

**CITY OF PONTIAC  
POLICE AND FIRE RETIREE PREFUNDED  
GROUP HEALTH & INSURANCE PLAN  
BOARD OF TRUSTEES VEBA MEETING MINUTES  
SEPTEMBER 28, 2017**

A regular meeting of the Board of Trustees was held on Thursday, September 28, 2017, at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

**Trustees Present**

Lon Britton  
Craig Storum  
Nevrus Nazarko, Secretary  
Deirdre Waterman, Mayor (arrives 10:38 a.m.)  
Matt Nye, Chairman (via phone)

**Others Present**

Matt Henzi, Sullivan, Ward, Asher & Patton  
Duane Menter, BeneSys, Inc.  
Violet Gjorgjevski, BeneSys, Inc.  
Chris Kuhn, AndCo.  
Randy Gomez, Nyhart (via phone)  
Steven Smith, Meadowbrook  
Dave Sheeran, Meadowbrook  
Coy Mosley, City of Pontiac  
Billie Swazer

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*Trustee Britton declared that a quorum was present and called the meeting to order at 9:13 a.m.*

**AGENDA CHANGES**

**CONSENT AGENDA**

- A. Approval of Regular Meeting Minutes: August 24, 2017
- C. Financial Reports
  - 1. Financial Reports – July 2017
  - 2. Bills for Ratification – September 2017

**RESOLUTION 17-30** By Nazarko, Supported by Storum  
Resolved, That the Consent Agenda for September 28, 2017, be approved.

Yeas: 4 – Nays: 0

**CONSULTANTS**

- A. Meadowbrook

Mr. Smith and Mr. Sheeran from Meadowbrook discussed renewal information for 2018. They have gone out to other providers for alternative plans. Meadowbrook to go back to BCBS for more competitive rates before the board decides on 2018 renewal. A special meeting will be called for further discussion when Meadowbrook receives a response from BCBS.

B. Nyhart

Mr. Gomez discussed the updated Other Post-Employment Benefits Settlement Evaluation that he previously presented. There was additional data changes on the GERS and OPEB groups and eliminated some duplicate records after making data changes and added a new exhibit that compares PF VEBA on its own and with the Super VEBA benefits, as well as combined GERS and OPEB and PF VEBA with the Super VEBA benefits. He noted that the Super VEBA is very well funded and does not require City contributions and that the PF VEBA on its own would be less than 100% funded and require ongoing City contributions using the modeling assumptions. The Trustees directed legal counsel to forward language regarding eligibility to Mr. Gomez for clarification and editing of the report, specifically on pages 3-5. The purpose of the edits is to create a document that accurately memorializes the level of benefits that serve as the basis for the report's calculations. Further, Mr. Gomez should reference the agreed upon census between the parties and attach to the original report, to be held on file at Benesys.

C. AndCo.

Mr. Kuhn of AndCo. discussed the Asset/Market Summary, he commented that the VEBA is looking at a good third quarter as of today. He continued to report on the Investment Performance Review as of June 30<sup>th</sup> and commented that everything is doing well at this time.

## REPORTS

- A. Chairman
- B. Secretary
- C. Trustee Committees
- D. Legal, Attorney's Report, Sullivan, Ward, Asher & Patton, P.C., Matthew Henzi
- E. Members / Retirees - Ms. Billy Swazer was present at the meeting.

## ATTORNEY'S REPORT

### Attorney Report – General Matters:

#### Walter Moore - Benefit Appeal

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

*The Board moved to closed session at 11:01 a.m.*

*The Board returned from closed session at 11:43 p.m.*

### **RESOLUTION 17-31** *By Mayor Waterman, Supported by Storum*

*Resolved, to approve the Board move to a closed session to discuss an attorney client privileged opinion.*

*Yeas: 5 – Nays: 0*

**RESOLUTION 17-32** *By Storum, Supported by Nazarko*

*Resolved, to affirm the Trustee's prior decision made at its June 1, 2017 meeting that Mr. Moore is an eligible participant in the PF VEBA. Further, that his benefit appeal is denied.*

*Yeas: 5 – Nays: 0*

**UNFINISHED BUSINESS**

**NEW BUSINESS**

A. VEBA October 2017 Expenses

**RESOLUTION 17-33** *By Nazarko, Supported by Storum*

*Resolved, That the expenses for October 2017, be approved for payment.*

*Yeas: 5 – Nays: 0*

**CORRESPONDENCE**

**NEXT MEETING DATE:** October 26, 2017.

**ADJOURNMENT**

**RESOLUTION 17-34** *By Mayor Waterman, Supported by Storum*

*Further Resolved, That the meeting be adjourned at 11:52 a.m.*

*Yeas: 5 – 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 September 28, 2017.

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Nevrus Nazarko, Secretary  
*As recorded by BeneSys*