

**Joint Meeting of the
CITY OF PONTIAC VEBA TRUST
and
CITY OF PONTIAC, MICHIGAN
POLICE AND FIRE RETIREE PREFUNDED
GROUP HEALTH & INSURANCE PLAN
December 7, 2023**

Trustees:

Claudia Filler, VEBA Chairperson
NZ Bryant
Linda D. Watson
Khalfani Stephens
Lon Britton, (Sebastian, FL, via Zoom)
Tim Greimel, Mayor (Arrived at 9:11 a.m.)
Matt Nye, PF VEBA Chairman
Craig Storum
Tim Sadowski, Finance Director

Others:

Matt Henzi, AsherKelly
Chris Kuhn, AndCo.
Steve Roth, Dahab Associates
Violet Gjorgjevski, BeneSys, Inc.
Jennifer Crosby, BeneSys, Inc.
Kim Kulas, Manquen Vance
Patrice Waterman, Public
Deirdre Waterman, Public
Keith Keesling, Public, (via Zoom)

Police and Fire VEBA Chairman, Matt Nye, and VEBA Chairperson, Claudia Filler, declared a quorum was present for both VEBA's and called the meeting to order at 9:06 a.m.

AGENDA CHANGES

RESOLUTION by Ms. Watson; seconded by Mr. Bryant

Further Resolved, to grant Trustee Britton's request for a reasonable accommodation, under the ADA pursuant to recent Michigan Attorney General opinion, to allow Trustee Britton to vote on Motions via Zoom due to immunocompromised illness.

Yea – 8 Nay – 0 Abstain – 1, Lon Britton

Motion Carried

NEW BUSINESS

Status of VEBA/PF VEBA Merger

Mr. Henzi updated all present about the status of the pending merger of the PF VEBA into the VEBA, effective 12/31/23. The VEBAs executed, at Trustee meetings held in September 2023, a revised Merger Agreement. The City recently made changes to the Agreement and requested the VEBAs approve those changes so the document could be submitted to City Council for approval. Mr. Henzi and City Attorney, Sam Kopacz, negotiated further revisions to the document. Mr. Henzi felt a joint meeting of the two VEBAs would be the quickest way to get direction on how to respond to the City or edit the document. Attorney Kopacz provided Mr. Henzi with a version of the Merger Agreement shortly before the meeting commenced. The City reported, before and during the meeting, that its intent in revising the document was to preserve any potential litigation claims and defenses available to the City and VEBAs in the document. This morning he received what he feels may be an agreed upon Merger Agreement. The Mayor stated he has not spoken to the City's Legal Counsel, Sam Kopacz, yet this morning. He

stepped out to speak with her. Mr. Henzi continued that what the city was looking for was a Merger Agreement that would not favor either the City or the VEBA, just allow the Merger to take place neutrally.

RESOLUTION by Mr. Nye; seconded by Mr. Storum for Police & Fire VEBA

Further Resolved, to approve the changes to the Merger Agreement as presented currently and sign.

Yea – 2 Nay – 3

Motion Failed

Continued discussion took place. Ms. Kopacz sent updated verbiage to Mr. Henzi which was shared with everyone present. Further discussion took place. Mr. Henzi sent revisions back to Ms. Kopacz for consideration.

Everyone took a 10-minute break and reconvened at 11:25 a.m.

Additional wording of the Merger Agreement was provided for the group to review.

RESOLUTION by Mr. Storum; seconded by Mayor Greimel for Police & Fire VEBA

Further Resolved, to approve the changes to the Merger Agreement as presented the third time and have Chairman Nye sign.

Yea – 5 Nay – 0

Motion Carried

RESOLUTION by Mr. Bryant; seconded by Deputy Mayor Stevens for City of Pontiac VEBA

Further Resolved, to approve the changes to the Merger Agreement as presented the third time and have Chairman Nye sign.

Yea – 5 Nay – 1, Linda D. Watson

Motion Failed because the language amounts to an Amendment of the VEBA Trust, and amendments require unanimous approval.

Discussion continued to take place extensively.

Everyone took a 5-minute break and reconvened at 12:03 p.m.

Linda D. Watson changed her vote to Yea, not objections to her change of vote.

Motion Carried Unanimously.

REPORTS

- A. Legal Report**
- B. Trustee Comments**
- C. Public Comments**

Mayor Waterman spoke to both Boards briefly regarding her time as Mayor and her part in bringing about the Settlement Agreement. She also spoke to current things she is involved with in the City of Pontiac.

Keith Keesling spoke to both Boards regarding their negotiations in modifying the Settlement Agreement to include retirees like him that continued to work for the City after the Emergency Manager stepped in but did have 10 years of service prior to that. He really needs coverage and feels that he is owed that and that the group of people like him should be included in the VEBA as quickly as possible. Chairperson Filler let him know that there is another mediation meeting on December 21, 2023.

RESOLUTION by Ms. Watson; seconded by Deputy Mayor Stevens for City of Pontiac VEBA

Further Resolved, to change their next meeting date to February 22, 2024, at 1:00 p.m.

Yea – 6 Nay – 0

NEXT MEETING DATE

City of Pontiac VEBA Trust – February 22, 2023, 1:00 p.m.

City of Pontiac PF VEBA Trust – February 22, 2023, 9:00 a.m.