



City of Detroit General Retiree Healthcare Trust

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

Tuesday, August 27, 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 Tom Sheehan at 1:03 p.m.
- b. **Board Members present at roll call:** Chairperson Thomas Sheehan; Trustee Barbara Wise-Johnson (via Teams); Trustee Charles Gayney; Trustee Roger Cheek (via Teams); Trustee Floyd Allen (via Teams); Trustee Dion Stevens; 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:** Frank Judd (*Legal Counsel, via Teams*), Violet Gjorgjevski and Jennifer Crosby (*BeneSys*)

II. Approval of Agenda

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the agenda. **Motion** passed unanimously.

III. Public Comment – None

IV. VSP – Scott Mitchell

Mr. Mitchell addressed the Board and presented an overview of the Trust's membership, plan design, and utilization. He informed the Board of VSP's Hearing Aid discount program. Discussion took place.

V. NEPC – Kevin Leonard & Lindsay Powers

Mr. Leonard reviewed the Board's new asset allocation in that was approved in February 2024. He went on to discuss the fund's performance as of July 31, 2024. The fund's portfolio was up 2.2% for the last quarter, up 7.5% year to date and up 12.1% for the rolling 12 months.

Ms. Powers then addressed the Board and provided an overview of Private Debt. She provided education, discussed a pacing plan and reviewed two manager profiles that NEPC had done due diligence research and reporting on.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to allocate up to \$9M leveraged in the Credit Partners VII fund's evergreen product subject to legal review. **Motion** passed unanimously

VI. Manquen Vance – John Vance, Kim Kulas & Craig Kuenzer

Mr. Vance provided the Board with an overview of the 2025 MAPD renewals and the requests that had been made by the Board. He reviewed a recap of the impactful changes occurring to Part D plans effective January 1, 2025, because of the Inflation Reduction Act. Discussion took place regarding the renewal rates from each provider for 2025. None of the carriers are offering multi-year rates because of all the changes to Part D for 2025 and 2026. Further discussion took place regarding coverage of GLP-1 medications for the Trust as this is another area of concern.

VII. Regular Agenda

A. Approval of the July 23, 2024, Meeting Minutes

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the Meeting Minutes of July 23, 2024, as amended. **Motion** passed unanimously.

VIII. Financial Reports

A. Fifth Third Statement – July 2024

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve and accept the Fifth Third Statement for July 2024. **Motion** passed unanimously.

B. Principal Statement – June 2024

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve and accept the Principal Statement for June 2024. **Motion** passed unanimously.

C. Financial Statement – June 2024

Motion was made by Trustee Stevens and seconded by Trustee Wise-Johnson to approve and accept the Financial Statement for June 2024. **Motion** passed unanimously.

D. Bills for Approval

Invoices in the aggregate amount of \$37,346.93 were presented for payment from: BeneSys (\$32,363.99); Kienbaum Hardy Viviano Pelton (\$4,020.00); RSCD (\$962.94).

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve and authorize payment of the invoice 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 Stevens and seconded by Trustee Gayney to approve the Bills for Ratification for August 27, 2024, as presented. **Motion** passed unanimously.

G. Fifth Third Bank Balance

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

IX. Administrative Reports

A. BeneSys Barometers through June 2024

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of June 2024. 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 June 2024 was 5,529, which is a decrease of 71 eligible participants from May 2024.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of June 2022 thru June 2024, was provided. This report shows an expense of \$3,154,568 at the end of June 2024.

Investment Income by Month - A report showing the investment gain/loss for the months of June 2022 thru June 2024 was provided. There is a slight decrease in investment income from 2023 as of June 2024.

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

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

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of June 2022 through June 30, 2024, was reviewed.

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the BeneSys Barometers for June 2024 as presented. **Motion** passed unanimously.

X. Legal Report

Mr. Judd provided the Board with an update regarding the case that Mr. Proctor is pursuing against the Trust.

XI. New Business

A. Vendor Benefit Renewals 2025

This information was discussed during the Manquen Vance presentation.

B. Benefit Historical Data

This data was provided for the Board as an easy reference for the annual MAPD renewals.

C. Fiduciary Liability Policy Renewal

Ms. Crosby provided the completed renewal for the Fiduciary Liability Policy for the Board to review and the Chairman to sign which he did. The current policy expires in December 2024.

D. Open Enrollment Cover Letter

This was provided for the Board to review as part of the Open Enrollment preparation.

E. Open Enrollment Materials Post-2015

These materials were provided for the Board to review as part of the Open Enrollment preparation.

F. Open Enrollment Materials Pre-2014

These materials were provided for the Board to review as part of the Open Enrollment preparation.

XII. Unfinished Business

A. Proctor Appeal

This matter was discussed during the Legal Report.

B. Posting Actuarial Valuation Scenarios on Website

Discussion took place regarding this matter. It was decided that the Actuarial Valuations do not need to be posted on the Participant Website because the annual audits are posted and are available to members upon request.

C. Vendor Agreement re: Open Enrollment Printing/Mailing Costs 2025

Ms. Crosby updated the Board that she is still waiting for confirmation from the Blues and VSP regarding the cost sharing of Open Enrollment printing and mailing costs.

D. Open Enrollment Timeline

This data was provided for the Board as an easy reference for Open Enrollment preparation.

E. Recurring HRA Payments

This matter is in progress with BeneSys for January 1, 2025.

F. Performance Guarantee Response 1st Q 2024

This matter is in progress with BeneSys management team.

XIII. Correspondence

XIV. Trustee Comment/Open Forum

XV. Adjournment

There being no further business a **Motion** was made by Trustee Gayney and seconded by Trustee Stevens to adjourn the meeting at 3:15 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate