

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, February 26, 2018

9:30 am at RDPFFA Office Sterling Heights Michigan

Conference Call In: 1-866-730-7512 Access Code 795253 Host 133963

Trustees:	Chet Opolski	Chairman
	John Clark	Vice Chairman
	Shirley Berger	Secretary
	Don Taylor	Trustee
	Tom Sheehan	Trustee
	John Barr	Trustee
	Floyd Allen – excused	Trustee
	Andy Dillon – excused	Trustee

ABS Representation: Lisa Duncan
Chesla Emerick

Legal Representation: Aaron Castle

The meeting was held at the offices of the Retired Detroit Police & Fire Fighters Association

The meeting was called to order at 9:30.

Motion – To accept the agenda dated February 26, 2018, as amended: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – To approve all of the meeting minutes from January 22 as amended, including the Closed Session minutes: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Graystone Consulting

Burton Carlson called into the meeting.

Discussion held on B Note Summary and Cash flow. Bonds closed out Friday at \$80.10. Burton recapped the sale of the bonds last month: Bonds were sold thru Citigroup, who acted as the trader. They sold 20 million in face value for the sale of part of the position of the bond. The price was \$81.05. The proceeds of the sale went into the fifth-third bank account, which should be reflected in the fifth-third bank statement.

Discussion:

Closed line of credit,

GRS is now using up to date information in their projections.

Still have an outstanding offer to the City. Graystone has not heard anything back as of yet. Once Graystone hears back from the city, they come back with a proposal. As if right now, the lowest they will go is \$89.50.

Correspondence

Motion – to accept the Wilmington and Fifth third statements: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – to accept written response from Benefit Express that they will not be responding to the RFP: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Accounting Report

Motion – to review and accept the Cash Activity statement: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – to review and accept the Receipts and Disbursements: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – to review and accept the financial statement: by D. Taylor, seconded by J. Clark

- Motion Carried – Unanimously

Motion – to approve final payment to Citi Bank: by D. Taylor, seconded by J. Clark

- Motion Carried – Unanimously

Legal Report

Trust Agreement was amended and it will take 6 of the 7 members to approve amending it. Discussion on whether or not the board has the authority to remove a trustee and the actual interpretation of Public Act 557 and how it should read in the Agreement.

The Board does not have a quorum to approve the trust agreement at this time.

The board was presented with a draft of the Plan Document. Legal updated it to include a new claims and appeals process. The board was previously given a copy of the forms for appeals. More discussion is needed before adopting the new drafted Plan Document.

TPA RFP report will be given by legal later in the meeting.

Legal and Chet Opolski finalized the Business Agent agreement.

Motion – to approve the final Business Agent agreement: by T. Sheehan, seconded by J. Clark

- Motion Carried – C. Opolski abstains

Administrator Report

ABS presented the board with average cost of a Medical plan on the exchange. The purpose was to give the Board information needed in order make a decision on 2019 benefits.

The board presented ABS with a list 16 members who they believe should not be in the Duty Disabled HRA – ABS will review and get back with the board. The eligibility rules for the Duty Disabled HRA states Non-Medicare eligible participants receiving a duty disability retirement allowance from the Police and Fire Retirement System of the City of Detroit. The issue involves duty disabled retirees whose retirement allowance is recomputed as a regular service retirement. The board wants to know if the conversion is based on number of years of service or age, or some combination thereof. ABS states that they are given the classification from the Pension system in the way of full files and change files and will need to do an audit to see if it was missed on earlier files. further discussion to held at the Administrative Committee meeting.

Discussion was held on the membership numbers that GRS are reporting. ABS advised that GRS was using numbers from 2016, but has recently updated those.

Administrative Committee Board

Review of February 12, 2018 minutes

Motion -- to approve Administrative Committee Board meeting minutes of February 12, 2018 as amended: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Business Agent Report

Chet informed the board that 2 email notifications were sent out to the membership. 61% opened and read the first one, 56% open and read the second. He discussed the need to obtain to everyone's emails and asked ABS to see if we house the members email in our system.

Discussion held on the eligibility of a divorced Weiler spouse. Would the divorced spouse be eligible for benefits under RHC? Continued discussion needed.

Chet asked why the eligible population of the DFFA is much higher than the DPOA. ABS will look into it and get back with the Board.

Chet's hours/days in the office are going to be Monday and Tuesday

Shirley requested that the Retired Detroit Police Members Association meetings be added to the newsletters Chet sends out, she will send him the information needed to add this.

Motion – to approve mailing a letter out to all members announcing and introducing Chet Opolski as the new Business Agent: by D. Taylor, seconded by J. Clark

- Motion Carried – Unanimously

Unfinished Business

Recap on the sale of Bonds, net of over 16 million

GRS was hired by the General VEBA , which will result in a reduction of 5% in hourly rates for RHC

Motion – to approve the revised contract for GRS: by T. Sheehan, seconded by J. Barr

- Motion Carried – Unanimously

New Business

Next meeting will be March 26, 2018

ABS left the meeting at 11:13

Discussion amongst the Board members regarding the TPA RFP response received and whether to schedule interviews with the respondents. The Board delegated the authority to schedule interviews with the TPA candidates to the Administrative Committee.

Adjournment

Motion – To adjourn: By T. Sheehan, seconded by D. Taylor

- Motion Carried – Unanimously

Meeting adjourned at 11:31

Lisa Duncan