

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, February 24, 2020

9:30 am at RDPFFA Office Sterling Heights Michigan

Conference Call in: 1-866-730-7512 Access Code 700275 Host 484296

Trustees:	Chet Opolski	Chairman
	Dan Bojalad	Trustee
	Tracy Shippy (via phone)	Trustee
	John Barr	Trustee
	Brian Roehl	Trustee
	Andy Dillon (via phone)	Trustee
	Floyd Allen (via phone)	Trustee

Others present: Nat Singer; Swap Financial Group (via phone)

Legal Representation: Aaron Castle

BeneSys Representation: Dean Carlson, Violet Gjorgjevski & Jennifer Crosby

The meeting was held at the offices of the Retired Detroit Police & Fire Fighters Association, 2525 E. 14 Mile Rd., Sterling Heights, Michigan 48310.

The meeting was called to order by Chairman Opolski at 9:30 am.

Motion – To accept the agenda for January 27, 2020: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Regular Minutes

Motion – To approve the Admin Committee minutes from December 9, 2019 and Admin Committee Closed Session meeting minutes from December 9, 2019: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Motion – To approve the Meeting minutes from December 16, 2019 and Closed Session meeting minutes from December 16, 2019: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Motion – To approve the Admin Committee minutes from January 13, 2020 and Admin Committee Closed Session meeting minutes from January 13, 2020: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Motion – To approve the Meeting minutes from January 27, 2020 and Closed Session meeting minutes from January 27, 2020: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Motion – To approve the Special meeting minutes from February 3, 2020: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Motion – To approve the Admin Committee minutes from February 10, 2020 and Admin Committee Closed Session meeting minutes from February 10, 2020: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Swap Financial Group – Nat Singer (via phone)

N. Singer updated the Board regarding the market value of the B Notes and recent trade activity noting that the current Bond valuation has been stable. There is a great bond market right now. He is looking to generate more interest in the sale of the B Notes and went over his strategic plan to do so.

Motion – To approve the plan proposed by N. Singer for the sale of the B Notes: By D.Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Motion – To include B2 Notes up to full amount in with the sale: By D.Bojalad, seconded by B. Roehl.

- Motion Carried – Unanimously

Financial Reports

BeneSys provided a copy of the January 2020 Morgan Stanley Statement for review.

BeneSys provided the January 2020 Fifth Third Statement for review. Questions asked about the reduced amount in the total Distributions. It was determined that this was the result of

funds transferred to Morgan Stanley for investment purposes and funds transferred to pay the outstanding invoices for the Trust.

BeneSys provided the December 2019 Financial Statements. It was noted that there was a significant increase in fund equity from 2018 to 2019. This is a result of the value of the B Notes and increased investments. Also discussed was that the 12-month rolling average has been corrected, the wrong formula was used prior, but it has been fixed. J. Barr questioned that there is a significant increase in Custodial Fees and Printing Expenses. Violet will review the figures and get back to the board.

Motion – to review and accept the Morgan Stanley, Fifth Third and BeneSys Financial Statements as well as pay the Bills for Approval: ***By D. Bojalad, seconded by B. Roehl.***

- Motion Carried – Unanimously

Public Comment

Administrative Reports

BeneSys provided detailed 2019 Appeal Results for review.

BeneSys gave 2020 HRA Claim Form feedback to the board. There are a significant number of claims being submitted without proper supporting documents or the forms not filled out. Some members are under the impression they automatically get the new \$25 a month reimbursement without submitting any forms or supporting documents. C. Opolski will include a write up in the next Newsletter giving more details to members about the process.

There were adjustments made to the Meeting Calendars. May 4, 2020 will be the Admin Committee Meeting, May 11, 2020 will be the Board Meeting and November 16, 2020 will also be the Board Meeting. These adjustments were made due to Holidays.

Mr. Dean Carlson reviewed the Financial Statements provided above in more detail for the Board.

Legal Report -

Fiduciary Liability Insurance – provided a letter appointing Mason-McBride, Inc. as our insurance agent for Fiduciary Liability.

Motion – to accept letter to appointment of Mason-McBride, Inc. and have Chairman Opolski sign the letter: ***By B. Roehl, seconded by D. Bojalad.***

- Motion Carried – Unanimously

Mr. Castle provided an Actuarial/Benefits Consultant RFP Summary for review.

Motion – to select three Actuarial/Benefits Consultant Vendors and have them come to Admin Committee Meeting on March 9, 2020 to give presentations: ***By B. Roehl, seconded by D. Bojalad.***

- Motion Carried – Unanimously

Three vendors chosen to make presentations: Segal Consulting, Aon, and GRS.

Correspondence - None

Business Agent Report

Chairperson Opolski advised the Board that the retiree Newsletter went out for January & February 2020. A new one will go out within the next week to reflect on the HRA Claim Form/\$25 Reimbursement issues discussed previously.

Chairman Opolski states that the number of calls regarding problems with Priority Health have decreased drastically. There are lingering issues with pharmacy/prescription coverage and response. Members residing out of state seem to be having far fewer problems or concerns.

Mr. Opolski reminded the board that COPS Trust is having their meeting today so we should be hearing from Tom Schneider soon regarding Dental and Vision proposal. This item is pending until we get the proposal.

New Business

Motion – To enter into closed session at 10:31 am to address administrative appeals containing confidential personal health information under HIPAA: By B. Roehl seconded by J. Barr.

- Roll call vote:

Barr – yes
Bojalad – yes
Opolski – yes
Roehl – yes
Shippy – yes
Dillon – yes
Allen - yes

Motion – To come out of closed session at 10:48 am: By B. Roehl, second by D. Bojalad.

- Motion Carried – Unanimously

A. Appeals

Motion - To approve Appeal No. **2768093717**: By D. Bojalad, second by J. Barr.

- Motion Carried – unanimously

Motion – To approve Appeal No. **2822955145**: By B. Roehl, second by D. Bojalad.

- Motion Carried – unanimously

Unfinished Business

A. GRS Explanation of Invoice & Correspondence

The Board was satisfied with the new invoiced amount. They approved to pay the new invoice in the amount of \$53,395.00.

B. RFP's Actuarial & Benefit Consulting Services

After extensive discussion involving the comparison handout given by Mr. Castle, the board narrowed the vendors down to three: Segal, GRS and Aon. Mr. Castle will set up for each of the three to give a presentation to the Admin Committee during the March 9, 2020 meeting.

C. Delta Dental & VSP Direct

The board is awaiting a proposal from COPS Trust before making final decision as to whether to move directly with Delta Dental and VSP or maintain current status with COPS Trust.

D. Weiler Settlement Surplus Funds

Legal has not received any further information.

Trustee Comment/Open Forum - None

Adjournment

Motion – to adjourn by T. Shippy, seconded by J. Barr.

- Motion Carried - Unanimously

Meeting adjourned at 11:12 am.