

**CITY OF PONTIAC
POLICE AND FIRE RETIREE PREFUNDED
GROUP HEALTH & INSURANCE PLAN
BOARD OF TRUSTEES VEBA MEETING MINUTES
July 25, 2019**

A regular meeting of the Board of Trustees was held on Thursday, July 25, 2019 at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

Trustees Present

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

Others Present

Matt Henzi, Sullivan, Ward, Asher & Patton
Chris Kuhn, AndCo. (via phone)
Duane Menter, BeneSys, Inc.
Violet Gjorgjevski, BeneSys, Inc.
Dean Carlson, BeneSys, Inc.
Hughey Newsome, City of Pontiac

Trustees Absent

Deirdre Waterman, Mayor

Chairman Nye declared that a quorum was present and called the meeting to order at 10:06 a.m.

PUBLIC COMMENT

AGENDA CHANGES

CONSENT AGENDA

- A. Minutes of Regular Meeting - May 30, 2019
- B. Financial Reports
 - 1. Financial Reports - April & May 2019
 - 2. Bills for Ratification

RESOLUTION 19-53 By Britton, Supported by Nye
Resolved, That the Consent Agenda for July 25, 2019 be approved.

Yeas: 3 - Nays: 0

CONSULTANTS

A. AndCo.

Christopher Kuhn of AndCo. provided a Market Update as of June 30, 2019. He discussed the Rate cuts that have occurred in 2019 and that there could possibly be another one coming which produces returns. The Fixed Income market has produced an unexpected upward rate return thus far.

Mr. Kuhn continued and discussed the Asset/Manager Summary as of July 18, 2019. Mr. Kuhn advised that he and legal are working with Ambassador Capital to complete a contract for a cash management program, as previously authorized.

RESOLUTION 19-54 By Nye, Supported by Britton

Resolved, That the Board authorize Mr. Storum to sign the LSIA contract as presented by Legal.

Yeas: 3 - Nays: 0

REPORTS

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

ATTORNEY'S REPORT

Kenneth Ayres Request for VEBA Membership - (Exhibits B)

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

PA 314 Political Contribution and Fee Disclosure Statements - (Exhibit C)

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

Lawsuit Against City of Pontiac for Annual Contributions for Fiscal Year Ending June 30, 2012(Exhibits B and C)

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

CPREA v City of Pontiac — Settlement Agreement - (Exhibit C)

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

LS Investment Advisors, LLC Investment Advisory Agreement - (Exhibit I)

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

UNFINISHED BUSINESS

- A. Vital Form – Draft

BeneSys provided a draft of the Vital Form, the form is to collect the most current demographic information. The Board requested some updates to the form. BeneSys is to update the form and resend for approval.

- B. Chubb Policy 06/01/2019 - 06/01/2020

A copy of the policy was provided for the Board's records.

NEW BUSINESS

- A. Officer Elections

The floor was opened for nominations, and the following Trustees were nominated as officers for the next year:

VEBA

Chairperson: Matt Nye

Vice Chairperson: Lon Britton

RESOLUTION 19-55 by Trustee Storum, Supported by Nye
Resolved, That the nominated trustee officers will be Matt Nye as Chairperson and Lon Britton as Vice Chairperson on the City of Pontiac Police and Fire Retiree Prefunded Group Health & Insurance Plan Board.

Yeas: 3 - Nays: 0

B. VEBA February through July 2019 Expenses

RESOLUTION 19-56 By Britton, Supported by Storum
Resolved, that the expenses for February to July 2019 be tabled until the September 4, 2019 meeting.

Yeas: 3 - Nays: 0

C. December 31, 2018 Audit

Ms. Gjorgjevski discussed that the Audit for 2018 is not yet completed. BeneSys has provided all information requested and has followed up with Plante Moran and was told that it is currently going through the Plante Moran Peer review.

RESOLUTION 19-57 by Trustee Britton, Supported by Nye
Resolved, That Duane Menter of BeneSys is authorized to sign the business associate agreement supplied by Plante Moran, on behalf of the PF VEBA.

Yeas: 3 - Nays: 0

CORRESPONDENCE

NEXT MEETING DATE: September 4, 2019 at 5:00 p.m. at the Inn at St. Johns in Plymouth, MI

ADJOURNMENT

RESOLUTION 19-58 By Britton, Supported by Nye
Further Resolved, that the meeting be adjourned at 11:19 a.m.

Yeas: 3 - 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 July 25, 2019.

As recorded by BeneSys