



City of Detroit General Retiree Healthcare Trust

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

Tuesday, March 12, 2019 Regular Meeting

Offices of *The Allen Law Group*

3011 West Grand Blvd., 25th Floor

Detroit, MI 48203

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 Thomas Sheehan at 1:02 p.m.
- B. **Board Members present at roll call:** *Present* - Chairperson Thomas Sheehan; Trustee Chuck Gayney; Trustee Shirley Lightsey; Vice Chairperson Barbara Wise-Johnson; Trustee Doris Ewing (via phone); Trustee Floyd Allen (excused); Trustee Roger Cheek; As five (5) Trustees are required to make a quorum and six (6) were present, Chairperson Sheehan declared a quorum and the meeting proceeded in regular order.
- C. **Others Present:** Aaron Castle (*General Counsel – VanOverbeke, Michaud, & Timmony, PC*); Samarah Murray and Violet Gjorgjevski (*BeneSys*).

II. Approval of Agenda

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

III. Public Comment - None -

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed February 15, 2019 regular meeting minutes

Motion was made by Trustee Cheek and seconded by Trustee Gayney to approve the minutes of the February 15, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

B. Proposed February 26, 2019 regular meeting minutes

Motion was made by Trustee Cheek and seconded by Trustee Gayney to approve the minutes of the February 26, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

A. Wells Fargo Trust Statement – January 2019

January 2019 Trust Statement for Wells Fargo was provided and reviewed.

B. Fifth Third Trust Statement – February 2019

January 2019 Trust Statement for Fifth Third was provided and reviewed.

C. December 2018 Financials

Assets

The December 2018 Financials were provided. The total unaudited fund equity as of December 31, 2018 was \$198,361,421.

Income and Expenses

The Income and Expenses report for December 2018 were provided. There was a net fund increase as of December 31, 2018 of \$298,096.

Motion was made by Trustee Gayney and seconded by Trustee Cheek to accept the report as provided. **Motion** passed unanimously.

D. Bills for Approval

Invoices in the aggregate amount of \$1,029,713.56 were presented for payment from: BCBS Dental (\$91,262.74); BCBS MA (\$458,521.85); Blue Care Network (\$73,507.53); BeneSys (\$44,678.44); Delta Dental (\$52,225.95); DENCAP (\$20,393.70); Golden Dental (\$21,688.52); GRS (\$65.00); HAP (\$219,664.80); Humana (\$9,495.85); Heritage Vision (\$22,442.48); Priority Health (\$640.60); VSP (\$15,126.10).

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

VI. Administrative Reports

A. BeneSys Barometers through December 2018

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of December 2018. This report reflects the breakdown of eligible members by HRA, HAP, Blue Care Network, and Blue Cross Blue Shield Medicare Advantage, and a total of all participants. The number of total eligible participants, as of December 2018, was 7,691, which is a decrease of 205 eligible participants since the beginning of the Plan Year.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of December 2017 thru December 2018, was provided. This report shows a loss of \$8,750,877.00 in the current Plan Year as of December 31, 2018.

Investment Income by Month - A report showing the investment gain/loss for the months of December 2017 thru December 2018 was provided.

Fund Assets - A report showing the assets and equity of the Fund for months of January 2016 through December 2018 was provided for review. This report shows both assets and Fund equity remain steady.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of January 2016 through December 2018 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of January 2016 through December 30, 2018 was reviewed.

VII. Financial Consultants

VIII. Legal

PLAN ADMINISTRATION & BENEFITS RELATED MATTERS

A. BCBS / BCN Contract Renewal

Attorney Castle reached out to BCBS/BCN regarding the contract and was informed that it is with the Blues' legal counsel for execution.

INVESTMENT RELATED MATTERS

A. NEPC Consulting Agreement

Attorney Castle reviewed the NEPC contract with the Board, there are additional questions, concerns and clarification regarding NEPC's approved managers and Focused Placement List. Attorney Castle to will reach out to NEPC and provide a revised contract.

B. Investment Consultant RFP

Attorney Castle provided a summary of the Investment Consultant RFP's, he briefly reviewed with the Trustees. The Summary will be added to the agenda for the next meeting on Tuesday March 26th for discussion.

IX. Correspondence

A. Blue Care Network Low Income Subsidy Report

February 2019 Blue Care Network Low Income Subsidy Report was presented.

B. Delta Dental Commission January 2019

January 2019 Delta Dental Commission was presented.

C. HAP Reference Request

BeneSys received a request to use the City of Detroit General Retiree Healthcare Trust as a reference. Discussion ensued and the Trustees would prefer not to be used a reference.

X. Unfinished Business

A. BeneSys Performance Standards and Guarantees

No new updates at this time Mr. Chris Crowley will be attending the next meeting to review.

B. Duplicate Pension Deductions Follow up

BeneSys discussed that they have reviewed files and do not see where duplicate deductions are being made, invoices have been reviewed for double charges for those who are receiving duplicate deductions, none have been found. BeneSys will continue to research as well as Trustee Wise-Johnson to review with City of Detroit Pension Department.

C. Yearly 1099's

BeneSys received correspondence from Fifth Third that states they will be producing and mailing 1099's going forward in a timely manner. Trustees would like to add that this will be done timely going forward as well.

XII. New Business

BeneSys reached out to GRS to confirm that Mr. Ken Alberts will be able to join one of the meeting in March to get started on the 2020 benefits. Mr. Ken Alberts will attend the meeting on Tuesday March 26, 2019.

XIII. Trustee Comment/Open Forum

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Gayney and seconded by Trustee Cheek to adjourn the meeting at 1:45 p.m. **Motion** passed unanimously.

Respectfully submitted,

Violet Gjorgjevski, Plan Associate