



City of Detroit General Retiree Healthcare Trust

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

Tuesday, July 09, 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 Tom Sheehan at 1:12 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; Trustee Floyd Allen; Trustee Roger Cheek; 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*), Duane Menter, Dean Carlson and Violet Gjorgjevski (*BeneSys*),

II. Approval of Agenda

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

III. Public Comment - None -

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed June 11, 2019 regular meeting minutes

Motion was made by Trustee Allen and seconded by Trustee Gayney to approve the minutes of the June 11, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

A. Wells Fargo Trust Statement - May 2019

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

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B. Fifth Third Trust Statement - June 2019

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

Motion was made by Trustee Wise-Johnson and seconded by Trustee Ewing to accept the Wells Fargo and Fifth Third statements as provided. **Motion** passed unanimously.

C. April 2019 Financials

Assets

The April 2019 Financials were provided. The total unaudited fund equity as of April 30, 2019 was \$201,198,112.

Income and Expenses

The Income and Expenses report for April 2019 was provided. There was a net fund increase as of April 30, 2019 of \$1,048,621.

D. Bills for Approval

Invoices in the aggregate amount of \$1,535,078.49 were presented for payment from: American Graphics Printing (\$108.12); BeneSys (\$80,762.13); BCBS Dental (\$87,908.31); BCBSMA (\$908,735.80); Blue Care Network (\$70,314.18); Delta Dental (\$50,950.42); DENCAP (\$18,911.60); Golden Dental (\$23,815.04); HAP (\$215,473.95); Heritage Vision (\$22,116.13); HUMANA (\$8,661.05); NEPC (\$25,000.00); Plante Moran (\$6,670.00); Priority Health (\$640.60); VSP (\$15,011.16).

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

VI. Administrative Reports

A. BeneSys Barometers through April 2019

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of April 2019. 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 April 2019, was 7,602, which is a decrease of 45 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 April 2018 thru April 2019, was provided. This report shows a loss of \$4,394,669 in the current Plan Year as of April 30, 2019.

Investment Income by Month - A report showing the investment gain/loss for the months of April 2018 thru April 2019 was provided.

Fund Assets - A report showing the assets and equity of the Fund for months of April 2018 through April 2019 was provided for review. This report shows both assets and Fund equity have a slight increase.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of April 2018 through April 2019 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of April 2018 through April 31, 2019 was reviewed.

VII. Financial Consultants - None -

VIII. GRS Consulting - None -

IX. Legal - None -

X. New Business

A. Garcia Hamilton Contract

Attorney Castle presented and reviewed the Garcia Hamilton Contract. He has recommended the contact be approved and signed.

Motion was made by Trustee Gayney and seconded by Trustee Cheek to approve and sign the contract as recommended by Legal. **Motion** passed unanimously.

B. Plante Moran

Attorney Castle was advised to review the extra work that has been completed by Plante Moran for the additional charges made on the invoice. He is also to follow up with BeneSys and to provide a Client/Attorney Privileged and Confidential Report.

In addition, BeneSys is to follow up on the Final Audit, hard copies have not been received.

XI. Unfinished Business

A. Duplicate Pension Deductions

BeneSys continues to research and will provide results once complete.

B. BCN MA Contract

Attorney Castle provided a copy of the Blue Care Network Contract, he has reviewed the contract and it is consistent with the approved and signed Blue Cross Blue Shield contract. He is recommending the approval of the BCN MA Contract.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Allen to approve and sign the contract as recommended by Legal. **Motion** passed unanimously.

C. Appeal 2710889213

Ms. Gjorgjevski informed the Board that she reached out to the member regarding their appeal, the member advised that they would like to compose a new Level 2 appeal letter to be presented to the Board. A courtesy letter to be sent to the member indicating they have 60 days from the date of the Level 1 denial to complete a Level 2 appeal.

BeneSys to gather additional information to provide the Board prior to the receipt of the Level 2 appeal.

D. Performance Guarantee

Trustee Gayney inquired about updated reports. BeneSys to provide at the next meeting.

XII. Correspondence

A. Arena Capital Month-Account Statement

Arena Capital provided a Capital Account Statement as of May 31, 2019.

B. Arena Capital Month End Performance - June 2019

Arena Capital provided a preliminary gross performance as of June 30, 2019.

C. GRS Team Transition

GRS sent a correspondence with some staffing changes and who our contacts will be with these changes.

XIII. Trustee Comment/Open Forum

Trustee Gayney asked for confirmation from BeneSys that they will be reaching out to HAP, Humana and Priority Health for 2020 rates. BeneSys confirmed they are working on it and will follow up with any rate information as it is received.

Trustee Lightsey inquired about Supplemental Plans to be offered for 2020. Chairperson Sheehan instructed BeneSys to reach out to the Benefit Consultant to follow up on the request.

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Lightsey and seconded by Trustee Allen to adjourn the meeting at 1:51 p.m. **Motion** passed unanimously.

Respectfully submitted,

Violet Gjorgjevski, Plan Associate