

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, March 23, 2020

9:30 am at Office of BeneSys, Inc., Troy, MI via Conference Call in Compliance with Executive Order 2020-4

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

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

Others present: Burton Carlson, Graystone Consulting (via phone)
Erik Burger, Graystone Consulting (via phone)

Legal Representation: Aaron Castle (via phone)

BeneSys Representation: Dean Carlson, Violet Gjorgjevski & Jennifer Crosby (all via phone)

The meeting was held via conference call at the offices of BeneSys, Inc., 700 Tower Drive, Suite 300, Troy, MI 48098

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

Motion – To accept the agenda for March 23, 2020: *By J. Barr, seconded by B. Roehl.*

- Motion Carried – Unanimously

Regular Minutes

Motion – To approve the Regular Meeting minutes from February 24, 2020 and Regular Closed Session meeting minutes from February 24, 2020: *By T. Shippy, seconded by B. Roehl.*

- Motion Carried – Unanimously

Motion – To approve the Admin Committee minutes from March 9, 2020 and Closed Session Admin Committee minutes from March 9, 2020: ***By T. Shippy, seconded by B. Roehl.***

- Motion Carried – Unanimously

Graystone Financial – Burton Carlson & Erik Burger (via phone)

B. Carlson gave update on B Notes. B Notes had been holding steady up until 2 weeks ago when COVID-19 Pandemic hit U.S. They are now priced considerably less. Holding on prior decision to sell a large majority of B Notes. Mr. Carlson gave update on Cash Flow. He pointed out some changes in the look of reporting but stated that formula is the same. He stated that the transfer out of Fifth Third into investment account is reason for decline from January 2020 to February 2020. Trustee B. Roehl asked that the semi-annual income coupon seems high and would like it rechecked. Also Mr. Roehl requested that BeneSys relook at the numbers for expenditures because it appears lower than usual.

E. Burger gave update on Performance. He stated that a portion of the money transferred to investment account has been invested. There is still some cash available to put to work. Recommendations made to the Board to take advantage of declines on bond and equity sides.

Motion – To accelerate the Dollar Cost Average scheduled for 4/1/2020 to immediate and authorize investment of those funds on the equity side: ***By F. Allen, seconded by D. Bojalad.***

- Motion Carried – Unanimously

Financial Reports

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

BeneSys provided the February 2020 Fifth Third Statement for review.

BeneSys provided the January 2020 Financial Statements. It was noted that there was a significant difference in “Total Cash In Bank” amount from timeframe of move from ABS to BeneSys as Administrators. Violet to review this with BeneSys accounting and report 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 T. Shippy.***

- Motion Carried – Unanimously

Public Comment

Administrative Reports

Ms. Violet Gjorgjevski presented an Email from BeneSys Director of Accounting regarding Funding Plans in Case of Emergencies to the Board.

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

Legal Report -

No formal legal report provided. Mr. Castle expressed appreciation for the teleconference to stay within the guidelines of the Governors Executive Order 2020-4. He stated that they are working on providing Best Practices for this order. He expressed concern about Closed Session portion of meetings as this order will continue in place through April 2020 more than likely. It was decided to move the Closed Session to end of future meetings so that if anyone from the Public has attended meeting, they can be dismissed at that time without having to call back in. Violet and Chairman Opolski will look into a way to monitor who is on calls to be sure that no Public members are on the line during Closed Session. Mr. Castle stressed that best efforts are being made to ensure fiduciary responsibility and HIPAA privacy rights of members.

Correspondence - None

Business Agent Report

Chairman Opolski states that the number of calls regarding problems with Priority Health have decreased significantly.

Chairperson Opolski advised the Board that the retiree Newsletters are going out more frequently with updates regarding COVID-19. No complaints received regarding the elimination of Walk-In visitors due to the virus.

Mr. Opolski stated that the March 2020 Member Meeting was very well attended. Priority Health and BeneSys both had representatives there and they were kept busy with Member questions and concerns.

New Business

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

- Roll call vote: Barr – yes
 Bojalad – yes
 Opolski – yes
 Roehl – yes
 Shippy – yes
 Allen - yes

The Board returned to open session at 10:49 am.

A. Appeals

Motion - To approve Appeal No. **2817221019: By T. Shippy, second by B. Roehl.**

- Motion Carried – unanimously

Motion – To approve Appeal No. 2767719469: *By B. Roehl, second by D. Bojalad.*

- Motion Carried - unanimously

B. 2019 HRA Deadline Extension due to COVID-19

Motion – to temporarily suspend the March 31, 2019 deadline for filing 2019 HRA Claims with a new deadline of May 31, 2019 given: *By T.Shippy, seconded by B. Roehl.*

- Motion Carried – unanimously

Members to be notified via Statement on Check Stubs mailed out beginning March 27, 2020, Newsletter by Chairman Opolski and announcement on Fund Website.

Unfinished Business

A. Actuarial & Benefit Consulting Last Best Offers

After lengthy discussion it was determined by the Board to stay with GRS for this year's actuarial analysis. It was deemed an inappropriate time to move business due to time constraints on completing the Actuarial reporting for 2019.

Motion – to proceed with GRS for 2019 Actuarial Liability analysis and revisit Benefit Consulting at a later date: *By T.Shippy, seconded by D. Bojalad.*

- Motion Carried – unanimously

B. Delta Dental & VSP Direct

The Admin Committee made a recommendation to the Board to accept the proposal given by COPS Trust. In addition, COPS Trust agreed to Invoice Benesys monthly going forward.

Motion – to accept the proposal offered by COPS Trust to continue providing the coverage with Delta Dental and VSP Vision: *By T.Shippy, seconded by D. Bojalad.*

- Motion Carried – opposed by B. Roehl.

C. Fiduciary Quote

Proposal from Great American Insurance Group was presented by Trustee T. Shippy. It was discussed that the coverage offered by Great American is the same as current provider but at a slightly lower cost to the Trust.

Motion – to accept the proposal offered by Great American Insurance Group to provide Fiduciary coverage effective March 31, 2020: *By B. Roehl, seconded by T. Shippy.*

- Motion Carried – unanimously

D. Weiler Settlement Surplus Funds

Mr. Castle presented letter to be submitted to Legghiol & Israel, P.C. again requesting that all residual funds existing on account of the settlement of the *Weiler* matter be contributed to the RHC Trust in furtherance of its dedicated purpose to provide retiree health and welfare benefits to all City police and fire retirees and beneficiaries with an effective date of retirement on or before December 31, 2014. The Board wishes to reiterate that request, and emphasize that now, more than ever, the need for quality and effective healthcare to the RHC Trust's membership is paramount. The existing public health emergency and the potential strain on our nation's healthcare system, in all likelihood, will result in additional costs and expenses to the RHC Trust and its membership.

Motion – to approve that letter to Legghiol & Israel P.C. be signed and submitted immediately:
By D. Bojalad, seconded by B. Roehl.

- Motion Carried – unanimously

Trustee Comment/Open Forum –

Chairman Oposki expressed appreciation for everyone attending meeting via conference call and wished for everyone to stay healthy during this challenging time.

Adjournment

Motion – to adjourn by T. Shippy, seconded by D. Roehl.

- Motion Carried - Unanimously

Meeting adjourned at 12:00 pm.