



City of Detroit General Retiree Healthcare Trust

City of Detroit General Retiree Healthcare (RHC) Trust Meeting Minutes
Tuesday, January 22, 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 1:03 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; 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 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 Allen and seconded by Trustee Gayney to approve the agenda, as submitted. **Motion** passed unanimously.

III. Public Comment

A. Mariann Frazier – SilverSneakers Program

Ms. Frazier was present to express her interest in the SilverSneakers Program which is not offered through the Blue Care Network available by the VEBA. The Trustees thanked Ms. Frazier for coming in and expressing her concern. They advised her that currently the only carrier that offers the SilverSneakers Program is Humana but will review all the carriers when it is time to renew.

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed January 08, 2019 regular meeting minutes

Motion was made by Trustee Ganey and seconded by Trustee Allen to approve the minutes of the January 08, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

A. Wells Fargo Trust Statement – December 2018

December 2018 Trust Statement for Wells Fargo was provided and reviewed.

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

B. November 2018 Financials

Assets

The November 2018 Financials were provided. The total unaudited fund equity as of November 30, 2018 was \$198,063,325.

Income and Expenses

The Income and Expenses report for November 2018 were provided. There was a net fund increase as of November 30, 2018 of \$1,968,733.

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

C. Bills for Approval

Invoices in the aggregate amount of \$49,972.12 were presented for payment from: American Graphics (\$332.84); GRS (\$125.00); Heritage Vision (\$23,561.04); Priority Health (\$640.60); VanOverbeke Michaud & Timmony (\$10,148.00); VSP (\$15,164.64).

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

VI. Administrative Reports

A. BeneSys Barometers through November 2018

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of November 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 November 2018, was 7,691, which is a decrease of 249 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 November 2017 thru November 2018, was provided. This report shows a loss of \$7,285,835.00 in the current Plan Year as of November 30, 2018.

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

Fund Assets - A report showing the assets and equity of the Fund for months of January 2016 through November 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 November 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 November 30, 2018 was reviewed.

VII. Financial Consultants

A. NEPC

Performance Update – December 2018

Mr. Kenney provided the December 2018 Performance Update for review.

VIII. Legal - No formal Report

Attorney Castle provided an update on the RFP for Investment Consulting Services. He noted that the RFP's were sent out and all recipients have confirmed receipt.

In addition, he also followed up on the BCBS Contracts; he has received proposed revisions however there remains one concern to be resolved. A conference call has been scheduled to discuss with the BCBS legal to resolve the concern.

IX. Correspondence

A. Blue Cross Blue Shield Laptop Incident

BeneSys has sent a request to BCBS to provide a list of affected members. BeneSys will provide follow as it is received.

B. Humana Performance Guarantees

BeneSys provided communication received from Humana regarding Performance Guarantees, it states that the group fell short on membership and therefore will not be able to offer financial guarantees or reporting on those metrics. There was discussion that GRS was going to address a no minimum requirement with all carriers.

~ Trustee Allen excused @ 1:43 p.m. ~

X. Unfinished Business

A. BeneSys Performance Standards and Guarantees

Ms. Murray provided follow up to additional questions from Mr. Crowley's discussion. Mr. Crowley instituted a weekly communication with the staff which details the age of the claims in the queue, this has helped prevent claims from slipping over 10 days.

B. Duplicate Pension Deductions Follow Up

BeneSys is working on investigating these duplicate deductions.

C. NEPC Contract

Attorney Castle discussed the NEPC Contract, he stated that he has received and reviewed it and will recirculate to the Board with his mark ups.

XI. New Business

XII. Trustee Comment/Open Forum

XIII. Adjournment

There being no further business a **Motion** was made by Trustee Gayney and seconded by Trustee Lightsey to adjourn the meeting at 2:06 p.m. **Motion** passed unanimously.

Respectfully submitted,

Violet Gjorgjevski, Plan Associate