

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, July 25, 2022

9:30 am at BeneSys Office, Troy, MI via In-Person and via Conference Call

Trustees:

Chet Opolski
Richard Kosmack
Dan Bojalad
Brian Roehl
Greg Trozak
Tracy Shippy

Role:

Chairman
Trustee
Trustee
Trustee
Trustee
Trustee

Others present: Burton Carlson and Erik Burger, Graystone Consulting (via phone)
Abra Hill and Jamal Adora, GRS Consulting (via phone)
Floyd Allen (via phone)
Beth Sinagra (via phone)

Legal Representation: Frank Judd

BeneSys Representation: Violet Gjorgjevski and Jennifer Crosby

The meeting was held In-Person at the BeneSys Office, Troy, MI

The meeting was called to order by Chairman Opolski at 9:34 am.

Motion – To accept the agenda for July 25, 2022: ***By D. Bojalad, seconded by T. Shippy.***

- Motion Carried – Unanimously

Public Comment - None

Regular Minutes

Motion – To approve the Regular Meeting Minutes and Closed Meeting Minutes from June 27, 2022, and the Admin Committee Meeting Minutes and Closed Meeting Minutes from July 11, 2022: ***By G. Trozak, seconded by B. Roehl.***

- Motion Carried – Unanimously

Graystone Financial – Burton Carlson (via phone)

B. Carlson gave a brief update on the B Notes. The B Notes have risen slightly to \$80.68. There has been no recent trading activity.

The cash flow performance was reviewed in the new format requested by Trustee Roehl.

E. Burger explained that the fund is down 6.83% for the quarter and 9.29% for the year. However, the portfolio performance has been better than the rest of the market. Our portfolio has outperformed all of the benchmarks because it is slightly overweight right now in value stock. For July 2022 the fund is up 4.8%.

Financial Reports

BeneSys provided the June 2022 Fifth Third Statement, the May and June 2022 Morgan Stanley Statement, and the Financial Statements for May 2022 for review.

Motion – to review and accept the Fifth Third, Morgan Stanley and Financial Statements and to pay the Bills for Approval: ***By D. Bojalad, seconded by R. Kosmack.***

- Motion Carried – Unanimously

Administrative Reports

A. Benesys Claims Performance Report 2nd Q 2022

Ms. Crosby presented the BeneSys Telephone Response Time Report for the 2nd Quarter of 2022 to the Board for review. BeneSys met the Performance Guarantee for 2nd Quarter 2022.

B. BeneSys Telephone Turn Around Time Report 2nd Q 2022

Ms. Crosby presented the BeneSys Claim Turn Around Time Report for the 2nd Quarter of 2022 to the Board for review. BeneSys met the Performance Guarantee for 2nd Quarter 2022.

C. BeneSys Claims Accuracy Report 2nd Q 2022

Ms. Crosby presented the BeneSys Claim Accuracy Report for the 2nd Quarter of 2022 to the Board for review. BeneSys met the Performance Guarantee for 2nd Quarter 2022.

D. Appeals

- a. 2690806507**
- b. 2712671238**
- c. 2747099513**
- d. 2812488123**

This matter is being handled in Closed Session at the end of meeting.

Legal Report

A. Outstanding Checks

Mr. Judd reviewed the Outstanding Check Policy with the Board. He confirmed that after 3 years the funds, if not claimed, return to the VEBA.

Ms. Crosby updated the Board that BeneSys reached out to all members who had outstanding checks valued at more than \$300. Many of those checks have been reissued and in addition most of the members signed up for Direct Deposit going forward.

B. Portfolio Monitoring Services

Mr. Judd provided the Board with a draft Securities Fraud Monitoring & Litigation Policy and a copy of the Portfolio Monitoring Agreement with Robbins Geller Rudman & Dowd for Approval. His office is still in the process of conducting additional due diligence with respect to adding another monitoring firm to complement RGRD and will have more information at future meetings.

Motion – to sign and execute the Portfolio Monitoring Agreement with Robbins Geller Rudman & Dowd: ***By B. Roehl, seconded by G. Trozak.***

- Motion Carried – Unanimously

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Motion – to approve and adopt the Securities Fraud Monitoring & Litigation Policy as presented: ***By D. Bojalad, seconded by R. Kosmack.***

- Motion Carried – Unanimously

Correspondence

These items were presented to the Board for informational purposes.

A. VEBA Info for DPOA

Mr. Opolski discussed with the Board that it was suggested by TMR to add information into Tuebor regarding the VEBA. Mr. Opolski, with approval from the Board, will reach out to the DPOA, LSA and DFFA to discuss providing VEBA information for their Newsletters.

Business Agent Report

Mr. Opolski updated that it is pretty much business as usual with calls regarding forms and questions regarding HRA Reimbursement. He thanked Ms. Shippy for her assistance with the 2023 Renewals for Priority Health as well as dental and vision.

New Business

A. Actuarial Valuation – December 31, 2021 Draft

Ms. Hill presented the preliminary actuarial valuation of the City of Detroit Police & Fire Retiree Healthcare Trust as of December 31, 2021. The present value of all future obligations based on established benefit targets at that date is \$170.8 million. The Plan is 139% funded after consideration of future scheduled contributions. The plan is expected to be able to satisfy all liabilities before running out of money if experience is equal to or better than assumed.

The Board discussed extensively. Ms. Hill will prepare the final version of the Actuarial Valuation, December 31, 2021.

B. Delta Dental – Treatment & Cost Distribution

Per the Board's request, Delta Dental provided a treatment and cost distribution report for review.

The Board discussed current dental coverage and potential areas of enhancement.

Unfinished Business

A. Priority Health Renewal 2023

Mr. Opolski and Ms. Shippy updated the Board that they have had discussions with Ms. Brandon Berkley at Priority Health regarding potential benefit enhancements. The options were reviewed and discussed in detail. Priority Health has offered for the PPO Plan: \$50 Part B Buydown, Podiatry Copays reduced to \$15/visit, MOOP reduction to \$750, DME from 10% to 0%. Priority Health has offered for the HMO: \$50 Part B Buydown, MOOP reduction to \$1,500, Podiatry Copay reduced to \$15/visit, Diagnostic Tests reduced to \$10 copay.

Motion – to accept the added benefits offered from Priority Health and keep the HRA amounts for 2023 at the current rate: ***By D. Bojalad, seconded by T. Shippy.***

- Motion Carried – Unanimously

B. Dental & Vision Coverage 2023

Mr. Opolski updated the Board that he reached out to Tom Schneider with COPS Trust regarding the 2023 renewal for dental and vision coverage. He has not heard back from him as of today. Ms. Shippy is doing some research into coverage as well. This item will be discussed further at the Admin Committee Meeting.

C. West Side Venue for Open Enrollment Meeting

Ms. Crosby updated the Board that she is working on locating a West Side Venue for the Open Enrollment Meeting. She provided a list of potential locations. She will continue to work on this and report back at the Admin Committee Meeting.

D. Updated Open Enrollment 2023 Drafts

Ms. Crosby provided updated Open Enrollment material drafts for the Board to review. Suggested edits were made which she will update and provide at the Admin Committee Meeting.

Trustee Comment/Open Forum – None

Mrs. Sinagra left the meeting at 12:54 pm as the Board was entering closed session.

Motion – To enter into closed session at 12:54 pm to address administrative related matter containing confidential personal health information under HIPAA: ***By G. Trozak, seconded by R. Kosmack.***

- Roll call vote: Opolski – yes
Kosmack – yes
Bojalad – yes
Roehl – yes
Trozak – yes
Shippy - yes

The Board returned to open session at 1:17 pm.

Motion – to approve the Level 2 Appeal for participant 2711284699: ***By R. Kosmack, seconded by T. Shippy.***

- Motion Carried – B. Roehl Opposed

Motion – to approve the Level 2 Appeal for participant 2753168282: ***By G. Trozak, seconded by T. Shippy.***

- Motion Carried – B. Roehl Opposed

Motion – to approve the Level 2 Appeal for participant 2796277936 per the recommendation from the Admin Committee: ***By B. Roehl, seconded by D. Bojalad.***

- Motion Carried – Unanimously
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Motion – to approve the Level 2 Appeal for participant 2816552484 per recommendation from the Admin Committee: ***By B. Roehl, seconded by D. Bojalad.***

- Motion Carried – Unanimously

Adjournment

Motion – to adjourn: ***by R. Kosmack, seconded by G. Trozak.***

- Motion Carried - Unanimously

Meeting adjourned at 1:22 pm.