

# CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



## Board Meeting Minutes

Monday, October 21, 2019

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	Trustee
	John Barr – (absent)	Trustee
	Brian Roehl	Trustee
	Floyd Allen – (T)	Trustee
	Andy Dillon – (T)	Trustee

**Others present:** Burton Carlson, Graystone Consulting and Eric Burger, Morgan Stanley (via phone)

**Legal Representation:** Aaron Castle

**BeneSys Representation:** Dean Carlson & Violet Gjorgjevski

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 October 21, 2019: By D. Bojalad, seconded by T. Shippy.

- Motion Carried – Unanimously

### Public Comment

- None

### Regular Agenda

#### Graystone Consulting – Burton Carlson (via phone)

Mr. Carlson updated the Board regarding the market value of the B Notes and recent trade activity noting that the current Bond valuation has remained flat and that there has been

minimal to no trading in the last few weeks. Per J.J Kenny Drake, the current Bond price has remained the same in the last three weeks at \$87.02.

Mr. Carlson provided the Board with a cash flow analysis through the 2020 calendar year. He provided a revised version which includes the additional investments to be made through March 2020.

Trustee Roehl discussed the option of reinvesting the dividends.

**Motion** – to allow Graystone Consulting to move forward with reinvesting the dividends: By B. Roehl, seconded by D. Bojalad.

- Motion Carried – unanimously

Mr. Burger presented the Performance Report for the 3<sup>rd</sup> Quarter ending September 30, 2019. He advised the Board that since last November there has been a Net of Fee Return of 7.57%.

Trustee Roehl suggested and discussed selling additional Bonds.

**Motion** – to allow Graystone Consulting to sell up to \$15M of the Bonds at a price of \$86.50 or better: By B. Roehl, seconded by D. Bojalad.

- Motion Carried – unanimously

Mr. Carlson followed up on the proposed Fundamental Advisors investment opportunity, he advised that he continues to work with them and to provide updates as they become available. Fundamental Advisors would like to attend a meeting and present to the Board. Mr. Carlson will work with them to set something up.

Morgan Stanly requires information for each individual that will require log in access, a list of the information required for the access has been provided to those Board members interested in online access.

### **GRS - None**

### **Financial Reports**

BeneSys provided a copy of the September 2019 Fifth Third Statement for review.

BeneSys provided copies of the August 2019 Financial Statement for review

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

- Motion Carried – Unanimously

### **Administrative Reports**

Mr. Dean Carlson advised the Board that BeneSys has been working with Priority Health testing files and discussing file transfer timeline and processes.

Ms. Gjorgjevski provided file copies of the Open Enrollment materials.

### **Legal Report**

Mr. Castle presented the Board with a final draft of the Summary Annual Report for December 31, 2018.

**Motion** – to approve the Summary Annual Report for December 31, 2018 as presented: By B. Roehl, seconded by T. Shippy.

- Motion Carried – unanimously

Mr. Castle discussed the Aetna letter that was proposed to be mailed out to the current Retirees enrolled in the Aetna PPO Plan offered through the VEBA. He has discussed changes to the letter indicating that those are currently enrolled in Aetna PPO and would like to stay in a PPO will not need to make any changes, they will be automatically be moved to the New Priority Health PPO Plan. Mr. Opolski added that he will be sending out an additional newsletter via email to the members to advise them of the letter that will be coming from Aetna.

### **Correspondence**

#### **Business Agent Report**

Chairman Opolski advised the Board that calls have significantly reduced since the beginning of the year.

### **New Business**

#### **A. Appeals**

**Motion** - To approve Appeal No. **2718694836**: By B. Roehl, second by D. Bojalad.

- Motion Carried – unanimously

**Motion** - To deny Appeal No. **2837125736**: By D. Bojalad, second by B. Roehl.

- Motion Carried – one opposed

**Motion** – To approve Appeal No. **2768094340**: By T. Shippy, second by B. Roehl.

- Motion Carried – unanimously

### **Unfinished Business**

#### **A. Post 1/1/15 Retiree's Health Care coverage**

Additional discussions will continue as information is available. Some topics for discussion should include the impact to the VEBA, such as the cost of administration and the impact to the providers.

**B. Weiler Settlement Surplus Funds**

Legal has not received any further information.

**C. Vendor Schedule for RFP**

The Board requested to add this item for further discussions

**D. Administrative Cost for the Additional HRA Claims**

BeneSys to provide documentation regarding cost.

**E. Investment Committee**

Discussion on the formation of the Investment Committee ensued. The Committee is to meet at 9:00 am prior to the Board meeting the fourth Monday of the Month.

**Motion** – The Investment Committee members will include Trustee Andy Dillon, Trustee Brian Roehl and Chairman Chet Opolski: By F. Allen, second by D. Bojalad.

- Motion Carried – unanimously

**Trustee Comment/Open Forum - None**

**Adjournment**

**Motion** – to adjourn by B. Roehl, seconded by T. Shippy

- Motion Carried - Unanimously

Meeting adjourned at 11:11 am.