 25, 2018 he commented that the VEBA is doing well and advised that no action is needed at this time.

Mr. Kuhn continued with reviewing the Investment Performance Review as of March 31, 2018, he discussed the quarter and the one-year performance and stated that everything is in line with

expectations. He moved to the Compliance Checklist where it is broken down by manager, he reported that they are doing a great job with maintaining compliance.

REPORTS

- A. Chairman
- B. Secretary
- C. Trustee Committees
- D. Legal, Attorney's Report, Sullivan, Ward, Asher & Patton, P.C., Matthew Henzi
- E. Members / Retirees

ATTORNEY'S REPORT

Attorney Report – General Matters:

Attorney Henzi reviewed the requirements for a quorum as well as the requirements for passing a motion as the Board is now short a Trustee since the Finance Director resigned. The Finance Director sits as a member of the Board by virtue of his/her position. Further, Trustee Waterman was absent.

Attorney Henzi reminded the Trustees that the June meeting is an annual meeting for Officer elections.

Tortoise Buyout Letter (Exhibit K)

Attorney Henzi addressed this issue for the Board in the Attorney Report.

RESOLUTION 18-08 *By Storum, Supported by Britton*
Resolved, to authorize the signing of the Tortoise Buyout Letter.

Yeas: 3 – Nays: 0

The Board moved to closed session at 10:05 a.m.

RESOLUTION 18-09 *By Storum, Supported by Britton*
Resolved, to approve the Board move to a closed session to discuss pending litigation and an attorney client privileged opinion.

Yeas: 3 – Nays: 0

The Board returned from closed session at 10:19 a.m.

RESOLUTION 18-10 *By Storum, Supported by Britton*
Resolved, to approve Legal to proceed as directed in closed session.

Yeas: 3 – Nays: 0

RESOLUTION 18-11 By Nazarko, Supported by Storum

Resolved, to approve the closed session meeting minutes from the May 31, 2018 meeting.

Yeas: 3 – Nays: 0

UNFINISHED BUSINESS

NEW BUSINESS

A. 2017 Audit

Plante Moran provided a list of Open Items to complete the Audit. Ms. Gjorgjevski explained that she will continue to work on providing the requested items however, some of the requests seem to be redundant and require time to complete. The auditors were here for a full week and continued to send emails requesting information.

B. VEBA March – May 2018 Expenses

RESOLUTION 18-12 By Storum, Supported by Britton

Resolved, That the expenses for March and April be ratified as they were approved to be paid via email and May 2018 be approved for payment.

Yeas: 3 – Nays: 0

C. Resignation of Nevrus Nazarko

Mayor Deirdre Waterman provided a formal notice to the Trustees regarding Mr. Nazarko's resignation.

RESOLUTION 18-13 By Storum, Supported by Britton

Resolved, to update the custodial banks' signatory cards by replacing former Trustee Nevrus Nazarko with Trustee Craig Storum on the VEBA. Further, to add Trustee Matthew Nye and replace former Trustee Nevrus Nazarko on the Pension.

Yeas: 3 – Nays: 0

D. Franklin Templeton Subscription Form Signature Request

RESOLUTION 18-14 By Storum, Supported by Britton

Resolved, to replace the signature of former Trustee Leon Jukowski with Duane Menter of BeneSys.

Yeas: 3 – Nays: 0

E. Comerica Annual Review of Authorized Signers

Comerica provided the most recent listing of authorized signers they have on file to be updated.

RESOLUTION 18-15 By Storum, Supported by Britton
Resolved, to replace the signature of Chuck Wytrychowski with Duane Menter of BeneSys.

Yeas: 3 – Nays: 0

CORRESPONDENCE

- A. Franklin Templeton Statement – March 31, 2018
- B. Franklin Templeton Trade Detail – 04/02/2018
- C. Franklin Templeton Trade Detail – 04/03/2018
- D. Franklin Templeton Trade Detail – 04/10/2018
- E. Tortoise Fixed Income Statement – 04/30/2018

NEXT MEETING DATE: June 28, 2018

Mangers Review scheduled for June 21 & 22 has been rescheduled to August 23 & 24, 2018

ADJOURNMENT

RESOLUTION 18-16 By Storum, Supported by Britton
Further Resolved, That the meeting be adjourned at 11:01 a.m.

Yeas: 4 – Nays: 0

I certify that the foregoing are the true minutes of the
Police & Fire Retirement Pre-funded Group Health and
Insurance Plan “VEBA Trust” on June 28, 2018.

Secretary
As recorded by BeneSys