



City of Detroit General Retiree Healthcare Trust

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

Tuesday, November 13, 2018 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 Thomas Sheehan at 1:03 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 Doris Ewing; Trustee Floyd Allen; Trustee Roger Cheek; As five (5) Trustees are required to make a quorum and seven (7) were present, Chairperson Sheehan declared a quorum and the meeting proceeded in regular order.
- C. **Others Present:** Aaron Castle (*General Counsel – VanOverbeke, Michaud, & Timmony, PC*); Samarah Murray and Violet Gjorgjevski (*BeneSys*); Nat Singer (Via phone – Swap Financial).

II. Approval of Agenda

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

III. Public Comment - None -

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed October 23, 2018 regular meeting minutes

Motion was made by Trustee Cheek and seconded by Trustee Wise-Johnson to approve the minutes of the October 23, 2018 regular meeting minutes as presented. **Motion** passed unanimously.

V. Financial Reports

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A. Fifth Third trust Statement – October 2018

October 2018 Trust Statement for Fifth Third was provided and reviewed.

Motion was made by Trustee Gayney and seconded by Trustee Allen to accept the statement as provided. **Motion** passed unanimously.

B. Wells Fargo Trust Statement - September 2018

September 2018 Trust Statement for Wells Fargo was provided and reviewed.

Motion was made by Trustee Gayney and seconded by Trustee Allen to accept the statement as provided. **Motion** passed unanimously.

C. Bills for Approval

Invoices in the aggregate amount of \$514,589.90 were presented for payment from: American Graphics (\$45,496.58); BeneSys (\$44,313.57); Blue Care Network (\$85,742.29); DENCAP (\$17,351.70); Golden Dental (\$24,193.40); HAP (\$231,928.44); Heritage Vision (\$21,519.93); General Retirement System, City of Detroit (\$2,888.44); VSP (\$14,648.02); Segall Bryant & Hamill (\$22,650.03); Wells Fargo (\$3,857.50).

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

D. GRS Back up to Invoice

The Board requested back up documentation to review for the GRS Invoice, Ms. Gjorgjevski requested the information from GRS which was reviewed by the Board and accepted to pay the invoice on hold as submitted.

VI. Administrative Reports - None -

VII. Financial Consultants

A. Nat Singer – Swap Financial

Nat Singer from Swap Financial called in to discuss B-Notes with the Board, the Board inquired about the status of the B-Notes since the last sale. Discussions continued regarding the value of the B-Notes, Mr. Singer will keep the Board informed of any changes.

VIII. Legal

A. Notice of Privacy Practices

Attorney Castle presented a draft of a Notice of HIPAA Privacy Practices for the Board's review and comment. Mr. Castle advised the Board to consider posting a copy to the VEBA's website and going forward include in the Open Enrollment documentation. In addition, he mentioned that the Medicare Advantage Plan vendors are responsible to send to members enrolled in their plans. Trustee Wise Johnson inquired whether a simplified communication could be sent to VEBA membership referencing the full Notice. Mr. Castle did not see any issue with that approach, as long as the full Notice is posted online and made available upon request.

B. BCBS/BCN Contract Renewal

Attorney Castle informed the Board that he is waiting for a response from BCBS/BCN regarding the edits he provided.

C. Fiduciary Liability Insurance

Attorney Castle advised the Board that he has provided Segal Select with the documentation necessary to obtain fiduciary liability insurance quotes.

IX. Correspondence - None -

X. Unfinished Business

A. BeneSys Performance Standards and Guarantees

BeneSys advised that the claims department is continuing to work on providing the information requested by the Board. BeneSys will continue to provide updates on the progress.

B. BeneSys Contract Renewal

Ms. Gjorgjevski advised that Mr. Garoufalidis is working on the contract renewal and will get back to Attorney Castle when the contract is complete.

C. 2019 Cash Flow

Ms. Gjorgjevski informed the Board that Mr. Garoufalidis is preparing the cash flow however he will not be able to complete for 2019 due to the new Medicare Advantage options available and until the Open Enrollment numbers have been finalized.

D. Reappointment of Trustees

Chairman Sheehan advised the Board that the DRCEA has approved the reappointment of the current Trustees.

XI. New Business

A. 2019 Meeting Dates/Notice

Ms. Gjorgjevski provided a 2019 Meeting Date Notice for Trustee review. The Trustees reviewed and accepted the notice as presented.

XII. Trustee Comment/Open Forum

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to approve the Board move to a closed session for a discussion of proposed revisions to the VEBA's Investment Consulting Agreement under the attorney work product doctrine. A roll call vote was taken by Ms. Gjorgjevski. **Motion** passed unanimously.

The Board moved to closed session at 1:58 p.m.

The Board returned from closed session at 2:24 p.m.

Motion was made by Trustee Allen and seconded by Trustee Wise-Johnson for Attorney Castle to go back to NEPC and have them amend to a traditional investment portfolio and to provide new rates to the Board. In addition, Legal to reach out to other investment companies for quotes on fees.

XIII. Adjournment

There being no further business a **Motion** was made by Trustee Ewing and seconded by Trustee Allen to adjourn the meeting at 2:26 p.m. **Motion** passed unanimously.

Respectfully submitted,

Violet Gjorgjevski, Plan Associate