



City of Detroit General Retiree Healthcare Trust

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

Tuesday, May 12, 2020 Regular Meeting

Offices of *BeneSys, Inc.*

700 Tower Drive, Suite 300

Troy, MI 48098

2:00 pm at Office of BeneSys, Inc., Troy, MI via Conference Call in Compliance with Executive Order 2020-4

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 2:05 p.m.
- B. **Board Members present at roll call:** *Present via phone* - 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:** Paul Kenney and Brendan Heaney (*NEPC*); Michelle Watterworth and Spencer Tawa (*Plante Moran*); Aaron Castle (*Legal*), Violet Gjorgjevski, Dean Carlson and Jennifer Crosby (*BeneSys*)

II. Approval of Agenda

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 April 28, 2020 regular meeting minutes

Motion was made by Trustee Wise-Johnson and seconded by Trustee Lightsey to approve the minutes of the April 28, 2020 regular meeting. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Trust Statement – April 2020

April 2020 Trust Statement for Fifth Third was provided and reviewed.
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Motion was made by Trustee Ewing and seconded by Trustee Wise-Johnson to accept the Fifth Third statement as provided. **Motion** passed unanimously.

B. Arena Capital Account Statement – March 2020

March 2020 Account Statement for Arena Capital was received and reviewed.

E. Bills for Approval

Invoices in the aggregate amount of \$389,325.17 were presented for payment from: BCBS Dental (\$94,454.48); BeneSys (\$39,393.03); Delta Dental (\$53,839.57); HAP (\$160,544.65); Heritage Vision (\$22,519.89); Humana (\$12,563.55); Plante Moran (\$6,010.00).

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

F. Fifth Third Bank Balances

Ms. Gjorgjevski provided balance amount from Fifth Third to ensure funds are available to submit invoices for payment and benefit payments to retirees.

VI. Administrative Reports

VII. Financial Consultants

A. NEPC – Follow Up from 04-28-2020 Meeting

Motion was made by Trustee Ewing and seconded by Trustee Gayney to accept recommendation from NEPC to update the Trust's asset allocation with the transition taking place over time between Q2, Q3 and Q4. **Motion** passed unanimously.

Motion was made by Trustee Gayney and seconded by Trustee Ewing to accept recommendation from NEPC for Funding of the CenterSquare REIT strategy via a SMA, in accordance with the newly approved 5% Policy Target. **Motion** passed unanimously.

B. NEPC – EM Index Performance

Motion was made by Trustee Ewing and seconded by Trustee Gayney to accept recommendation from NEPC for funding of a passive Emerging Markets index strategy, via the 'State Street MSCI Emerging Markets Index Non-Lending Common Trust Fund' in accordance with the new 3% Emerging Markets Policy Target. **Motion** passed unanimously.

C. NEPC – Arena and BlackRock Quarterly Commentary

VIII. GRS Consulting –

Chairman Sheehan requested that GRS present an update at the meeting on June 9, 2020.

IX. Legal

Attorney Castle provided the following information for The Board to review and discuss.

A. 2021 MA-PD Renewals

The board requested to have Jim Pranschke attend the May 26, 2020 meeting to review and discuss the proposal from the Blues regarding 2021 Medicare Advantage renewals.

B. Outstanding Checks Policy

Attorney Castle will work with BeneSys, Inc. to create a policy and provide a draft at future meeting for review.

C. Wells Fargo Custody Transition

Motion was made by Trustee Ewing and seconded by Trustee Lightsey to approve Continuity Package from Wells Fargo Bank and Principal Financial Group. **Motion** passed unanimously.

X. New Business

A. Draft – Financial Report December 31, 2019

B. Draft – End of Audit Letter

Michelle Watterworth and Spencer Tawa from Plante Moran presented the results of the 2019 Financial Audit and their End of Audit Letter.

Motion was made by Trustee Ewing and seconded by Trustee Allen that the Audit was received, reviewed and accepted by the Board of Trustees. **Motion** passed unanimously.

C. Management Rep Letter

Chairman Sheehan signed the Management Rep Letter.

XI. Unfinished Business

A. Service Provider Review – BeneSys, Inc.

Trustee Gayney would like to wait on additional discussion until Board can meet in person again.

B. 2019 Actuary Data

BeneSys updated The Board that they have provided all requested documentation for completion of the 2019 Actuary Data. No documentation outstanding currently.

C. Census Data Draft

BeneSys provided Census Data Draft for the Board to review.

D. TAT Performance Guarantees 2019

E. TAT Performance Guarantees 2020

Trustee Gayney requested to move discussion on TAT Performance Guarantees to next meeting to allow for more time to review data.

XII. Correspondence

BeneSys provided the following communication to The Board for review.

- A. Arena Capital Brochure**
- B. Arena Privacy Notice**
- C. BCBSM Annual Dental Settlement**
- D. 2019 ERISA 5500 BCBSM Disclosures**

- E. Delta Dental COVID-19 Updates**

Delta Dental is providing a one-month premium waiver for members. BeneSys will present an outline to the Board at the June 9, 2020 meeting as to how this will be passed to members in their July 2020 pension checks.

- F. Humana – Go365 Flyer**

- G. Humana – Waive Primary Costs for Primary & Behavioral**

- H. VSP – Essential Eye Care Flyer**

XIII. Trustee Comment/Open Forum

It was brought to the attention of a Trustee that a member received an “Insufficient Balance” letter in response to an HRA Claim. The Board would like the verbiage of the letter changed.

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Lightsey and seconded by Trustee Gayney to adjourn the meeting at 3:23 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate