

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, August 26, 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	Trustee
	Brian Roehl	Trustee
	Floyd Allen – (T)	Trustee
	Andy Dillon – (T)	Trustee

Others present: **Burton Carlson, Graystone Consulting (via phone), Jim Pranschke, GRS Consulting, Michael Reed (via phone), GRS Consulting**

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 August 26, 2019: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

Public Comment

- None

Regular Agenda

Motion – To approve the meeting minutes from July 22, 2019: By D. Bojalad, seconded by T. Shippy.

- Motion Carried - Unanimously

Motion – To approve the Closed Session meeting minutes from July 22, 2019: By D. Bojalad, seconded by T. Shippy.

- Motion Carried - Unanimously

Motion – To approve the Administrative Committee meeting minutes from August 12, 2019: By D. Bojalad, seconded by T. Shippy.

- Motion Carried - Unanimously

Motion – To approve the Administrative Committee Closed Session meeting minutes from August 12, 2019: By D. Bojalad, seconded by T. Shippy.

- Motion Carried - Unanimously

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 is remaining steady and trade activity has been non-eventful. Per J.J Kenny Drake, the current Bond price is \$91.66. The price is up \$4.64 since last month of \$87.02.

Mr. Carlson provided the Board with a cash flow analysis through the 2020 calendar year which is similar to last month, there are slight changes as the April 30, 2019 financials were used.

GRS

Mr. Jim Pranschke and Mr. Michael Reed from GRS were present to discuss the Medicare Advantage RFP results as well as provide their recommendation for plan changes. Mr. Pranschke reviewed the GRS scorecard as it relates to the PPO Plans and the HMO Plans and based on the scorecard Humana came in the highest level for the PPO plans and Priority Health scorecard was the highest level for the HMO plans. The scorecard included categories such as Support Team, Client & Member Support, Medical Plan Access and Network Composition, Pharmacy Access & Network Composition, References, Plan Design and Performance Guarantees.

After discussion the Board asked Mr. Pranschke to reach out to Humana and Priority Health to provide pricing for an enhanced benefit option and report back to the Administrative Committee on September 9, 2019.

Motion – To have Mr. Jim Pranschke reach back out to Humana and Priority Health to provide pricing for an increase to the benefits of the Plan Design: By D. Bojalad, seconded by B. Roehl.

Motion Carried – Unanimously

Financial Reports

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

BeneSys provided copies of the April and May 2019 Financial Statements for review

Motion – to review, accept and pay the Bills for Approval: By B. Roehl, seconded by T. Shippy.

Motion Carried – Unanimously

Administrative Reports

Ms. Gjorgjevski presented a draft copy of the December 31, 2018 audit, End of Audit Letter and Management Representation Letter for signature as provided by Plante Moran.

Motion - to review, accept and approve the Chairperson sign the Management Representation Letter: By T. Shippy, seconded by B. Roehl.

Legal Report

Attorney Castle reviewed his Legal report;

Mr. Castle provided a Plan Document Draft for the Board to review.

Motion – to accept the Plan Document as provided by Legal Counsel: By D. Bojalad, seconded by B. Roehl.

The Investment Policy Statement dated April 2018 was provided to the Board for review. The Board tabled the Investment Policy Statement for further review.

Correspondence

Business Agent Report

New Business

Motion – To enter into closed session at 1:07 pm to address administrative appeals containing confidential personal health information under HIPAA: By B. Roehl, seconded by D. Bojalad.

- Roll call vote: J. Barr – yes
- D. Bojalad – yes
- C. Opolski – yes
- T. Shippy – yes
- A. Dillon – yes
- B. Roehl – yes

Motion - To come out of closed session at 1:23 pm: By B. Roehl, seconded by T. Shippy.

- Motion Carried – unanimously

A. Appeals

Motion - To approve Appeal No. **2732282802**: By D. Bojalad, second by R. Roehl.

- Motion Carried – unanimously

Motion - To approve Appeal No. **2821999975**: By B. Roehl, second by T. Shippy.

- Motion Carried – unanimously

Motion - BeneSys to send a letter advising No. **2817221019** to attend a meeting if they would like to further discuss the appeal provided: By T. Shippy, second by B. Roehl.

- Motion Carried – unanimously

Motion - To table No. **2804117516** for further review: By D. Bojalad, second by T. Shippy.

- Motion Carried – unanimously

B. 2020 Open Enrollment

BeneSys provided draft copies of the 2020 Open Enrollment materials for the Board to review. Changes were requested and BeneSys is to bring back to the next Administrative Committee Meeting for additional review.

C. Fifth Third Bank

BeneSys provided forms from Fifth Third Bank to update the signers on the account. The Board added Mr. Dean Carlson and Mrs. Violet Gjorgjevski of BeneSys on the accounts as authorized signers.

Unfinished Business

A. Duty Disability List & Pension Codes

BeneSys provided the list again with some additional information, the Board has additional questions to the list for BeneSys. The list will remain on the agenda and BeneSys to provided additional information at the next meeting.

B. Post 1/1/15 Retiree's Health Care coverage

Additional discussions will continue as information is available.

Trustee Comment/Open Forum - None

Trustee B. Roehl discussed further diversification of the investment portfolio, as previously recommended by Graystone, through addition of three equity index funds.

Motion – To invest \$250,000 each in S&P 500 index fund (SPY), Nasdaq 100 index fund (QQQ), and Vanguard Dividend Growth fund (VIG) : By B. Roehl, seconded by J. Barr.

- Motion Carried – unanimously

Adjournment

Motion – to adjourn by D. Bojalad seconded by T. Shippy

- Motion Carried - Unanimously

Meeting adjourned at 2:03 pm.