

**CITY OF PONTIAC
POLICE AND FIRE RETIREE PREFUNDED
GROUP HEALTH & INSURANCE PLAN
BOARD OF TRUSTEES VEBA MEETING MINUTES
September 8, 2021**

A regular meeting of the Board of Trustees was held on Wednesday, September 8, 2021 at Inn at St. Johns, Plymouth, Michigan.

Trustees Present

Lon Britton, Oregon
Matt Nye, Chairman, In-Person
Darin Carrington, Finance Director, In-Person
Craig Storum, In-Person
Deirdre Waterman, Mayor, Pontiac, MI

Others Present

Matt Henzi, AsherKelly
Chris Kuhn, AndCo.
Duane Menter, BeneSys, Inc.
Violet Gjorgjevski, BeneSys, Inc.
Jennifer Crosby, BeneSys, Inc.

Trustee Nye declared that a quorum was present and called the meeting to order at 5:15 p.m.

AGENDA CHANGES

CONSENT AGENDA

- A. Minutes of Regular Meeting – July 29, 2021
- B. Financial Reports
 - 1. Financial Reports – June 2021
 - 2. Bills for Ratification through August 26, 2021

RESOLUTION 21-22 By Mayor Waterman, Supported by Storum
Resolved, That the Consent Agenda for September 8, 2021 be approved.

Roll Call Vote:	Lon Britton	Yea
	Matt Nye	Yea
	Darin Carrington	Yea
	Mayor Waterman	Yea
	Craig Storum	Yea

CONSULTANTS

- A. AndCo.

Mr. Kuhn requested that his presentation to the Board be tabled until the meeting on Friday, September 10, 2021.

TRUSTEE COMMENTS

Mayor Waterman invited the Board Chair from this Board as well as the GERS and CPREA Boards to attend her Town Hall meeting on October 13, 2021. The discussion will be updates regarding retiree healthcare. She stated that she has a proposal before the City Council to increase pensions since the

\$400 supplemental payments will end when Medical Insurance coverage begins under the new City of Pontiac VEBA Trust. In addition, she informed the Board that there will be a meeting on Friday September 10, 2021 to discuss the GERS Actuarial Valuation which should determine the amount of excess GERS assets that will be transferred to the new City of Pontiac VEBA Trust. Discussion regarding these matters took place.

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 December 1, 2021 as the date for commencement of benefits.

He informed this Board that the City of Pontiac VEBA Trust will be meeting on September 27, 2021 to choose an Insurance Agent and immediately begin the Open Enrollment process.

In addition, the City of Pontiac VEBA Trust has sent out Vital Information Forms to all of the GERS Retirees to obtain the most up to date contact information for the GERS members.

Funding of the new City of Pontiac VEBA Trust was discussed. The transfer of funds from the P&F VEBA will not be very complex. The GERS funds are proving to be a bit more complex due to the recent Actuary Assumption rate issue.

PF VEBA/VEBA Merger Agreement

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

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 once the merger is complete. He has provided the requested details of the merger to Chubb and is waiting for a quote.

PF VEBA 2021 Open Enrollment Letter

Attorney Henzi addressed this matter for the Board in the Attorney Report. He reported that Meadowbrook sent out three letters to PF Retirees based off of their classification; P&F Non-Medicare eligible who do not have HAS plan moving to the SB \$500 plan effective 9/1/2021; P&F Non-Medicare eligible who have an HAS plan notifying them of not being able to contribute to the HAS, if they have an account, starting 9/1/2021 when they are moved to the SB \$500 plan; Medicare retirees who were not enrolled will be eligible to enroll in the MA \$100 plan.

Dion Wade PF VEBA Eligibility Questions

Attorney Henzi addressed this matter for the Board in the Attorney Report. He discussed communication regarding Mr. Wade's daughter turning 26 in March 2021, Meadowbrook changed his coverage to Member +1 effective April 2021 and BeneSys has reimbursed him for the months he paid for family coverage in error.

Legislative Update

Attorney Henzi addressed this matter for the Board in the Attorney Report. He updated the Board regarding the Open Meetings Act. Representative Steve Marino introduced HB 4934 which would allow non-legislative Board like Retirement System Boards to meet remotely for any reason. The Bill was introduced on May 27, 2021, with input from MAPERS. It was referred to Committee. He will continue to monitor this Bill for any developments.

PUBLIC COMMENT – None.

UNFINISHED BUSINESS

A. Vital Information Suspending Benefits Mailer Results

Ms. Crosby presented the Board with detailed results of the Vital Information Forms with Suspending Benefit Cover Letters which were mailed on August 2, 2021 via certified mail. There were five remaining members who did not submit the Vital Information Forms that were sent this letter. Of these five members two have now turned in the Vital Forms. Three people are still outstanding. My notes show there was a motion by Nye, support by Lon, to suspend the 3 pensions in the book re: persons who were non-compliant on the vital info form. Do you disagree?

B. Computer/iPad Policy

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

C. Michigan Legacy Credit Union – Account Closing

Discussion took place surround closing the Trusts account with the Michigan Legacy Credit Union so that those funds can be placed in the Comerica account. It was decided that Trustee Storum would meet Mr. Menter at the branch office to take care of this matter.

NEW BUSINESS

A. August 2021 Expenses

Ms. Crosby presented the August 2021 expenses to the Board.

RESOLUTION 21-24 By Storum, Supported by Britton
Resolved, to approve reimbursement of expenses for August 2021.

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

B. Emergency Ordinance from City Council August 24, 2021 Meeting

BeneSys provided a memorandum from Garland Doyle, Interim City Clerk to Mayor Deirdre Waterman stating that the emergency ordinances that were adopted at the August 24, 2021 City Council Meeting were being forwarded.

C. Extension of Supplemental Pension Payments

BeneSys provided communication from Mr. Carrington informing that Council passed an Emergency Ordinance extending the Supplemental Payments that were set to expire August 31, 2021. The extension will go through December 31, 2021 or until the New City of Pontiac VEBA Trust begins providing benefits, whichever happens first.

D. Dental/Vision Coverage

Discussion took place regarding providing Dental & Vision Coverage with no premium cost to the Police & Fire Retirees beginning September 1, 2021 until benefits are in place through the new City of Pontiac VEBA Trust. BeneSys will initiate an Open Enrollment for Dental/Vision coverage and will suspend premium deductions effective September 1, 2021.

RESOLUTION 21-25 By Britton, Supported by Storum

Resolved, to include dental and vision coverage to members at no premium cost-effective September 1, 2021 and instruct BeneSys to conduct an Open Enrollment for Dental and Vision Benefits.

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

CORRESPONDENCE

A. BeneSys – Plan to Meet Transparency and No Surprises Act Laws

B. BeneSys – DOL Guidance to Maintain Accurate Census

C. BeneSys – Due Diligence to Locate Missing Participants Policy

D. BeneSys – Procedures to Maintain Accurate Census & Locate Missing Participants

E. BeneSys – Transparency and NSA Update, August 23, 2021

NEXT MEETING DATE: December 2, 2021

ADJOURNMENT

RESOLUTION 21-26 By Storum, supported by Carrington

Further Resolved, that the meeting be adjourned at 6:30 p.m.

Roll Call Vote:	Lon Britton	Yea
	Matt Nye	Yea
	Darin Carrington	Yea
	Craig Storum	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 September 8, 2021.

As recorded by BeneSys