



City of Detroit General Retiree Healthcare Trust

City of Detroit General Retiree Healthcare (RHC) Trust Meeting Minutes
Tuesday, July 13, 2021 Regular Meeting

Via Microsoft Teams

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 1:03 p.m.
- B. **Board Members present at roll call:** Chairperson Thomas Sheehan remotely from Royal Oak, MI; Trustee Floyd Allen remotely from Detroit, MI; Trustee Chuck Gayney remotely from Detroit, MI; Vice Chairperson Barbara Wise-Johnson remotely from Detroit, MI; Trustee Doris Ewing remotely from Bloomingdale, IL; Trustee Shirley Lightsey remotely from Southfield, MI; Trustee Roger Cheek remotely from Detroit, MI. 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*), Violet Gjorgjevski and Jennifer Crosby (*BeneSys*)

II. Approval of Agenda

Motion was made by Trustee Lightsey and seconded by Trustee Wise Johnson to approve the agenda, as submitted. **Motion** passed unanimously.

III. Public Comment - None

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed June 22, 2021 regular meeting minutes

Motion was made by Trustee Lightsey and seconded by Trustee Cheek to approve the minutes of the June 22, 2021, with corrections as requested. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Statement – June 2021

Motion was made by Trustee Cheek and seconded by Trustee Gayney to approve and accept the Fifth Third Statement for June 2021. **Motion** passed unanimously.

B. Wells Fargo Statement – May 2021

Motion was made by Trustee Wise Johnson and seconded by Trustee Lightsey to approve and accept the Wells Fargo Statement for May 2021. **Motion** passed unanimously.
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C. Financial Statements – April 2021

Motion was made by Trustee Ewing and seconded by Trustee Allen to approve and accept the Financial Statements for April 2021. **Motion** passed unanimously.

A. Bills for Approval

Invoices in the aggregate amount of \$652,355.59 were presented for payment from: BCBS MA (\$542,869.70); DENCAP (\$16,982.10); BeneSys (\$40,107.90); Heritage Vision (\$20,425.89); NEPC (\$31,250.00); Priority Health (\$720.00).

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

C. 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

A. BeneSys Barometers through April 2021

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of April 2021. 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 April 2021, was 6,922, which is a decrease of 66 eligible participants from March 2021.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of April 2019 thru April 2021, was provided. This report shows an expense of \$2,616,284 at the end April 2021.

Investment Income by Month - A report showing the investment gain/loss for the months of April 2019 thru April 2021 was provided.

Fund Assets - A report showing the assets and equity of the Fund for months of April 2019 through April 2021 was provided for review. This report shows both Assets and Fund Equity have increased after a slight decline.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of April 2019 through April 2021 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of April 2019 through April 30, 2021 was reviewed.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Lightsey to accept the Barometers for April 2021. **Motion** passed unanimously.

B. BeneSys Data Security Summary – February 2021

Ms. Crosby presented the BeneSys Data Security Summary to the Board for informational purposes.

C. BeneSys Network Penetration Testing

Ms. Crosby presented the BeneSys Network Penetration Testing to the Board for informational purposes.

D. BeneSys Cybersecurity Program Best Practices

Ms. Crosby presented the BeneSys Cybersecurity Program Best Practices to the Board for information purposes. Additional information was requested regarding all security breached in the past year and why \$10M was determined to be an adequate amount of insurance coverage. Also, the Board asked for a copy of the Summary mentioned to be put in the meeting materials for the next meeting and given to Mr. Castle to review as well.

Motion was made by Trustee Gayney and seconded by Trustee Lightsey to accept the BeneSys Data Security Summary, BeneSys Network Penetration Testing and BeneSys Cybersecurity Program Best Practices and provided. **Motion** passed unanimously.

VII. Financial Consultants - None

VIII. GRS Consulting – None

IX. Legal Report

Mr. Castle reported that he began to draft a policy addressing specific eligibility rules and regulations for participation in the plan and determined there were too many variables. In addition, this Board has the authority to amend the VEBA Plan document. Mr. Castle believes it would be more appropriate to make a few clarifying amendments to the Plan document itself, rather than try to take what is already in the Plan and expand on it via a new Policy. With the Board's consent he will prepare and present the Board with draft amendments to the Plan document that would expand on and clarify the definition of "Retiree" and the eligibility provisions at Section 3.01 of the Plan Document.

Discussion followed and the Board agreed that it would like to have GRSD Assistant Executive Director Gail Oxendine attend a future meeting to discuss the Retirement System's policies and procedures in the event of a rehired retiree.

X. New Business

A. Open Enrollment 2022 Timeline

Ms. Crosby presented the Open Enrollment Timeline developed last year to start the Open enrollment process for Benefit Year 2022. The Board would like for her to add specific target dates to the timeline and put it in the meeting materials for the next meeting.

XI. Unfinished Business

A. Pension Report – Eligibility Dates for Early Retirees

No updates were discussed for this item, it is still in progress.

B. Service Provider Review – BeneSys, Inc.

The Board would like to wait on additional discussion until they can meet in person again.

C. Direct Deposit for HRA Checks – Statement of Work

Ms. Gjorgjevski presented to the Board the Statement of Work for putting in place Direct Deposit for HRA Checks beginning January 1, 2022. Trustee Gayney had concerns about the section of the Statement of Work that states unforeseen delays due to outside vendors could cause delay in roll out date. He wants Benesys to be responsible to any delays and to notify members if there are delays and accrue the cost of that communication. Ms. Gjorgjevski stated she did not anticipate any issues and that she would inform the Implementation Manager.

Motion was made by Trustee Gayney and seconded by Trustee Lightsey to accept and approve the Statement of Work. **Motion** passed unanimously.

D. Non-Medicare Eligible Post 65 Members

This matter has been carried over to the next meeting for discussion.

XII. Correspondence

BeneSys provided the following communication to The Board for review.

- A. BCBS/BCN Account Management Contact Sheet – June 2021**
- B. BCBS/BCN Challenge Yourself**
- C. Humana Communication – July 2021**

XIII. Trustee Comment/Open Forum

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Cheek and seconded by Trustee Lightsey to adjourn the meeting at 1:37 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate