

## **CITY OF PONTIAC VEBA TRUST**

### **REQUEST FOR PROPOSAL**

#### **RE: INSURANCE AGENCY SERVICES – PROCURE FIDUCIARY LIABILITY POLICY**

#### **OVERVIEW**

The Trustees of the City of Pontiac VEBA Trust (the “VEBA Trust”) intends to secure a contract for insurance agency services. The purpose of this Request for Proposal (RFP) is to define the VEBA Trust’s minimum requirements and solicit proposals from which the VEBA Trust may evaluate such services.

#### **PLAN PROFILE**

The VEBA Trust is a newly created entity that will provide specific health insurance benefits for eligible retirees from the City of Pontiac. The Trust was executed in March 2020 and was created as a result of a historic settlement reached by the City of Pontiac and the City of Pontiac Retired Employees’ Association (CPREA). The terms of the settlement agreement are pending additional IRS approval. As a result of IRS approval, the City of Pontiac General Employees’ Retirement System and City of Pontiac Police & Fire Retiree Prefunded Group Health and Insurance Plan are expected to terminate March 31, 2021. The VEBA Trust is anticipated to receive assets on or around April 1, 2021. The Plan is estimated to provide benefits to in excess of 1,500 participants. The Trust will be funded by assets transferred from the City of Pontiac Police & Fire Retiree Prefunded Group Health and Insurance Plan (approximately \$43M) and excess funding from the City of Pontiac General Employees’ Retirement System (assets to be determined).

#### **SCOPE OF SERVICES**

Insurance agency services desired by the VEBA Trust include, but are not limited to, the following:

1. Obtaining quotes for fiduciary liability insurance for the Trustees of the VEBA Trust, making recommendations for appropriate coverage, and working as a liaison with the insurer in the event of a claim.

#### **FORMAT REQUIREMENTS FOR PROPOSAL**

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the proposal be organized in the following manner:

1. Title Page: Please indicate the RFP subject, the name of your organization, address, telephone number, name of account officer, name of contact person and date.
2. Table of Contents: Clearly identify the material by section and page number.

3. Letter of Transmittal: Limit to one or two pages.
  - (a) Briefly state your organization's understanding of the nature of the work.
  - (b) Give the names of the persons who will be authorized to make presentations for your organization, their titles, addresses, and telephone numbers.
4. Submission: The VEBA Trust requests that a total number of seven (7) complete sets of your proposal be submitted.

Proposals must be presented in a sealed envelope clearly marked as follows:

RFP: Insurance Agency Services – Procure Fiduciary Liability Policy  
Matthew I. Henzi  
AsherKelly, PLLC  
25800 Northwestern Hwy., Ste. 1100  
Southfield, MI 48075

One electronic copy should be forwarded to Matthew I. Henzi at [mhenzi@asherkellylaw.com](mailto:mhenzi@asherkellylaw.com).

Your response to this RFP must be received at the above address by 5:00 p.m. on January 15, 2021.

All inquiries about the RFP should be brought to the attention of Matthew Henzi at [mhenzi@asherkellylaw.com](mailto:mhenzi@asherkellylaw.com) or 248-746-2762.

## **REQUEST FOR PROPOSAL**

### **A. FIRM INFORMATION**

1. Name of your firm, address, telephone number, federal tax identification number, and primary contact (name, direct phone, e-mail) for the request for proposal.
2. How long has your firm been in business? What is the recent history of your firm?
3. Explain your organization's present ownership structure, including affiliates and subsidiaries.
4. Describe the number of your Firm's employees, offices, and locations. Please describe your Firm's workforce diversity practices and/or policies. Please provide the demographic information which identifies the diverse makeup of your workforce. Are any of your employees residents of the City of Pontiac or nearby communities?
5. Does your organization provide other services or engage in business aside from insurance agency services? If so, please describe such services and the

percentage of last year's revenues attributable to such services.

6. What is the number of full time employees in your firm? Provide a breakdown by classification.
7. Please submit biographical profiles of the individual(s) who will be assigned to this account. Where are these individuals located? Who will attend client meetings? Be specific as to experience (including duration and positions with your firm). Specifically, what multiemployer experience does each person have?
8. Provide a list of all your public sector benefit plan, retiree health care plan, and/or VEBA trust clients for whom you provide services.
9. Has your firm been involved in litigation within the last five years or does the firm have any pending litigation arising out of your performance? If so, explain fully.
10. Does your organization carry professional liability or any other insurance for wrongful acts/omissions? If so, please describe the insurer, type of insurance coverage, beneficiary of such coverage, limits of such coverage, and the deductible. Please produce a copy of the declaration page or other evidence of insurance coverage as requested above.
11. Please identify what insurers you work with to obtain fiduciary liability insurance for your clients.
12. Please describe what services you provide for insured-clients who are required to make a claim on the insurance policy you obtain for the client.
13. Describe your Firm's procurement in fiduciary liability insurance coverage for public sector employee benefit plans, retiree health care plans, and/or VEBA trusts.
14. Describe why the Trustees should hire your firm as its insurance agency.

**B. FEES AND CONTRACT**

1. Please provide a fee schedule for the services encompassed by this RFP, and otherwise explain in detail all compensation (direct and indirect) you receive for your services.
2. What other costs or expenses, if any, might the Funds incur with your firm?

**C. OTHER**

1. Please set forth other information which you deem important for the Trustees to consider.