

**CITY OF PONTIAC VEBA TRUST
BOARD OF TRUSTEES MEETING
September 25, 2025**

A special meeting of the Board of Trustees was held on Thursday, September 25, 2025

Trustees Present

Claudia Filler, Chairperson
Khalfani Stephens, Deputy Mayor/Vice Chair *(via Zoom)*
Lon Britton, Secretary *(via Zoom)*
Julie Moll, Trustee
Mayor Tim Greimel *(via Zoom)*
Linda D. Watson
Matt Nye *(via Zoom)*

Others Present

Matt Henzi, AsherKelly
Violet Gjorgjevski, BeneSys
Jennifer Crosby, BeneSys
Colleen Atchison, Foster & Foster *(via Zoom)*

Chairperson Filler declared that a quorum was present and called the meeting to order at 10:00 a.m.

AGENDA CHANGES – None

FOSTER & FOSTER – Colleen Atchison

Deputy Mayor Stephens joined the meeting at 10:17 a.m.

A. Cost Study for Potential Benefit Enhancements

Ms. Atchison presented Foster & Foster’s actuarial analysis per the Board’s request. Foster & Foster performed a cost study to determine the impact on the VEBA’s actuarial liabilities and funded status associated with proposed medical plan enhancements outlined in Manquen Vance’s 2026 benefit renewal analysis. The cost study calculated the financial impact to the VEBA with enhancements to the plan and without enhancements to the plan. The 2026 renewal rates, excluding enhancements to the plan, are 27.0% and 32.4% higher for the Pre-65 and Medicare Advantage Prescription Drug (MAPD) plan rates than 2025, respectively. The proposed enhancements to the Pre-65, MAPD, and Dental plans result in an additional 24.2%, 2.3%, and 27.9% increase in rates compared to the renewal rates, respectively.

The higher 2026 renewal rates will result in an estimated increase in Total OPEB Liability of \$19.7 million, or +22.7%, compared to the 2025 rates.

The net result of all the enhancements to the VEBA plan Pre-65, MAPD, and Dental benefits is an increase of approximately \$12.7 million, or +11.9%, in Total OPEB Liability compared to the liability based on the renewal rates.

As directed by the Trustees, Foster & Foster made assumptions in completing its analysis. It assumed that an additional 125 members would become eligible for the VEBA pursuant to the CPREA v. Pontiac Settlement Agreement. Foster & Foster also included the impact of an additional transfer of \$32.5 million from excess Old GERS funds to be transferred into the Trust.

RESOLUTION by Mr. Britton; seconded by Mr. Nye

Further Resolved, to approve Delta Dental benefits for the 2026 Plan Year, with both proposed enhancements. Further, to approve the BCBS Pre65 and BCBS MAPD for the 2026 Plan Year as quoted with no enhancements.

Roll Call Vote:

Filler – Yea
Mayor Greimel – Yea
Deputy Mayor Stephens - Yea
Britton – Yea
Watson – Yea
Moll – Yea
Nye - Yea

Yea – 7 Nay – 0

Motion Carried Unanimously

Mayor Greimel left the meeting at 10:27 a.m.

Deputy Mayor Stephens left the meeting at 10:27 a.m.

REPORTS

A. CHAIRPERSON

Chairperson Filler informed the Board that CPREA and the City of Pontiac were given preliminary approval of the Second Amendment to the Settlement Agreement on September 17, 2025. The next step is a fairness hearing where the Judge will determine if the terms of the Second Amendment are fair, reasonable and adequate for all parties.

B. SECRETARY

Mr. Britton stated that he will discuss with Miller Law about obtaining the data that BeneSys will need to add and enroll the retirees listed in the Second Amendment. Miller Law is retained until the proceedings are fully completed.

C. INVESTMENT COMMITTEE

Ms. Moll stated that she will reach out to Steve Roth with Dahab to request an Asset Allocation Study. In addition, she will request that Dahab examine up-to-date benefit renewal data and analyze benefit funding needs due to increased benefit costs for Plan Year 2026.

D. LEGAL REPORT - None

E. TRUSTEE COMMENTS - None

F. PUBLIC COMMENTS – None

OLD BUSINESS

A. Aetna Proposal Request Response

Aetna’s response to decline providing a proposal to the VEBA was provided.

B. BCBS Pre-65 2026 Renewal Quote

This item was provided for consideration and if approved signature by Chairperson.

C. 2026 BCBS MAPD and Dental Renewal and Potential Enhancements

This item was provided for consideration and if approved signature by Chairperson.

NEW BUSINESS - None

NEXT REGULAR MEETING DATE – December 11, 2025, 1:00 p.m.

ADJOURNMENT

RESOLUTION by Ms. Watson; seconded Ms. Moll

Further Resolved, that the meeting be adjourned at 10:53 a.m.

I certify that the foregoing are the true minutes of the City of Pontiac VEBA Trust on September 25, 2025.

As recorded by BeneSys

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