



City of Detroit General Retiree Healthcare Trust

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

Tuesday, April 23, 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 (absent); Trustee Floyd Allen (absent); Trustee Roger Cheek; As five (5) Trustees are required to make a quorum and five (5) were present, Chairperson Sheehan declared a quorum and the meeting proceeded.
- C. **Others Present:** Aaron Castle (*Legal*), Samarah Murray and Violet Gjorgjevski (*BeneSys*).

II. Approval of Agenda

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

III. Public Comment - None -

IV. Regular Meeting Agenda

Motion was made by Trustee Lightsey and seconded by Trustee Wise-Johnson to approve the minutes of the March 23, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

A. Wells Fargo Trust Statement – February and March 2019

February and March 2019 Trust Statements for Wells Fargo were provided and reviewed.

B. Fifth Third Trust Statement – March 2019

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

C. January and February 2019 Financials

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Assets

The January and February 2019 Financials were provided. The total unaudited fund equity as of February 28, 2019 was \$199,511,266.

Income and Expenses

The Income and Expenses report for January and February 2019 were provided. There was a net fund decrease as of February 28, 2019 of \$284,432.

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

D. Bills for Approval

Invoices in the aggregate amount of \$1,034,206.33 were presented for payment from: BeneSys (\$45,825.11); BCBS Dental (\$89,684.53); BCBS MA (\$457,041.96); Blue Care Network (\$71,848.74); Delta Dental (\$51,724.80); DENCAP (\$19,049.10); Golden Dental (\$24,107.91); HAP (\$217,135.55); Heritage Vision (\$22,327.22); Plante Moran (\$7,500.00); VanOverbeke Michaud & Timmony (\$12,878.50); VSP (\$15,082.90).

Motion was made by Trustee Lightsey 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 February 2019

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of February 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 February 2019, was 7,619, which is a decrease of 28 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 February 2018 thru February 2019, was provided. This report shows a loss of \$1,714,198.00 in the current Plan Year as of February 28, 2019.

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

Fund Assets - A report showing the assets and equity of the Fund for months of February 2017 through February 2019 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 February 2017 through February 2019 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of February 2017 through February 28, 2019 was reviewed.

VII. Financial Consultants

A. NEPC 1st Amended & Restated Investment Consulting Service Agreement

An executed copy of the NEPC 1st Amended & Restate Investment Consulting Service Agreement was presented.

VIII. GRS Consultant – None -

IX. Legal

A. BCBS/BCN Contract Renewal

Attorney Castle advised the Board that he has reached out to Blue Care Network with edits to the Agreement provided to him, these edits are consistent with the changes that were made to the BCBSM Agreement.

B. Arena Capital

Attorney Castle confirmed that the subscription documentation was submitted to Arena Capital as well as the executed side letter agreement for Arena Capital.

X. Correspondence

A. Blue Care Network Low Income Subsidy Report

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

XI. Unfinished Business

A. BeneSys Performance Standards and Guarantees

Chris Crowley provided additional follow up information requested at a previous meeting.

B. Duplicate Pension Deductions Follow up

Trustee Wise-Johnson provided an update to the Board regarding the duplicate pension deductions, she was advised that she should have a final report by the end of the following week. Once she has received the report, she will provide an update to the Board.

XII. New Business

A. Medicare Age in Cover Letter Draft – 2020

A revised copy of the Medicare Age in Cover Letter that is sent to VEBA retirees 90 days prior to their 65th Birthday acknowledging their ability to enroll through the VEBA. The revisions include removal of duplication of language and more user friendly.

XIII. Trustee Comment/Open Forum

Chairman Sheehan was following up on the December 31, 2018 audit. The Board requested that the Auditors be present to review the audit once complete.

Motion was made by Trustee Gayney and seconded by Trustee Lightsey to approve the Board move to a closed session to discuss attorney-client privileged communication from General Counsel~~matter~~. A roll call vote was taken by Ms. Gjorgjevski. Motion passed unanimously.

The Board moved to closed session at 1:28 p.m.

The Board returned from closed session at 1:37 p.m.

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Gayney and seconded by Trustee Lightsey to adjourn the meeting at 1:40 p.m. **Motion** passed unanimously.

Respectfully submitted,

Violet Gjorgjevski, Plan Associate