

CITY OF PONTIAC VEBA TRUST

VEBA TRUST SPECIAL BOARD MEETING

November 6, 2020

Meeting Minutes

On November 6, 2020 a meeting of the Board of Trustees for the City of Pontiac VEBA Trust was called to order at 9:05 am via Zoom.

Trustees Present:

Claudia Filler, Chairperson, General Employees Retirement System
Deirdre Waterman, Vice Chairman, Mayor
Linda D. Watson, City Council Appointee
Walter L. Moore, Whole Plan Trustee
Lon G. Britton, Secretary, Police and Fire Trustee
NZ Bryant, Board Appointed Trustee
Darin Carrington, Mayor Appointed Trustee, Finance Director

Others Present:

Samantha Kopacz, Attorney, Miller Canfield
Anthony Chubb, Giarmarco, Mullins & Horton
Francie Finnegan, Public
Billie Swazer, Public
Gary Kraft, Public

The Chair called the meeting to order at 9:05 a.m.

SELECTION OF LEGAL COUNSEL FOR THE PONTIAC VEBA Trust

The Chair stated this meeting was called to hire legal counsel from among the three candidates presenting at the last meeting. She proposed that each Trustee be allotted 5 minutes to state their opinions the candidates. Trustee Bryant reported that Brian O'Keefe has decided to withdraw as a candidate.

Motion: To vote between the two candidates remaining at end of discussion. By Waterman, seconded by Carrington
Motion passed unanimously.

Trustee Waterman discussed both candidates and stated she is in support of retaining Lynn McGuire of Butzel, Long.

Trustee Britton discussed both candidates and stated he is in support of retaining Matthew Henzi of Asher, Kelly.

Trustee Bryant discussed both candidates and stated he is in support of retaining Lynn McGuire of Butzel, Long.

Trustee Carrington discussed both candidates and stated he is in support of retaining Lynn McGuire of Butzel, Long.

Trustee Moore discussed both candidates and stated he is not in favor of hiring either candidate on a long term basis at this time. He would support hiring legal counsel for a specific scope and time. He would request a waiver of conflict from whoever is retained

Trustee Watson discussed both candidates and stated her priority is getting things moving along and she supports the retention of legal counsel for a specific scope and time.

Trustee Filler discussed both candidates and stated she is in support of retaining Matthew Henzi. She supports the retention of legal counsel for a specific scope and time.

Discussion followed regarding time frame and scope of work. It was suggested that two motions be made. The first, would be which attorney to hire and the second would be to set forth a time period and scope of work.

Trustee Moore made a motion to select the individual and amend the motion to include time period and scope of work. The Chair did not call for a second to the motion as she agreed a motion had been adopted for a vote to be taken on the two candidates following Trustee support statements.

As a point of order, Trustee Watson wanted clarification of parameters for time and scope of duties. Trustee Waterman stated a motion was approved and cannot be amended but that she agrees that the intent of the motion was to hire an attorney for a limited time and scope of work which the board will decide. The Chair stated some Trustees want the formality of setting parameters.

Roll Call of Trustee Votes for Legal Counsel:

Britton - Matthew Henzi, Asher Kelly
Bryant - Lynn McGuire, Butzel Long
Carrington - Lynn McGuire, Butzel Long
Filler - Matthew Henzi, Asher Kelly
Moore - Matthew Henzi, Asher Kelly
Waterman - Lynn McGuire, Butzel Long
Watson - Matthew Henzi, Asher Kelly

4 votes Matthew Henzi
3 votes Lynn McGuire

Matthew Henzi, Asher Kelly has been selected as legal counsel.

Discussion then was held on the parameters for time and/or scope of duties. Attorney Kopacz suggested that, in addition to specific duties, Mr. Henzi should provide an executed Conflict Waiver signed by this Board, the PFVEBA Board, the PFRS Board and the GERS Board before beginning any work. The GERS Board meets 12/2/2020 and the PFRS Boards meet 12/3/2020. Trustee Britton argued that this will delay the work for this Board that needs to get started.

Motion: Matthew Henzi of Asher Kelly is retained by this Board of Trustees to accomplish the action plan of tasks; develop policies, procedures, rules and regulations for the Board by which to conduct business. Further, to develop Requests For Proposals, for Board review, for retention of professional services to include : Third Party Administrator (professional management company), Investment Consultant, Actuary, Auditor, Accountant, Legal Council and Fiduciary liability insurance. This motion is contingent however, that Matthew Henzi of

Asher, Kelly issue a Waiver of Conflict Letter acceptable to this Board, as well as the PFVEBA, PFFRS and the GERS.

By: Moore seconded by Watson.

Motion passed unanimously by roll call vote

The Chair stated the next step will be getting a representation agreement from Mr. Henzi as well as the waivers from all boards. The Chair will contact Mr. Henzi and ask him for a time he can meet and will contact the Trustees to set a meeting date.

Discussion was held regarding regular meeting dates. It was decided that after meeting with Attorney Henzi we can decide the frequency of regular meetings.

Trustee Watson asked why Attorney Chubb and Attorney Kopacz are attending the meetings and by who they are being paid. Trustee Waterman answered that Attorney Chubb is representing the City as the VEBA is a product of the City and Attorney Kopacz is attending as she is responsible for the VEBA application with the IRS. The City is paying them.

Trustee Moore asked if all their legal costs are covered by the City. Trustee Waterman answered yes, up until the point that the VEBA is established according to the terms set up in the Settlement Agreement and the IRS.

Trustee Watson asked if this would come out of the \$176K that is due the VEBA. Trustee Waterman stated that Attorney Kopacz has will tell her when the \$176K is due pursuant to the Settlement Agreement. Trustee Watson asked if there will be a charge back to the \$176K due the VEBA. Trustee Waterman stated that at this time it is coming out of the City's budget from the litigation fund that supported the Settlement Agreement. Until the VEBA Board is fully created and authorized and is able to establish itself as an independent entity.

Trustee Filler asked if there will be a charge back to the VEBA. Trustee Waterman stated as much as the City would like to have some of this money back, as she has said, we are obligated to do that and as a conduit of the City I will continue to do that under the terms I mentioned and that is my will and testament on behalf of the City.

Motion: To adjourn the meeting. By Moore, supported by Watson
Motion passed unanimously.

The Chair adjourned the meeting at 10:20 am.

Submitted for your consideration,



Lon G. Britton, Secretary

NOTICE OF SPECIAL MEETING

There will be a meeting of the

CITY OF PONTIAC VEBA TRUST
BOARD OF TRUSTEES REGARDING:

Agenda: *Selection of Legal counsel for the Pontiac VEBA*

Date: Friday, November 6, 2020

Time: 9:00 AM

Location: Join Zoom Meeting

Join Zoom Meeting:

[https://us02web.zoom.us/j/84611663578?](https://us02web.zoom.us/j/84611663578?pwd=QTM5MWNXWnROT3JqRkdubmRUIFlidz09)

[pwd=QTM5MWNXWnROT3JqRkdubmRUIFlidz09](https://us02web.zoom.us/j/84611663578?pwd=QTM5MWNXWnROT3JqRkdubmRUIFlidz09)

Conference Call Dial-in Number: 1-312-626-6799

Meeting ID: 846 1166 3578

Passcode: 645611

The meeting is being held virtually in accordance with the amended Open Meetings Act in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by dialing into the meeting at the conference call dial information provided above. You may also direct any questions or comments to the VEBA Trust via email at ppdlonb@gmail.com or call 248-931-1233.

Public Comment: For individuals who desire to make a public comment, please submit your name and comment in writing to Board Secretary Lon Britton, email: ppdlonb@gmail.com. Additionally, you may submit your public comment in writing to the Office of Human Resources Division, Attention: Kierha Davidson, during regular business hours. All public comments must be received no later than 5:00 PM on November 5, 2020. Your comment will be read during the public comment section of the meeting.

Persons with Disabilities: Anyone wishing to attend the meeting who requires special assistance under the Americans with Disabilities Act (ADA) is asked to contact the City at 248-758-3143 at least 48 hours before the meeting so that appropriate arrangements can be made.