



City of Detroit General Retiree Healthcare Trust

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

Tuesday, November 19, 2024, Regular Meeting

BeneSys, Inc., 700 Tower Drive, Troy, MI 48098

I. Call to order and Roll call

- a. A regular meeting of the Board of 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:** Chairperson Thomas Sheehan; Trustee Floyd Allen (via Teams); Trustee Barbara Wise-Johnson; Trustee Charles Gayney; Trustee Dion Stevens; Trustee Ed Hannan. As four (4) Trustees are required to make a quorum and six (6) were present, Chairperson Sheehan declared a quorum and the meeting proceeded.
- c. **Others Present:** Brian Downs (*Fifth Third Bank*); Kevin Leonard and Kim Kaczor (*NEPC*); Frank Judd (*Legal Counsel*); Ed Wolyniec, Violet Gjorgjevski and Jennifer Crosby (*BeneSys*)

II. Approval of Agenda

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the amend agenda to include David Porter with Kienbaum, Hardy, Viviano, Pelton and Forrest.

Motion passed unanimously.

III. Public Comment – None

IV. Regular Agenda

A. Approval of the October 22, 2024, Meeting Minutes

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to approve the Meeting Minutes of October 22, 2024, as amended.

Motion passed unanimously.

V. Financial Reports

A. Fifth Third Statement – October 2024

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Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to approve and accept the Fifth Third Statement for October 2024.

Motion passed unanimously.

B. Principal Statement – September 2024

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve and accept the Principal Statement for September 2024.

Motion passed unanimously.

C. Financial Statement – September 2024

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve and accept the Financial Statement for September 2024.

Motion passed unanimously.

D. Bills for Approval

Invoices in the aggregate amount of \$49,915.48 were presented for payment from: American Graphics Printing (\$4,532.56); BeneSys (\$33,336.92); VanOverbeke Michaud Timmony (\$9,546.00); Fifth Third Bank (\$2,500.00).

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to approve and authorize payment of the invoices subject to availability of funds.

Motion passed unanimously.

E. Bills for Ratification

The Bills for Ratification report was presented to the Board along with the invoices of premiums paid.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to approve the Bills for Ratification for November 19, 2024, as presented.

Motion passed unanimously.

F. Fifth Third Bank Balance

Ms. Gjorgjevski provided the current cash balance from Fifth Third.

VI. Administrative Reports

A. BeneSys Barometers through September 2024

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of September 2024. This report reflects the breakdown of eligible enrolled 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 enrolled participants as of September 2024 was 5,383, which is a decrease of 58 eligible participants from August 2024.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of September 2022 through September 2024, was provided. This report shows an expense of \$4,195,935 at the end of September 2024.

Investment Income by Month - A report showing the investment gain/loss for the months of September 2022 through September 2024 was provided. There is a slight increase in investment income from August 2024 to September 2024 but less than September 2023.

Fund Assets - A report showing the assets and equity of the Fund for the months of September 2022 through September 2024 was provided for review. This report shows both Assets and Fund Equity have increased from August to September 2024.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of September 2022 through September 2024 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of September 2022 through September 2024 was reviewed.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve the BeneSys Barometers for September 2024 as presented.

Motion passed unanimously.

Ed Wolyniec, BeneSys Chief Executive Officer, addressed the Board to discuss the first quarter 2024 Telephone Response Time not meeting the performance guarantee for the second time. He stated that BeneSys has taken proactive steps to address the areas where performance has been a concern. BeneSys has increased staffing in the departments most impacted such as Member Services and Eligibility. He acknowledged an uptick in call volume for the prior two months; however, the average speed to answer has been 43 seconds and the call abandonment rate has been under 1%. He intends to attend another board meeting in the first quarter of 2025 to continue to review performance with the Board.

VII. Legal Report

A. VEBA Grant Funds

No update currently.

B. Proctor Appeal

Mr. Judd informed the Board that Mr. Proctor did not provide the revised Complaint to the Court as requested by the judge. He had until October 31, 2024, to do so. The next hearing will be on January 8, 2025, at which time he expects the case will be dismissed.

VIII. Fifth Third Bank – Brian Downs

A. Positive Pay – Fraud Protection

Mr. Downs discussed with the Board the Positive Pay function that Fifth Third is offering to their clients. Positive Pay has been identified by many anti-fraud experts as the most effective form of defense against check and ACH fraud. He went over the different options that are offered through Fifth Third and the pricing for these services. Discussion took place. Mr. Downs was asked to provide a quote at the next Board meeting. BeneSys will also provide a Statement of Work at the next Board meeting because they would have to make updates on their end to accommodate.

Trustee Floyd Allen joined the meeting via Teams at 1:39 p.m.

IX. Financial Consultant - NEPC

Mr. Leonard began his discussion with the Board by informing them that Hightower has acquired a majority interest in NEPC. NEPC is expected to retain its culture, executive team, and investment process, ensuring no disruption to its existing business operations and client services. Mr. Leonard has sent a Consent to Assign agreement to Mr. Judd who has requested changes to the Consent to Assign before execution by the Board.

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve and accept the new Consent to Assign agreement once finalized by Legal Counsel.

Motion passed unanimously.

A. Plan Performance – Third Quarter 2024

Mr. Leonard reviewed the fund's performance as of September 30, 2024. The Total composite was up 1.7%, slightly below the benchmark. Year to date the fund is up 11.2% which is slightly above the benchmark.

B. Monthly Performance – October 2024

Mr. Leonard also reviewed the fund's performance as of October 31, 2024. The Total composite was down 1.7%, slightly below the benchmark. Year to date the fund is up 9.3% which is above the benchmark.

X. New Business

A. MAPERS 2025 Membership

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve the MAPERS membership renewal for 2025

Motion passed unanimously.

XI. Unfinished Business

A. 2025 HRA Claim Form & FAQs

Ms. Crosby provided the updated 2025 HRA Claim Form and FAQs to the Board. Discussion took place and feedback was given.

B. Response from BCBSM – PPO Increase for 2025

This information was provided for the Board from Manquen Vance. Discussion took place.

C. 2025 Committee & Board Meeting Schedules

Ms. Crosby provided the updated 2025 meeting schedules; suggested changes were made.

D. Fiduciary Liability Policy Renewal

Motion was made by Trustee Gayney and seconded by Trustee Wise-Johnson to approve the quote from Ullico/Markel for limit of liability at \$5M and bind coverage for two years.

Motion passed unanimously.

E. Recurring HRA Payments

BeneSys has completed and tested the set up of recurring HRA payments for the January 1, 2025, launch.

F. Performance Guarantee Response 1st Q 2024

Ms. Gjorgjevski provided Mr. Wolyniec's written response to the Board, and he also attended the meeting today. This item has been completed.

XII. Correspondence

A. BeneSys DOL Cybersecurity Program Response Q4 2024

XIII. Trustee Comment/Open Forum

Mr. Porter did not join the meeting today. Ms. Crosby will follow up with him and reschedule for the next Board meeting.

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Stevens and seconded by Trustee Gayney to adjourn the meeting at 2:38 p.m.

Motion passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate