



City of Detroit General Retiree Healthcare Trust

City of Detroit General Retiree Healthcare (RHC) Trust Meeting Minutes
Tuesday, March 26, 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 1:00 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.
- C. **Others Present:** Aaron Castle (*Legal*), and Samarah Murray (*BeneSys*).

II. Approval of Agenda

- A. **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

Motion was made by Trustee Cheek and seconded by Trustee Gayney to approve the minutes of the March 12, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

A. Bills for Approval

Invoices in the aggregate amount of \$995,654.36 were presented for payment from: BCBS Dental (\$91,070.40); BCBS MA (\$462,031.24); Blue Care Network (\$72,221.43); Delta Dental – High Plan (\$26,963.24); Delta Dental – Low Plan (\$25,574.81); DENCAP (\$19,116.20); Fifth Third Bank 8-1-18 to 10-31-18 (\$6,000.00); Fifth Third Bank 11-1-18 to 1-31-19 (\$6,000.00) Golden Dental (\$23,762.60); HAP (\$218,481.66); Humana (\$9,287.15); NEPC 10-1-18 to 12-31-18 (\$34,505.03); Priority Health (\$640.60).

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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 – None -

VII. Financial Consultants

- A. February 2019 Performance Report
- B. NEPC Manager Coverage and Approved Investments

The Board acknowledged receipt of the foregoing materials from NEPC.

VIII. GRS Consultant

Ken Alberts and Zari Gano were in attendance and updated the Board on the VEBA's long-term financial outlook after factoring in the recent sale of B-Notes under the City's tender offer. The Board discussed baseline assumptions and alternative projections to be included in the VEBA's annual actuarial valuation. Mr. Alberts indicated that GRS was still collecting data and that the valuation would probably take approximately 6 weeks to complete once all the data was received.

IX. Legal

A. NEPC Consulting Agreement

Attorney Castle presented the revised contract for NEPC to the Board of Trustees. Mr. Castle also presented to the Board the Certificate of Authority that required a signature from the Chair.

B. Blue Cross Blue Shield Michigan January 2019

BCBSM Medicare Group Enrollment and Coverage Agreement – was previously approved by the Board, and the Chair was required to sign. The Board requested Mr. Castle to get a Blue Care Network – BCN Medicare Advantage Agreement.

C. Investment Consultant RFP

Attorney Castle provided a summary of the Investment Consultant RFP's, he briefly reviewed with the Trustees. Discussion ensued amongst the Trustees regarding the RFP responses.

Motion was made by Trustee Allen and seconded by Trustee Lightsey to continue with NEPC as the Board's Investment Consultant. **Motion** passed 6-1, Gayney opposed.

X. Correspondence

- A. Fifth Third Client Disclosures and Consent form – Reviewed by Board
- B. Humana Rx Correction Letter – Reviewed by Board
- C. Humana Upcoming Programs Mailing – Reviewed by Board

XI. Unfinished Business

A. Yearly 1099's

Fifth Third drafted a letter to show that going forward the Board's 1099's will be processed timely.

B. BeneSys Performance Standards and Guarantees

Mr. Chris Crowley presented the first quarter Audit results to the Board. Explaining that the Audit details are focused on turnaround time, and measuring (3) Key areas: Procedure, Payment, and Financial data. Trustee Gayney asked Mr. Crowley to provide some additional information with the Board regarding the two questions asked by Trustee Chuck Gayney, during the BOT meeting on January 8, 2019, at the next BOT meeting scheduled on April 9, 2019.

C. Duplicate Pension Deductions Follow up

Trustee Wise-Johnson provided an update to the Board regarding the duplicate pension deductions, she reviewed with City of Detroit Pension Department. Trustee Wise-Johnson noted that she spoke to a Pension representative and reviewed the file that is being sent over from BeneSys regarding the participants who have duplicate pension deductions. Trustee Wise-Jonson confirmed, that she's verified that these participants are listed twice on the file. The Board will need to make a final decision on how they plan on making these participants whole, who have had duplicate pension deductions.

XII. New Business

XIII. Trustee Comment/Open Forum

XIV. XIV. Adjournment

- A. There being no further business a **Motion** was made by Trustee Gayney and seconded by Trustee Cheek to adjourn the meeting at 2:45 p.m. **Motion** passed unanimously.

Respectfully submitted,

Samarah Murray, Plan Manager