

TRUSTEES' OPEN MEETING MINUTES

PLACE: Claims Conference Room/Okemos, MI

DATE: February 12, 2020

TIME CALLED TO ORDER: 1:40 p.m.
OPEN SESSION ADJOURNED: 2:47 p.m.

MEMBERS PRESENT:

Trustees: Lee Anne Fontaine, Jerome K. Hooper, Jr., Mark Long

Assistant Attorney General: Brian Galin

Funds Staff: Rick Smith, Janice Remer, Allison Kelly and Deb Outwater

PRESIDING PERSON:

Emily McDonough, Funds Administrator

RESPECTFULLY SUBMITTED:

Deb Outwater, Executive Secretary

#	TOPIC	MOTIONS/SECOND/AMENDMENTS MEMORANDUMS/LETTERS	SUMMARY/RESULT
1	Open Minutes from August 19, 2019 Trustee Meeting	August 19, 2019 Open Meeting Minutes Motion by Mark Long to approve the open minutes of August 19, 2019 as written. Lee Anne Fontaine supported.	Unanimous approval. Minutes approved.
2	Financial statements	September 2019, October 2019, November 2019 Financial Statements	Emily stated going forward only the most current financial statements will be provided to limit the volume of documents for review. We are still working with LARA. There is a Memo of Understanding with LARA. LEO is working with us, but LARA staff are continuing with financial statements for the foreseeable future. No date known as of yet for transfer to LEO.
3	AAG.SAAG Litigation and Billing Reports	August, September, October 2018 and SAAG Billing Report 4 th Quarter 2019	Brian Galin indicated the file count is down to 260. For years the system was not quite accurate in

			reporting due to software reporting/classification issues. There are half as many cases as there were 10 years ago, and little to no Delphi cases. A Directive has come down from the AG not to use SAAGs going forward. SAAG John Heikkila will be retiring in December. Brian indicates there are sufficient AAGs to handle the caseload with attorneys who are workers compensation/funds knowledgeable.
4	High Profile Litigation Report		Brian Galin indicated there is nothing to report.
5	Redemption Report	August 15, 2019 – February 12, 2020 Report	Brian Galin indicated there are no significant updates to report. Settlements are coming smoothly. The AG Roundtable meetings have been helpful.
6	Delphi Update		Brian Galin explained there are only a handful of litigating cases left. There are a few pending redemption and a couple pending dismissals. We are close to the end.
7	Actuary Report Update		Emily indicated that the actuary report is finished and the final document is with OAG. Rick indicated the contract ended in January. Purchasing group at LEO is on notice regarding the contract bidding process for coming years. The original contract was 3 years then 2 option years. Probably to be a 5-year contract in the future.
8	OAG/SIF 2019 Audit Status		Emily stated we are audited every year. They are here now. The lead auditor is Katie who has been here for 5 years. She has been easy to work with. Things are going well. Things identified so far have been minor. Mark indicated that there have been no major changes in procedures so there shouldn't be any major issues.
9	City of Flint Assessment Return Status		Brian Galin stated a Release has been drafted and sent to the City. Recall, SISF overbilled City of Flint \$334,000. We have offered to return the

			money and have been bounced around as they claim they don't know who the money should go to. They have finally indicated a two-party check is acceptable, but we are still waiting for the signed Release. Mark asked if the Release was really necessary? Lee Anne asked if they were requesting interest. Brian indicated we have a contact name now, so we are getting closer to resolution. Discussion ensued regarding if we cut a check and they don't cash it.
10	Moved into Closed Session	Motion made by Mark Long to move the board meet in closed session under section 8e of the Open Meeting Act to consult with our attorney regarding trial or settlement strategy in connection with William Buchler (dec'd) v Thunder Bay Mfg. & SDDF, Robert Reed overpayment issue. Lee Anne Fontaine supported.	Unanimous approval. Moved into closed session at 2:12 p.m.
11	William Buchler (dec'd) v Thunder Bay Mfg. & SDDF	Motion by Lee Anne Fontaine to move forward on settlement of William Buchler (dec'd) v Thunder Bay Mfg. & SDDF as discussed in closed session. Supported by Jerome Hooper, Jr.	Unanimous approval.
12	Robert Reed Overpayment issue	Motion by Mark Long to proceed with the strategy regarding the Robert Reed overpayment issue as discussed in closed session. Jerome Hooper Jr. supported.	Unanimous approval
13	Approval of August 19, 2019 Closed Session Minutes	Motion by Lee Anne Fontaine to approve Closed Session minutes as written. Supported by Mark Long.	Unanimous approval.
14	Other Business: Mark Long's Status; New Chair of the Board		Mark Long indicated that as a result of the Governor choosing a new Director of the Agency, he has been moved to the Deputy Director position. Currently acting as Interim Director. It is expected the Director position will be filled very

			soon. Accordingly, he is resigning as Chair of the Board of Trustees effective today. Discussion ensued regarding duties and longevity. Lee Anne indicated a willingness to accept the position.
15	Election of Chair of Board of Trustees	Motion by Jerome Hooper, Jr. to nominate Lee Anne Fontaine as Chairperson. Supported by Mark Long.	Unanimous approval.
16	Next Meeting April 13, 2020 @ 9:00 a.m.		Brief discussion regarding the importance of conducting April's meeting because of assessments. Noted that Jerome's appointment is up at the end of April. Reminded to follow up on renewal paperwork.
17	Adjourn Session	Motion by Mark Long to adjourn the meeting. Lee Anne Fontaine supported.	Unanimous approval. Session adjourned at 2:47 p.m.

Lee Anne Fontaine, Trustee Chair

Date

Emily McDonough, Funds Administrator

Date