



Police and Fire RHC Trust  
Board of Trustees Minutes

**March 14, 2016**

Chet Opolski	Chairman
John Clark (T)	Vice Chairman
Shirley A. Berger	Secretary
Greg Best	Tom Sheehan
Floyd Allen (T)	Don Taylor
Andy Dillon (T)	

Chairman Opolski called the Board meeting to order at 9:30 am.

- Roll call of Trustees was held and a quorum was present
- Legal representation present: Michael VanOverbeke and Aaron Castle
- ABS representation present: Denise Allport and Lori Herzog
- Graystone Consulting (T): B Carlson, W. Messner, M. Holycross

**Approval of Agenda** Motion made by Sheehan and seconded by Best to approve agenda. Motion carried - Unanimously.

**Approval of Minutes** Motion made by Sheehan and seconded by Best to approve the February 22, 2016 minutes. Motion carried - Unanimously.

**Correspondence**

**Motion** made by Sheehan and seconded by Best to acknowledge receipt and filing of Graystone Consulting B Notes Summary, Fifth Third Bank Statement, Wilmington Statement and Segal Trustee Listing (Items A–D): Motion carried – Unanimously.

**Motion** made by Sheehan and seconded by Best to acknowledge receipt of email from Jeffrey Romeo regarding financial data. No response required by Trustees. Motion carried – Unanimously

**Motion** made by Sheehan and seconded by Best to acknowledge receipt of Plante Moran Engagement Letter, Approve Plante Moran Service Agreement and Approve extension of the Plante Moran contract to a 3 year period in exchange for Plante's agreement to waive additional fees for 2015 Financial Statement preparation. Motion carried – Unanimously.

**Motion** made by Sheehan and seconded by Clark to accept Huntington Bank Resolution updating the authorized signers on the administrative accounts at Huntington. Motion carried – Unanimously.

### Receipts/Disbursement

**Motion** made by Sheehan and seconded by Best to acknowledge receipt of Paid /Payable list dated 3/14/16 and to authorize payments of the payables as of 3/14/16 in the amount of \$66,385.55. Motion carried – Unanimously.

### Legal Report

**Motion** made by Sheehan and seconded by Best to authorize transfer of \$150,000 for funding of HRA disbursements by Navia. Motion carried – Unanimously.

**Motion** made by Sheehan and seconded by Best to authorize Legal Counsel to proceed with filing the 501(c)9 Application for IRS Determination. Motion carried – Opposed by Don Taylor.

### Trustee Compensation

**Motion** made by Best and second by Dillon to approve Opolski's original proposal for resolution of the Trustee Compensation subject to receipt of a confirmation from the Retiree Association that the issue would be considered fully resolved and no further pursuit of HB 5421.

- Motion Failed – Roll Call Vote:
  - o For: Andy Dillon, Don Taylor, Greg Best, Chet Opolski
  - o Opposed: Floyd Allen, Tom Sheehan, John Clark

**Motion** made by Dillon and seconded by Taylor to approve Legal Counsel proposed amendment to Section 8.5 of the City of Detroit Police and Fire Retiree Health Care Trust Agreement, The Retiree Association, on behalf of Don Taylor, has stated that this will not fully resolve the issue.

- Motion Failed – Roll Call Vote:
  - o For: Greg Best, Don Taylor, Floyd Allen, Andy Dillon
  - o Opposed: Chet Opolski, Tom Sheehan, John Clark

**House Bill No 5421 – Trustee Andy Dillon stated that HB 5421 is dangerous to the monetization of the Bonds. Could cause irreparable harm to the VEBA's current and future Citibank Letter of Credit Financing Agreement.**

**Motion** made by Sheehan and seconded by Clark to adopt the Ethics Policy as revised. Motion carried – Unanimously.

Draft VEBA Report to Detroit City Council- The trustees acknowledged receipt and requested a final copy of the report prior to being submitted to Detroit City council.

Break 12:20 pm – 12:25 pm

### **Administrator Report**

A special open enrollment letter will be sent to some members that were missed during the initial 2016 benefit enrolment of Police and Fire VEBA. The special Open Enrollment period was amended to run from March 25 - April 18, 2016.

### **Surviving Spouses**

The trustees confirmed that surviving spouses would continue to be covered under the plan unless disenrollment is requested or required as a matter of law. ABS will not terminate any health care coverage until the Retirement System sends confirmation of ineligibility.

ABS Advised that due to the delay in notification of a participant's death, the Trust could end up covering the premiums for a short period of time after a participant's death.

A second issue that was tabled for further discussion was that if a surviving spouse is not eligible to continue to receive the current level of benefits, the surviving spouse shall be given opportunity to continue the current plan, but would be required to pay any difference in benefit level and total premium cost out of pocket.

Trustee Dillon recommended an agenda item for the implementation of a sub-committee to evaluate the surviving spouses and the trustee compensation.

### **Unfinished Business**

BCBS/BCN Outstanding invoices – October/November 2015 – ABS has not received.

Weiler Settlement Retiree – Trustee Taylor circulated a legal opinion from Legghio & Israel, P.C. March 12, 2014, regarding the Weiler class members. The document was tabled and to be included on the next meeting agenda. Trustee Taylor was asked to provide numbers for Weiler settlement.

### **New Business/Open Forum**

**Motion** made by Sheehan and seconded by Best to accept the Testimonial Resolution Appreciation for Greg Trozak. Motion carried – Unanimously.

**Adjournment** The meeting was adjourned at 1:45 p.m. **Motion** made by Sheehan and seconded by Dillon. Motion carried – Unanimously.

Respectfully submitted,

Shirley A. Berger  
Denise Allport