



City of Detroit General Retiree Healthcare Trust

City of Detroit General Retiree Healthcare (RHC) Trust Meeting Minutes
Tuesday, August 13, 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 1:01 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 Roger Cheek; Trustee Doris Ewing; Trustee Floyd Allen. 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*), Darris Garoufalis, Dean Carlson and Violet Gjorgjevski (*BeneSys*), Ken Alberts and Jim Pranschke (*GRS*).

II. Approval of Agenda

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

III. Public Comment - None -

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed July 23, 2019 regular meeting minutes

Motion was made by Trustee Gayney and seconded by Trustee Ewing to approve the minutes of the July 23, 2019 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

A. Bills for Approval

Invoices in the aggregate amount of \$153,746.48 were presented for payment from: BeneSys (\$43,193.36); Delta Dental (\$50,947.29); Heritage Vision (\$22,058.80);

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Segal Bryant & Hamill (\$13,217.58); VanOverbeke Michaud & Timmony (\$5,955.50); VSP (\$14,920.20); Wells Fargo (\$3,453.75).

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

VI. Administrative Reports - None -

VII. Financial Consultants - None -

VIII. GRS Consulting

A. December 31, 2018 Actuarial Valuation Report

Mr. Ken Alberts was present to discuss the findings of the actuarial valuation for year-end December 31, 2018. He provided detail for cash flow projections for the 2020 Plan Year. Mr. Alberts was asked to make minor adjustments and provide a final draft.

Mr. Jim Pranschke was also present to discuss the 2020 renewal rates he received for the Open Enrollment.

IX. Legal

1. Plan Administration & Benefit Related Matters

A. Michigan Insurance Assessment Tax

Attorney Castle reviewed the Michigan Insurance Assessment Tax and found that effective October 1, 2018 the State of Michigan assessment tax was terminated. He advised the Board he will review the VEBA's agreements to ensure the VEBA receive any refunds it may be entitled to due to the change.

X. New Business

A. Plante Moran - 2018 Audit

BeneSys provided a final copy of the 2018 Audit that was provided by Plante Moran

Motion was made by Trustee Allen and seconded by Trustee Ewing to accept the 2018 Audit as presented. **Motion** passed unanimously.

XI. Unfinished Business

A. Appeal 2710889213 – Level 2

BeneSys provided a Level 2 appeal for # 2710889213. The Board reviewed the information provided.

Motion was made by Trustee Gayney and seconded by Trustee Allen to approve payment of

the 2017 HRA claims and to deny payment of 2015 and 2016 HRA claims. **Motion** passed 5 aye and 2 nay, Trustee Cheek and Trustee Ewing opposed.

After further discussion and additional information requested, a **Motion** was made to rescind the prior Motion and table the matter until the Board's next meeting on Tuesday August 27, 2019.

Motion was made by Trustee Gayney and seconded by Trustee Allen to rescind the prior **Motion** and to table Agenda item XI.A.. **Motion** passed unanimously.

B. 2020Renewals

BeneSys provided renewal rates for the 2020 Plan Year for all current Medical, Dental and Vision Vendors.

Motion was made by Trustee Allen and seconded by Trustee Wise-Johnson to accept the 2020 Medical Vendor renewal rates as presented subject to confirmation of the Health Insurer Fee. **Motion** passed unanimously.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to accept the 2020 Dental and Vision Vendor renewal rates as presented. **Motion** passed unanimously.

C. Audit Adjustments

BeneSys provided information regarding the 2018 Audit Adjustments as provided by Plante Moran for the BeneSys Accounting department to make prior to the end of 2019.

D. Supplemental Plan Inquires

Mr. Carlson provided additional information from his inquires for supplemental plans as requested. He found that they supplemental plans that could be offered would be more expensive than any of the Medical Advantage Plans that the VEBA currently offers.

E. Duplicate Pension Deductions

BeneSys was asked to provide a list of members who were refunded for double deductions, how much they were refunded and when they were refunded. BeneSys continues to further research and will provide a list as it is completed. Trustee Wise-Johnson recommended reaching out to the contact at the City Pension department.

F. Performance Guarantee

Mr. Garoufalis discussed the Performance Guarantee. He will further discuss with Legal and provide information as it becomes available.

XII. Correspondence

A. BCBS Network Update

BCBSM provided communication following up on the Anesthesia Associates of Ann Arbor electing to leave the BCBS network, they have advised that it has been worked out and an agreement has been reached for those providers to return to the networks.

B. Arena Capital Month-End Performance - July 2019

Arena Capital provided a Month-End Performance statement as of July 2019.

XIII. Trustee Comment/Open Forum

Mr. Castle asked the Board to enter into closed session to discuss an attorney client privileged communication. **Motion** was made by Trustee Gayney and seconded by Trustee Wise-Johnson to approve the Board move to a closed session to discuss attorney-client privileged communication from General Counsel. A roll call vote was taken by Ms. Gjorgjevski. Motion passed unanimously.

The Board moved to closed session at 2:39 p.m.

The Board returned from closed session at 2:44 p.m.

XIV. Adjournment

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

Respectfully submitted,

Violet Gjorgjevski, Plan Associate