

**CITY OF PONTIAC
POLICE AND FIRE RETIREE PREFUNDED
GROUP HEALTH & INSURANCE PLAN
BOARD OF TRUSTEES VEBA MEETING MINUTES
October 25, 2018**

A regular meeting of the Board of Trustees was held on Thursday, October 25, 2018, at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

Trustees Present

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

Others Present

Matt Henzi, Sullivan, Ward, Asher & Patton
Duane Menter, BeneSys, Inc.
Violet Gjorgjevski, BeneSys, Inc.
Michelle Watterworth, Plante Moran
Joe Kowalski, Plante Moran
Spencer Tawa, Plante Moran (via phone)

Chairman Nye declared that a quorum was present and called the meeting to order at 9:02 a.m.

AGENDA CHANGES

CONSENT AGENDA

- A. Approval of Regular Meeting Minutes: August 22, 2018
- B. Approval of Regular Meeting Minutes: September 27, 2018

RESOLUTION 18-31 By Britton, Supported by Storum
Resolved, That the Consent Agenda for October 25, 2018, be approved.

Yeas: 3 - Nays: 0

CONSULTANTS - None -

REPORTS

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

ATTORNEY'S REPORT

Lawsuit Against City of Pontiac for Annual Contributions for Fiscal Year Ending June 30, 2012 - Exhibit B

Attorney Henzi addressed this matter for the Board in the Attorney Report. Attorney Henzi reported that the Michigan Supreme Court issued its Opinion in favor of the PF VEBA. The matter will be remanded to the Oakland County Circuit Court for entry of judgment.

Attorney Henzi discussed the matter of seeking entry for judgment. Attorney Henzi advised that he requested, through the City's lawyers, that the City consent to entry of judgment. The City's attorneys did not respond. The Board requested that Legal contact the City's attorneys. Legal should proceed with filing a motion if the City does not provide any response regarding its position on the issue of entering the judgment, by November 15, 2018.

RESOLUTION 18-32 By Britton, Supported by Storum

Resolved, that if a response is not received by November 15, 2018, Legal is to proceed with filing a motion, be approved.

Yeas: 3 - Nays: 0 – Mayor Waterman abstained

CPREA v City of Pontiac - Court Ordered Facilitation

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

Bloomfield Capital Fund V - (Exhibit E)

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

RESOLUTION 18-33 By Mayor Waterman, Supported by Nye

Resolved, that the Board is going to invest in Bloomfield Capital #5 as recommended by Investment Consultant, Mr. Chris Kuhn. Authorization has been given for the Chair to execute the required documents, be approved.

UNFINISHED BUSINESS

NEW BUSINESS

A. Plante Moran

Ms. Waterworth from Plante Moran was present to review the December 31, 2017 audit report. Ms. Waterworth reviewed the Independent Auditor's Report and further noted that the fund has a positive Net Financial Position as of December 31, 2017. Plante Moran confirmed that the VEBA audit report is based on a level of benefits provided, not those that are contracted. Plante Moran will forward the audit reports to the Michigan Department of Treasury.

B. VEBA October 2018 Expenses

RESOLUTION 18-34 By Storum, Supported by Britton

Resolved, that the expenses for October 2018 be approved for payment.

Yeas: 4 – Nays: 0

C. Formation of New VEBA

The CPREA v. Pontiac Settlement Agreement remains pending approval by Judge Cohn. Trustee Britton advised that there is no action to take by this Board. The Formation of the New VEBA will be revisited at a later time when it is time to move forward or developments arise.

CORRESPONDENCE

NEXT MEETING DATE: December 6, 2018

Ms. Gjorgjevski also provided the 2019 Meeting Schedule for review. The Trustees have moved to a bi-monthly meeting schedule beginning in January, the VEBA meeting will begin at 10:00 a.m. and the Pension meeting will begin at 11:00 a.m.

RESOLUTION 18-35 By Storum, Supported by Mayor Waterman

Resolved, that the Board meetings will be held bi-monthly beginning January 2018. The meetings will begin at 10 a.m. with the VEBA.

Yeas: 4 – Nays: 0

ADJOURNMENT

RESOLUTION 18-36 By Mayor Waterman, Supported by Storum

Further Resolved, that the meeting be adjourned at 10:13 a.m.

Yeas: 4 – 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 October 25, 2018.

Secretary
As recorded by BeneSys