



City of Detroit General Retiree Healthcare Trust

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

Tuesday, December 12, 2023, Regular Meeting

BeneSys, Inc., 700 Tower Drive, Troy, MI 48098

I. Call to order and Roll call

- A. A Regular meeting of the Board of Trustees of the Detroit General RHC Trust was called to Order by Chairperson Tom Sheehan at 1:00 p.m.
- B. **Board Members present at roll call:** Chairperson Thomas Sheehan; Trustee Roger Cheek; Trustee Barbara Wise-Johnson; Trustee Charles Gayney; Trustee Shirley Lightsey: As four (4) Trustees are required to make a quorum and five (5) were present, Chairperson Sheehan declared a quorum and the meeting proceeded. Trustee Dion Stevens arrived at 1:04 p.m.
- C. **Others Present:** Floyd Allen joined at 1:14 p.m. (*Trustee via Teams*); Francis Judd (*Legal Counsel in person*); Violet Gjorgjevski and Jennifer Crosby (*BeneSys in person*).

II. Approval of Agenda

Motion was made by Trustee Gayney and seconded by Trustee Cheek to approve the agenda. **Motion** passed unanimously.

III. Public Comment – None

IV. Regular Agenda

A. Approval of the November 28, 2023, Meeting Minutes

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to approve the meeting minutes for November 28, 2023, as presented. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Statement – November 2023

Motion was made by Trustee Cheek and seconded by Trustee Gayney to approve and accept the Fifth Third Statement for November 2023. **Motion** passed unanimously.

B. Principal Statement – October 2023

Motion was made by Trustee Gayney and seconded by Trustee Wise-Johnson to approve and accept the Principal Statement for October 2023. **Motion** passed unanimously.

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D. Bills for Approval

Invoices in the aggregate amount of \$604,125.74 were presented for payment from: BCBS Dental (\$82,585.44); BCBS MA (\$223,756.30); BCN (\$33,506.74); BeneSys (\$33,974.11); Delta Dental (\$47,009.79); DENCAP (\$15,339.20); GRS (\$48,900.00); HAP (\$88,462.57); Heritage Vision (\$18,714.86); Humana (\$10,029.69); Priority Health (\$1,847.04).

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

It was noted that GRS had a rate increase of 8% which seems high. Mr. Judd will look into this further and negotiate a more reasonable rate in the future.

D. Fifth Third Bank Balance

Ms. Gjorgjevski provided the current cash balance from Fifth Third.

VI. Administrative Reports - None

VII. Financial Consultant – None

VIII. Legal Report

Mr. Judd updated the Board regarding PA 214 of 2023 which will become effective on February 13, 2024. As of its effective date, PA 214 permits public employee retirement and retiree healthcare boards to hold a public meeting electronically under any circumstances. A physical meeting place is not required for an electronic meeting held in accordance with PA 214, and members of the board and public participating electronically are to be considered present and in attendance at the meeting for all purposes (i.e., quorum, voting, etc.). However, retirement and retiree healthcare boards that are eligible to meet remotely under PA 214 are required to adopt and publish an attendance policy that includes the Board's method for determination of a quorum with one (1) or more board members attending remotely. A sample policy was provided for review and the Board's consideration.

He also informed the Board that there has been no update regarding the DOL VEBA Grant program.

IX. New Business

A. Duty Disability Member Count

Ms. Crosby provided the Board with a list of members who are currently on Duty Disability and receiving a higher HRA as a result. The Board asked that a few of the Bargaining Unit's to make sure they should be a part of this VEBA. Ms. Crosby will investigate this and report back.

X. Unfinished Business

A. Public Committee Meeting Notice 2024 Draft

Ms. Crosby provided a draft of the Public Committee Meeting Notice for 2024.

B. Public Board Meeting Notice 2024 Draft

Ms. Crosby provided a draft of the Public Board Meeting Notice for 2024.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve the Public Committee Meeting Notice and Public Board Meeting Notice for 2024 as presented. **Motion** passed unanimously.

C. Waiver of Recourse

Ms. Crosby reminded the Board that Waiver of Recourse payments are due for their Fiduciary Liability Policy.

D. Eligibility of Surviving Spouse Not Receiving a Pension

Mr. Judd provided the Board with his analysis of the eligibility requirements for a surviving spouse of a retiree, who elected a Straight Life option, to participate in the Health Care Plan for General Retirees of the City of Detroit. His conclusion was that, as a general rule, so long as the Retiree in question was eligible for benefits on or before December 31, 2014, and the Spouse in question was the Retiree's eligible Spouse at the time of retirement, then the Spouse would continue to qualify for benefits under the VEBA after the death of the Retiree regardless of the Retiree's form of benefit.

Extensive discussion took place.

Motion was made by Trustee Gayney and seconded by Trustee Stevens to accept the analysis and conclusion as provided by Mr. Judd for eligibility of Surviving Spouses of a retiree who elected a Straight Life option effective January 1, 2024. **Motion** passed. Trustee Wise-Johnson voted no.

E. City of Detroit Vendor Contract Review

Mr. Judd stated that he reviewed and is satisfied with all the current vendor contracts.

F. Acadian International – Redemption Clarification

Per the Board's request, Ms. Crosby provided communication from Alexandra Sollers with NEPC regarding the redemption confirmation received from Acadian International. This is confirmation that the manager fee is being paid via unit redemption.

G. GRS Supplemental Report

Per the Board's request, Ms. Crosby provided the supplemental reports for review and consideration.

H. Service Provider Review – BeneSys, Inc.

This item is on hold.

XI. Correspondence

- A. BeneSys DOL Cyber Security Program Response Q4 2024**
- B. DENCAP DentalWorks Communication**
- C. Humana Maximize Your Benefits 2024**

XII. Trustee Comment/Open Forum

The Board cancelled the January 9, 2024, Committee of the Whole Meeting.

XIII. Adjournment

There being no further business a **Motion** was made by Trustee Stevens and seconded by Trustee Gayney to adjourn the meeting at 2:02 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate