



City of Detroit General Retiree Healthcare Trust

City of Detroit General Retiree Healthcare (RHC) Trust Meeting Minutes

Tuesday, December 15, 2020 Regular Meeting

Offices of *BeneSys, Inc.*

700 Tower Drive, Suite 300

Troy, MI 48098

12:00 pm at Office of BeneSys, Inc., Troy, MI via Conference Call

I. Call to order and Roll call

- A. A Regular meeting of the Trustees of the Detroit General RHC Trust was called to Order by Chairperson Tom Sheehan at 12:05 p.m.
- B. **Board Members present at roll call:** *Present via phone* - Chairperson Thomas Sheehan remotely from Royal Oak, MI; Trustee Chuck Gayney remotely from Detroit, MI; Trustee Shirley Lightsey remotely from Southfield, MI; Vice Chairperson Barbara Wise-Johnson remotely from Detroit, MI; Trustee Roger Cheek remotely from Detroit, MI; Trustee Floyd Allen remotely from Detroit, MI; Trustee Doris Ewing remotely from Miramar Beach, FL. As five (5) Trustees are required to make a quorum and seven (7) were present, Chairperson Sheehan declared a quorum and the meeting proceeded.
- C. **Others Present:** Aaron Castle (*Legal*), Violet Gjorgjevski and Jennifer Crosby (*BeneSys*)

II. Approval of Agenda

Motion was made by Trustee Ewing and seconded by Trustee Cheek to approve the agenda, as submitted. **Motion** passed unanimously.

III. Public Comment - None -

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed November 24, 2020 regular meeting minutes

Motion was made by Trustee Gayney and seconded by Trustee Lightsey to approve the minutes of the November 24, 2020 regular meeting. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Statement – November 2020

Motion was made by Trustee Lightsey and seconded by Trustee Cheek to approve and accept the Fifth Third Statement for November 2020. **Motion** passed unanimously.

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B. Wells Fargo Statement – October 2020

Motion was made by Trustee Lightsey and seconded by Trustee Gayney to approve and accept the Wells Fargo Statement for October 2020. **Motion** passed unanimously.

C. Financial Statements – October 2020

Motion was made by Trustee Cheek and seconded by Trustee Wise Johnson to approve and accept the Financial Statements for October 2020. **Motion** passed unanimously.

D. Bills for Approval

Invoices in the aggregate amount of \$754,383.24 were presented for payment from: BCBS Dental (\$91,977.98); BCBS MA (\$422,998.90); Blue Care Network (\$59,287.51); BeneSys (\$41,480.20); DENCAP (\$17,524.60); Golden Dental (\$22,362.13); Heritage Vision (\$21,542.55); Humana (\$13,221.05); Priority Health (\$1,045.44); Segal (\$48,430.00); VSP (\$14,512.88).

Motion was made by Trustee Wise Johnson and seconded by Trustee Gayney to approve and authorize payment of the invoices subject to availability of funds. **Motion** passed unanimously.

E. Fifth Third Bank Balances

Ms. Gjorgjevski provided balance amount from Fifth Third to ensure funds are available to submit invoices for payment and benefit payments to retirees.

VI. Administrative Reports

A. BeneSys Barometers through October 2020

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of October 2020. This report reflects the breakdown of eligible members by HRA, HAP, Blue Care Network, and Blue Cross Blue Shield Medicare Advantage, Humana and Priority Health and a total of all participants. The number of total eligible participants, as of October 2020, was 7,181, which is a decrease of 4 eligible participants from September 2020.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of October 2018 thru October 2020, was provided. This report shows an expense of \$7,900,919 at the end October 2020.

Investment Income by Month - A report showing the investment gain/loss for the months of October 2018 thru October 2020 was provided.

Fund Assets - A report showing the assets and equity of the Fund for months of October 2018 through October 2020 was provided for review. This report shows both assets and Fund equity have dropped slightly despite the rebound since the COVID-19 pandemic shut down in March 2020.

Benefit and Operating Costs by Month – A report showing the total benefit and

operating costs for the months of October 2018 through October 2020 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of October 2018 through October 31, 2020 was reviewed.

Motion was made by Trustee Wise Johnson and seconded by Trustee Ewing to accept the Barometers for October 2020. **Motion** passed unanimously.

B. Appeal 2769665672

Ms. Crosby presented an update for this Appeal to the Board. The Participant is requesting to receive the monthly HRA retroactively for their Healthcare Reimbursement Account from 2016 to present. At the last meeting it was determined that Legal would send a certified letter to member requesting answers to questions posed by the Board. The member submitted her reply to the questions posed by the Board which were presented at today's meeting. The Appeal was discussed at length.

Motion was made by Trustee Cheek and seconded by Trustee Lightsey to deny the Appeal for retroactive reimbursement for 2016, 2017, 2018 and 2019. A roll call vote was taken:

Allen – Yes

Cheek – Yes

Ewing – Yes

Gayney – NO for Plan Years 2016, 2017 and 2018 but YES for Plan Year 2019.

Lightsey – Yes

Sheehan – Yes

Wise Johnson - Yes

Motion passed.

VII. Financial Consultants

A. Monthly Performance Reports – November 30, 2020

The Monthly Performance Reports dated November 30, 2020 from NEPC were presented for the Board to review.

VIII. GRS Consulting - None

IX. Legal

A. Delta Dental Agreement

Mr. Castle presented the Delta Dental Agreement to the Board for review and approval.

Motion was made by Trustee Ewing and seconded by Trustee Wise Johnson to approve the 2021 Delta Dental contracts and authorize Chairman Sheehan to sign on the Boards behalf. **Motion** passed unanimously.

B. Post-2014 Retiree Dental & Vision Benefits

Mr. Castle updated the Board regarding his discussion with Trustee Allen. He informed the Board that he recommends they maintain the status quo regarding Post-2014 retirees' ability to enroll in this VEBA's dental and/or vision plan. Trustee Allen assured the Board that there was never the intention for the Post-2014 Board to have a cutoff date for eligibility with this VEBA. There will be no cutoff date.

C. Custodial Bank Fees

Mr. Castle informed the Board that Fifth Third Bank has voluntarily agreed to reduce its annual custody fees. In addition, Fifth Third has also agreed to waive any ancillary costs.

Motion was made by Trustee Gayney and seconded by Trustee Wise Johnson to approve the revised Fifth Third Fee Schedule and to authorize Chairman Sheehan to execute the revised schedule on the Boards behalf. **Motion** passed unanimously.

D. Electronic/Remote Meeting Procedures

Mr. Castle updated the Board that there are currently separate pieces of legislation pending in both chambers of the Michigan Legislature that would result in further amendments to the Michigan Open Meeting Act regarding the Board's ability to meet remotely in 2021. Pending the results of the amendments he will move forward with drafting any necessary amendments to the Board's Rules of Procedure.

X. New Business

A. Post-2014 Retiree Dental & Vision Enrollment

Ms. Gjorgjevski presented enrollment information for the Post-2014 VEBA's Dental and Vision Plans for 2021 to the Board for review.

XI. Unfinished Business

A. 2021 Waiver of Recourse Premium

Ms. Gjorgjevski informed the Board that she had emailed the Trustees with the details of the 2021 Waiver of Recourse Premiums so that they can submit payment.

B. Reporting for Call Back Feature

C. Pension Report – Eligibility Dates for Early Retirees

Trustee Wise Johnson reported that the Pension office does not retain eligibility dates in their database so they will have to produce the requested reports manually. The city updated Trustee Wise Johnson that they will have the report mid-January 2021.

A. Service Provider Review – BeneSys, Inc.

The Board would like to wait on additional discussion until they can meet in person again.

XI. Correspondence

BeneSys provided the following communication to The Board for review.

A. BCN Low Income Subsidy – November 2020

B. Blue Cross Covid-19 Cost-Sharing Waiver Extension

C. Humana Communications – November 2020

D. Humana Year End Announcements

E. BCBS Invite to Conversation about Covid-19 Vaccine

XII. Trustee Comment/Open Forum

XIII. Adjournment

There being no further business a **Motion** was made by Trustee Cheek and seconded by Trustee Lightsey to adjourn the meeting at 1:42 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate