

**CITY OF PONTIAC VEBA TRUST**

**BOARD OF TRUSTEES SPECIAL MEETING  
September 27, 2021**

A special meeting of the Board of Trustees was held on Monday, September 27, 2021 in person at the offices of BeneSys, Inc., 700 Tower Drive, Suite 300, Troy, MI 48098.

**Trustees Present**

Claudia Filler, Chairperson – In Person  
Walter Moore – Lantana, TX  
Linda D. Watson – In Person  
Darin Carrington – In-Person  
Lon Britton – Buffalo, Wyoming  
NZ Bryant – In Person  
Mayor Deirdre Waterman – In-Person

**Others Present**

Matt Henzi, AsherKelly  
Duane Menter, BeneSys, Inc.  
Violet Gjorgjevski, BeneSys, Inc.  
Jennifer Crosby, BeneSys, Inc.  
Samantha Kopacz, Miller Canfield  
Mark Manquen, Manquen Vance  
John Vance, Manquen Vance  
Kimberly Kulas, Manquen Vance  
Craig Kuenzer, Manquen Vance  
Meribeth Rains, Manquen Vance  
George Molnar, Health Insurance Services  
Sam Molnar, Health Insurance Services  
Don Sheehan, Amwins  
Chrissy McSwain, Amwins  
Doug Roehm, Strategic Services Group

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*Chairman Filler declared that a quorum was present and called the meeting to order at 3:03 p.m.*

**AGENDA CHANGES**

**RESOLUTION by Ms. Watson; seconded by Mr. Moore**

Further Resolved, that the Agenda be modified to have presentations by Manquen Vance and Amwins moved to beginning.

Roll Call Vote:	Claudia Filler	Yea
	Walter Moore	Yea
	Linda Watson	Yea
	Lon Britton	Yea
	NZ Bryant	Yea
	Darin Carrington	Yea
	Mayor Waterman	Yea

**NEW BUSINESS**

**A. Manquen Vance Presentation**

Manquen Vance was given 60 minutes to present to the Board. Once presentation was complete time was given for questions and answers. Manquen Vance entered the meeting at 3:24 p.m and left the meeting at 4:20 p.m.

## **B. Amwin Presentation**

Amwin was given 60 minutes to present to the Board. Once presentation was complete time was given for questions and answers. Amwins entered the meeting at 4:37 p.m. and left the meeting at 6:42 p.m.

### **RESOLUTION by Mr. Britton; seconded by Mr. Moore**

Further Resolved, to hire Manquen Vance and have them pursue the BCBS coverage with the enhanced prescription formulary and Delta Dental with coverage beginning no later than February 1, 2022. Further, any eligible member who misses enrollment will be picked up on a supplemental plan. In addition, that Manquen Vance attend the Mayor's October 13, 2021 Town Hall to answer questions that members may have. Lastly, that Manquen Vance prepare a timeline for the implementation of benefits/open enrollment and present the timeline at the next Trustee meeting.

Roll Call Vote:	Claudia Filler	Yea
	Walter Moore	Yea
	Linda Watson	Abstain
	Lon Britton	Yea
	NZ Bryant	Abstain
	Darin Carrington	Yea
	Mayor Waterman	Yea

## **PUBLIC COMMENT**

Member, Billie Swazer attended the meeting in-person. She stated that the Vital Information Letter upset her and other members because they never heard of BeneSys and their partnership with the Trust and that is why no one is responding. She stated that with identity fraud against retirees is so rampant the Trust and BeneSys should not be asking for identifying information from members. Retirees have not been assured by BeneSys that their information will be secure. And when phone calls are returned from BeneSys the rep should identify themselves as BeneSys on behalf of the Trust.

## **CONSENT AGENDA**

### **A. Invoices Paid**

- a. The Euclid Specialty Vanguard Fiduciary Liability Insurance Policy**
- b. GERS – Census Data Invoice**
- c. GERS – Census Data Invoice**

### **B. Invoices to be Paid**

- a. BeneSys – August 2021**

### **RESOLUTION by Mr. Carrington; seconded by Mr. Britton**

Further Resolved, to accept the Consent Agenda and pay BeneSys Invoice for August 2021.

Roll Call Vote:	Claudia Filler	Yea
	Walter Moore	Yea
	Lon Britton	Yea
	NZ Bryant	Yea
	Darin Carrington	Yea
	Mayor Waterman	Yea

## **TRUSTEE COMMENTS**

Discussion took place regarding the GERS Actuarial Valuation assumption rate issue. They are hopeful that the issue will be resolved at the next meeting on July 29, 2021 without having to go back to court.

The Mayor updated the Board regarding the proposed enhanced pension payments for GERS retirees once the \$400 supplement ends. This will allow retirees to keep a certain amount of a supplement based on the percentage that the Trust is funded which right now is 130%.

The Mayor discussed her Town Hall that will be on October 13, 2021 at 1:00 pm. She invited the Board to attend specifically Chairperson Filler. She is inviting the Chairman of GERS and CPREA as well.

## **LEGAL REPORT**

### **Insurance Agent Procurement of Benefits**

Attorney Henzi addressed this matter for the Board in the Attorney Report. He stated that Amwins and Manquen Vance were provided with census data from GERS, PFRS, and CPREA. Amwins produced its diversity policy. Correspondence was sent to three clients of each firm asking for feedback on the firm's performance.

### **Eligible Member Data Status**

Attorney Henzi addressed this matter for the Board in the Attorney Report. The GERS office produced the requested data. The VEBA reimbursed the GERS for the cost of production.

### **Vital Information Form Request**

Attorney Henzi addressed this matter for the Board in the Attorney Report. The Vital Information Form and Letter has been mailed to general retirees and surviving spouses.

### **Fiduciary Liability Insurance – Huttonlocher**

Attorney Henzi addressed this matter for the Board in the Attorney Report. He stated that the Trustees had approved purchasing a fiduciary liability policy with Cincinnati Insurance Company. Cincinnati refused to delete a waiver of recourse provision that could render the Trustees personally liable. Hudson Insurance Company quoted a more expensive premium but agreed to waive the harmful provision that Cincinnati refused to delete. Due to the time sensitive nature of the subject (coverage was to begin 9/1/21) legal counsel, at the direction of the Chair, sent correspondence polling the Trustees and asking whether they agreed to purchase the Hudson policy. The Trustees authorized purchasing the Hudson Policy. The policy was purchased and coverage was provided effective September 1, 2021.

### **RESOLUTION by Mr. Britton; seconded by Mr. Bryant**

Further Resolved, to ratify the approval to purchase the fiduciary liability policy with Hudson.

Roll Call Vote:	Claudia Filler	Yea
	Walter Moore	Yea
	Lon Britton	Yea
	NZ Bryant	Yea
	Darin Carrington	Yea
	Mayor Waterman	Yea

## **Revised Timeline for PF VEBA/VEBA Merger and Transition Issues**

Attorney Henzi addressed this matter for the Board in the Attorney Report. The timeline has been discussed at length including the VEBA Meetings held July 22-23, 2021 and August 12, 2021 and the PF VEBA Meeting held July 29, 2021. Legal counsel has advised that future dates are subject to change due to the many issues that need resolution before benefits commence. Deadlines will only be extended when necessary to expedite the merger and commencement of benefits.

## **Transfer of Assets to VEBA Trust**

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

## **Legislative Update**

Attorney Henzi addressed this matter for the Board in the Attorney Report. The Open Meetings Act was amended to allow a Trustee with a medical condition to remotely attend a meeting through December 31, 2021. Representative Steve Marino introduced HB 4934 which would allow non-legislative Boards like Retirement System or Health Care Trust Boards to meet remotely for any reason.

### **RESOLUTION by Mr. Britton; seconded by Mr. Bryant**

Further Resolved, to direct legal counsel to send correspondence to the House Committee Chair and/or other Committee members in support of the Bill.

Roll Call Vote:	Claudia Filler	Yea
	Walter Moore	Yea
	Lon Britton	Yea
	NZ Bryant	Yea
	Darin Carrington	Yea
	Mayor Waterman	Yea

## **ADMINISTRATOR**

Mr. Menter provided the Board with an update regarding current finances.

### **RESOLUTION by Mr. Moore; seconded by Mayor Waterman**

Further Resolved, to include financial statements on the meeting agenda going forward.

Roll Call Vote:	Claudia Filler	Yea
	Walter Moore	Yea
	Lon Britton	Yea
	NZ Bryant	Yea
	Darin Carrington	Yea
	Mayor Waterman	Yea

**NEXT MEETING DATE:** October 11, 2021 at 3:00 p.m. – Special Meeting

**ADJOURNMENT**

**RESOLUTION by Ms. Watson; seconded by Mr. Bryant**

Further Resolved, that the meeting be adjourned at 7:25 p.m.

I certify that the foregoing are the true minutes of the City of Pontiac VEBA Trust on September 27, 2021.

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*As recorded by BeneSys*